

# New Haven Register

## Forum: New Haven needs infrastructure upgrades, but investors cool



By Pamela Snetro

09/28/15

Connecticut Gov. Dannel Malloy's financial plan for the present and long-term includes a major allocation for transportation and infrastructure upgrades, with special attention on some of New Haven's pressing needs.

Included in the near-term projects is a 1,000-car parking garage for Union Station, which certainly would benefit those who commute by train. Malloy's spending priorities also allow for increased service on the New Haven rail line and improvements to all branches.

That garage and other proposed projects means construction companies, engineering companies, manufacturers of steel, and building suppliers may well have opportunities to sign new multi-million dollar contracts with the city.

But a recent poll of high-net-worth investors in the New York area, which includes parts of Connecticut and northern New Jersey, shows that while infrastructure is an issue, it is not necessarily a hot ticket for investment. The poll (Morgan Stanley Wealth Management Investor Pulse Poll, August 2015) reveals that 78 percent of respondents are not considering investing in industries related to infrastructure.

This is somewhat ironic considering that 79 percent believe that major upgrades in infrastructure in New York, New Jersey and Connecticut are needed. Upgrades in roads and bridges, specifically, are deemed necessary by a huge margin — 94 percent. Some 58 percent see a need for improvements to railroad infrastructure, and 56 percent feel the same about other mass transit.

So why is there a disconnect between what investors overwhelmingly see as a need, and their seeming unwillingness to invest in those companies that could see a surge in business if they scored government infrastructure contracts?

Perhaps it is just a matter of timing. Unlike the private sector, government approvals for public projects can take longer before they actually go to construction and could be a cause for caution among some investors.

However, the design for the New Haven parking garage is essentially complete, and, state transportation officials say the project is in Malloy's five-year "ramp up" phase. Once approved by the legislature it could be completed in two years from the start of construction.

Perhaps the first priority should be for the government to convince potential contractors — and investors — that infrastructure projects, whether roads and bridges, rails or mass transit, will be able to speed through the red tape. Perhaps there can be a streamlined process that will move the various plans and approvals from the bottom of endless "in-boxes" to the top of the "out-boxes."

In addition to the Union Station parking garage, New Haven also could be the site of replacement of the West Rock tunnels on the Wilbur Cross Parkway, and widening Interstate 95 from the city all the way to New York. That means billions in potential projects that will ultimately benefit the city, travelers, and investors as well.

Gov. Malloy recently announced that CTfastrak buses in the New Britain to Hartford corridor have provided one million rides since passengers started paying fares in early April.

Maybe now the governor can find a way to "fast track" New Haven's infrastructure projects as well, and kindle some investor interest in that part of the economy.

*Pamela Snetro is a financial adviser and first vice president with the Global Wealth Management Division of Morgan Stanley in New Haven. She can be reached at 203-786-2126.*