AMPWP Credit Event Brief

NYC Mayoral Election

A&M FIXED INCOME PORTFOLIO MANAGEMENT RESEARCH

AMPWP Pre-NYC Mayoral Election View (as of September 2025)

VIEW

Mamdani wins NYC's November 4th mayoral election. While Mamdani's campaign platform proposals such as "fare-free city buses; public childcare; city-owned grocery stores; a rent freeze on rent-stabilized units; additional affordable housing units; comprehensive public safety reform; and a $30 minimum wage by 2030" create headlines that cast shadows on NYC finances, the likelihood of implementing wholesale reforms remain low – several key proposals would require support from Albany. The primary risk to credit ratings would stem from additional cuts/pullbacks in federal appropriation funding for New York City and related projects. While Mamdani's win is not viewed as a credit positive, alone, it should not be viewed as a material risk for downgrade. The mayor's ability to enact significant changes is very limited without support from Albany.

	Support via Fed. Adm.	Support via Albany	Credit Rating Risk	Credit Rating Risk Rationale
Mamdani	Low	Medium	High	Federal pressure
Cuomo	Medium	Medium	Low	Status quo

Of greater consequence, the relationship (or lack thereof) between NYC, NYS, and the Trump Administration creates more of a credit concern than Mamdani's proposals. On 09/29; Trump posted the following:

"Self-proclaimed New York City Communist, Zohran Mamdani, who is running for Mayor, will prove to be one of the best things to ever happen to our great Republican Party. He is going to have problems with Washington like no Mayor in the history of our once great City. Remember, ***he needs the money from me****, as President, in order to fulfill all of his FAKE Communist promises.* ***He won't be getting any of it****, so what's the point of voting for him? This ideology has failed, always, for thousands of years. It will fail again, and that's guaranteed! President DJT"* (i)

NYC VOTER STATISTICS (ii)

~ 4.7M	~2/3	21.1%	11%
Total Registered Voters	**Of Registered Voters Were Democrats**	**Of Registered Voters Were Unaffiliated (2nd Largest Group)**	**Of Registered Voters Were Republican**

Source:
(i) TheHill.com Mamdani will be 'one of the best things' to happen to GOP (09.29.25)
(ii) NYC Campaign Finance Board (04.29.25)

AMPWP Post-NYC Mayoral Election View (as of November 2025)

WHAT WE KNOW

- As of 11/05, Mamdani Received 50.4% of Votes with 90% of Votes Counted [iii]
- Mamdani will be sworn in as NYC's Mayor on January 1, 2026
- Trump on 11/4: "If Communist Candidate Zohran Mamdani wins the Election for Mayor of New York City, it is highly unlikely that I will be contributing Federal Funds, other than the very minimum as required, to my beloved first home. I don't want to send, as President, good money after bad."
- NYC is currently rated Aa2, AA, AA, all with stable outlooks
- NYC Budget
  - FY25: $112.4B
  - FY26: $119.7B
- Key Dates – Mayor Releases/Presents
  - Mid Jan.: Preliminary Budget
  - End of Apr. Executive Budget
  - Early Jun.: Council Vote

WHAT WE DON'T KNOW

- Exactly what, how, and when the Federal Administration will cut, suspend, and/or claw-back monies from NYC
- Other measures the Federal Administration imposes
  - Department of Housing and Urban Development (HUD): housing programs, public housing subsidies
  - Department of Transportation (DOT): infrastructure grants, mass transit funding, airports
  - Department of Homeland Security (DHS): FEMA disaster relief, airport security funding
  - Department of Health and Human Services (HHS): public health programs, Medicaid funding supplements

WHAT WE THINK

- On Day 1 (Jan.1) the Federal Administration exerts pressure on NYC and announces several fiscal related measures
  - Congestion Pricing is suspended
  - MTA safety concerns are raised
  - FEMA support withheld
  - NYC HHC monies withheld
  - NYC Housing monies withheld
  - CUNY monies withheld
- National Guards are deployed to NYC
- ICE Agents conduct more sweeping raids in NYC
- Mayor Mamdani will need to work closely with Governor Hochul
- Sizable NYC rallies and protests – disruptive
- Rating Agencies change outlooks to negative
- Bond prices widen

Source:
Internal, (iii) theguardian.com Zohran Mamdani elected mayor of New York on winning night for Democrats (11.05.24)

NYC Federal Funding[iv]

NYC's Federal Funding – Outlook Under Trump (12/10/24) – Comptroller Report – Summary Comments

The City's latest FY 2025 November budget includes $9.6B in federal revenue, 8.3% of the City's entire budget of $115B – an increase of $1.6B over the June Adopted budget amount of $7.9B

Although not currently a large share of the City's financial plan in the coming years, were the City to experience another unforeseen disaster, any potential risk to federal emergency funding cannot be understated

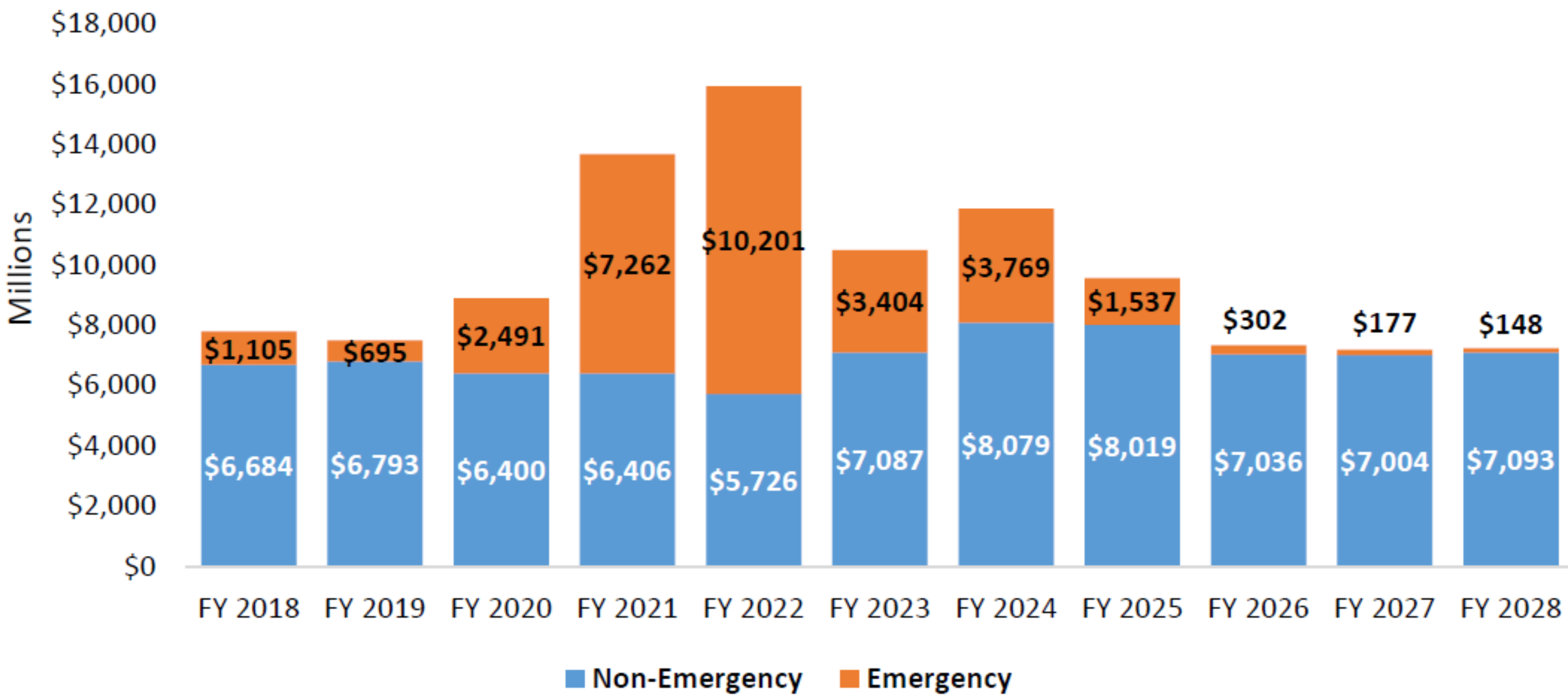
Most recently, federal aid to New York City in response to the COVID-19 pandemic has totaled $26.5 billion through FY 2025

While emergency funding does not currently make up a large share of the FY 2025 budget, federal aid can play a critical role in the City's budget during times of crisis. For example, as a response to Hurricane Sandy, the federal government has provided $5.6B of operating revenue from FY 2013 to FY 2025 for disaster recovery and continued remediation

Beyond its year-to-year operating budget, the City also receives federal funding to undertake longer-term capital infrastructure projects. In the September 2024 Capital Commitment Plan (FY 2025 to FY 2028), the City includes $2.56B in federal funding, with $941M anticipated in FY 2025 alone. The highest level of capital support is for Department of Transportation (DOT) projects at $728M total through FY 2028 and $290M for the Department of Parks and Recreation (DPR), also through FY 2028

Source:
(iv) NYC's Federal Funding – Outlook Under Trump (12/10/24) – Comptroller Report

NYC Federal Funding(iv)



Source:
(iv) NYC's Federal Funding – Outlook Under Trump (12/10/24) – Comptroller Report

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NYC & NYC Related Bonds(v)

	NYC TFA 20yr	NYC GO 20yr	NYS PIT 20yr
Current	35	44	33
12yr Avg	29	35	31

Source:
(v) J.P. Morgan Municipal Morning Intelligence 11/06/25

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