

LOCAL NEWS

Funding shortfall may cause more delay for Southwest Parkway

Posted Wednesday, Nov. 04, 2009



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North Texas Tollway Authority officials say the cost of Southwest Parkway has soared to \$2 billion while they have identified only \$1 billion in available funding, forcing them to seek financial help in a process that may again delay the toll project's scheduled 2010 start.

Political and business leaders are irked by the development, which they say could force state and local officials to divert resources that could be spent on other Tarrant County projects, including the Interstate 35W/Loop 820 interchange expansion in north Fort Worth.

"We have a project at 820 and 35W that is absolutely killing our economic development in North Texas. It's costing us jobs," Russell Laughlin, a senior vice president for Alliance developer Hillwood Properties, told tollway authority officials Wednesday in Fort Worth during a meeting of the Tarrant Regional Transportation Coalition. "Why can't we get this project off the dime?"

But Allen Clemson, executive director of the tollway authority, told coalition members that his agency's most recent traffic and revenue study shows an astounding \$1 billion funding gap for Southwest Parkway.

"At the end of the day, we're going to have to go back to the highway commission. We're going to have to ask for assistance, a credit enhancement, a state infrastructural bank loan," Clemson said, adding that his agency will try to cut project costs through engineering efficiencies. "It's our highest priority. We're working on it every day."

Funds set aside

Clemson, whose agency declined to provide a copy of the recently concluded traffic and revenue study to the *Star-Telegram*, said that when Texas Transportation Commission members and

staffers were in Fort Worth for a monthly meeting last week, they met privately with tollway authority officials.

The authority would like multiple forms of aid for Southwest Parkway, including an agreement from the state Transportation Department to serve as a co-signer and enhance the creditworthiness of the tollway authority in the eyes of investors.

The tollway authority also wants a loan — some other coalition officials said it would be \$300 million or more — from the state infrastructure bank, a revolving fund in Texas that allows borrowers to repay funds used on road work at below-market interest rates.

The Texas Legislature set aside \$2 billion this year in voter-approved Proposition 12 bond funds to speed up road work statewide, including \$1 billion for the infrastructure bank.

Hard times

The first eight miles of the proposed Southwest Parkway toll road from Interstate 30 near downtown Fort Worth to Dirks Road on the city's undeveloped southwest side was scheduled to be under construction next year, and still could be, if the parties iron out their differences.

The project is being built by the Plano-based tollway authority and the state Transportation Department. The authority, which by law has first dibs on Dallas-Fort Worth toll projects, is the lead agency.

Besides the Fort Worth portion of the project, the tollway authority wants an extension south to Cleburne known as the Chisholm Trail.

The tollway authority has hit hard times in the past year, when lending markets nationwide dried up. In 2007, the agency paid a \$3.2 billion concession to the state in exchange for the right to build and collect tolls on Texas 121 in Denton and Collin counties.

The move prevented the project from falling into the hands of a private developer led by Spain-based Cintra.

Since then, the authority has been negotiating with the Transportation Department to take over the Texas 161 toll project in Irving and Grand Prairie, and Southwest Parkway in Fort Worth, and remain the dominant toll agency in Dallas-Fort Worth. But the authority has not identified the funds to do both projects.

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