

LOCAL NEWS

Official says tollway authority should bow out of Southwest Parkway

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A Texas Transportation Commission member wants the North Texas Tollway Authority to withdraw as the lead partner in the Southwest Parkway project and let the state seek a private developer to build the toll road from Fort Worth to Cleburne.

Commissioner Ted Houghton of El Paso discussed his recommendation about Southwest Parkway in an interview a day after the tollway authority said that the toll road is expected to cost \$2 billion but that only \$1 billion is available. The tollway authority said it would need state aid to start construction next year.

Houghton wrote in an e-mail to Commissioner Bill Meadows of Fort Worth this week that his "recommendation on the project on the western end of the Metroplex is that NTTA turn that project back to us and we utilize the private pass-through tool that would bring in private equity."

A third party would pay for Southwest Parkway upfront and be repaid over time with tolls from the road.

Pass-through financing has built smaller city- or county-funded projects in other cities and would not be covered by the Legislature's ban on comprehensive development agreements between the Texas Department of Transportation and private developers, Houghton said.

Concession fee

Houghton, one of five state transportation commissioners, also said that the Plano-based tollway authority had requested a \$200 million discount on another Dallas-Fort Worth toll project: Texas 161, which is under construction in Irving and Grand Prairie and is a gateway to Cowboys Stadium in Arlington.

Last year, after months of intense negotiations, the state Transportation Department and the tollway authority agreed that the market value of the Texas 161 toll road from Texas 183 to Interstate 20 was \$458 million. That would be the "concession fee" the authority would have to pay the state to take over the project.

The authority hasn't decided whether to take over Texas 161.

But Houghton and other state officials have balked at the authority's requests for financial aid, including a request for the state to use its gas-tax-supported Fund 6 as a guarantee against certain authority debts, and a loan of \$300 million to \$500 million from the state infrastructure bank.

State law gives the authority primacy, or first dibs, on toll projects in Dallas-Fort Worth, and the Transportation Department can't pursue private development of a toll project unless the authority declines it.

The first portion of Southwest Parkway, an eight-mile stretch from Interstate 30 in west Fort Worth to Dirks Road in an undeveloped part of the city's southwest side, was expected to be under construction in 2010.

'I'm all ears'

Tollway Authority Vice Chairman Victor Vandergriff of Arlington said Thursday that he was unaware that a pass-through tolling arrangement with a private developer could even be done.

"I'm all ears," he said. "I would be pleased to understand that, and be supportive of that, if it will get the project done."

But Vandergriff reiterated that the authority wants to build Southwest Parkway.

Negotiations between the authority and Transportation Department are reaching a crucial phase, and Vandergriff said he doesn't want to "point a finger" of blame for the Southwest Parkway funding gap.

But he did say that part of the problem is that the Transportation Department withdrew about \$211 million in gas-tax-supported funds from the project to make ends meet on other Tarrant County projects, including the proposed expansion of Northeast Loop 820 and Airport Freeway.

That funding loss is part of the reason the authority is seeking a state loan, Vandergriff said.

Earlier this year, Johnson County officials, who refer to the project as Chisholm Trail, warned that moving gas tax funding out of the project could delay it.

"We've got a very tough finance market and very financially challenged agency" in the Transportation Department, Vandergriff said. "It really doesn't do any good for one side or the other to point fingers unduly. I think it's premature to say the parties can't work together to get it done."

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