Thursday, April 30, 2009

## Transportation RECOMMENDATION FOR COUNCIL ACTION

Item No. 26

**Subject**: Authorize the City Manager to submit an application for the Pass Through Finance Program to the Texas Department of Transportation (TxDOT).

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Robert Spillar, 974-2488; Leanne Vaughn, 974-5657

In 2003 Texas House Bill 3588 created the Pass Through Finance Program. The purpose of the program is to accelerate development of state highway projects by stretching limited transportation funding. The program allows public and private entities to develop and fund projects ahead of TxDOT's timetable. Under the program the local entity and TxDOT sign an agreement to develop a project on the state highway system. TxDOT will reimburse the local entity after the project is substantially complete and open to traffic. Reimbursement is based upon the amount of traffic using the improvement; either on a rate per vehicle mile traveled or a rate per vehicle.

In 2009, TxDOT announced the Program Call for accepting proposals for highway projects to be developed under the Pass Through Finance Program. Depending on the pass-through proposals received and negotiated, the Transportation Commission could allocate up to \$300 million statewide.

This action requests that the City Manager direct staff to identify regionally significant transportation project(s) and to submit an application to the TxDOT for funding under the Pass Through Finance Program. The deadline for submission of a pass-through financing proposal is May 12, 2009.