



Bexar County

Pass Through Financing

Program

Engineering Services & Public Works

September 2010



What is Pass-Through Financing?

ACCELERATION OF TRANSPORTATION INFRASTRUCTURE PROJECTS

- HB 3588 (78th Legislative Session) authorized TxDOT to enter into agreements with public entities for the reimbursement of construction costs on state highway systems.
- Purpose was to accelerate and build today, TxDOT projects scheduled for several years in the future.
- Creation of the Advanced Transportation District (ATD) and ATD sales tax in Bexar County, was authorized by voters in the November 2004 election (City of San Antonio only) and is allocated as follows: 50% to VIA, 25% to TxDOT, and 25% to COSA. ATD funds are administered by VIA.
- Additional legislation was passed in 2005, SB 1434 which authorized the use of Advanced Transportation District (ATD) sales taxes to pay for a public entities up front costs such as interest on debt service and engineering design.



History

- 2 major groups of projects were identified by Bexar County as suitable to pursue under a pass through financing agreement with TxDOT.
- The magnitude of the original projects proposed totaled approximately \$240 Million and consisted of both major interstate and local highway systems projects
- During negotiations liability concerns eliminated the major interstate projects.
- Of the 3 remaining local highway system projects, Spur 421 was also eliminated because the right-of-way and utility relocation was to complex and presented a significant risk to Bexar County.
- This left two projects: FM 3487 from IH 410 to FM 471 (Culebra Road) and FM 2696 from Glade Crossing to West Oak Estates (Blanco Road).
- Pass-Thru Agreement with TxDOT for both projects was approved December 2006. ATD Financing agreement was approved March 2007. Construction on both projects began May 2008.



Pass Thru/ATD Funding

	Bexar County Portion Total Roadway Cost	Fixed TxDOT Reimbursement	Projected ATD Reimbursement Needed (Principal)	Projected ATD Reimbursement Needed (Financing & Other Costs)
Blanco Road	\$ 27,615,131*	\$ 21,435,200	\$ 6,179,931	\$ 13,117,200
Culebra Road	\$ 21,012,221*	\$ 16,092,400	\$ 4,919,821	\$ 9,455,500
Totals	\$ 48,627,352*	\$ 37,527,600	\$ 11,099,752	\$ 22,572,700

* Roadway only

- **TxDOT Reimbursement is fixed by the Pass-Thru Agreement between the County and TxDOT**
- **ATD Agreement with the County covers the following:**
 - **Funding gap in TxDOT reimbursement**
 - **Construction Cost overruns**
 - **Debt Service Requirements of the Bonds**
 - **Cost of Issuance relating to the Bonds**
 - **Professional fees or costs relating to the Project or the Bonds**

PASS THROUGH FINANCING PROJECTS

BLANCO ROAD (FM 2696)

- **Construction In-Progress: 93% Complete**
- **Project length: 3.8 miles**
- **Significant utility relocation**
- **Expands the existing 2 lanes road to 4 lanes with sidewalks and bicycle lane**
- **Total construction cost is \$29,748,000**
- **Projected Completion is Fall 2010**



PASS THROUGH FINANCING PROJECTS

CULEBRA ROAD (FM 3487)

- **Construction In-Progress: 80% Complete**
- **Project length: 3.2 miles**
- **Connects IH410 to FM 471**
- **Expands the existing 4 lane road to 7 lanes with a center left turn lane and bicycle lane**
- **Total construction cost is \$21,873,000**
- **Projected Completion is Spring 2011**





PASS THROUGH FINANCING PROJECTS: ROUND 2

***SH 211 from FM 471 (Culebra Road) to south of FM 1957
(Potranco Road)***

***FM 1957 (POTRANCO ROAD) from Loop 1604 to Just West of
Hwy 211***

***The Westside Public Improvement District (PID) was created by
Commissioners Court in August 2007 (renewed in Aug. 2008
& 2009) to help finance the project.***

***A Pass Thru Agreement with TxDOT was approved by
Commissioners Court on 1/5/2010 for the reimbursement of
\$55.6 Million in Construction Costs***



SH 211 & Potranco Road

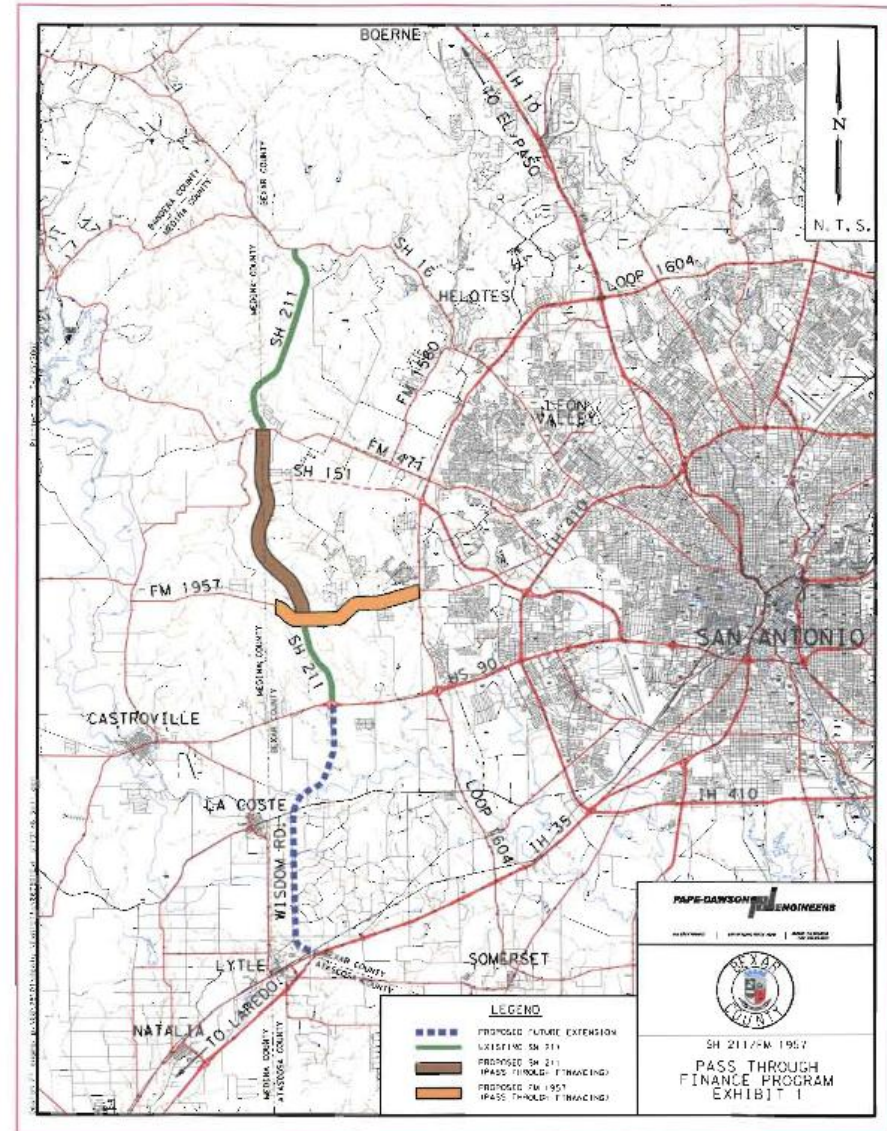
SH 211 will consist of a 2 lane rural highway which completes the 7.6 mile gap from Culebra to Potranco

Est. Const. Cost: \$18.13 Million

FM 1957 (Potranco) will widen the 4.7 mile existing 2 lane roadway to 4 lanes from Loop 1604 to just west of SH 211

Est. Const. Cost: \$37.47 Million

TxDOT will reimburse the County \$55.6 Million, all remaining costs and financing costs will be borne by the Westside PID





SH 211 & Potranco Responsibilities

- Landowners will complete Environmental Clearance, ROW Acquisition and Engineering Design at an approximate cost of \$15 Million and donate those deliverables to the County.
- The County will issue bonds and construct the 2 projects. Estimated construction costs are \$55.6 Million.
- TxDOT will reimburse the County \$55.6 Million once the projects are complete.
- Westside PID will reimburse interest costs, reserve fund deposits, and Cost of Issuance associated with the County Bonds and any principal amounts that exceed the TxDOT reimbursement.
- Design is underway. Construction is estimated to start in late 2012



Pass Through Benefits

- This program along with the Advanced Transportation District Sales Tax, allows the County to finance and build today, TxDOT projects that were not funded or scheduled for construction for another 10 to 15 yrs.
- Eliminates significant congestion present today.
- Secures TxDOT dollars for local transportation projects.
- Demonstrates Bexar County's continued commitment to solving local transportation issues.
- To-date Bexar County is the largest recipient of Pass-Through Financing projects in the State. These 5 projects which were undertaken by the County, represent a \$159 Million investment in major mobility transportation projects which otherwise would have remained unfunded and unbuilt.



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