

Ken Shetter  
Mayor of Burleson, Texas  
Chair of TRTC  
Testimony regarding Comprehensive Development Agreements  
August 11, 1008

My name is Ken Shetter. I am the mayor of Burleson, Texas and Chair of the Tarrant Regional Transportation Coalition. Thank you for giving me the opportunity to speak to you today.

The population of the North Texas region already exceeds 6 million people; in less than 25 years it will exceed 9 million people. We are one of the fastest growing regions in the United States with one of the largest and most complex economies in the world.

Already traffic congestion in North Texas is a nightmare. We currently live in one of the most congested areas of the country, and if we don't substantially increase our investment in transportation, the problem is going to get a lot worse. It is estimated that a 20-minute drive today will take 52 minutes in 2025. This will not only have a devastating impact on the economic vitality of the region—it will diminish quality of life for our citizens.

The RTC estimates that the region will need \$243.5 billion dollars to fund the transportation projects needed to relieve the worst areas of congestion between now and 2030. The good news is that \$135 billion in funding has been identified. However, approximately 30% of that \$135 billion comes from innovative financing strategies, including toll roads, comprehensive development agreements, public private partnerships, and HOV/managed lanes. In other words, we desperately need every viable financing tool in the tool box to maintain and expand our overburdened transportation system. Public Private Partnerships or Comprehensive Development Agreements should be available for any project, whether it is a toll project or a gas tax funded project.

I fully recognize that there has been a good deal of political opposition to CDA's. But I believe most of this opposition is a byproduct of frustration with the Trans-Texas Corridor and to a lesser extent with tolling in general. I urge you to deal with these issues separately and independent from CDA's and PPP's. It would be unfortunate for us to lose ground in efforts to protect the economic vitality and quality of life in our region and state over public angst related to the Trans Texas Corridor.

It is also important to consider the consequences of prohibiting the use of CDA's and PPP's as a financing tool. Given the critical link between mobility and economic vitality and quality of life, if the legislature chooses to take away or substantially limit the ability to utilize CDA's and PPP's, the other choice would be to substantially increase the motor fuel tax. I think we would all agree that the political complexities of including CDA's and PPP's as one of our transportation financing tools pales in comparison to the political complexities of increasing the motor fuels tax in today's economic climate.

Finally, I would urge you to carefully examine the issue of primacy. There is no question that NTTA and HCTRA are quality agencies that provide a needed and valuable service to their regions. But there must be a rational process for determining which projects are best performed by NTTA or HCTRA and which are best performed by TXDOT or the private sector. The market valuation process as it currently exists is not functional—we have to find a better way. Perhaps establishing a level playing field and having a competitive procurement process open to all regional toll agencies and private consortia is the only way to determine true market value.

In conclusion, the continued sustainable development of our region depends on the availability of innovative funding strategies. In terms of economic development, consider that the number one consideration for large employers in determining where to locate, relocate or expand a business venture is existing transportation infrastructure and the ability to effectively move people and goods. In terms of quality of life, consider that an hour stuck in traffic is an hour that could have otherwise been spent with one's family.

Thank you for your time and consideration.