

## **Proposition 12 Bond Program Projects**

### **Background**

In 2007, Texas voters approved Proposition 12, an amendment to the constitution, to allow TxDOT to issue up to \$5 billion in general obligation bonds and other debt for the purpose of paying all or part of the cost of highway improvement projects.

In a special session earlier this year, the Legislature enacted legislation allowing the issuance of \$2 billion of these bonds. The legislation requires \$1 billion of bond proceeds to be used to capitalize the State Infrastructure Bank for the purpose of making loans to public entities.

The remaining \$1 billion (\$90 million for right of way, \$60 million for engineering, and \$850 million for progress payments) will be used by the State to reimburse payments on up to \$1.85 billion in new state highway construction.

### **Current Status**

The Texas Transportation Commission will consider candidate Proposition 12 projects at its November 19, 2009 meeting. The Transportation Policy Council has been requested to indicate its support for candidate Proposition 12 projects in its 8 county planning area.

TxDOT staff identified more than \$8.9 billion in eligible projects throughout the state and is recommending approximately \$2 billion in projects among 4 program areas:

- corridor improvements -- \$1.17 billion
- mobility -- \$575 million
- rehabilitation -- \$300 million
- safety -- \$17 million

The Executive staff of TxDOT is recommending 3 mobility projects throughout the state with 2 located in Houston and 1 in San Antonio. The 2 Houston mobility projects are:

- Approximately \$130 million to widen IH 45 from Kurland to S of FM 2351. The project will widen IH 45 to 10 main lanes and 3-lane frontage roads in each direction along with a reversible HOV lane.
- Approximately \$313 million to acquire right-of-way and construct direct connectors at the intersection of IH 610 and US 290. The project will include reconstruction work at existing interchange.

More detailed information on these projects is posted at:

<http://www.h-gac.com/taq/committees/TPC/2009/11-nov/default.aspx>

### **Action Requested**

Approval of Houston region candidate projects.