



# news

El Paso District  
13301 Gateway West  
El Paso, Texas 79928-5410  
(915) 790-4341 FAX (915) 790-4259

TxDOT's five goals: reduce congestion • enhance safety • expand economic opportunity  
• improve air quality • increase the value of transportation assets.

August 30, 2007

## **Spur 601 project accelerated with private funding**

EL PASO — El Paso is the location of the state's first ever private-sector pass-through financing agreement to accelerate transportation improvements.

Texas transportation officials today signed an agreement with J.D. Abrams to finance, design and build the El Paso Spur 601 (Inner Loop project) which will connect US 54 to the Purple Heart Memorial Highway (Loop 375). The cost of the project is \$367 million.

The project is considered crucial to a Pentagon plan to bring more than 50,000 soldiers and family members to Fort Bliss and El Paso.

“This innovative funding agreement brings private investment to El Paso to build a needed transportation project faster than the state ever could by itself,” said Ted Houghton, member of the Texas Transportation Commission. “These improvements will reduce congestion, enhance safety, expand economic opportunity right here in El Paso; and will support national security with the increased military at Fort Bliss.”

The new highway is expected to handle traffic from military and residential construction at Biggs Army Airfield, as well as the increasing Northeast El Paso traffic.

Construction would begin this Fall on the seven-mile project and be completed in about three years.

Part of the new road will be elevated, allowing motorists to enter and leave Biggs without having to navigate the traffic lights at Fred Wilson and Airport Roads.

Drivers will not pay any tolls since the pass through financing will repay the bond debt. The department will put \$45 million of traditional highway construction funds along with \$10 million from the International Airport into the project up front. J.D. Abrams will finance the remainder of the project and will be reimbursed \$312,450,000 over time based on the volume of public usage of the highway.

Pass-through financing allows local municipalities or private entities to pay for up-front costs to build a transportation project and get reimbursed later from the state as the improvements are used by motorists.

While the state has signed several such agreements with local governmental entities around the state, the El Paso agreement is the first with a private partner in the United States.

“There is a growing transportation challenge in Texas as needs outpace resources,” Houghton said. “We hope this is the first of many agreements in which the private sector will help pay for needed improvements to Keep Texas Moving.”