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Awareness, funding key to North Texas infrastructure

Dallas Business Journal - by By Matt Joyce, Staff Writer

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Selling the public on the benefits of public-private partnerships to build transportation projects is critical to North Texas' effort to keep up with necessary infrastructure improvements, participants in an Urban Land Institute discussion said Tuesday.

Maureen McAvey, executive vice president of the Urban Land Institute's Initiative Group, outlined a recent ULI report that painted a grim picture of the status of United States infrastructure. The United States is "severely behind" other industrialized nations when it comes to funding highways, railways and other transportation infrastructure, she said.

Most Americans take infrastructure for granted, but the economic ramifications of not building new and better transportation systems for freight and people would be huge, she said.

"It's almost like saying we're going to allow our bones to deteriorate but we're going to remain healthy," McAvey said. "You can't do it."

McAvey's concerns were echoed by panelists at the Tuesday morning event, which was held at the Four Seasons Resort and Club Dallas at Las Colinas.

The panel consisted of **Ron Natinsky**, a Dallas City Council member and chairman of the North Texas Council of Governments Regional Transportation Council; **Russell Laughlin**, senior vice president of Fort Worth-based **Hillwood** Properties, and **Joseph Aiello**, CEO and partner of New York-based Meridiam Infrastructure North America.

"On a local level, this issue of public education is the issue we fight more than anything else," Laughlin said. "The next life cycle is due, and somehow we have to pay for it."

Natinsky said the public tends to think of public-private partnership projects as toll roads, and don't realize they also contain improved free lanes. An example would be the LBJ Express rebuild of Interstate 635.

Laughlin said the business community needs to impress upon elected officials the importance of infrastructure projects.

"To shape the debate, you have to know the issue better than they do," he said.

Mike Berry, president of Hillwood Properties, expressed concern about how long it took to get construction started on the LBJ Express and North Tarrant Express public-private partnerships, considering the state Legislature authorized comprehensive development agreements in 2003.

Comprehensive development agreements are the public-private partnerships under which private companies finance the construction of new roads in exchange for the right to operate the road and collect toll fees.

"We have to collapse the pre-development life cycle to get these projects off the ground," Berry said.

Meridiam is a major investor in both the LBJ and North Tarrant projects.

Aiello said the development process on each project was painfully slow, but that was understandable because they were the first public-private partnership projects in North Texas.

He said he expects the process to take half as long for pending public-private partnerships recently approved by the Legislature.

The Legislature last month authorized public-private partnerships for projects to expand and add toll lanes on IH-35E between Dallas and Denton, on State Highway 183 in Dallas and Irving, and on interstate highways 820 and 35W in Tarrant County.

"I think the process will be much more efficient this time around," Aiello said.

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