



## COMPREHENSIVE DEVELOPMENT AGREEMENTS (CDA)



**More Information:** [tti.tamu.edu/policy/how-to-fund-transportation](http://tti.tamu.edu/policy/how-to-fund-transportation)

### Description

A comprehensive development agreement (CDA) is a contract between a private company and a public agency to perform different tasks for transportation projects. These tasks can be combinations of design, development, finance, construction, maintenance, repair, and operation.

A CDA may be used for toll projects, improvement projects that include both tolled and non-tolled options, improvement projects in which a private entity has an interest, or improvement projects financed wholly or partly with private activity bonds. A state highway under a CDA with a private entity is public property.

Types of CDAs used by the Texas Department of Transportation (TxDOT) are:

- Design-build CDAs.
- Pre-development agreements.
- Concession agreements.

### How Will This Help?

- **Reduces the costs to the public agency** by sharing it with the private sector. More projects can be completed with less public money.
- **Accelerates project completion** by allowing the financing, design, construction, and delivery to proceed without delay.
- **Helps transportation funds keep pace** with rising highway construction costs and reduced fuel tax revenues as vehicles become more fuel efficient.
- **Reduces the need for borrowing** to finance transportation improvements.

### Implementation Issues

- Some have argued that CDAs, if not structured to protect public interest, could result in a loss of public control and flexibility.
- Revenue generated from a privately maintained or operated facility would not benefit the public agency. Since a private-sector partner could default, negatively affecting the public sector, CDAs have provisions to protect the public from a private partner's bankruptcy.

### WHO



STATE

### COST TO COLLECT

N/A



### LONGEVITY

N/A

LOW

HIGH

### RELIABILITY

N/A

LOW

HIGH

### IMPLEMENTATION

EASY

MODERATE

COMPLEX

### AROUND THE STATE

#### Dallas/Fort Worth, Texas

The SH 183 Managed Lanes project (Midtown Express) includes plans to increase the capacity of SH 183, segments of SH 114 and Loop 12, and to add one toll managed lane in both directions.

At an interim cost of \$847.6 million and ultimate cost of \$3.8 billion, the project is set to begin the interim phase in early 2015 and be completed in 2018. TxDOT has ownership of the roadway and is using a design-build-finance-operate-maintain delivery method in partnership with developer SouthGate Mobility Partners.



**Toll managed lanes** (TEXpress Lanes) will involve **dynamic tolling to keep traffic moving at 50 mph.**

