

Bond Case Briefs

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PABS - DISTRICT OF COLUMBIA

Indian River County v. Rogoff

United States District Court, District of Columbia - May 10, 2017 - 254 F.Supp.3d 15

Two counties brought actions alleging that Department of Transportation's (DOT) authorization of tax-exempt private activity bonds (PAB) supporting construction and operation of railway violated National Environmental Policy Act (NEPA) and other federal statutes.

Project sponsor intervened. After DOT withdrew allocation, defendants moved to dismiss.

The District Court held that DOT's withdrawal of authorization for PABs rendered counties' actions moot.

Department of Transportation's (DOT) withdrawal of authorization for tax-exempt private activity bonds (PAB) to help finance railroad project rendered moot counties' actions alleging that DOT failed to comply with NEPA and other federal environmental statutes before allocating PABs, even though project's sponsor subsequently obtained new allocation of PABs to finance portion of project that did not affect counties, and it appeared sponsor would follow up with second application for remainder of project, where new PAB allocation for remainder of project without complying with NEPA would not necessarily be unlawful, it was not clear that DOT would authorize new allocation without complying with NEPA, it was possible that new presidential administration would not fund second allocation, and there was no longer any meaningful relief that court could provide counties.