

## FACT SHEET

# 2016–2025 State Transportation Improvement Program

Governor McCrory and the N.C. Department of Transportation are committed to improving the quality of life for citizens in North Carolina. We want to work together to better connect all North Carolinians to jobs, health care, education and recreational experiences. The Strategic Transportation Investments law (House Bill 817) will help make that possible by better leveraging existing funds to enhance the state’s infrastructure and support economic growth, job creation and a high quality of life.

### STI Implementation Update

The N.C. Board of Transportation approved in June 2015 the 2016–2025 State Transportation Improvement Program (STIP), a 10-year transportation plan that includes nearly 1,100 projects in the state over the next decade. The plan is the first developed using the Strategic Mobility Formula—a method for distributing funding for and prioritizing transportation projects—that was created two years ago with the passage of the Strategic Transportation Investments law (STI).

The STIP includes a total of nearly 1,100 projects across all transportation modes and in every county across the state, making this one of our most comprehensive programs ever. These projects will improve connectivity, reduce congestion issues, enhance safety and strengthen our highways.

### STIP by the Numbers

Over 10 years, the **new mobility formula** will generate:

- 478 highway projects = 273% increase
- 300,000 jobs = 172% increase

Using the same existing funds, the **old formula** would have produced:

- 175 highway projects
- 174,000 jobs

### STIP Project Breakdown Summary\*

Projects Scored under P3.0	Statewide Mobility # of Projects	Regional Impact # of Projects	Division Needs # of Projects	Total Projects # of Projects
Highway Sub-Totals	85	149	184	418
Aviation	11	7	37	55
Bicycle-Pedestrian	0	0	70	70
Ferry	0	0	1	1
Public Transit	0	4	6	10
Rail	0	2	3	5
Non-Highway Sub Totals	11	13	117	141
<b>Alternate Criteria</b>				
Interstate Maintenance	138	0	0	138
Bridges	16	22	213	251
Safety Projects	5	6	6	17
Alt. Criteria Subtotals	159	28	219	406
Major Transition Projects**	77	18	13	108
<b>GRAND TOTALS</b>	<b>255</b>	<b>190</b>	<b>520</b>	<b>1073</b>

\*Excludes all CMAQ Projects, Division Purchase Order Contracts, STP-DA/TA, Division Holdouts, GARVEE or Bond Paybacks, Highway Fund Bridges.

\*\*Reflects 108 major transition projects, many of which are near to starting or already under construction.

## Next Steps

NCDOT updates the state transportation plan every two years to be sure that it accurately reflects North Carolina's current financial situation. The STI law also mandates ongoing evaluation and improvement to ensure the process continues to be responsive to the state's diverse needs.

A prioritization work group has already examined the current process and developed recommendations for changes to strengthen the next iteration of the transportation plan.

## Additional Funding

While the Strategic Transportation Investments law (STI) allows NCDOT to make more efficient use of its existing revenue, only 1 in 5 (18 percent) of the 3,100 projects submitted for prioritization in 2014 can be funded over the next 10 years with current revenue resources.

Governor McCrory's 25-Year Vision for transportation recognizes the need to pursue alternative funding solutions, such as public-private partnerships and bond strategies that will allow the state to take advantage of current low interest rates to deliver vital infrastructure improvements for North Carolina.

Governor McCrory has proposed two bonds of approximately \$1.4 billion – one each for roads and public infrastructure.

The North Carolina General Assembly has proposed legislation to help address the department's need for additional revenue.

## Why STI Is Important

North Carolina is one of the fastest growing states in the country. At the same time, NCDOT's major revenue sources—including the state gas tax and federal fuel tax share, the Highway Use Tax and DMV fees—no longer provide enough funding to pay for all the transportation improvements North Carolina needs to continue to thrive.

STI will allow us to use our existing resources more efficiently and effectively, helping us move forward with important projects to enhance mobility and revitalize communities throughout the state. The new process encourages us to think from a statewide and regional perspective while also providing flexibility to address local needs.

## How It Works

The Strategic Mobility Formula funds projects in three categories:

### Division Needs Category

Projects in this category will receive 30% of the available revenue, shared equally over NCDOT's 14 Transportation Divisions, which are groupings of local counties. Project scores will be based 50% on local rankings by area planning organizations and the NCDOT Transportation Divisions, and 50% on data. Highway projects in this category are analyzed according to three criteria:

- Congestion (20%)
- Benefit/Cost (20%)
- Safety (10%)

### Regional Impact Category

This category will receive 30% of available revenue. Projects on this level compete within regions made up of two NCDOT Transportation Divisions, with funding divided among the regions based on population. Data makes up 70% of the project scores in this category. Highway projects in this category are analyzed according to four criteria:

- Congestion (25%)
- Benefit/Cost (25%)
- Safety (10%)
- Accessibility/Connectivity (10%)
- Local rankings will account for the remaining 30%.

### Statewide Mobility Category

This category will receive 40% of available revenue. The project selection process will be based 100% on data.

Highway projects in this category are analyzed according to five criteria:

- Congestion (30%)
- Benefit/Cost (30%)
- Economic Competitiveness (10%)
- Safety (10%)
- Multimodal, Freight and Military (20%)

STI scoring, weights and criteria were developed in 2013 by a broad-based group of transportation professionals and stakeholders, adopted by the N.C. Board of Transportation and reported to the N.C. General Assembly.

*NOTE: Statewide Mobility projects are also analyzed separately in the Regional Impact and Division Needs categories and can cascade down to those categories for funding if they are not funded in the Statewide Category. Regional Impact projects can also cascade down to the Division Needs category. A project's benefit/cost can be improved if funding is provided during the project submission phase through local entity contributions or tolling approved by the local planning organization. In addition, a bonus allocation of up to 50% will be returned to the contributing area for a subsequent project scored through STI.*

### **Alternate Criteria**

To provide more flexibility, STI allows regions and divisions to develop alternate criteria tailored to their individual needs. To do so, the MPOs, RPOs and NCDOT divisions within the region must unanimously agree to the alternate criteria.

Regions made up of NCDOT Divisions 1 and 4 and Divisions 2 and 3 chose to utilize this option and develop alternate Regional Impact and Division Needs criteria.

In addition, the STI legislation stipulates that certain types of projects will not compete under the Strategic Mobility Formula, including interstate maintenance, bridge replacements, highway safety improvements, and Congestion Mitigation and Air Quality projects. These projects will be prioritized separately under different criteria.

