

S. C. TRANSPORTATION INFRASTRUCTURE BANK PRIORITIZATION

JUNE 26, 2018



South Carolina Transportation Infrastructure Bank Enabling Legislation

- ▶ Section 11-43-120 - Creation of the South Carolina Transportation Infrastructure Bank. 11-43-120 (C) " ...purpose of the bank is to select and assist in financing major qualified projects by providing loans and other financial assistance to government units and private entities for construction and improving highway and transportation facilities necessary for public purposes including economic development."
- ▶ Section 11-43-130 - Definitions
 - (5) Eligible Cost – " ...means as applied to a qualified project to be financed from the federal accounts, the costs that are permitted under applicable federal laws, requirements, procedures, and guidelines in regard to establishing, operating, and providing assistance from the bank. As applied to a qualified project to be financed from the state highway account, these costs include the costs for preliminary engineering, traffic and review studies, environmental studies, right-of-way acquisition, legal and financial services associated with the development of the qualified project, construction, construction management, facilities, and other costs necessary for the qualified project."

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▶ Section 11-43-130 Definitions

- (6) Eligible Project – Means a highway, including bridges, or transit project which provides public benefit by either enhancing mobility and safety, promoting economic development or increasing the quality of life and general welfare of the public. “Eligible project” also includes mass transit including, but not limited to, monorail and moonbeam mass transit systems.
- (8) Financing Agreement – “...means any agreement entered into between the bank and a qualified borrower pertaining to a loan or other financial assistance.” These are more commonly known as an intergovernmental agreement.
- (9) Government Unit – “ means a municipal corporation, county, special purpose district, special service district, commissioners of public works, or another public body, instrumentality or agency of the State including combinations of two or more of these entities acting jointly to construct, own, or operate a qualified project, and any other state or local authority, board, commission, agency, department, or other political subdivision created by the General Assembly or pursuant to the Constitution and laws of this State which may construct, own, or operate a qualified project.”
- (15) Qualified Borrower – Means a government unit or private entity which is authorized to construct, operate, or own a qualified project.
- (16) Qualified Project – Means an eligible project selected by the bank to receive a loan or other financial assistance from the bank to defray an eligible cost.

South Carolina Transportation Infrastructure Bank Enabling Legislation

- ▶ Section 11-43-150 Revised 12-15-2016 as part of Act 275
(D) Before providing a loan or other financial assistance to a qualified borrower on a qualified project, the board of directors must submit the decision to the Department of Transportation Commission for its consideration. The Department of Transportation Commission can approve or reject the board of directors decision or request additional information from the board of directors. This requirement does not apply to decisions by the board that relate to any payment or contractual obligations that the Department of Transportation has to the bank that are pledged to any bonds issued by the bank.

South Carolina Transportation Infrastructure Bank Enabling Legislation

Revised 12-15-2016 as part of Act 275

- ▶ Section 6. 11-43-180. Minimum project costs
 - (C) The bank may not provide any loans or other financial assistance, including bond proceeds, to any project unless the eligible costs of the project are at least twenty-five million dollars.
- ▶ Section 7. 11-43-265 Prioritization
 - (A) Notwithstanding any other provision of law and subject to the provisions of subsection (B), the bank must prioritize all projects in accordance with the prioritization criteria provided in Section 57-1-370(B)(8).
 - (B) The General Assembly may enact a joint resolution allowing the bank to fund a project without using the prioritization criteria provided in subsection (A). The joint resolution must be specific as to the project and the amount authorized to be funded.

South Carolina Transportation Infrastructure Bank Enabling Legislation – Act 40 of 2017

- ▶ Act 40 of 2017 eliminated the fifty million dollar annual transfer of General Fund dollars provided to the Department of Transportation to transfer nontax dollars to the bank for the purposes of funding Department of Transportation Commission approved interstate projects as part of the Act 98 of 2013 legislation. With the passage of Act 40 of 2017, the Department of Transportation will provide funding for the interstate projects approved under Act 98 of 2013. If revenue bonds are needed to fund these interstate projects, the Department of Transportation will secure a financing agreement with the bank to repay revenue bond proceeds provided for the project(s).

The Evaluation Committee Reviews Applications To Confirm ...

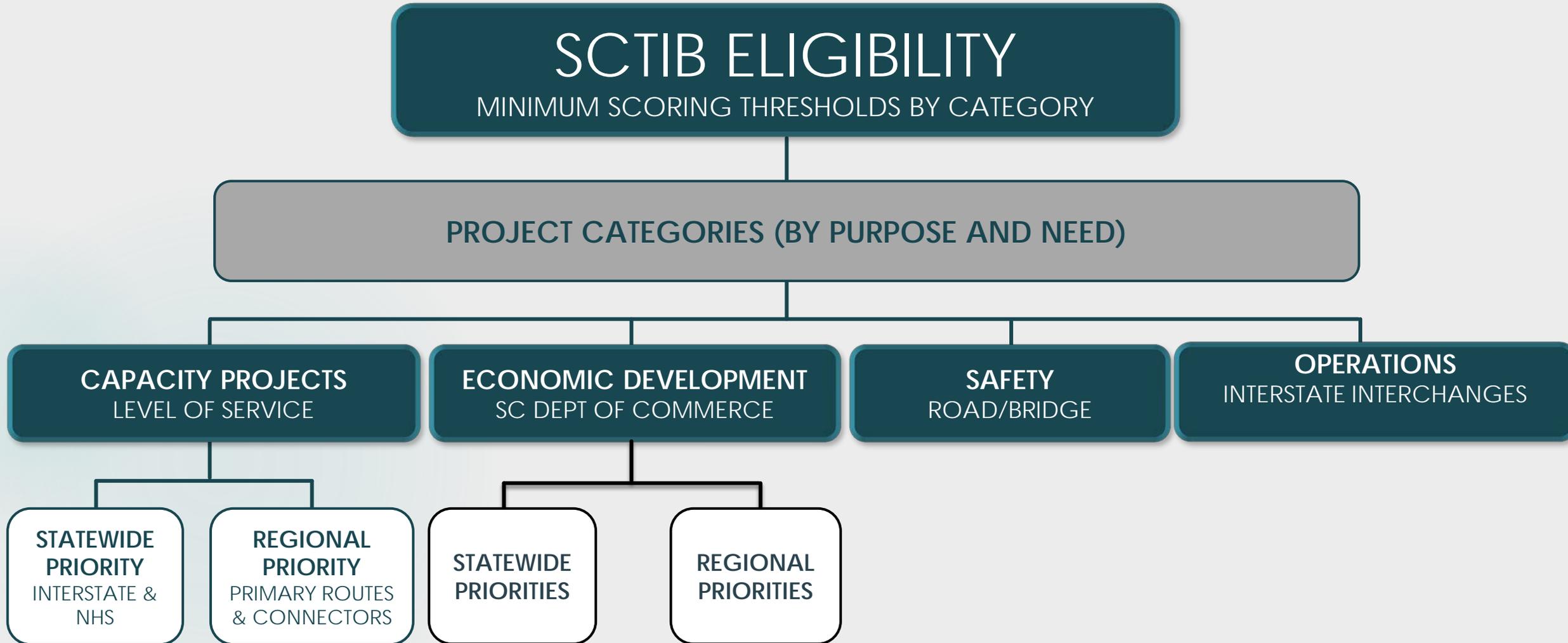
- ▶ Project Eligibility
- ▶ Eligible Project Costs
- ▶ Public Benefit
- ▶ Financial Plan
- ▶ Project Ranking
- ▶ Overall Application Completeness

South Carolina Transportation Infrastructure Bank Prioritization Process

- ▶ Section 57-1-370-B (Act 114 of 2007). Criteria to be considered:
 - financial viability
 - public safety
 - potential for economic development
 - traffic volume and congestion
 - truck traffic
 - pavement quality index
 - environmental impact
 - alternative transportation solutions
 - consistency with local land use plans

South Carolina Transportation Infrastructure Bank Prioritization Process

- ▶ All of the Section 57-1-370-B criteria are not required to be weighted and scored for every category of projects, but all criteria must be considered within each project category.
- ▶ Additional criteria outside of the Section 57-1-370-B criteria can be used within any project category provided the criteria is relevant to the specific project category purpose and need.
- ▶ The project “purpose and need” drives the relevant criteria selected for weighting.
- ▶ The criterion with the highest weighting should be the most relevant for that specific project category (i.e. capacity, safety, operational, or economic development).



PROJECT CATEGORIES

- ▶ CAPACITY (Mobility)
 - Statewide Priorities, typically interstate, National Highway System (NHS) routes
 - Regional Priorities, typically U.S. and S.C. Routes.
- ▶ ECONOMIC DEVELOPMENT
 - Statewide - Infrastructure support for large economic development projects (Ex. Volvo, Greer Inland Port).
 - Regional Economic Development - Infrastructure support for economic development in both urban and rural areas
- ▶ SAFETY (Road and Bridge)
 - Statewide structurally deficient bridges
 - Safety corridors
- ▶ OPERATIONS (Interstate Interchanges)
 - Upgrades to existing interchanges

Interstate Widening Criteria *

Traffic Volume and Congestion	0 – 30 points
Safety	0 – 20 points
Truck Traffic	0 – 10 points
Economic Development	0 – 10 points
Pavement Quality Index	0 – 10 points
Financial Viability	0 – 10 points
Environmental Impacts	0 – 10 points

* This criteria and weighting is from the previous SCDOT Engineering Directive. SCDOT is making updates to the Directive.

Interstate Interchange Criteria *

Interstate Interchange Management System	0 – 80 points
Economic Development	0 – 10 points
Environmental Impacts	0 – 10 points

* This is weighting is from the previous SCDOT Engineering Directive. SCDOT is making updates to the Directive.

Non Interstate Widening Criteria *

Traffic Volume and Congestion	0 – 35 points
Safety	0 – 15 points
Truck Traffic	0 – 10 points
Economic Development	0 – 10 points
Pavement Quality Index	0 – 10 points
Financial Viability	0 – 10 points
Environmental Impacts	0 – 10 points

* This is weighting is from the previous SCDOT Engineering Directive. SCDOT is making updates to this Directive.

NHS Bridge Replacement Criteria

Route Continuity and River Basin Upgrades	0 - 25 points
District Repair Feasibility	0 – 15 points
Improved Emergency Service and Emergency Evacuation Route	0 – 15 points
State Freight Network	0 – 10 points
Strategic Corridor Network	0 – 10 points
New Schools and/or Changes to Bus Routes	0 – 10 points
Known Commercial Routes	0 – 10 points
Future Economic Development	0 – 5 points

Economic Development Criteria

Will work with the SC Department of Commerce and the Department of Transportation to develop project scoring criteria and weighting.

Safety Corridor Criteria

Public Safety

Purpose is the reduction of severe and fatal crashes

Total Crashes

Total number of crashes resulting in serious injury/fatalities

Type of Crash

Road departure crash, defined by a vehicle leaving the travel lane

Average Daily Traffic (ADT)

ADT is the average traffic volume per day.

South Carolina Transportation Infrastructure Bank Prioritization Process

- ▶ The suggestion of minimum threshold scoring by category is to insure the environmental documentation supporting the project will validate the stated purpose and need. This would be supported by both SCDOT statewide project category priorities, as well as local Metropolitan Planning Organization (MPO) and Councils of Government (COG) project category priorities.
- ▶ All ranked projects will be compared together based on their overall score.
- ▶ The current required information supporting Project Eligibility, Eligible Project Costs, Public Benefit, Financial Plan and Project Approach will still be required with all applications.

HOW TO IMPROVE APPLICATIONS

- ▶ Make SCTIB staff available for guidance to applicants before submitting their application.
- ▶ Make sure the applicants project “purpose and need” can be justified.
- ▶ Did the applicant chose the proper purpose and need for their project?
- ▶ How current is the applicants data?
- ▶ If the project is an economic development project, consultation with the South Carolina Department of Commerce is recommended before the application is submitted. Maps of proposed economic development areas along the corridor, as well as projected freight volumes resulting from the development would be helpful in the application.

Questions?