



NORTH CAROLINA

Department of Transportation

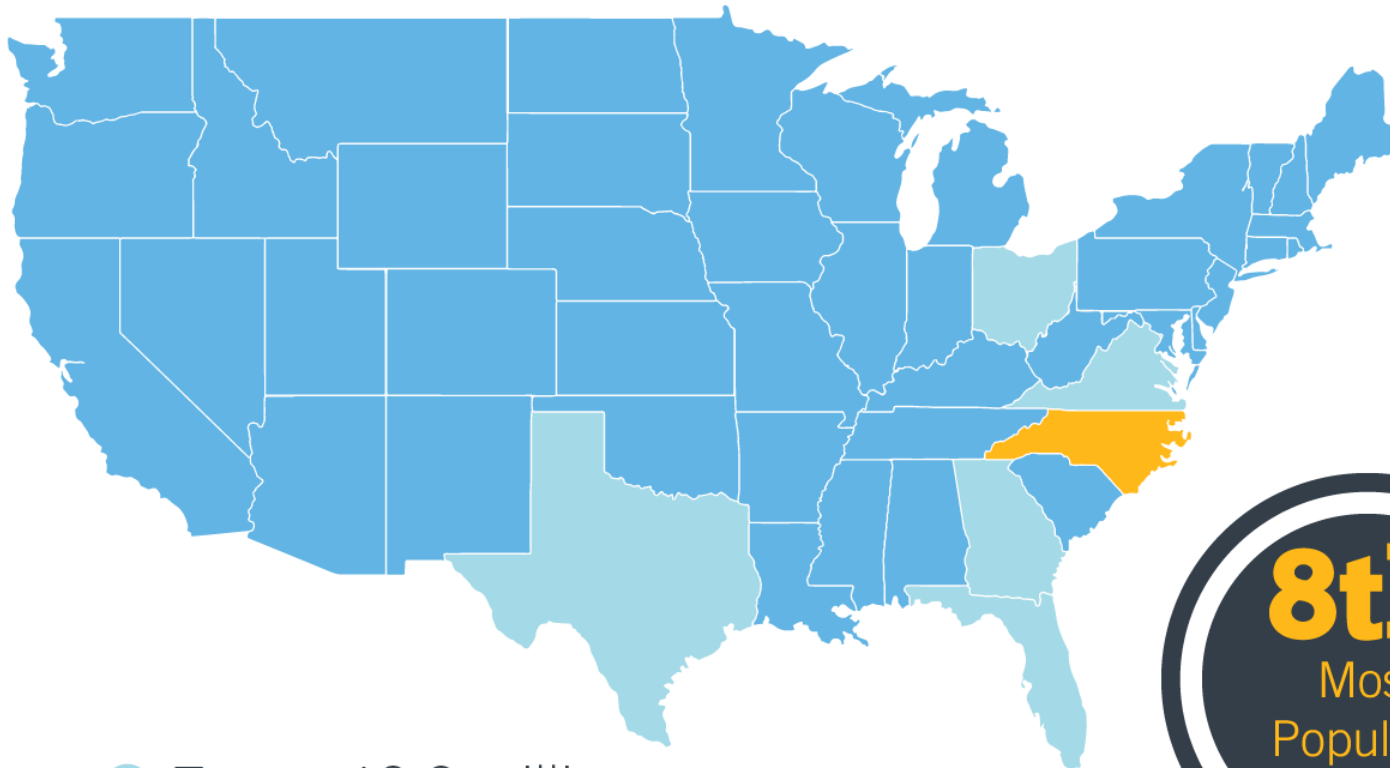


BUILD NC – CAPA Pinehurst

Secretary Jim Trogdon

4/5/2018

Expected Population Growth by 2035



8th
Most
Populous
State

32%
increase
from
NC's 2010
population

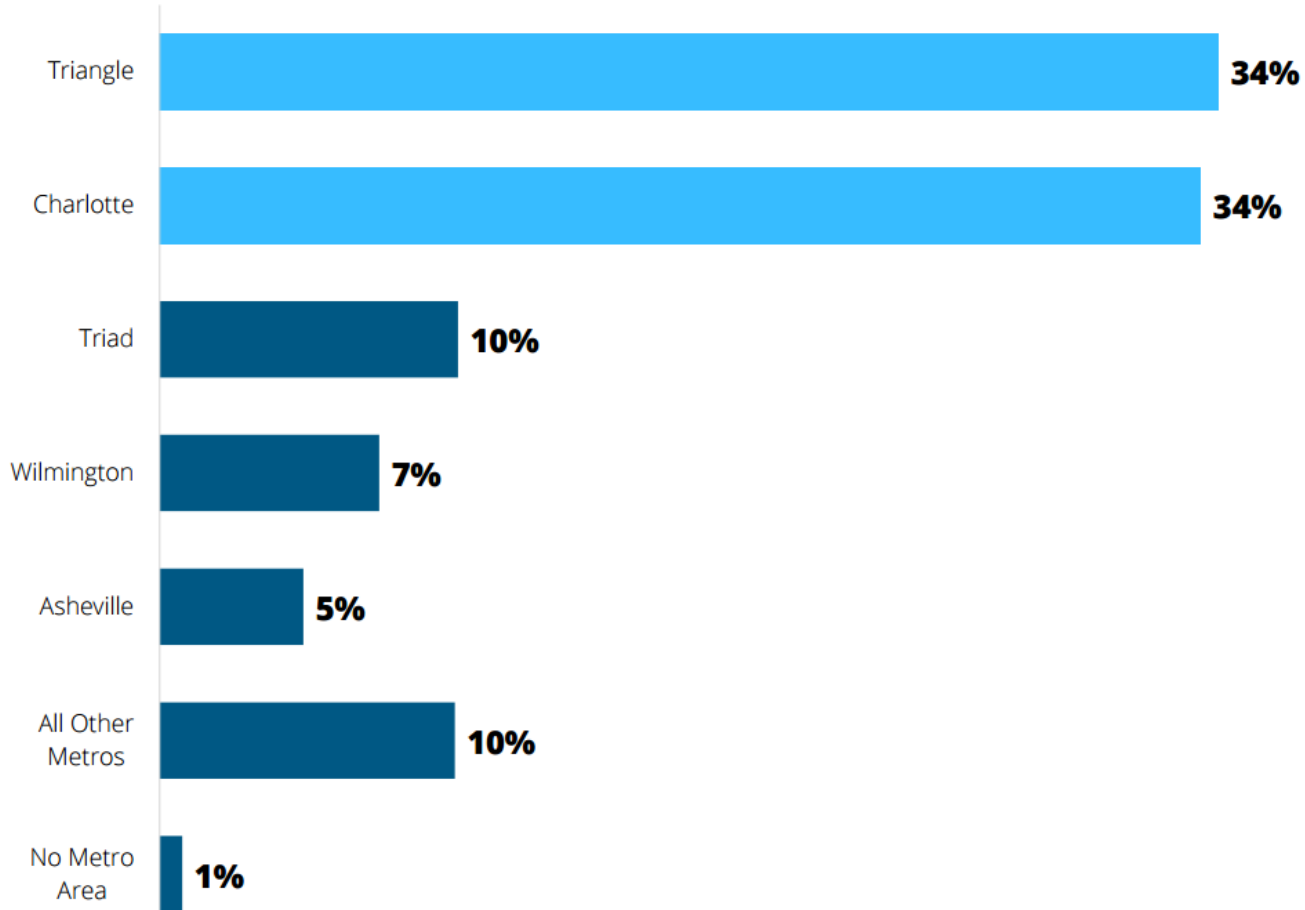
2035
Population
Ranking

- 2 Texas: 40.6 million
- 3 Florida: 28.2 million
- 6 Georgia: 12.8 million
- 8 North Carolina: 12.5 million**
- 9 Ohio: 11.7 million
- 10 Virginia: 10.2 million

NC Demographics

Two-thirds of NC growth projected to occur in Triangle or Charlotte

Projected share of 2010-2035 state population growth for select North Carolina metropolitan areas

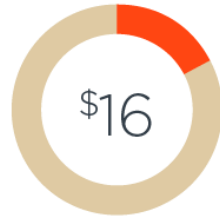


Data Source: NC OSBM

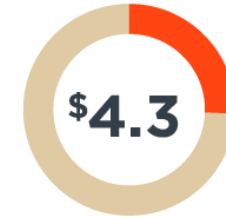
Investment (\$B) Among Peer States 2015



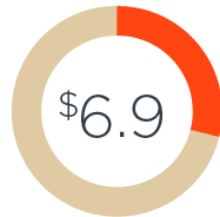
Texas



North Carolina



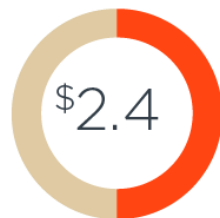
Florida



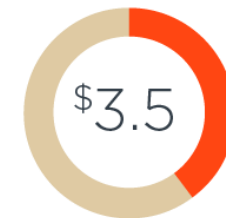
Virginia



Georgia



Ohio



Investment (\$B) Among Peer States 2017

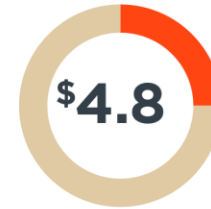
Federal
State



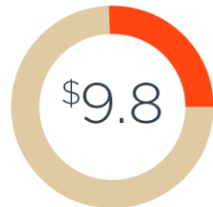
Texas



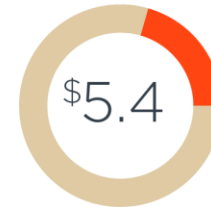
North Carolina



Florida



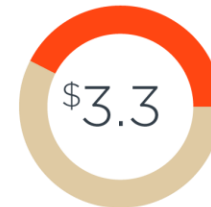
Virginia



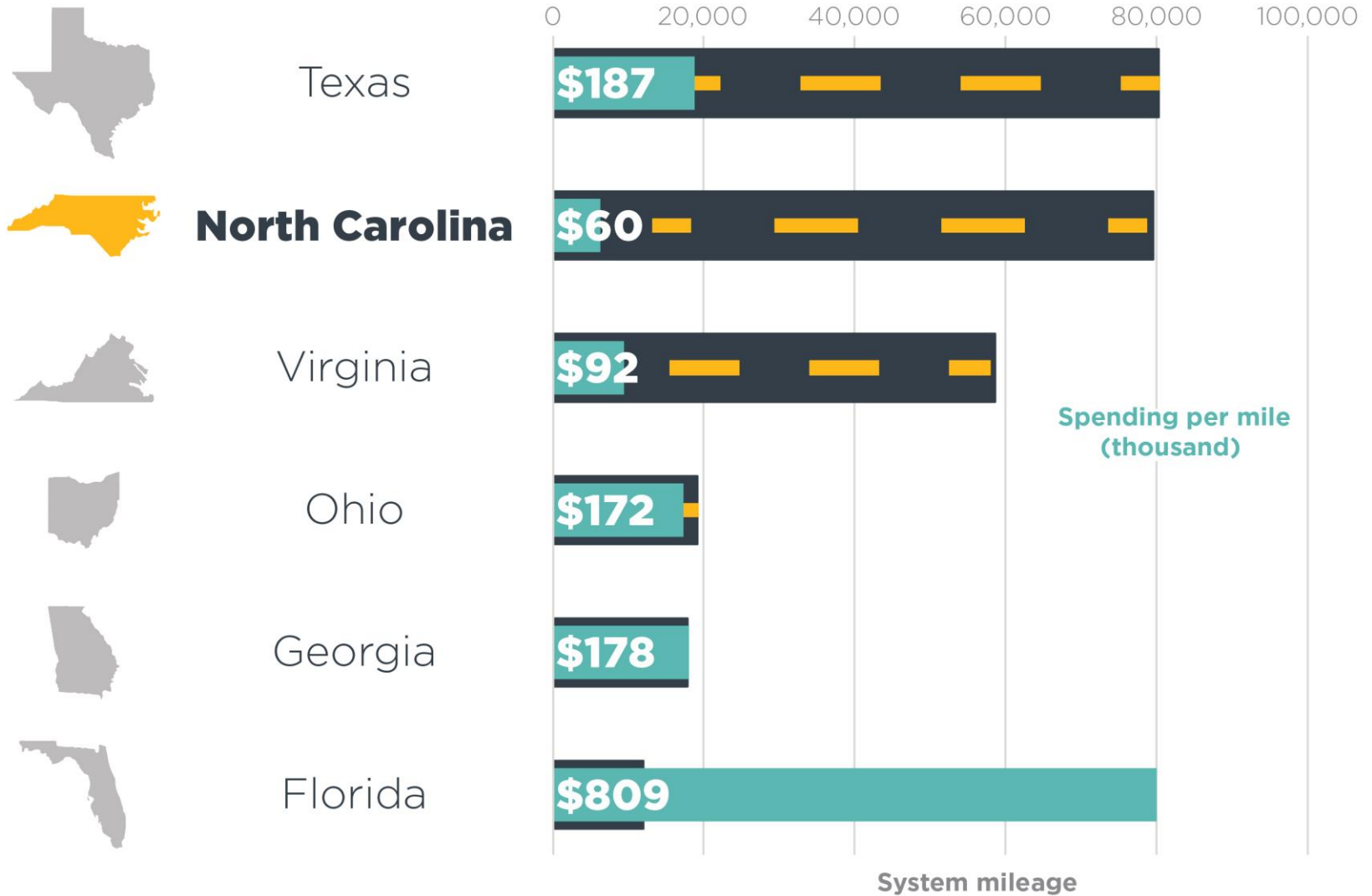
Georgia



Ohio



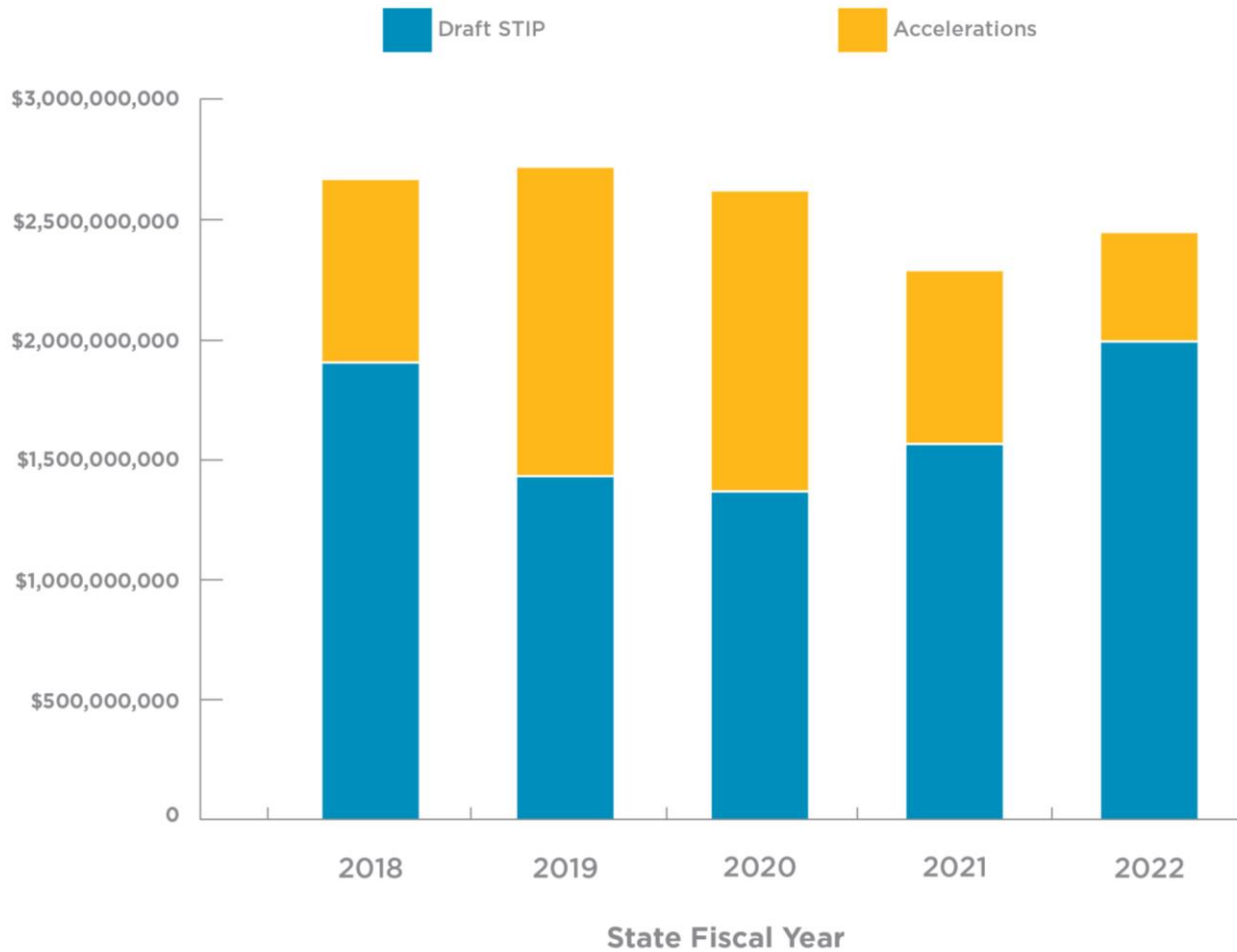
System Mileage vs. Spending Per Mile



Why Cash Buildup?



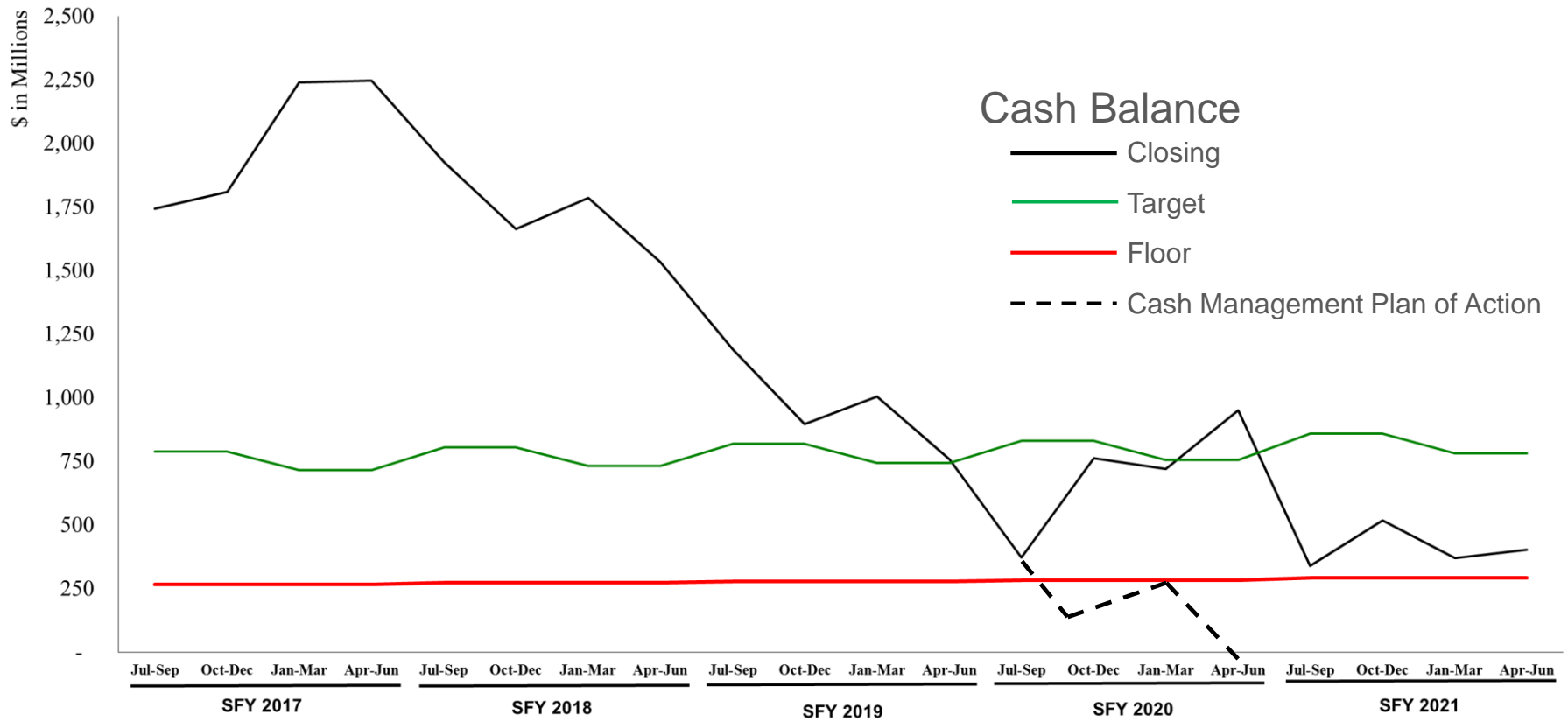
Project Advancements



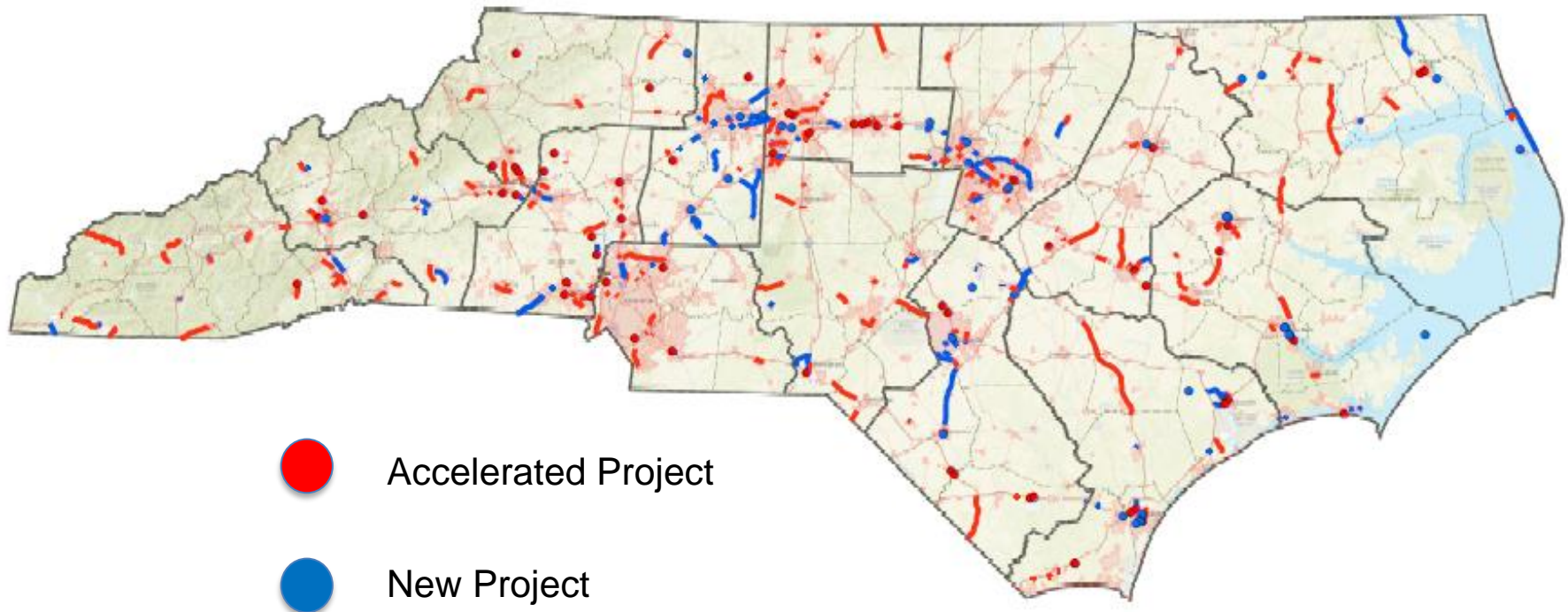
Over the 10-year STIP

Accelerated 350 Projects	Added 144 Projects to STIP
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Addressing Balance – Accelerating Delivery



Changes Between the 2018-2027 Draft STIP & Final STIP



Grant Anticipation Revenue Vehicle (GARVEE Program)

- Debt payable solely from future federal revenues
- Finances improvements to federal highway system (65% of NC projects NOT eligible for these funds)

NCDOT GARVEE Program (established in 2007)	
Bonds Issued	6
Project Financing	\$1.12B
STIP Projects Financed	50
Counties	35

Build NC

- Modeled after GARVEE
- Will maintain integrity of STI
- Have appropriate oversight
- Be utilized at the Regional and Division project tiers (projects NOT eligible for GARVEE)
- Affordability will be determined by the State Treasurer

BUILD NC Framework

Key Considerations

State Transportation Investment (STI) Law	Program development supports STI law
Evergreen	Issuances over time subject to certain conditions, similar with the state GARVEE program per Session Law 2005-403
Equitable distribution	Targets equal distribution between regional and division tier projects
Debt affordability	Consistent with state debt affordability parameters of 6%
Cash balance trigger	Issuances consistent with cash balance target per Session Law G.S. 143C-6-11 (≤ \$750M)
Oversight	Oversight consistent with GARVEE program per Session Law 2005-403
Annual and Total Issuance Cap	Annual cap: Establish debt affordability – Determined by State Treasurer Total cap: \$3 billion

Build NC

- Impacts roughly 150 projects with an estimated value of almost \$4 Billion
- Projects accelerate an average of 2 years
 - New projects are brought forward an average of 5 years
- A tool that supports urban AND rural projects
- Maintains program delivery expectations
- Works with industry partners
- Replicates a proven tool

Summary

- NC is growing and changing
- Multiple funding tools are necessary to meet immediate as well as future needs
- Accelerated project delivery has strong economic impact and enhances NC's economic competitiveness
- BUILD NC will support highest priority projects in rural AND urban locations

Better Transportation Service for North Carolina

Our Mission: Connecting people, products and places safely and efficiently with customer focus, accountability and environmental sensitivity to enhance the economy and vitality of North Carolina.

