

## **Is I-73 in Trouble?**

Environmental OK nice, but where's the money?

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### EDITORIAL

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Our communities' best hope for a modern highway link to the outside world, the S.C. portion of Interstate 73, cleared its final environmental hurdle this week. But the dirt can't fly on this vital project until an even bigger hurdle is cleared: amassing the money to build the road.

I-73's progress thus far, to be sure, is encouraging. State and federal transportation leaders signed off Wednesday on the environmental impact statement for the I-73 leg between I-95 in Dillon County and the S.C.-N.C. line near Cheraw.

The Horry County-to-I-95 leg received environmental clearance last year. The S.C. Department of Transportation has begun acquiring rights-of-way for that portion of this critical economic lifeline for the Grand Strand and the depressed counties of the Pee Dee.

The \$85 million in I-73 up-front money designated in the 2005 federal transportation bill is financing the land-buying. Thanks to the follow-up efforts of U.S. Rep. Henry Brown, R-Hanahan, U.S. Rep. James Clyburn, D-Columbia, and the rest of the S.C. congressional delegation, additional federal construction money for I-73 will flow to the state in the years ahead.

Beyond that, however, the money picture gets grim. The only certainty is that the original \$2 billion estimate for entire S.C. stretch of I-73 is no longer valid. The rising cost of oil - a critical component of asphalt - has changed the math on road projects everywhere.

The General Assembly and Gov. Mark Sanford have done little to raise money for the state's share of the project's cost - at least \$200 million, likely a lot more. In 2006, state elected leaders resolved that the S.C. stretch of I-73 could be a toll road. But they did not designate the project as a toll road. The local legislative delegation has managed since 2003 to squeeze out \$1 million a year out of the state transportation budget for I-73 and I-74 (which would loop down from Brunswick County, N.C., to link up with S.C. 31). That's a pittance.

The fiscal leadership in the legislature, meanwhile, has yet to order the S.C. DOT to write a funding plan for the state's share of I-73. And the S.C. DOT leaders' attitude seems to be that there's no reason to create such a plan anyway. They seem confident that the feds, in future transportation bills, will come up with still more money for the highway.

If this is, in fact, the agency's view, the project could be in trouble. The earmarks-based Washington culture of highway-finance is fading away, the victim of taxpayer disgust

with pork-barreling. Arising in its place is a new highway-finance culture grounded in merit - under which future transportation bills allocate money for projects that enjoy substantial state financial commitment.

Other I-73 financing alternatives are percolating through the fertile brains of local leaders. One promising idea: Lease the I-95-to-Myrtle Beach portion of the road to private interests in return for up-front loans to build the highway. But that approach would require the state to designate that I-73 southern segment as a toll road - and to give up part of the toll revenue to the private lessee. And state money would still be needed to complete the road to the N.C. line.

So this week's environmental good news means that the time for the state to designate an I-73 funding source has arrived. If the state doesn't step up to do that - beginning next year - the S.C. DOT might as well lease the arable land in its I-73 right of way to Pee Dee farmers. It won't be needed for a road.