# MONTANA TRANSPORTATION COMMISSION POLICY STATEMENT

Adopted by the Montana Transportation Commission during regular session in June, 1992, Updated February, 1992, Updated November 22, 2002 Updated July 17, 2003 Policy Number <u>13</u>

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### Background

Montana's Interstate was well planned and access that was provided to it at the time of original construction was appropriate for the needs and land use that then existed.

However, over the years the land use and needs did change in some areas, so on June 28, 1984 the Montana Highway Commission adopted a policy which set forth the criteria upon which additional interchanges could be financed with I-4R (Interstate resurfacing, restoration, rehabilitation, and reconstruction) funds.

Based on that policy, the following interchanges were considered:

South Billings Blvd. At Billings (constructed) I-315 at Great Falls (constructed) North 19<sup>th</sup> at Bozeman (constructed) Forestvale Road at Helena (alternatives under review as part of I-15 EIS) Shiloh Road at Billings (constructed) Airport at Missoula (constructed)

Any of these interchange concepts still not constructed will continue based on the June 28, 1984 policy.

### Discussion

Times are still changing and the highway funding picture for interchanges is tighter. The Intermodal Surface Transportation Efficiency Act of 1991 declared the Interstate completed and eliminated any further Interstate construction funds for new interchanges. In 1998 Transportation Equity Act still allows additional interchanges to be added to the interstate. However, if federal aid transportation funds are to be used to construct interchanges, they must be either IM (Interstate Maintenance) NHS (National Highway System) or STP (Surface Transportation Program) funds. Additional interchanges must therefore compete with other badly needed improvement projects on Montana's arterial and major collector systems. Other categories of funds, such as bridge, may also be eligible depending on the cost benefit of the investment. The following policy will therefore guide the state's investment in new interchanges.

## Policy

It is the policy of the Montana Transportation Commission that additional interchanges on Montana's Interstate be considered for addition on the following basis.

To be considered, an interchange proposed by an entity other than the MDT must:

Be physically feasible. It must meet applicable engineering and traffic standards and not be unreasonably expensive.

Be compatible with local planning. It must be compatible with the local transportation improvement program and long-range transportation and land use plans as applicable.

Have a sponsor willing to carry the financial and administrative burden. That sponsor must be a city or county government and would have to carry the ball as far as preparing feasibility and environmental studies, arranging the financing package, preparing the design, securing the right-of-way, and securing the access through the MDT and FHWA reviews and approvals.

## And

Have a funding plan compatible with the interchange's intended use. For example, at one extreme, an Interchange proposed to serve and enhance a private development would be financed entirely with private funds. At the other end of the spectrum would be a facility without such private benefit that might be funded from a variety of public sources. Between those extremes could be many different situations and funding plans. For example, an interchange that derives 50% of its benefits from increasing land values in the immediate area, 20% from benefits to through traffic and the other 30% from benefits to local traffic, should have a funding package that would consist of 20% IM or NHS money, 30% STP or city funds, and 50% from a local SID assessing property in the area being benefited.

The Montana Department of Transportation and Montana Transportation Commission sets funding priorities unless:

1) There is a positive showing that all needs on the existing NHS and STP program are being met, or

2) There is a positive showing that the economic development benefits which will result from construction of a new interchange outweigh the necessity to meet existing needs in No. 1 above.

Note: For purposes of this section "economic development" means the creation of new manufacturing or other non-retail jobs.

If additional interchanges meet the above criteria, the Montana Department of Transportation and the Montana Transportation Commission will consider the following factors in their further analysis of the proposals:

- 1. Traffic use (both present and future)
- 2. Cost (P.E., R/W, Construction, and Maintenance)
- 3. Local and/or private funding support
- 4. Problems solved for the Department of Transportation (operational, capacity, etc.)
- 5. Problems created for the Department of Transportation (operational, capacity, etc.)
- 6. Problems solved for local governments (operational, capacity, etc.)
- 7. Problems created for local governments (land use, zoning, maintenance, etc.)
- 8. Social, economic, and environmental impacts
- 9. Benefit cost analysis
- 10. Economic development

Additional interchanges must stand on their own merits and compete with other types of projects for inclusion in the program.

If the MDT identifies the need for an additional interchange, this project will compete with other system needs for funding.

Chair, Montana Transportation Commission