

FRENCH BROAD RIVER

METROPOLITAN PLANNING ORGANIZATION

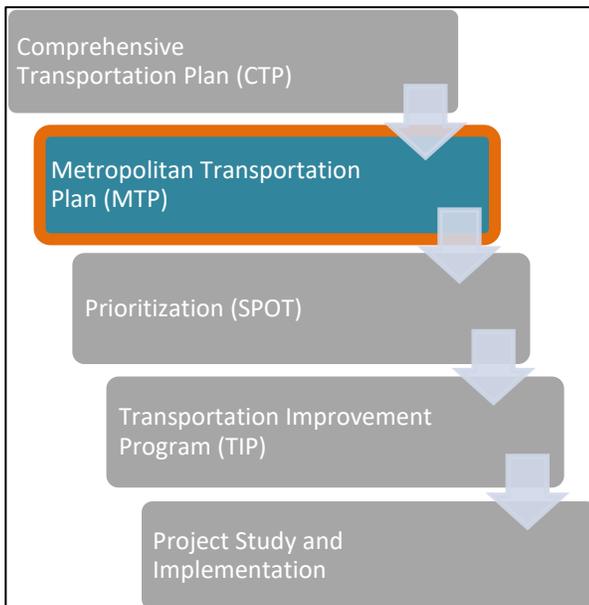
Staff Report & Recommendations

Item 5A:

Amendment to the 2045 Metropolitan Transportation Plan (MTP)

Very Brief Overview

The Metropolitan Transportation Plan (MTP) is a federally-required planning document that MPOs are required to update and maintain to reflect planned transportation investments in the region over the next twenty-five years. The MTP is required to be fiscally constrained, meaning that projects in the MTP have to be reasonably expected to work within projected revenues. The French Broad River MPO is required to update its MTP every five years with the last update completed in September, 2020.



Update Summary

- Add a new interchange to I-26 in Buncombe County near milemarker 35, between Exit 33 (NC 191/Brevard Road) and Exit 37 (NC 146/Long Shoals Road), to connect to an access road to the Pratt & Whitney site and NC 191.
- Remove the MTP Access Management project on NC 280 between I-26 and the French Broad River in order to maintain projects within the MTP's financial plan. The project on NC 280 is not currently funded or being considered for funding.

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Project Backgrounds

HE-0001 Project Background

In January, 2021, Pratt & Whitney announced that it would be building a new 1.2 million square foot manufacturing facility in southern Buncombe County that will employ roughly 800 people and include an investment of up to \$650 million. Overall, the economic impact of the new facility's employment and wages is projected to be roughly \$72 million with several of Buncombe County's economic development goals being met. The County also agreed to up to \$27 million in economic incentives, to be provided over time, if goals are met.

At roughly the same time the development was announced, work began on an access road to the site that includes a new bridge over the French Broad River to NC 191, funded by the Golden Leaf Foundation and Biltmore Farms. This project would provide access between NC 191 and the Pratt & Whitney facility.

As part of the Pratt & Whitney site, NCDOT has programmed \$10 million in economic development funds towards building a new interchange on I-26 (**HE-0001**) to access the future industrial site. This interchange would connect to the access road that would connect across the French Broad River to NC 191. The project is currently estimated to cost approximately \$25 million but that cost may increase based on a number of factors to be determined during design, including potential impacts to the Biltmore Estate.

About the Funding

Based on the Strategic Transportation Investments (STI) Act of North Carolina, funds that are applied towards economic development projects impact the respective Division Needs tier of funding. In this case, the \$10 million already committed to the new interchange on I-26 would impact the Division 13 Division Needs tier in the TIP/STIP, which includes the following projects in our region:

TIP ID	Route	From	To	Cost	County
I-2513D	Riverside Drive	Hill Street	Broadway	\$42,100,000	Buncombe
U-5834	Mills Gap Road	US 25	Weston Road	\$25,533,000	Buncombe
U-4739	Amboy/Meadow Road	I-240	Biltmore Avenue	\$49,300,000	Buncombe
U-5832	NC 81 (Swannanoa River Road)	Biltmore Avenue	S Tunnel Road	\$10,750,000	Buncombe
U-6046	NC 81 (Swannanoa River Road)	US 70	US 74A	\$23,302,000	Buncombe
I-4409	I-40	Blue Ridge Road	-	\$32,799,000	Buncombe
U-6163	Mills Gap Road	Cane Creek Road	-	\$2,810,000	Buncombe

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Long-Range Transportation Plan • Transportation Improvement Program

Highway Planning • Bicycle and Pedestrian Planning • Transit Planning • Air Quality

Public Involvement

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U-6162	N Louisiana Avenue	US 19/23	Emma Road	\$5,800,000	Buncombe
U-6047	NC 112 (Sand Hill/Sardis Road)	NC 191	US 19/23	\$40,300,000	Buncombe
U-5837	Riceville Road	US 70	Clear Vista Lane	\$2,000,000	Buncombe

*costs to be updated

For reference, this section of the STI law provides the types of funds that would be accounted for in the Division Needs tier-

§ 136-189.11.D.4: Projects requested from the Department in support of a time-critical job creation opportunity, when the opportunity would be classified as transformative under the Job Development Investment Grant program established pursuant to G.S. 143B-437.52, provided that the State investment for all projects funded under this sub-sub-subdivision in any five-year period shall not exceed one hundred million dollars (\$100,000,000) in the aggregate and ten million dollars (\$10,000,000) per project. Upon the release of a State Transportation Improvement Program, the Department shall submit a report to the Joint Legislative Transportation Oversight Committee detailing the projects funded under this sub-sub-subdivision.

At this time NCDOT is unable to just apply more state funding to the project since the project has not been submitted to prioritization/SPOT for consideration. Additional funds from the State would either require legislative action or the project would need to be submitted to the next round of prioritization- the latter would not fit within NCDOT's current timetable.

NCDOT staff and others are working on applying for additional funds from outside/exempt funding sources for the remainder of the project costs.

To note: projects that may be impacted don't just include projects in Buncombe County, but projects elsewhere in Division 13 at the Division Needs tier, i.e. projects in Madison, Yancey, Mitchell, McDowell, Burke, and Rutherford funded at the same tier could be impacted as well or

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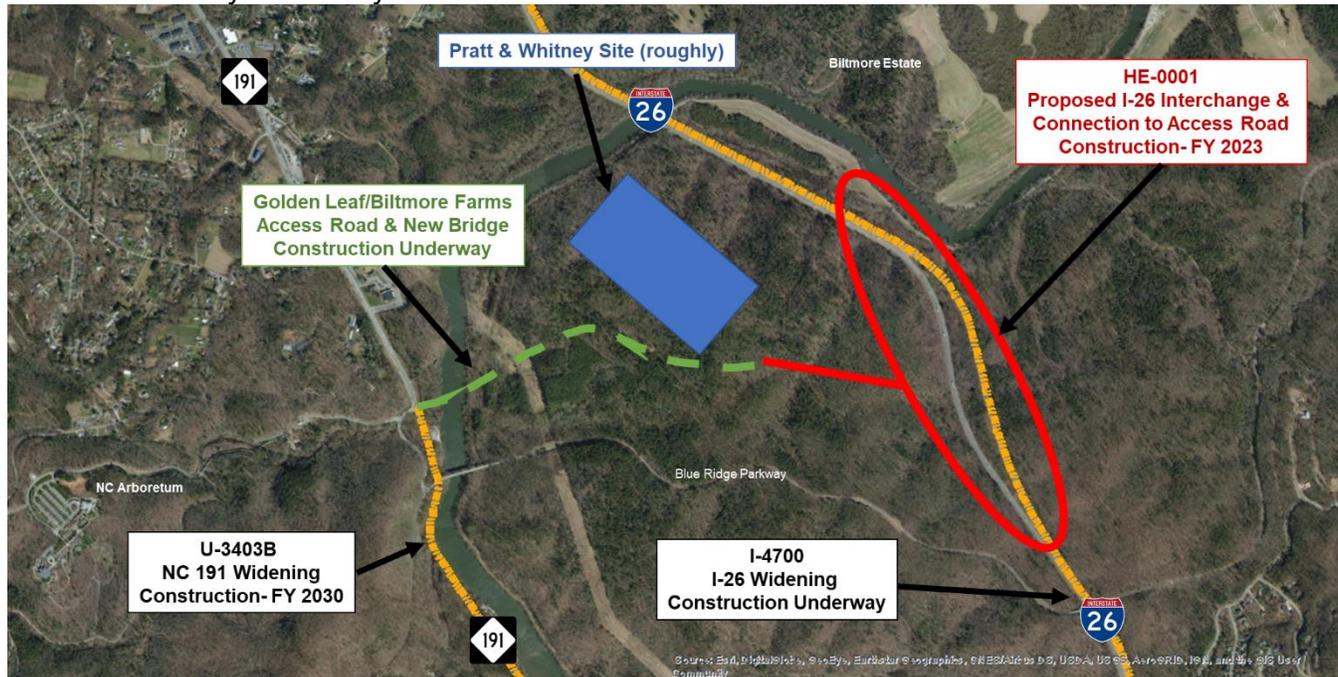
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instead of projects in Buncombe.



Project Details

The new interchange at the Pratt & Whitney site would provide a new interchange in the four mile stretch between Exit 37 (NC 146/Long Shoals Road) and Exit 33 (NC 191/Brevard Road), mostly on land currently owned by Biltmore Farms.



Several alternatives are currently being considered by NCDOT and the Merger Team for the interchange but all alternatives include an interstate interchange that would provide a two-lane

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road accessing development to the west and connecting to the access road that would allow travelers to access NC 191, improving east-west connectivity in the area.

The HE-0001 has a very aggressive timetable, with plans to let the project later in 2022 and environmental documentation beginning to get underway. In order to maintain the current project schedule and follow federal requirements, the French Broad River MPO would need to amend its MTP to include the project.

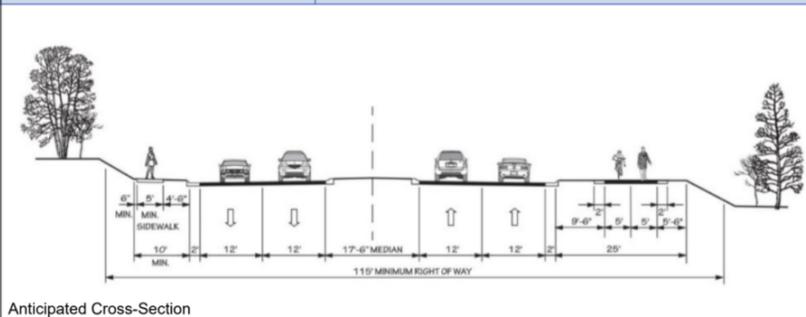
Background on the Project Recommended to be Removed from the MTP:

In order to work within the financial plan of the MTP (funding projected to be available over 25 years), a project (or projects) would need to be removed to accommodate HE-0001.

Staff recommends the removal of an access management project on NC 280 (Airport Road) between I-26 and the French Broad River. The project, HD134528, is currently considered a “long-term priority,” i.e., the project is not currently funded or in the prioritization process to be considered for funding. The project scored relatively low during the MTP project selection process, held last spring, and is estimated to cost more than \$27,000,000, if programmed.

HD134528 – Airport Road Access Management (I-26 to FBR)

Jurisdictions Impacted	Buncombe County, City of Asheville
Current Status	Unfunded, Long-Term Priority
AADT	22,000-31,000
Complete Streets Reference	Blue Ridge Bike Plan
Current Sidewalks	Some
Current Bike Facilities	No



Anticipated Cross-Section

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Potential Actions by the MPO Board & Steps Forward for Consideration in August

Option #1: Approve the MTP Amendments

If the MPO Board approves the MTP amendments, work would continue on the approved projects. For HE-0001, the State Board of Transportation plans to consider approval of funds in the STIP for preliminary engineering for the project at its July meeting with MPO concurrence in its TIP, to officially approve the funding, in August.

Option #2: Reject the MTP Amendments

If the MPO does not include HE-0001 in its MTP, the project would not move forward. FHWA would require any new interstate interchange to be adopted in the region's MTP and would not authorize work to move forward without MPO's approval.

No Action Required- Informational Only at This Time

Questions from the TCC on the I-26 Interchange

1. How is this project funded?

The project was funded from NCDOT Economic Development funds, which are funds that may be applied to projects that show significant job creation and a regional economic impact. These funds, as required by the Strategic Transportation Investments Act (STI), impact the Division Needs tier.

However, this project is not currently fully funded. Only \$10 million of the project's projected costs (\$25-\$35 million) are from NCDOT's Economic Development funds. The rest of the funding is being applied for from various sources, including from the Appalachian Regional Commission (ARC) and from USDOT's RAISE (formerly BUILD and TIGER) grant program.

2. If NCDOT applies for a RAISE grant, who would pay the match?

The \$10 million of State funds would be used as match.

3. Is there a cap on the amount of RAISE funding per project and per state?

Yes, there is a \$25 million cap per project and \$100 million per state.

4. Is Pratt & Whitney contributing private funds to the construction of the interchange?

No.

5. Was this project funded through SPOT or a similar process?

NCDOT's Economic Development funds do not go through SPOT or a similar collaborative process, largely due to the nature of economic development projects involving private entities. NCDOT works with the Department of Commerce to determine eligible projects and determine what projects receive funds.

6. Does this project impact the schedules of other projects?

Generally, yes. At least \$10 million of the project costs will be accounted for in the Division Needs tier for Division 13 in the TIP, which will likely cause delays to other existing projects funded at that tier.

To note: NCDOT is not legally permitted to apply additional funding that would impact the Division Needs tier (or another funding tier) without the going through prioritization or without a legislative change. The additional funding will likely need to come from other sources.

7. Do we know what projects will be delayed in order to program this project?

No, we do not. The projects to be delayed could be in the MPO's region or could be in other parts of Division 13 but delays to other projects will likely be considered as part of other, on-going TIP/STIP restructuring efforts as cost estimates on projects continue to rise.

8. How was the project on NC 280 determined to be the one removed from the MTP to make room for the new I-26 interchange?

The project selected to be removed is a staff recommendation. The project on NC 280 is not currently funded nor is it being considered for funding in the prioritization process, i.e., it's towards the end of the MTP's long-range priorities. Similar projects were considered for removal but NC 280 was close to the interchange's cost, was "cascaded" for the MTP's purposes, and scored lower than other, similar projects.

9. Why is the MTP accounting for \$25 million in project costs and not just the \$10 million that is known to impact the Division Needs tier?

The MTP financial plan accounts for funds from SPOT/STI as well as other funding sources. As long as the source of all the funding is unknown, it would not be a rational assumption that additional funding- not already accounted for- would be coming to the region.

10. What would happen if the MPO rejected to amend their MTP to include the project?

If the MPO were to reject the project, the project would not move forward. As part of the federal conformity process, FHWA requires new interchanges to be adopted in the MPO's MTP and TIP in order to be authorized.

11. Was this project previously identified in the CTP or any other plan?

No, this project was developed by NCDOT as part of the Pratt & Whitney economic development project.

12. What about other improvements to NC 191?

The interchange project plans to connect to access a road that would connect to NC 191. There are planned improvements to NC 191 from roughly the Blue Ridge Parkway to Ledbetter Road (U-3403B) but that project is currently scheduled to begin right-of-way acquisition in 2029 and construction in 2030 or later.

13. Was the Blue Ridge Parkway approached for a potential interchange that could then provide an access to the Pratt & Whitney site?

No, that alternative is not currently being considered but the Parkway is aware of the Pratt & Whitney project.

14. Can residents use the interchange to go anywhere other than the industrial site?

Yes, the interchange is planned to connect to an access road that will have access to NC 191.

15. Has NEPA started on this project?

The environmental/NEPA process for this project is just beginning with traffic forecasts underway.

16. What is the timeline for the interchange?

The project is expected to let next year.