

# Partnership Funding Options

## Cost Share / Economic Development Program

- Project must be on the state highway system.
- Local metropolitan planning organization (MPO) or regional planning commission (RPC) must support the project.
- District engineer must agree to the need and the proposed solution before the project can be considered.
- Agreement must be approved by the Missouri Highways and Transportation Commission (MHTC) and the project sponsor for each project. The MHTC agreement identifies project expenses to be included and each party's responsibility for project costs. These agreed upon expenses are called participation costs.
- At a minimum, the agreement between the MHTC and the project sponsor will include expenses for construction inspection, construction and any construction change orders. Other expenses in the agreement included could be preliminary engineering, right of way acquisition, right of way incidental costs and utility relocations.
- Project sponsors must contribute at least 50 percent of participation costs unless project creates new jobs.
- Projects creating jobs, as verified by the state Department of Economic Development, may be funded up to 100 percent of participation costs with the MHTC approval. Retail development projects are not eligible for higher participation.
- Funds available for Missouri Department of Transportation's (MoDOT's) participation are based on uncommitted revenue. This amount is determined based on MoDOT's debt management policy and funds necessary to keep State Transportation Improvement Program (STIP) commitments. No project will be moved out of the STIP to increase revenue available for cost share projects.
- MoDOT's funding for proposed projects will be considered based on the following hierarchy of funding sources.
  - Remaining balance of \$30 million annually set aside for cost share/economic development - Projects limited to \$5 million annually for a maximum of four years for this allocated funding.
  - Rural major corridor funding allocation remaining balance - Projects must be improvement to a major rural corridor. Since each Transportation Management Area (TMA) region receives its portion of major project funding directly, projects within its boundaries are not eligible for rural major corridor funding.

- Funds distributed to districts for regional concerns or flexible funding - Project must have concurrence of district engineer and district must have an available balance. TMA must agree to use of district funding allocation for project.
- Prior to the Cost Share Committee meeting, concurrence on project funding between the district engineer and the director of transportation planning is necessary for cost share / economic development projects to proceed.