



## City of Phoenix

PUBLIC TRANSIT DEPARTMENT

# NEWS

July 31, 2009

### **The Big Payback**

Light Rail cities to receive \$90 million reimbursement check from federal government

With a \$90 million reimbursement coming from the federal government the week of August 3rd, the METRO light rail cities of Phoenix, Tempe, and Mesa are close to being completely paid back on the \$587.2 million they fronted for the federal portion of the 20-mile Central Phoenix/East Valley Light Rail Transit Project. After this reimbursement \$97 million is due from the federal government to close out the advanced funds; the city of Phoenix Public Transit Department is the designated recipient of federal transit funds for the region.

Of the \$90 million reimbursement, the cities' portions will be:

- Phoenix \$65 million
- Tempe \$18 million
- Mesa \$7 million

The reimbursement will pay for existing transit operations.

Phoenix Mayor Phil Gordon commends the Federal Transit Administration's ability to work with local governments, "The federal government has been a great partner on our light rail project and is working with us on a variety of stimulus funding projects that will continue to bring jobs and money to our local businesses. Phoenix is looking forward to partnering with the Federal Transit Administration on future light rail extensions."

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The cities are being reimbursed for the initial fleet of 36 light rail vehicles, construction of a maintenance and storage facility, 27 passenger stations, seven new surface parking lots, a bridge over Town Lake in Tempe, and a bridge at 48<sup>th</sup> Street in Phoenix as well as transitway construction; utility relocation; public art; fare collection equipment acquisition; and start-up costs.

Vice Mayor and Chair of the Valley Metro Rail Tom Simplot notes that the light rail project was a regional effort that received the needed support from the federal level, "Ours is the longest initial light rail segment built and we came in on time and within our budget. Ridership has exceeded projections by more than 30 percent, showing both the federal government and our community that light rail is a success. We could not have done this without Congressman Pastor and the positive relationship we have enjoyed with the Federal Transit Administration."

METRO light rail service began on December 27, 2008 with a 20-mile route that services the cities of Phoenix, Tempe, and Mesa and carrying a weekday daily average of 33,460 passengers.