



Valley Metro Rail, Inc. (METRO)

METRO plans, designs, builds and operates light rail in the Phoenix metro area with funding from the Federal Transit Administration (FTA); cities of Phoenix, Tempe and Mesa; Maricopa Association of Governments; and the regional Public Transportation Fund (PTF).

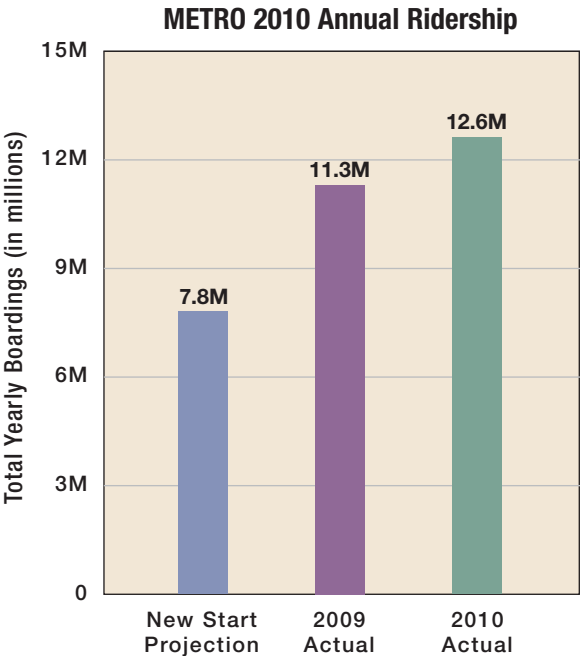
Background

The METRO 20-mile light rail project entered into a Full Funding Grant Agreement with the Federal Transit Administration on January 24, 2005. The \$1.4 billion project was delivered on time and within budget on December 27, 2008 and achieved several significant milestones over the first two years of operation:

- Currently serving 50% more passengers than originally projected.
- Provided nearly 24 million trips over the first two years of operation.
- Average weekday boardings are nearing 40,000 – this was projected to be 26,000.
- Special event ridership is exceeding expectations in 2010 as the average Saturday and Sunday ridership was over 29,000 and 19,000 respectively.
- Since construction was initiated in 2004, approximately \$6.9 billion of private and public development has occurred within walking distance of light rail stations.



Ridership continues with great success.



Development along METRO 2004 to Present

- \$1.4 billion in light rail investment
- \$6.9 billion in non-rail investment
 - Commercial - 129 million square feet
 - Education - 980,000 square feet
 - Hotel - 3,400 rooms
 - Residential - 9.4 million square feet
- 17,000 residential units

SECTION 5309 NEW STARTS PROGRAM Project Development Funding Priorities (millions)

Project	5339 Funding To Date	5309 Funding To Date	FY12 Project Need	FY12 Local Share	FY12 Federal Request
Central Mesa LRT Extension	\$0.4375	None	\$46.0	\$8.0	\$38.0*
Tempe Streetcar	\$0.4375	None	\$16.0	\$8.0	\$8.0

* Included in the President's FY 2012 budget at \$38 million and recommended by FTA for a Small Start Project Construction Grant Agreement (PCGA) in the amount of \$75 million. Total PCGA funding would be approximately 35% to 40% of total project cost. Final cost estimate will be established upon completion of design.

SECTION 5309 – Project Development Priorities

Central Mesa LRT Extension

The Central Mesa Light Rail Transit (LRT) Extension has met the federal criteria to be recommended for a Project Construction Grant Agreement (PCGA) by the FTA. The project is included in the Administration's FY 2012 budget to receive \$38 million. The project falls within the Small Starts category of Section 5309 and the FTA has recommended a PCGA in the amount of \$75 million. The project funding will also include PTF funds approved by voters in Maricopa County in November 2004. The Environmental Assessment for the project is scheduled to be completed in FY 2011. The Project Development (engineering) phase began in early FY2011 and will continue through FY2012. The Central Mesa LRT Extension is scheduled for completion of construction in 2016. METRO is seeking \$38 million in FY2012 funding for design and pre-construction activities (right-of-way and utilities).

Tempe Streetcar

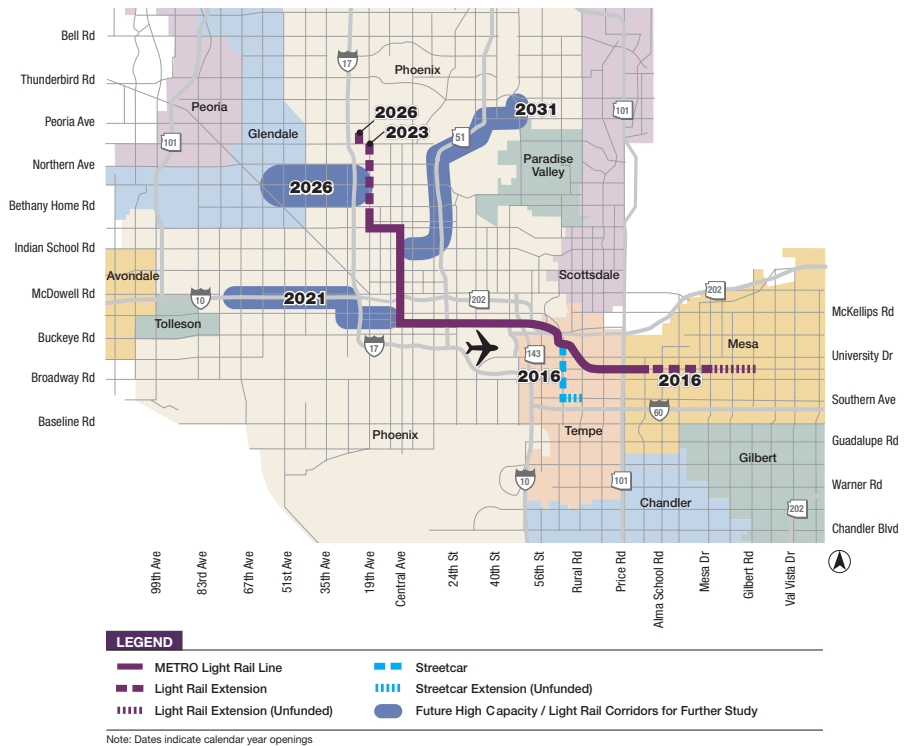
The Tempe Streetcar (f.k.a. Tempe South) also includes funding from the PTF. The Alternatives Analysis for the project was completed in FY 2011. The Environmental Assessment and the Small Starts Project Development (engineering) phase are scheduled to begin in late FY 2011. The Tempe Streetcar is scheduled for completion of construction in 2016. METRO is seeking \$8.0 million in FY 2012 to fund engineering, which will be equally matched with regional funding from the PTF.

METRO requests a total of \$31.0 million in Section 5309 funding for engineering for the Central Mesa LRT Extension and the Tempe Streetcar in FY 2012. The federal funds will be equally matched with \$31.0 million in local funding.

SECTION 5339 – Alternatives Analysis Priorities Phoenix West and Glendale Corridors

SAFETEA-LU created the Section 5339 Alternatives Analysis program for New Starts projects. The METRO light rail system includes plans for high capacity /

METRO High Capacity Transit Corridors



light rail transit Alternatives Analyses and environmental documentation in the Phoenix West and Glendale corridors. These corridors are identified in the system map above.

The METRO 57-mile high capacity/light rail system was approved by Maricopa County voters in 2004, and was presented to those voters with a phased completion date of 2031.

METRO has advanced the Alternatives Analysis on the Phoenix West corridor in order to coordinate with ADOT's design concept study for lane additions on Interstate 10. The Alternatives Analysis effort is scheduled to be completed early in FY 2012 with environmental work continuing through FY 2012. The Glendale corridor began an early feasibility analysis as part of the Alternatives Analysis during FY 2010 and will continue through FY 2012.

METRO is seeking a total of \$3.95 million in Section 5339 funding for the Phoenix West and Glendale Alternatives Analyses efforts in FY 2012. The federal funds will be matched with \$1.0 million in local funding.

SECTION 5339 ALTERNATIVES ANALYSIS PROGRAM Study Funding Priorities (millions)

Project	5339 Funding To Date	FY12 Project Need	FY12 Local Share	FY12 Federal Request
Phoenix West	\$2.675*	\$1.95	\$0.4	\$1.55
Glendale	None	\$3.0	\$0.6	\$2.4

* Includes \$1.0 million in 5339 funds currently pending in FY 2011 appropriations.

**For more information, call John Farry, METRO Director of Community and Government Relations
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