

Staff Summary Report



Council Meeting Date: 02-21-08

Agenda Item Number: _____

SUBJECT: Request approval to authorize Tempe's share of preconstruction funding for a Regional Office Center that will house the offices of Valley Metro Rail, Inc.

DOCUMENT NAME: 20080221pwjism02 **TRANSPORTATION PLANNING (1101-01)**

SUPPORTING DOCS: No.

COMMENTS: Request approval to authorize the expenditure of up to \$181,500 to pay the up-front costs associated with the Tempe's portion of design and construction of the Regional Office Center Project, as obligated through Tempe's membership in Valley Metro Rail (VMR), Inc.

PREPARED BY: Jyme Sue McLaren, Deputy Public Works Manager (350-8803)

REVIEWED BY: Glenn Kephart, Public Works Manager (350-8205)

LEGAL REVIEW BY: Andrew Ching, City Attorney (350-8575)

FISCAL NOTE: Costs associated with the pre-design and construction will be funded by the Light Rail Transit capital improvement budget. Sufficient funds have been budgeted 6710-6798.

RECOMMENDATION: Staff recommends authorizing approval to VMR to obligate funds for the Regional Office Center.

ADDITIONAL INFO: On September 19, 2007, the VMR Board authorized the CEO to negotiate a Memorandum of Cooperation with Maricopa Association of Governments (MAG) and the Regional Public Transportation Authority to acquire land, design and build a Regional Office Center in the City of Phoenix at a total cost of approximately \$86.9 million. This action obligates Tempe to contribute \$181,500 towards the initial preconstruction costs of \$550,000 for this project.

Permanent financing for the Regional Office Center is anticipated in the summer of 2008, at which time the preconstruction costs authorized by VMR Board to date will be refunded to member cities, with lease payments to commence in late 2009.