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Valley cities wrangle over transportation funds

Phoenix Business Journal - by [Mike Sunnucks](#)

Valley cities are haggling over how the region should divvy up federal transportation dollars coming into the region.

The city of Glendale wants transportation stimulus funds put toward Proposition 400 projects, arguing they offer the most economic and widespread bang for the buck.

“We want to make sure the dollars are used wisely and benefit the most people,” said Jessica Blazina, Glendale’s intergovernmental programs director.

That could end up benefiting newer West Valley suburbs because a number of Prop. 400 highway projects are located there.

Maricopa County voters approved Prop. 400 in 2004. It raised the county sales tax by a half-cent for 20 years, allocating the money to highway, road and transit projects. But the recession-induced drop in sales tax revenue has Prop. 400 facing a possible \$6 billion deficit over the life of the program.

If Glendale officials have their way, the **Maricopa Association of Governments** will funnel stimulus money to Prop. 400 projects such as widening Interstates 10 and 17 in the western and northern suburbs, building a new freeway providing access to Phoenix-Mesa Gateway Airport in Mesa, and further improvements to commuter routes such as Grand Avenue and Loops 101 and 202.

Arizona is in line for \$522 million of the recently released \$27 billion in highway stimulus money, according to the U.S. Department of Transportation.

The federal government is allocating that money to the Arizona Department of Transportation, which in turn will send some of it to MAG to be distributed within the Valley. Local mayors, American Indian reservation presidents and a county representative make up MAG’s board, and they will have the final say on how the money is divided and spent.

Blazina contends funding Prop. 400 projects not only would create construction and engineering jobs, but also would help the region’s long-term economic development.



Jim Poulin/Phoenix Business Journal

Widening of Interstate 10 westbound from Loop 101 is one of several infrastructure improvements that could be supplemented with federal stimulus money.

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“Those projects benefit the most people,” she said.

Other city leaders want the federal money divided up so each city can reap some of the benefits. They are leery of putting all the stimulus eggs in the Prop. 400 basket.

“That’s just not going to fly,” said Peoria Mayor Bob Barrett.

Barrett understands the Prop. 400 argument, but he said the political reality is that every Valley city wants to get a piece of the pie so they can create jobs and move forward with local infrastructure projects.

The city of Phoenix wants stimulus funds divided based on population — a benefit for Phoenix, considering it is the largest city in the region and has a \$1.5 billion wish list. Phoenix could use its size advantage and political muscle to get a greater share of stimulus money. Officials tapped Deputy City Manager Ed Zuercher to handle oversight and procurement of stimulus monies. (See related story, Page 1.)

Smaller towns and suburbs want to make sure bigger cities don’t squeeze them out altogether.

Nathan Pryor, MAG’s senior policy planner, said the group hopes to have a stimulus plan in place by March 25 and is looking at four proposals. Some are based on population, with a guaranteed amount for small towns, and others are geared toward Prop. 400.

All Valley cities expect to benefit from the stimulus money, said Mesa Mayor Scott Smith.

“We are all sort of struggling with what is the proper way for that money to be disbursed,” he said.

Smith, Barrett and other local officials see some sort of hybrid compromise in which some stimulus money is spent on Prop. 400, a portion is sent to individual cities based on population, and smaller cities are guaranteed at least some of the take.

“While I understand Glendale’s push to use the monies to help us stay on track with Prop. 400, this stimulus money is much-needed money for all cities with shovel-ready projects, and many of those projects are not Prop. 400 projects,” said Romina Korke, Goodyear’s intergovernmental affairs manager. “Since Prop. 400 passed, there has been a major shift toward transit, (and) citizens across the Valley and cities have a responsibility to try and address those needs.”

Korke would like to see stimulus money pay for development of park-and-ride facilities in the southwest Valley, which are not on the Prop. 400 list.

Scottsdale Mayor Jim Lane, who is skeptical of the stimulus’ economic payoffs, said how to disseminate the money comes down to how the stimulus is viewed. If it is intended to help every city deal with budget problems and move forward with capital projects, Lane said, then the money should be divided equitably throughout the metro area. But if the stimulus is about economic benefit and creating jobs, then larger projects funded via Prop. 400 should be a priority, he said.

“It’s going to be a struggle and a political fight, and we are going to have to do it quickly,” he said.

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