

S.R. 802 Gateway Phase I Acceleration (Right-of Way and Design)

Project

- Advance Phase 1 of the SR 802 (Loop 202 to Ellsworth) by four years
 - Acquire all right-of-way needed to complete phase I
 - Complete design work
 - No construction

Financing

- The State has no bonding capacity left for several years
- The Financing has been structured so that there is no fiscal impact to the City
- Mesa will be issuing Highway Project Advancement Notes (HPAN) to pay for the acceleration
 - Up to \$20 million in first issuance and \$25 million in approximately 6 months
- Mesa will advance funds to ADOT for design and right-of way acquisition
 - ADOT will repay City for advanced funds with Proposition 400 monies
 - Interest costs of the financing will be paid with Prop 400 monies that have been set aside for right-of-way protection of SR 802
- Any cost savings from phase I will be transferred to an account reserved for the advanced construction of SR 802

Benefits

- Take advantage of current land values and attractive interest rates
- Completing right-of-way acquisition and design will position project for possible construction acceleration
- Advancing SR 802 to provide better access to the Mesa Gateway Economic Activity Center
- Greatly assist with economically developing the area
- Opens up transportation options for Queen Creek and Pinal County
- Waiting until 2020 to complete SR 802 would present enormous traffic problems
- Traffic from Pinal County is projected to increase significantly
- This traffic will either cross through East Valley Communities on arterial streets or on SR 802