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OFFICE OF THE CITY MANAGER

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager 

DATE: February 2, 2015

SUBJECT: **DISCUSSION REGARDING CHANGES TO THE RESORT TAX QUALITY OF LIFE FUNDING ALLOCATIONS**

This item was referred to the Finance and Citywide Projects Committee by the City Commission at the January 14, 2015 Commission meeting.

BACKGROUND

As part of the FY 2013/14 budget adoption, a fifth category for Transportation was created from the Quality of Life resort tax funds in addition to the existing allocations for arts and tourism-related capital projects in North, Mid, and South Beach. Currently, the allocations for each category are 20% as shown below.

	Current %	Adopted FY2015 Funding by Allocation
North Beach - Capital	20%	1,228,850
Mid Beach - Capital	20%	1,228,850
South Beach - Capital	20%	1,228,850
Arts	20%	1,228,850
Transportation	20%	1,228,850
	100%	6,144,250

Prior to FY 2014/15, 50% of the third penny of Resort Tax funded the five categories above and 50% funded debt service on RDA bonds as a supplemental pledge until RDA funds became available as taxable values increased over time. For 2014/15 the resort tax pledge from the RDA bonds was released resulting in an additional \$6.1 million becoming available for funding the five Quality of Life categories.

The Administration is proposing potential changes to the allocations to provide additional funding for Transportation to increase the capacity of the trolley system as shown below and provide additional funding for capital in North, Mid, and South Beach.

	Proposed %	Proposed Change to Funding by Allocation
North Beach - Capital	15%	1,843,275
Mid Beach - Capital	15%	1,843,275
South Beach - Capital	15%	1,843,275
Arts	10%	1,228,850
Transportation	45%	5,529,825
	100%	12,288,500

ANALYSIS

In an effort to reduce auto-dependency and improve mobility in our constrained and congested urban environment, the Administration is pursuing a series of transportation projects and transit initiatives that would improve traffic through-put, transit accessibility, and intermodal connectivity. Each of these initiatives will require additional transportation funding.

Trolley System

One such initiative is the implementation of a citywide interconnected trolley system in conjunction with a series of park-and-ride facilities/transit hubs located at strategic junctions. The park-and-ride/transit hubs would serve as interceptor facilities for patrons to park, take transit, or transfer between modes. In addition to the recently implemented North Beach Loop, additions to the City's trolley system under consideration include a proposed Mid-Beach Loop, Collins Link, and South Beach Loop.

Following is a brief description of each of the proposed trolley loops. It is important to note that the precise route and schedule will be topics of discussion at upcoming Transportation, Parking, Bicycle, Pedestrian Facilities Committee meetings as well as Commission Committee meetings and public workshops. Further, any of these City operated trolley services will require an interlocal agreement with Miami-Dade County for which the City will be required to demonstrate that Miami-Dade Transit services are not impacted.

- Mid Beach Loop - New trolley service connecting Collins Park with the hotels along Collins Avenue south of 44th Street and the areas along 41st Street providing opportunities for parking for hotels employees and daily visitors. In the longer term, there may be potential to locate an intermodal facility near the entrance to Miami Beach which could intercept vehicles for trolley transfer, eliminating vehicles from the streets of Miami Beach. The 6.8 mile one-way loop would connect to the South Beach Local at Collins Park and serve the City's parking garage at 42nd Street and Sheridan Avenue and the City's largest trip generator, Mount Sinai Hospital. The service will consist of six (6) trolley vehicles with headways of 10-15 minutes operating daily from 6:00AM to midnight and the route will consist of approximately 32 stops. The total estimated cost of this proposed service is approximately \$3.6 million annually.
- Collins Link – New trolley service connecting the high density residential area along Collins Avenue north of 41st Street to the Mid-Beach Loop on the south and the North Beach Loop on the north. The 6.2 mile one-way loop will serve the City's parking lot at 46th Street, major destinations along Collins Avenue, and the Publix at 69th Street. The route will consist of five (5) vehicles with headways of 10-15 minutes and the route will consist of approximately 32 stops. The total estimated cost of this proposed service is approximately \$2.8 million annually.

South Beach Local/Loop –The Administration is working closely with Miami-Dade Transit to evaluate the feasibility of transferring the South Beach Local bus service to the City such that the City would control the operation of the new service using trolley vehicles. The existing South Beach Local bi-directional loop is approximately eight (8) miles each way and operates at 13 minute headways during peak hours and 20 minute headways during off-peak hours, Monday – Sunday, approximately 16 hours per day. Currently, the annual operation and maintenance costs of the South Beach Local service is approximately \$4 million with the County contributing \$2.7 million annually and the City providing the balance of \$1.3 million annually. However, transfer of this service would have challenges including labor concerns. In the interim, the City is also evaluating converting the existing Alton-West Trolley (implemented as a mitigation measure for the Alton Road Construction Project) into a permanent trolley that is complementary to the South Beach Local.

Transit Connectivity between Miami and Miami Beach

At the November 19, 2014 meeting, the City Commission unanimously approved a resolution directing the Administration to explore the feasibility of implementing Bus Rapid Transit/Enhanced Bus Service in the immediate term connecting Downtown Miami and Miami Beach via the MacArthur Causeway. The City is working closely with the Florida Department of Transportation (FDOT) and Miami-Dade Transit (MDT) to identify feasible options to implement the desired enhanced bus service within the next 12 to 24 month term. It is anticipated that this type of bus service would include technology enhancements, such as queue jumpers, transit signal priority, and real-time next bus information to improve the efficiency and reliability of the service. The annual operating cost of an interim Enhanced Bus Service/Bus Rapid Transit solution to improve connectivity between Miami and Miami Beach is preliminarily estimated at approximately \$5 million.

As a long term solution to improve transit connectivity, the City Commission at its November 19, 2014 meeting, directed the Administration to work with transportation partners, including the Miami-Dade Metropolitan Planning Organization (MPO), FDOT, MDT, and the City of Miami, to advance the Beach Corridor Transit Connection Project to the next phase of project development. This project would consist of Light Rail Transit (LRT)/Modern Street Car service connecting Downtown Miami to the Miami Beach Convention Center.

Intelligent Transportation System

In an effort to increase vehicular through-put, improve Level of Service, and reduce traffic congestion at critical intersections and corridors throughout the City, the Administration wishes to move forward with the implementation of an Intelligent Transportation System (ITS) and Parking Management Solutions. ITS consists of the use of cameras, Bluetooth devices, variable message signs, and adaptive traffic signal control to monitor and manage traffic conditions on a real-time basis, communicate real-time travel information, and improve the efficiency of the transportation network through the use of technology and innovative practices.

- Traffic Management and Monitoring (Interim ITS) - Annual operating and maintenance costs of an interim ITS project consisting of traffic monitoring and management services at critical intersections throughout the City is estimated at \$625,000. If the interim ITS project is deployed for a 5-month term during the City's high impact period only (December – May), the annual operating and maintenance cost is estimated at \$300,000. This interim ITS project would not include adaptive traffic signal control.
- ITS – Full implementation of the ITS Project citywide is expected in 2016. The annual operating and maintenance costs (excluding adaptive traffic signal control) will be approximately \$200,000 for the area from 41st street south. Staff is evaluating the cost for deployment citywide.

Capital Projects

The Administration is actively pursuing grants and other applicable sources of transportation funding, such as the Transportation Investments Generating Economic Return (TIGER) federal discretionary grant program, primarily for capital expenditures associated with the City's ITS Project, as well as local funding sources, such as Fee In-Lieu of Parking, Parking funds, and Transportation Concurrency.

The following transportation capital projects are currently under evaluation:

- ITS – The cost to furnish and install ITS Project south of 41st Street (excluding Adaptive Traffic Signal Control) is approximately \$1.6 million. If Adaptive Traffic Signal Control is implemented at 34 intersections south of 41st Street as part of the ITS Project, the estimated capital cost is approximately \$3.6 million. Staff is evaluating the cost for deployment citywide.
- Mid Beach Intermodal Facility – The City is working with MDT and FDOT to determine the feasibility of an intermodal facility at the eastern terminus of the Julia Tuttle Causeway which would serve as an interceptor park-and-ride facility and transit hub to capture trips entering the City and improve transit accessibility and connectivity. The estimated construction cost of an enclosed Intermodal Facility of 75,000 square feet consisting of 10 bus bays, 75 parking spaces, and 1,500 square feet of landscaping is estimated at \$7.5 million. The need for an Intermodal Facility within the 41 Street vicinity has been identified several times in various transportation studies, including the Coastal Communities Transit Plan (July 2007) and the Miami Beach Intermodal Feasibility Study (August 2000)

If the facility is designed as a more robust intermodal center with 100,000 square feet of covered bus bays, parking capacity for 500 vehicles to satisfy parking demand in the area, and 30,000 square feet of landscaping, the capital cost is anticipated to be approximately \$26 million.

The above costs estimates include design and construction only and do not include the cost for land-lease or acquisition, or operation and maintenance of the respective facility.

- Transit Connectivity between Miami and Miami Beach – At the November 19, 2014 meeting, the City Commission unanimously approved a resolution directing the Administration to explore the feasibility of implementing Enhanced Bus Service/Bus Rapid Transit in the immediate term connecting Downtown Miami and Miami Beach via the MacArthur Causeway. The City is working closely with the FDOT and MDT to identify feasible options to implement the desired bus service within the next 12 to 24 month term.

Interim Enhanced Bus Service - An interim solution that could potentially be implemented in a 12-month term is Enhanced Bus Service across the MacArthur Causeway. This service would consist of 27 route miles of 2-way operation in mixed-traffic (possibly using the shoulders of the MacArthur Causeway) and include technology enhancements such as queue jumpers, transit signal priority, and real-time next bus information to improve the efficiency and reliability of the service. Capital costs for this interim service, including the purchase of articulated buses, are estimated to be approximately \$40 million.

Bus Rapid Transit (Lite) - A longer term solution that would require between 12 to 24 months to implement would be Bus Rapid Transit (Lite) between Miami and Miami Beach. This premium bus service would consist of 27-route miles of 2-way service on exclusive or semi-exclusive lanes within existing rights-of-way on the MacArthur Causeway and City streets. Capital costs for this service, including the purchase of articulated buses, are estimated at \$67.5 million.

As mentioned above as a long term solution to improve transit connectivity between Miami and Miami Beach, the City is pursuing the Beach Corridor Transit Connection Project in partnership with Miami-County and FDOT. This project would consist of Light Rail Transit (LRT)/Modern Street Car service connecting Downtown Miami to the Miami Beach Convention Center. The capital cost of this project is estimated to be \$571 million.

CONCLUSION

The total cost of transportation capital projects that would be eligible for Resort Tax Quality of Life funding is estimated to range from \$47.5 million to \$100 million depending on the scale and magnitude of the project, an intermodal facility in particular. The total annual cost of operation and maintenance of transportation projects is estimated at \$14.2 million annually to \$17.2 million annually depending on the scale and magnitude of the project. At this time, the operating and maintenance costs of an intermodal facility have not been determined and are not included in the cost estimate.

The projects listed above are the transportation needs that have been identified at this time and that the Transportation Department is currently pursuing in some form. It is important to note that the Transportation Department is in the process of completing a comprehensive Transportation Master Plan, and, as part of that effort, City staff and the consultant team are identifying additional mobility needs and will make recommendations for additional transportation projects, initiatives and funding options to address the City's transportation challenges moving forward.

In order to prioritize upcoming transportation initiatives, the Administration is recommending that the Committee recommend changing the funding allocation for the Resort Tax Quality of Life Funds as follows:

	Proposed %	Proposed Change to Funding by Allocation
North Beach - Capital	15%	1,843,275
Mid Beach - Capital	15%	1,843,275
South Beach - Capital	15%	1,843,275
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