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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 THE CONTINUATION OF THE ALTON-WEST TROLLEY ROUTE.**

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

JANUARY 14, 2015 COMMISSION AFTER-ACTION/REFERRAL

At the January 14, 2015 City Commission meeting, the Administration requested authorization to extend, for a six (6)-month period, the existing agreement between the City of Miami Beach and Limousines of South Florida, Inc., (LSF) dated January 31, 2014, for Maintenance and Operations of a City of Miami Beach Trolley System for municipal circulator services, better known today as the Alton-West Loop, operating from 5th Street to Lincoln Road along Alton Road and West Avenue.

The Commission approved the extension of the service given the construction projects along West Avenue that will have an impact on thousands of residents who live and play along the corridor and who most likely could benefit from a similar trolley service. At the same time, the Commission recommended that the Administration evaluate potential alternate routes and schedules for the Alton-West Loop to operate after the Alton Road construction project has been completed, anticipated this summer, including a description of the PTP funding breakdown and details about the current use of these monies in relation to the South Beach Local Bus.

BACKGROUND

South Beach Local

On November 5, 2002, Miami-Dade County voters approved the levying of a one-half of one percent discretionary surtax on transactions occurring in the County that are subject to the state tax imposed on sales. This surtax is known as the Charter County Transportation Surtax (see Attachment A - Ordinance 02-116). Pursuant to the Ordinance, twenty percent (20%) of the proceeds of this surtax are distributed annually to municipalities on a pro-rata basis. These funds are known as People's Transportation Plan (PTP) Funds for use on local transportation and transit projects. The City entered into an Interlocal Agreement with Miami-Dade County on August 13, 2003 in order to receive its pro-rata share of the County's PTP Funds. Pursuant to the Interlocal Agreement, a minimum of 20% of the City's PTP share must be allocated specifically for transit projects. If not used for transit services, the 20% share of PTP funds would need to be returned to the County. Pursuant to Miami-Dade County Ordinance 02-116, five percent (5%) of PTP funds received by a municipality may be budgeted for

administrative assistance. Additionally, PTP funds may be budgeted for technical assistance (e.g. professional services).

On June 8, 2005, the City Commission adopted Resolution No. 2005-25934, which authorized the execution of an Interlocal Agreement (ILA) with Miami-Dade County for the operation of a bi-directional transit circulator service in Miami Beach to be known as the "South Beach Local" (SBL). The SBL service commenced on September 25, 2005 and replaced both the City's Electrowave Shuttle Service and Miami-Dade Transit's (MDT) Route W, serving the entire South Beach community, including Collins Park and Belle Isle. The partnership with MDT allows the City to comply with the requirement of the PTP Surtax Ordinance to expend a minimum of 20% of the City's PTP share on transit projects.

On October 19, 2011, the City Commission adopted Resolution No. 2011-2773 approving a revised Interlocal Agreement between Miami-Dade County and the City for the continued provision of the South Beach Local service operated by MDT. Under the provisions of the current Interlocal Agreement executed on January 2012, Miami-Dade County and the City agreed to the following terms and conditions:

1. City will maintain the current level of funding contribution of \$1,213,121 for operating assistance in the initial year.
2. City's contribution will be adjusted in subsequent fiscal years in accordance with the Miami-Ft. Lauderdale CPI Transportation Index or 3%, whichever is less.
3. MDT will contribute the balance of operating and maintenance funds in the amount of \$1,938,879 in the initial year.
4. MDT will maintain the current headways of 13 minutes during the peak hours and 20 minutes during off-peak times.
5. MDT will continue service to Belle Isle.
6. Service will terminate at midnight rather than 1:00 AM due to low ridership during that time period.

Alton-West Trolley

At the December 11, 2013 City Commission meeting, the Administration was directed to develop a plan to mitigate the financial loss being experienced by business owners on Alton Road and West Avenue due to the Florida Department of Transportation (FDOT) Alton Road reconstruction project. One of the actions identified at the Commission meeting was the immediate implementation of a transit circulator loop along Alton Road and West Avenue and connected to the Alton and Fifth parking garage in an effort to help mitigate the loss of parking, improve mobility, and promote economic development along these corridors.

It is important to note that the operator of transit services for hire requires approval by Miami-Dade County. The Alton-West Trolley was approved as a traffic mitigation strategy for the Alton Road construction project.

On February 14, 2014, Miami-Dade County Mayor Carlos A. Gimenez administratively granted a temporary Certificate of Transportation to LSF for operation of municipal circulator services for the City of Miami Beach. The temporary certificate was valid for one hundred and twenty (120) days upon issuance until a more permanent solution would be approved by the County.

On June 3, 2014, the Board of County Commissioners (BCC) of Miami-Dade County issued a Passenger Motor Carrier (PMC) certificate of transportation authorizing LSF to provide transit services for the City as provided for in the Agreement between LSF and the City dated January 31, 2014. Since the Alton-West Loop was approved as a traffic mitigation strategy, the PMC

certificate was set to expire with the completion of the FDOT Alton Road reconstruction project, noted at the time as July 2015.

ANALYSIS

Currently the City funds or partially funds the operation of three (3) circulators services: 1) the South Beach Local which is partially funded using PTP funding in the approximate amount of \$1.3 annually; 2) the Alton-West Loop which is a temporary service fully funded using Resort Tax Quality of Life funds in the amount of \$750,000 annually; and 3) the North Beach Loop which is fully funded using Resort Tax funds in the approximate amount of \$1.6 million annually.

The Administration is working closely with Miami-Dade Transit to explore the transfer of the South Beach Local (along with partial County funding) 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.

The South Beach Local service costs approximately \$3.8 million annually and the County contributes \$2.5 million annually towards the operation. The City pays the remaining 1/3 of the overall cost of operation and maintenance, or \$1.3 million annually.

Below is a detailed breakdown of the PTP funds allocated to the City by Miami-Dade County for Fiscal Year 2014/15.

- \$1,325,610 South Beach Local Circulator Operating Expense
 - \$ 250,000 Technical Operating Expenses
 - \$1,872,850 Capital Projects
- \$3,448,460 Total FY 2014/15 PTP Fund Budget**

The potential also exists to modify/redeploy Alton-West Trolley so long as the City can demonstrate to Miami-Dade County that the route does not negatively impact/duplicate County services.

RECOMMENDATION

The City's Transportation Department will work closely with MDT to evaluate the feasibility of alternate routes and schedules for a municipal circulator service, either on an extended or permanent basis, which can enhance mobility within the target area while minimizing duplication of existing transit service.

Additionally, the Administration will continue to work with Miami-Dade County through the established MOI to evaluate the feasibility of a potential transfer of the South Beach Local from County jurisdiction to municipal jurisdiction.

The Administration anticipates bringing this item back before the NCAC at its April 2015 meeting to provide an update to the Committee.


JLM/KGB/JRG/JFG