

9-11-07

City of Alexandria, Virginia

MEMORANDUM

DATE: SEPTEMBER 6, 2007

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER *J*

SUBJECT: CONSIDERATION OF AN ALLOCATION FROM FUNDS DESIGNATED
FOR NATIONAL HARBOR RELATED PURPOSES TO FUND A KING
STREET TROLLEY SERVICE STARTING IN APRIL 2008.

ISSUE: Provision of a free expanded land shuttle service on King Street in Old Town to serve National Harbor visitors, tourists, businesses and residents.

RECOMMENDATION: That Council allocate \$141,000 from the FY 2008 funds designated for National Harbor related purposes to fund a fare-free King Street rubber-tired trolley service in Old Town from the Waterfront to the King Street Metrorail Station starting in April 2008.

BACKGROUND: In December of 2006, the Mayor asked the Chamber of Commerce to convene a large group of business, governmental, non-profit and civic stakeholders (The National Harbor Collaborative Work Group, or "Collaborative") in order to take advantage of the major opportunity, as well as to be prepared for the challenge, being presented by the new National Harbor development across the Potomac. As Council is aware, the National Harbor development is being constructed just across the Potomac River in Prince George's County, just south of the Woodrow Wilson Bridge. National Harbor is a 300-acre, mixed-use development that will include five hotels, as well as the Gaylord National Resort and Convention Center, the largest such non-gaming convention hotel on the east coast of the United States. The 3,000 hotel rooms at National Harbor, along with eventually up to one million square feet of retail and restaurant space, condos and the Gaylord convention center, are anticipated to generate thousands of new visitors to Alexandria annually, as well as offer an attractive, active, new waterfront venue for area residents and tourists to visit. Many of those area residents and tourists now come to Alexandria to dine, shop and to be entertained. In short National Harbor represents both an opportunity for the City, as well as a new competitive challenge.

A National Harbor community forum, which the Collaborative sponsored, and which included business/resident stakeholders from throughout the City, was held on the Cherry Blossom on March 13, 2007. Several themes developed from the forum. Transportation for the "company

that was coming” from (and going to) National Harbor emerged as a critical theme. This, in part, is in response to the planned water taxi service that Council authorized earlier this year. This water taxi service, to be financed and operated by the private sector, will provide two 99-passenger boats that will provide fare-based service 12 hours per day 7 days per week, nearly year round.

The Collaborative and various subgroups have been working continuously to address various issues raised at the March 13 forum, as well as at numerous community and business meetings that have been held over the last few months. The subgroups cover subjects such as transportation, marina appearance and lighting, historical and museum interests, marketing, as well as business readiness and education. The issues being addressed by the subgroups, as well as by the member organizations of the subgroups, include:

- (1) land and water transportation
- (2) visitor orientation
- (3) identifying historic themes to be used
- (4) appearance of the City Marina and adjacent areas
- (5) appearance of King Street
- (6) City Marina area lighting
- (7) wayfinding and visitor signage
- (8) Ramsay House Visitors Center hours
- (9) marketing Alexandria to National Harbor and Gaylord guests
- (10) developing working relationships with the National Harbor and Gaylord organizations
- (11) accommodating visitor parking
- (12) working with event planners whose organizations are booking the Gaylord convention hotel
- (13) preparing businesses for increased tourism

We also will be addressing police, fire and EMS impacts as we continue this planning effort.

While many of the recommendations to Council related to these issues remain in the development stage, and will not be ready for presentation to City Council until October 23, the lead time necessary for the trolley vehicles to be placed in service by April 2008, necessitates that the bidding be undertaken this month and that an award be made this October. This lead time is driven by a to-be-determined successful bidder's likely need to order the trolleys and have them manufactured and in place by April 2008. Therefore, a request that Council allocate funds to this new transit service is being made at this time (which in effect is giving approval to proceed to undertake and contract for this service). Also, the near universal community support for the concept of an Old Town trolley service on King Street makes this one of the highest priority items of the National Harbor initiatives currently under development.

As presented to City Council at its June 12, 2007, legislative meeting, and on June 13, 2007, to the Old Town Civic Association, a critical component of the concept was to provide frequent, clean, and free travel along King Street. The selection of a trolley prototype was presented to Council and the community at these meetings. The reaction has been very positive as businesses and residents see this new service as not only being able to serve those arriving from National Harbor, but also to serve residents of the City, as well as those visiting the City from the region and those visiting from outside the region.

A trolley was seen as the type of small (about 32 passengers) transit vehicle which could provide a distinguishable looking service along King Street. A rubber-tired trolley (which looks much like a San Francisco rail trolley in design) is an often-deployed transit vehicle in areas that serve tourists. The distinctive design, which does not look like a typical City transit bus, serves as a visual cue to potential riders that this transit service is different. Also, many of these vehicles have large windows. This visual cue helps potential riders notice the trolley and contributes to higher passenger usage and awareness among tourists and residents of this service. In order to attract as many riders as possible, we propose that the trolley service be free. This is the same principle in use for the Dash About and the PTO noontime shuttle. With no fare, the number of riders will be significantly higher than if there was a fare (even a nominal fare significantly discourages riders).

The trolley signage will be marked so it is clear that the service is free. Also, although not finalized, we expect that the interior and exterior signage of the trolleys will not be focused on paid commercial advertising, but carefully focused on community venues such as museums, as well as upcoming community events, such as parades and festivals. The interior of the trolleys will also contain racks for promotional literature, such as those distributed at Ramsay House. The drivers of the trolley would also be trained in the City's history and provide an audio presentation about the City as the trolley progresses up and down King Street.

We propose to operate the trolley 12 hours per day, from 10 a.m. to 10 p.m., seven days per week for about nine months of the year (April through December) with a goal of a 10-15 minute headway (i.e., the time between buses at any point on the route). For the three prime winter months of the year, service would likely be reduced with at least greater headways (such as 30 minutes between buses) which reduces the number of vehicles needed and, therefore, the cost. Actual demand and ridership patterns will likely result in some adjustments to these schedules, as the City learns from the experience of providing this type of service. The DASH About service on Friday nights, Saturdays and Sundays would be eliminated, but the noon-time, weekday PTO shuttle operated by DASH would continue.

Due to the necessity of purchasing the trolleys (about four vehicles will need to be purchased by the selected vendor) and the need to amortize the capital cost of these unique vehicles over a number of years, it is contemplated that the City may need to contract for up to three years of trolley service in order to attract qualified and capable vendors at a reasonable operating cost. The contract would be written so that in general, the cost would be scaled based upon hours of service per vehicle.

The service would start on the Unit Block of King Street near the Potomac waterfront and then proceed west to the King Street Metrorail station, and then return via the same route. The trolley would use Wales Alley and Strand Street as the turnaround loop. Stops would be established about every two blocks, with appropriate identification signage. This route was chosen so that trolley riders would be exposed to the core main commercial street of Old Town. This is not only the area of the most retail and restaurants, but a representative street which showcases Alexandria's ambience and its historical fabric to visitors.

The City would hire a private company to provide the vehicles and drivers and to operate the service. DASH does not have this type of vehicle, nor the capacity to maintain it at this time due to facility limitations. As a result, at least for the first three years of this service, the operator would be a private company and not DASH. Beyond the first three years, it is possible that DASH could become the operator.

The planned short headways are key to getting as many potential riders as possible to utilize the service, and to reduce the single occupancy vehicle use when coming to Old Town. In combination with the water taxi, the trolley would serve as an incentive for National Harbor guests not to use private vehicles or land taxis to visit Old Town. Also, it would serve as an incentive for more area residents to visit Old Town via Metrorail and not via private vehicles.

Some of the key desired specifications of the trolley would be:

- (1) accommodate about 32 passengers;
- (2) heated and air conditioned;
- (3) staffed by trained drivers who would become familiar with Alexandria's history and cultural resources;
- (4) can use low sulfur, diesel fuel or another alternative fuel such as natural gas;
- (5) adaptable to bike racks; and
- (6) equipped with internal racks for Alexandria information brochures.

FISCAL IMPACT: The annualized cost for both the leased trolleys and operators is projected to be approximately \$700,000. The bidding and contracting process will determine actual annual costs. Netting out the savings from converting the DASH About service to a trolley service would save \$135,000 per year, thereby resulting in a net added cost for trolley service of about \$565,000 per year. For FY 2008, with only three months of trolley service, the net cost would be \$141,000. It is possible that some private sector funding to help offset some of these costs will be available. The funding for the trolley in FY 2008 would come from the \$700,000 General Fund balance designation for National Harbor Initiatives approved by Council as part of the FY 2008 approved budget. This \$141,000 allocation would leave \$559,000 in this National Harbor account for other initiatives (many of which will be one-time in nature).

ATTACHMENT: Proposed Trolley Route Map

STAFF:

The National Harbor Collaborative Work Group

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