



## THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

MEMORANDUM

**TO:** Greg Veliz, City Manager

**FROM:** Rod Delostrinos, Director of Transportation

**VIA:** Patti McLauchlin, Assistant City Manager

**DATE:** October 7, 2020

**SUBJECT:** Suspend the \$1 fare on the Duval Loop fixed route circulator

**ACTION STATEMENT:**

Suspend the \$1 fare on the Duval Loop circulator to assist community wide economic recovery from the current pandemic effective from October 26, 2020 to April 26, 2021.

**BACKGROUND:** The Duval Loop fixed route circulator began service in August of 2017. The route is currently funded through cost sharing of 50% from the FDOT Service Development Grant Program and 50% through the City's Transit Cost Center 411.

In order to compensate for severe reductions in revenue caused by the pandemic and to fund the 50% cost share for the Duval Loop, the City Commission approved the implementation of a \$1 fare for the Duval Loop during the May 5, 2020 commission meeting. This fare did not apply to Key West residents with proper identification.

**JUSTIFICATION:** The Duval Loop provides a fixed route circulator in and around the established Duval Corridor. This corridor consists of both residential and commercial use. A fare free service could provide workers who reside outside of Key West with transportation to an already congested area along with an alternative transportation option for visitors.

**FINANCIAL IMPACT:** The budgeted Duval Loop operation costs are \$546,174. Although Duval Loop farebox revenue was included as a part of the approved budget, some expenses may be offset from the awarded Coronavirus Aid, Relief, and Economic Security Act grant program. Since the \$1 fare was instituted, a total of \$8,462 has been collected. This is an average of approximately \$59 in revenue a day. Based on current trends, loss of revenue for six months is approximately \$10,767.

**RECOMMENDATION:** Suspend the \$1 fare on the Duval Loop circulator for six months.

*Key to the Caribbean – Average yearly temperature 77° F.*