



News Clip

Miami Today, Thursday, August 12, 2004

County has collected \$2 million in car-rental surcharges

By Samantha Joseph

The Miami-Dade Aviation Department has collected about \$2 million of what it hopes will grow to \$30 million to \$40 million in car-rental surcharges to help pay for a car-rental hub at the planned Miami Intermodal Center.

The car-rental complex is to be one of the first pieces of the center near Miami International Airport. Officials envision the center as a link for all forms of transportation in the county.

Florida Department of Transportation officials say the car-rental center would cost about \$190 million. They hope to get most of the money - about \$150 million to \$160 million - from a federal loan and expect a \$3.25 daily surcharge on customer contracts to bring in the remainder.

Fifteen car-rental companies that plan to operate from the intermodal center have been collecting the surcharge since May. They pass on the collections to the Aviation Department.

The department collected about \$926,000 in the first month, said Greg Owens, assistant to Aviation Director Angela Gittens. Revenue from the surcharge reached about \$1.2 million in June, Mr. Owens said. The department will calculate July's revenue later this month.

Planners hope to collect more than \$1 billion from the surcharge over the next 30 years. Florida Department of Transportation consultant Nick Serianni said that once construction of the intermodal center is complete, the money would go toward maintaining the center.

Other remaining funds would help pay the transportation department for land used to build the center.

Progress is taking off on a mammoth transportation hub envisioned near Miami International Airport.

A \$2 million cash injection, commitments from 15 car-rental companies and talk of a multimillion-dollar federal loan mark the early development of a facility to house car-rental companies at the planned Miami Intermodal Center.

The rental center is the first major project for the \$1.9 billion intermodal center, a transit station that is to connect all transportation modes in the county.

The center is being designed to sprawl east of Miami International Airport and has a projected completion date of 2008. The Florida Department of Transportation will build the center, which the Miami-Dade Department of Aviation will operate.

Planners hope to complete the rental facility by January. They started preparing the construction site in June 2003 for the 10,000-vehicle center they say will include a car wash and fueling center.

The building will offer about 20 acres of space on each of its four floors and will sit between Northwest 25th Street, Northwest 38th Court, Northwest 21st Street and LeJeune Road.

Florida Department of Transportation consultant Ric Katz said the center's amenities reflect the collaborative efforts of planners and 15 companies that have signed on to operate there.

The companies will pay 9% of their gross annual income in concession fees to the aviation department.

"They have had a major role in designing the facility," Mr. Katz said. "It's been a constant stream of cooperation working with them. It wasn't even a negotiation - it was a collaboration."

Tuesday, the county aviation officials said they had collected about \$2 million in customer surcharges from the 15 car-rental companies. They have deposited the money into a special fund they hope will grow to \$1 billion to \$1.2 billion in about 30 years.

Administrators of the fund will prioritize spending to cover the cost of construction and then later to operate and maintain the rental center. Any remaining revenue would go toward reimbursing the state transportation department for the land on which the development sits, Mr. Katz said.

Early estimates had placed the cost of the center at around \$225 million, but planners expect that to fall during contract negotiations.

"Our budget is \$190 million," said Florida Department of Transportation consultant Nick Serianni, "and we're looking to stay within budget."