

To: Marketing, Planning & Legislative Committee

Date: 2/24/2020

From: Melody Reeb, Manager of Planning

Reviewed by:



SUBJECT: Draft Monument Free Program Title VI Fare Equity Analysis

Background:

At the February 2019 Board meeting, the Board approved a pilot to subsidize fares on weekday Routes 11, 14, and 16. These routes serve low-income communities along the Monument Corridor and connect from Concord BART to various destinations in Martinez, Pleasant Hill, and Walnut Creek, including BART stations, Martinez Amtrak and Contra Costa Regional Medical Center. County Connection began offering free fares on these routes on July 1, 2019. The program is being funded by a grant through California's Low Carbon Transit Operations Program (LCTOP).

The goal of the pilot was to increase ridership and make transit more accessible and affordable, particularly to low-income communities along the Monument Corridor. Over the first six months of the pilot, average daily ridership on Routes 11, 14, and 16 increased 54.6% compared to the same period the prior year. Given the program's success, staff is proposing to continue the program, as long as funding remains available through LCTOP or another similar funding source. The program is subject to termination if funding becomes unavailable in the future.

Title VI Requirement:

As a federal grant recipient, the County Connection is required to maintain and provide to the Federal Transit Administration (FTA) information on its compliance with Title VI of the Civil Rights Act of 1964 (Title VI), which prohibits discrimination by recipients of federal financial assistance. The FTA further requires that recipients of FTA financial assistance conduct an analysis on all fare changes to assess the impacts of those changes on low-income and minority populations. As the free fare program will reduce the fares on these routes, implementation of the program is a fare change requiring an equity analysis under the FTA's Title VI regulations.

Analysis:

As a reduction in fare is a benefit, the relevant disparate impact analysis examines the allocation of benefits from the fare reduction among minority riders on the affected routes

relative to their share of the ridership as a whole. Similarly, the relevant disproportionate burden analysis examines the allocation of benefits from the fare reduction among low-income riders on the affected routes relative to their share of the ridership as a whole.

Based on onboard survey data from October 2019, 56.1% of all County Connection riders identify as minority, and 44.4% are considered low-income. On the three routes that would be free under the Monument Free Program, 58.9% of riders identify as minority and 43.2% are low-income.

	% Minority	% Low-Income
Route 11	58.3%	41.7%
Route 14	65.8%	59.0%
Route 16	51.5%	25.0%
Monument Free Program Total	58.9%	43.2%
Systemwide	56.1%	44.4%
Difference from Systemwide	2.8%	-1.3%

There is no disparate impact on minority riders from the implementation of the Monument Free Program. The routes that benefit from the program have a slightly higher minority ridership (58.9%) than the system as a whole (56.1%) by a margin of 2.8%.

There is also no disproportionate burden on low-income riders from the implementation of the Monument Free Program. The usage of the affected routes by low-income riders is slightly lower (43.2%) than their share of the ridership on the system as a whole (44.4%). However, the differential of 1.2% is well within the 20% threshold set forth in the disproportionate burden policy.

Public Outreach:

In February 2020, staff began outreach to receive public comment on the proposed continuation of the pilot program. A public hearing has been scheduled for March 19, 2020 preceding the Board of Directors meeting at County Connection offices in Concord. The public may also submit written comments via mail, email, and online through County Connection’s website. The comments received will be included in the final Title VI report, which will be presented to the Federal Transit Administration.

Financial Implications:

LCTOP funds will be used to subsidize fares on Routes 11, 14, and 16 as part of this program.

Recommendation:

Staff recommends that the MP&L Committee forward the attached Title VI Fare Equity Analysis to the Board for review and approval. The analysis has been reviewed by legal counsel, and the public outreach section will be updated upon completion of the scheduled public hearing.

Action Requested:

Staff requests that the MP&L Committee forward this item to the Board for approval.

Attachments:

Title VI Fare Equity Analysis

County Connection

Title VI Fare Equity Analysis

Monument Free Program

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
March 2020

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1 INTRODUCTION

As a federal grant recipient, the Central Contra Costa Transit Authority (County Connection) is required to maintain and provide to the Federal Transit Administration (FTA) information on its compliance with Title VI of the Civil Rights Act of 1964 (Title VI), which prohibits discrimination by recipients of federal financial assistance. The FTA further requires that recipients of FTA financial assistance conduct an analysis on all fare changes to assess the impacts of those changes on low-income and minority populations.

County Connection is proposing the continuation of a pilot program offering free fares on weekday Routes 11, 14, and 16, as long as funding remains available for the program through the Low Carbon Transit Operations Program (LCTOP) or another similar funding source. This analysis also analyzes the impacts of the potential discontinuation of the program in the event that funds are no longer available.

As the free fare program will reduce the fares on these routes, implementation of the program is a fare change requiring an equity analysis under the FTA's Title VI regulations. Conversely, discontinuation of the program is a fare increase requiring an equity analysis under the FTA's Title VI regulations. As the ridership of the affected routes are similar to the ridership of the system as a whole, the equity analysis indicates that there is no disparate impact based on race, and no disproportionate burden on low-income riders from either the implementation or discontinuation of the program.

2 TITLE VI POLICIES

In October 2012, the FTA released Circular 4702.1B (Circular), which provides guidelines for compliance with Title VI. Under the Circular, transit operators are required to study proposed fare changes and “major” service changes before the changes are adopted to ensure that they do not have a discriminatory effect based on race, color, national origin or low-income status of affected populations. As a first step, public transit providers must adopt their own “Major Service Change,” “Disparate Impact,” and “Disproportionate Burden,” policies. County Connection’s Board of Directors adopted these policies in June 2013. The adopted Disparate Impact and Disproportionate Burden policies, which apply to fare equity analyses, are described below.

2.1 Disparate Impact Policy

The Disparate Impact Policy establishes a threshold for determining whether proposed fare or major service changes have a disproportionately adverse effect on minority populations relative to non-minority populations on the basis of race, ethnicity or national origin.

The threshold is the difference between the burdens borne by, or benefits experienced by, minority populations compared to non-minority populations. Exceeding the threshold means either that a fare or major service change negatively impacts minority populations more than non-minority populations, or that the change benefits non-minority populations more than minority populations. A change with disparate impacts that exceed the threshold can only be adopted (a) if there is substantial legitimate justification for the change, and (b) if no other alternatives exist that would serve the same legitimate objectives but with less disproportionate effects on the basis of race, color or national origin

County Connection establishes that a fare change, major service change or other policy has a disparate impact if minority populations will experience 20% more of the cumulative burden, or experience 20% less of the cumulative benefit, relative to non-minority populations, unless (a) there is substantial legitimate justification for the change, and (b) no other alternatives exist that would serve the same legitimate objectives but with less disproportionate effects on the basis of race, color or national origin.

2.2 Disproportionate Burden Policy

The Disproportionate Burden Policy establishes a threshold for determining whether proposed fare or major service changes have a disproportionately adverse effect on low-income populations relative to non-low-income populations.

The threshold is the difference between the burdens borne by, and benefits experienced by, low-income populations compared to non-low income populations. Exceeding the threshold means either that a fare or service change negatively impacts low-income populations more than non-low-income populations, or that the change benefits non-low-income populations more than low-income populations. If the threshold is exceeded, County Connection must avoid, minimize or mitigate impacts where practicable.

County Connection establishes that a fare change, major service change or other policy has a disproportionate burden if low-income populations will experience 20% more of the cumulative burden, or experience 20% less of the cumulative benefit, relative to non-low-income populations unless the disproportionate effects are mitigated.

2.3 Public Outreach

In developing these policies, County Connection staff conducted public outreach (detailed below), including three public meetings with language services available, to provide information and get feedback on the draft policies. Staff incorporated public input gathered through this outreach into the policies proposed for Board approval.

March 28, 2013 – Monument Corridor Transportation Action Team

Comments: Include an annual review to ensure that major service change threshold has not been crossed

April 15, 2013 – Public Meeting at the San Ramon Community Center

Comments: Consistent with prior comment to include an annual review for major service changes

May 14, 2013 - Public Meeting at the Walnut Creek Library

Comments: None

April 1st – June 1st, 2013 – Policies available for comments on County Connection Website

June 20, 2013 – Public Hearing and Proposed Adoption at the County Connection Board of Directors Meeting

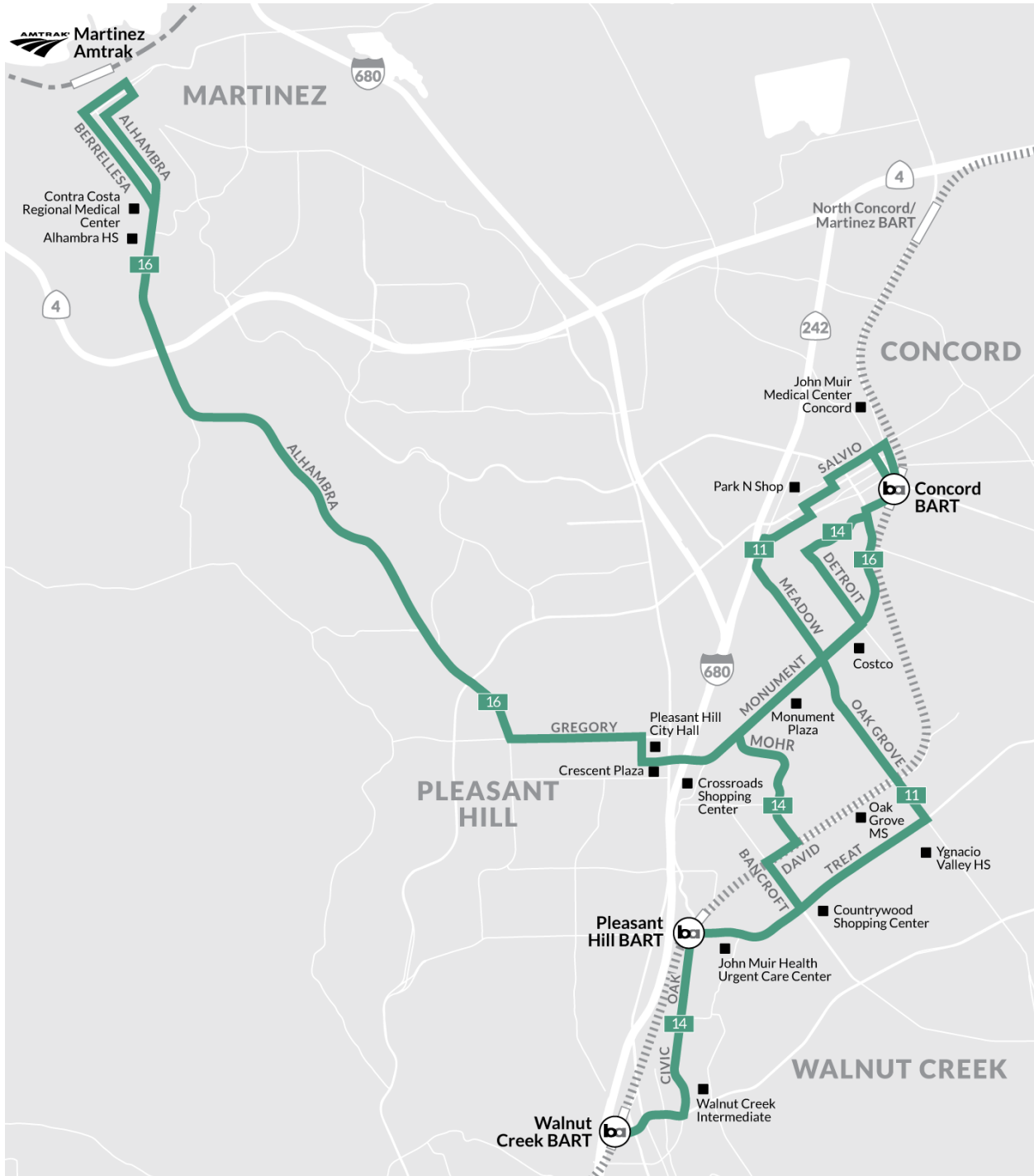
Comments: None

3 PROPOSAL DESCRIPTION

On July 1, 2019, County Connection began offering free fares as a pilot program on weekday Routes 11, 14, and 16. These routes serve low-income communities along the Monument Corridor and connect from Concord BART to various destinations in Martinez, Pleasant Hill, and Walnut Creek, including BART stations, Martinez Amtrak and Contra Costa Regional Medical Center. Figure 1 shows a map of the three routes.

The pilot project is being funded by a grant through California’s Low Carbon Transit Operations Program (LCTOP), which distributes cap-and-trade proceeds to support a wide range of programs and projects that reduce greenhouse gas emissions and deliver other economic, environmental, and public health benefits for Californians, with a priority on benefitting low-income and disadvantaged communities. LCTOP is one of several programs that are a part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862.

Figure 1: Monument Free Route Map



The goal of the pilot was to increase ridership and make transit more accessible and affordable, particularly to low-income communities along the Monument Corridor. Over the first six months of the pilot, average daily ridership on Routes 11, 14, and 16 increased 54.6% compared to the same period the prior year (see Table 1). Given the program's success, County Connection is proposing to continue

the program, as long as funding remains available through LCTOP or another similar funding source. The program is subject to termination if funding becomes unavailable in the future.

Table 1: Monument Free Average Daily Ridership by Route

	Jul – Dec 2018	Jul – Dec 2019	% Change
Route 11	305	409	34.0%
Route 14	568	1,134	99.5%
Route 16	660	828	25.4%
Total	511	790	54.6%

4 EQUITY ANALYSIS

A reduction in fare is a fare change pursuant to the Circular. Accordingly, the equity analysis requirement applies. As a reduction in fare is a benefit, the relevant disparate impact analysis examines the allocation of benefits from the fare reduction among minority riders on the affected routes relative to their share of the ridership as a whole. Similarly, the relevant disproportionate burden analysis examines the allocation of benefits from the fare reduction among low-income riders on the affected routes relative to their share of the ridership as a whole.

Conversely, the elimination of a free fare program results in a fare increase, which is a fare change pursuant to the Circular. A fare increase is a burden, though the same analytical framework applies as in the fare reduction.

4.1 Data and Methodology

Methodology

The Circular requires County Connection to conduct a fare equity analysis for all fare changes, regardless of the amount of increase or decrease, to evaluate the effects of fare changes on low-income populations in addition to Title VI-protected populations, with a few enumerated exceptions. The exceptions are:

- (i) “Spare the air days” or other instances when a local municipality or transit agency has declared that all passengers ride free.
- (ii) Temporary fare reductions that are mitigating measures for other actions.

(iii) Promotional fare reductions. If a promotional or temporary fare reduction lasts longer than six months, then FTA considers the fare reduction permanent and the transit provider must conduct a fare equity analysis.

For proposed changes that would increase or decrease fares on the entire system, or on certain transit modes, or by fare payment type or fare media, the fare equity analysis must analyze available information generated from ridership surveys indicating whether minority and/or low-income riders are disproportionately more likely to use the mode of service, payment type, or payment media that would be subject to the fare change.

Both the disparate impact policy and the disproportionate burden policy examine the cumulative impacts of a fare change. As a result, this analysis determines potential impacts of the proposed program by comparing the percentages of low-income and minority riders who use Routes 11, 14, and 16 based on relative ridership against the percentages of low-income and minority riders who use the system as a whole. These metrics will identify whether low-income and/or minority riders would experience a disproportionately lower benefit due to the free fares program.

Definitions

Minority – FTA defines a minority person as anyone who is American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, or Native Hawaiian or other Pacific Islander.

Low-Income – FTA defines a low-income person as a person whose household income is at or below the U.S. Department of Health and Human Services (HHS) poverty guidelines. However, FTA encourages the use of any locally developed threshold provided that the threshold is at least as inclusive as the HHS poverty guidelines. Due to the area's higher cost of living, County Connection defines low-income as 150% of the federal poverty level.

Data Source

An onboard passenger survey was conducted on County Connection buses in October 2019, four months into the pilot program, and a total of 1,188 responses were collected. The survey was conducted on both weekdays and weekends using handheld tablet personal computers on which the online survey was administered. A sampling plan was developed to ensure that the distribution of completed surveys mirrored the actual distribution of passengers using the system. The plan included completion goals that were set by route and time period based on ridership. Because the number of surveys collected on each route is based on relative ridership, the percentages of low-income and minority riders for the Monument Free Program overall were determined by summing up the numbers from the surveys across all three routes.

The survey data provides demographic information on County Connection’s riders, including race and income, by route. Respondents who declined to answer questions about income or ethnicity are excluded from the analysis. In order to protect privacy, survey respondents were asked to report their income bracket as opposed to their specific income. Because of this, the analysis uses the midpoint of the selected income bracket to compare against the federal poverty level. Table 2 below shows how low-income status—defined in this analysis as 150% of the 2019 federal poverty guidelines—is determined based on household size and income bracket. Using these thresholds, each individual survey response was categorized as either low-income or non-low-income based on responses to the questions about household size and income.

Table 2: Low-Income Thresholds by Household Size

Household Size	Low-Income Threshold
1-2	Under \$25,000
3-4	Under \$35,000
5-7	Under \$50,000
8-10	Under \$75,000

4.2 Impact Assessment

Based on the onboard survey data, 56.1% of all County Connection riders identify as minority, and 44.4% are considered low-income. On the three routes that would be free under the Monument Free Program, 58.9% of riders identify as minority and 43.2% are low-income. This is relatively consistent with a previous onboard survey that was conducted in 2015, in which 58.0% of riders identified as minority and 48.0% were low-income, although it should be noted that Route 14 was restructured in March 2019.

Implementation

There is no disparate impact on minority riders from the implementation of the Monument Free Program. The routes that benefit from the program have a slightly higher minority ridership (58.9%) than the system as a whole (56.1%) by a margin of 2.8%.

There is also no disproportionate burden on low-income riders from the implementation of the Monument Free Program. The usage of the affected routes by low-income riders is slightly lower (43.2%) than their share of the ridership on the system as a whole (44.4%). However, the differential of 1.2% is well within the 20% threshold set forth in the disproportionate burden policy. Notably, this program is funded by a grant intended to deliver environmental benefits to low-income communities.

Transit fare subsidies is one of the eligible types of projects under the grant. In addition, the routes under the Monument Free Program serve AB 1550 low-income communities and a MTC community of concern (COC), further supporting one of the main goals of the grant, which is to improve mobility for disadvantaged and low-income communities.

Table 3: Impact Analysis Results

	% Minority	% Low-Income
Route 11	58.3%	41.7%
Route 14	65.8%	59.0%
Route 16	51.5%	25.0%
Monument Free Program Total	58.9%	43.2%
Systemwide	56.1%	44.4%
Difference from Systemwide	2.8%	-1.3%

Discontinuation

There would be no disparate impact on minority riders from the discontinuation of the Monument Free Program. The discontinuation would result in a fare increase that would burden routes that have a slightly higher minority ridership (58.9%) than the system as a whole (56.1%) by a margin of 2.8%, though this differential is well within the 20% threshold set forth in the County Connection disparate impact policy.

The discontinuation of the program would also have no disproportionate burden on low-income riders. The usage of the affected routes by low-income riders is slightly lower (43.2%) than their share of the ridership on the system as a whole (44.4%).

Notably, the discontinuation of the program would result in a fare increase, but the increase would place the affected riders in the same position as riders on the system as a whole.

5 PUBLIC OUTREACH

Implementation

As part of the initial pilot, staff launched a bilingual marketing campaign to inform riders of the new free fare program on Routes 11, 14, and 16. This included notices and “Take One” information cards on vehicles, posters distributed to community partners, information on County Connection’s website, and

social media posts on Twitter, Facebook, Instagram, and NextDoor. Staff also conducted outreach at community based organizations, including Monument Crisis Center, Monument Impact, senior centers throughout Concord and Martinez, and schools, as well as in-person outreach at major bus stops and BART stations. Table 4 shows a summary of outreach efforts during the initial pilot.

Table 4: Monument Free Outreach Events

Date	Location
July 15, 2019	Monument Crisis Center
July 16, 2019	Monument Crisis Center
August 7, 2019	Concord BART
August 8, 2019	Concord BART
August 14, 2019	Pleasant Hill BART
August 15, 2019	Pleasant Hill BART
August 16, 2019	Ygnacio Valley High School
August 21, 2019	Concord Senior Center
September 3, 2019	Monument Crisis Center
September 5, 2019	Monument Crisis Center
September 5, 2019	Ygnacio Valley High School
September 6, 2019	Monument Crisis Center
September 10, 2019	Monument Crisis Center
September 11, 2019	Monument Crisis Center
December 11, 2019	Martinez Senior Center
December 17, 2019	Monument Crisis Center
December 19, 2019	Monument Crisis Center
January 21, 2020	Monument Crisis Center
January 22, 2020	Martinez Senior Center
January 30, 2020	Monument Crisis Center

Discontinuation

In the event funds are no longer available to support the program, staff will conduct public outreach prior to discontinuation of the program.

5.1 Public Comment

Implementation

In February 2020, staff began outreach to receive public comment on the proposed continuation of the pilot program. The public was able to comment on the proposed changes at a public hearing on March 19, 2020, as well as via mail, email, and online through County Connection’s website.

Notices for the public hearing were placed on all buses, as well as in the East Bay Times, and information about the proposed continuation of the program was available on County Connection’s website and announced through social media.

[Placeholder for summary of public comment]

Discontinuation

In the event funds are no longer available to support the program, staff will solicit public comment prior to discontinuation of the program.