

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
201896

Resolution:
☒ Yes ☐ No

TITLE:

NH 2 Equity Analysis and Permanent Service

PRESENTATION SUMMARY:

Request Board of Directors approval of the Title VI equity analysis for Metrobus route NH2, as required by Title VI of the Civil Rights Act of 1964, completion of the pilot, and continuation of the NH2 as a permanent service.

PURPOSE:

Staff is seeking Board approval of the Title VI equity analysis for Metrobus NH2, conclusion of the NH 2 pilot, and approval to continue the route as a permanent service.

DESCRIPTION:

In July 2016 the Board of Directors approved a pilot of Metrobus route NH2 service.

The current action seeks Board of Directors approval of the equity analysis, conclusion of the pilot, and continuation of the NH2 service as a permanent route.

Key Highlights:

- Pilot of NH 2 service was a success, with growing ridership and high customer ratings.
- NH2 service is funded in a public/private partnership, with ongoing private contributions. Its costs are included in the FY 2018 budget.
- An equity analysis required by Title VI regulation shows no disparate impact on minorities, but a disproportionate burden (DB) on low-income population, however, permanent adoption of the NH2 does not violate Title VI or Environmental Justice.

Background and History:

Metrobus NH2, connecting the Huntington and King Street Metrorail stations in Virginia with National Harbor in Maryland across the Woodrow Wilson Bridge, was introduced as a pilot service in October 2016. NH2 costs are shared among compact member jurisdictions, and NH Special Events LLC (an entity of the Peterson Companies) also provides direct operational funding.

The pilot showed the NH2 service has broad public support, and 87% of those surveyed said the service was “good” or “very good.” The route offers a significant improvement in access to both sides of the river, with travel time savings up to 50 minutes and a fare that is 70% lower than rail. NH2 ridership continues to grow, with June 2017 weekday ridership double the November 2016 rate, and weekend ridership more than doubling.

When a transit agency proposes a major service change, including additions to service, the FTA requires an equity analysis to determine if the change will result in a disparate impact (DI) on minority populations or a disproportionate burden (DB) on low-income populations. Data was collected during the pilot to complete this FTA-required Title VI equity analysis.

The pilot provided data with which to conduct the federally mandated Title VI equity analysis, and that analysis showed the service had no disparate impact on minority populations, but did show a disproportionate burden on low-income populations. However, permanent adoption of the NH2 does not violate Title VI or Environmental Justice because (1) it does not result in any reduction or elimination of benefits to Metro customers, as adding this service does not reduce service on other routes; (2) the NH2 does not result in a disparate impact on minority populations; and (3) there is no practicable way beyond measures already implemented to further mitigate the disproportionate burden because cutting the service would actually harm Title VI populations.

Discussion:

To increase awareness and ridership for the route, various outreach efforts distributed more than 29,200 NH2 materials. Communications and outreach procedures carefully followed the Public Participation Plan guidance. The full Public Outreach report is attached.

To complete the NH2 equity analysis, Metro staff calculated the number of minority and low-income NH2 trips as a percentage of all NH2 trips. Metro then compared that percentage to the system-wide profile for Metrobus (81.5% minority; 52% low-income). Finally, Metro applied the Board adopted DI/DB thresholds (adopted by the Board in Resolution 2013-27) that correspond to the number of daily impacted riders.

Approximately 700 customers use the NH2 service on an average day. According to the survey data, 81.1% of the NH2 riders were minority and

34.2% were low-income.

During the pilot phase, the percentage of minority customers using the NH2 was nearly identical to the overall percentage of minority customers who use Metrobus. Accordingly, staff has determined that the permanent adoption of the NH2 will not result in a disparate impact (DI) on minority populations.

The percentage of low-income customers using the NH2 was significantly less than the overall percentage of low-income customers who use Metrobus. These data indicate that the NH2 may disproportionately benefit non-low-income customers, which would result in a disproportionate burden (DB) on low-income populations.

Permanent adoption of the NH2, however, does not violate the requirements of Title VI or Environmental Justice (EJ). Under Title VI and EJ, Metro may implement a proposed service change that will result in a DB on low-income populations only if Metro implement practicable mitigation measures – unless no practicable measures exist. Mitigations are not practicable in this specific case, namely because:

- There are no negative impacts to low-income customers to mitigate. The service only benefits Metro customers;
- The service has already been extended as much as practical to best serve low-income customers;
- Not implementing the NH2 would actually do more harm than good for minority and low-income customers, as it provides a much shorter and less expensive travel option for these customers;
- Not implementing the NH2 would result in a net loss of funding, as Metro would be forced to abandon its current public-private partnership dedicated towards its operating cost.

Although the service addition will result in a DB on low-income customers, implementing the NH2 does not violate Title VI or EJ. Staff therefore recommends that the NH2 be adopted as a permanent service change.

FUNDING IMPACT:

The annual costs for NH2 service are incorporated into the FY 2018 budget, forming the base for future year budgets.

Since it is a regional route, the annual operating costs of approximately \$2,600,000 are covered in part by fare revenues, with the remaining subsidy shared among compact member jurisdictions and the private entity NH Special Events LLC, which provides about 21% of the subsidy cost, as specified in the Memorandum of Understanding authorized by General Manager/Chief Executive Officer (Resolution 2016-31).

TIMELINE:

Previous Actions	July 28, 2016 -- Board Approval of the Creation of New Bus Service Connecting National Harbor, Maryland, and Virginia and Approval to Enter into a Reimbursable Project Agreement October 2016 - present -- Pilot service provided and Title VI Equity Analysis Completed
Anticipated actions after presentation	September 2017 and beyond -- NH2 service provided and funded as a regional service with private contribution

RECOMMENDATION:

Board of Directors approval of the Title VI equity analysis for Metrobus NH2, conclusion of the NH 2 pilot, and approval to continue the route as a permanent service.

SUBJECT: APPROVAL OF NH2 TITLE VI ANALYSIS AND PERMANENT SERVICE

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, The Federal Transit Administration (FTA) requires the Washington Metropolitan Area Transit Authority (WMATA) to conduct an equity analysis to determine if a major service change will result in a disparate impact (DI) on minority riders or a disproportionate benefit (DB) on low-income riders; and

WHEREAS, In Resolution 2016-31, the Board of Directors approved a pilot Metrobus NH2 to begin service in October 2016 and connect the Huntington and King Street stations in the Commonwealth of Virginia with National Harbor in the State of Maryland across the Woodrow Wilson Bridge; and

WHEREAS, An equity analysis shows permanent adoption of the NH2 will not result in a DI on minority populations; and

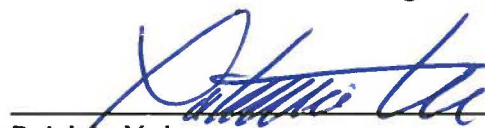
WHEREAS, The NH2 may disproportionately benefit non-low-income customers and result in a DB on low-income populations; and

WHEREAS, Permanent adoption of the NH2 does not violate Title VI or Environmental Justice because: (1) it does not result in any reduction or elimination of benefits or service to Metro customers, as adding this service does not reduce service on other routes; (2) the NH2 does not result in a DI on minority populations; and (3) there is no practicable way, beyond measures already implemented, to further mitigate the DB because cutting the service would actually harm low-income populations; now, therefore be it

RESOLVED, That the Board of Directors concludes the pilot, approves the Title VI equity analysis in Attachment A, and approves continuing the NH2 as a permanent service; and be it finally

RESOLVED, That this Resolution shall be effective 30 days after adoption in accordance with § 8(b) of the WMATA Compact.

Reviewed as to form and legal sufficiency,



Patricia Y. Lee
General Counsel

M E M O R A N D U M



SUBJECT: Title VI Equity Analysis –
Adoption of the NH2

DATE: September 1, 2017

FROM: OEE0 – James T. Wynne, Jr

THRU: FAIR – Franklin Jones

TO: GM/CEO – Paul J. Wiedefeld

This memorandum details the Title VI analysis required at the conclusion of the NH2 pilot for inclusion into the permanent Metrobus network, as approved in the Board adopted FY18 budget.

I. Conclusion

Metro staff recommends permanent adoption of the NH2 Metrobus route, which serves Prince George's County and Northern Virginia. The NH2 fills a major gap in the region's transit network. Communities on both sides of the Potomac have long called for transit across the Wilson Bridge, especially since the rapid development of National Harbor. In terms of both time and cost, the NH2 offers a significant increase in access to jobs and other opportunities for people on either side of the river. Journeys that previously took upwards of 70 minutes on transit can now be completed in as little as 20 minutes with a fare that is 70 percent less for the typical customer traveling during peak periods. As a permanent part of the regional bus network, ridership will continue to grow as people take advantage of these opportunities.

As with all major service changes, staff analyzed this proposal to ensure that its impacts are distributed equitably with regard to minority and low-income customers. During the pilot phase, the percentage of minority customers using the NH2 was nearly identical to the overall percentage of minority customers who use Metrobus. Accordingly, staff has determined that the permanent adoption of the NH2 will not result in a disparate impact (DI) on minority populations.

During the pilot, the percentage of low-income customers using the NH2 was significantly less than the overall percentage of low-income customers who use Metrobus. This data indicates that the NH2 may disproportionately benefit non-low-income customers, which would result in a disproportionate burden (DB) on low-income populations.

Permanent adoption of the NH2, however, does not violate Title VI or Environmental Justice (EJ) because: (1) it does not result in any reduction or elimination of benefits or service to Metro customers, as implementing this service does not come at the expense of reductions of service on other routes; (2) the NH2 does not result in a DI on minority populations; and (3) there is no practical way beyond measures already implemented, to further mitigate the DB because, among other things, cutting the service would actually harm Title VI populations.

II. Bus Service Change Proposal

The NH2 was introduced in October 2016 as a pilot to provide a connection between Virginia and Prince George's County Maryland. The route operates between Huntington Metro in Fairfax County through Alexandria, across the Wilson Bridge to National Harbor in Prince George's County. The route operates seven days a week between the hours of 5:00 a.m. and 1:00 a.m.

As a regional route, its cost is shared among compact member jurisdictions. However, as discussed elsewhere in the Board materials, a private entity, Peterson Companies, also provides direct operational funding for the NH2.

During the pilot, the service had broad public support. Approximately 87 percent of those surveyed felt the service was "good" or "very good." The Title VI public outreach associated with this proposal has been summarized in another attachment.

III. Title VI Analysis

When a transit agency proposes a major service change, including additions to service, the Federal Transit Administration (FTA), in its Title VI Circular 4702.1B, requires that the transit agency conduct an equity analysis to determine whether the service change will result in a DI on minority riders or a DB on low-income riders.

The Title VI Circular allows agencies to implement service changes lasting less than twelve months without conducting an equity analysis. Chapter IV-13. WMATA implemented this route in October 2016 to evaluate the performance of the route, collect customer survey data, and conduct public outreach. Note that the cost of the NH2 was included in the FY2018 operating budget. However, since the NH2 was designated as a pilot at the time of the budget's adoption, it was not analyzed as part of the Title VI equity analysis of the service changes that accompanied the budget.

To complete its equity analysis of the NH2, Metro used the following data to determine which populations would be affected by the proposed service change:

- Metrobus farebox data collected April 2017
- NH2 Rider Feedback and Demographic Survey, April 2017

Metro calculated the number of minority and low-income NH2 trips as a percentage of all NH2 trips. Because the service change affects bus customers, Metro then compared that percentage to the system-wide profile for Metrobus (81.5 percent minority; 52 percent low-income) as shown in Table One. Finally, Metro applied the Board adopted DI/DB thresholds (Resolution 2013-27) that correspond to the number of daily impacted riders.

Approximately 700 customers use the NH2 service on an average day. According to the survey data, 81.1 percent of the NH2 riders are minority and 34.2 percent are low-income.

Table One: Metro Ridership Bus Demographic Profile¹

	Annual Ridership (FY 2016)	% Minority Ridership	% Low Income Ridership	Annual Minority Trips	Annual Low Income Trips
Bus	127,431,700	81.5%	52.0%	103,809,149	66,238,352

As shown in Table Three, the NH2 ridership roughly matches the system average in terms of the percentage of minority customers (81.1 percent vs. 81.5 percent). Thus, permanently implementing the NH2 line would not result in a DI on minority populations.

However, the proportion of low-income NH2 customers is 17.8 percent lower than the Metrobus low-income system-wide average (34.2 percent vs. 52.0 percent). Approximately 700 riders will be impacted per day, which, according to Table Two, corresponds with an 8 percent DI/DB threshold. Therefore, the 17.8 percent difference exceeds the 8 percent threshold, resulting in a DB on low-income riders.

¹ Based on 2014 Metrobus Passenger Survey

Table Two: DI/DB Thresholds

Total Daily Riders Impacted	Threshold for Significant Disparity
Up to 10,000	8%
10,001 to 20,000	7%
20,001 to 40,000	6%
Over 40,000	5%

Table Three: DI/DB Test

	Minority Trips	Low Income Trips
NH2 Ridership	81.1%	34.2%
Metrobus Average	81.5%	52.0%
Difference	-0.4%	-17.8%
Threshold	-8.0%	-8.0%
DI/ DB	No	Yes

IV. Title VI and EJ Circular Requirements

Although the proposal does create a DB on low-income populations, implementing this service change would not violate Title VI or Environmental Justice (EJ). Under Title VI and EJ, Metro may implement a proposed service change that will result in a DB on low-income populations only if Metro implements practicable mitigation measures—unless no practicable measures exist. When determining whether mitigation measures are practicable, Metro must consider the social, economic (including costs), and environmental effects of mitigating the adverse effects on low-income populations. See Pg. 5 of the FTA EJ Circular 4703.1.

In this case, no practicable mitigation measures exist. The NH2 provides access to employment, services and entertainment for hundreds of riders, including many minority and low-income residents. For proposed service changes, taking practicable mitigation measures typically either means: (1) altering or supplementing the service to cover additional low-income communities; or (2) cutting service so that funding can be dedicated to other routes. As explained

below however, neither of these options would serve as a practicable mitigation measure.

1. **Cutting the service would hurt minority and low-income populations:** Over 70 percent of minorities use the NH2 three or more times a week, and over 75 percent of minorities who use the NH2 are traveling to or from work. Likewise, over 70 percent of low-income riders currently using the NH2 are traveling to or from work.

During most of the pilot period, the round trip between Alexandria and National Harbor costs \$3.50 (\$1.75 x 2). Without the NH2, the same round trip on transit would cost \$10.60 (peak rail + bus transfer). At \$10.60 per day, some low-income customers would be priced-out from using transit to make this trip.

Moreover, the trip on the NH2 between Alexandria and National Harbor is scheduled to take approximately 20 minutes. Without the NH2, the same trip on transit would take over 70 minutes and would include multiple transfers. In short, if Metro were to cut the NH2, Metro riders, including minority and low-income populations, would be adversely affected.

2. **Cutting the service would mean a loss of funding from a public-private partnership.** As mentioned above, Peterson Companies has provided funding dedicated specifically to the NH2 route. As a result, cutting this service would mean that Metro would lose funding that could not be redirected to other routes.
3. **There is no practical way to extend the route beyond what was already extended to mitigate the DB.** The service must cross the Potomac River on the Wilson Bridge between Alexandria and National Harbor Maryland; no other way exists to connect between these points. In addition, the route has already been extended as far as practicable, running through Alexandria to the Huntington Metro station in Fairfax County.

Extending the route through Alexandria to the Huntington Metro station has opened up the possibility of including more low-income riders, including those who live along the Richmond Highway corridor who can now transfer at Huntington. Low-income customers make up 57 percent of the weekday ridership in that market, compared to the 52 percent system-wide average.

4. **There is no practical way to mitigate the DB because no reduction or elimination of benefits or service results from permanently implementing the NH2.** The NH2 benefits all Metro customers, including minority and low-income customers. Permanently implementing this service does not come at the expense of reductions of service on other routes.

For the reasons discussed above, even though the proposal will result in a DB on low-income customers, implementing the NH2 does not violate Title VI or EJ. Therefore, staff recommends that the NH2 be adopted as a permanent service change.

PROPOSED