



**Title VI Assessment for the  
Fare Increase and Assessment Fees Adjustment  
Effective February 1, 2017**

**Anaheim Resort Transportation – ART**

*Service of Anaheim Transportation Network*





1. INTRODUCTION

To ensure compliance with federal and state civil rights regulations, including but not limited to Title VI of the Civil Rights Act of 1964 and FTA Circular 4702.1B, dated October 1, 2012, ART performs an analysis of any fare change to determine if the change has a disproportionately high and adverse effect on minority and/or low-income populations. ART also conducts outreach to the public to receive their input on the fare change, consistent with ART’s Public Participation Plan, and the FTA Circular’s requirement to provide meaningful opportunities for underrepresented populations to participate in transportation decisions.

This report documents ART’s Title VI impact analysis for the fare increase and assessment fee adjustment is scheduled to become effective February 1, 2017. It is estimated that the fare increase will generate an additional \$164,629 in fare revenue in Fiscal Year 2016/2017 and \$439,887 for Fiscal Year 2017/2018. It is estimated that the assessment fee adjustment will generate an additional \$86,338 in revenue in Fiscal Year 2016/2017 and 259,015 for Fiscal Year 2017/2018. These increased revenues are needed to offset increasing operational costs. ATN has not increased fares in over five (5) years and assessment fees in fifteen (15) years, while operating costs have steadily increased. ATN is facing increasing operating costs due to collective bargaining for the bus drivers, which raised the hourly rates of providing services, and led to a change in the bus operations contractor. Therefore, ATN is looking to increase local assessments and ART fares to offset a 27.8% increase in the operating costs. ART fare increase will only impact 1-day, 3-day and 5-day adult passes. No fare increase is recommended on child and/or reduced fares. Increase is also not recommended on 15-day and 30-day ART passes.

In order to provide meaningful public participation, ATN held a public workshop on December 1, 2017, and a public hearing on December 7, 2017. Notices were mailed to approximately 4,840 community members, and were provided on-board all ATN buses during the month on November 2016. Additionally, public notices were published in the local paper prior to the public hearings. Results from public participation activities are summarized in a separate report titled “Public Participation Summary Report for the Fare Increase effective February 1, 2017.”

1.1 2017 Fare Change

The fare change, as approved by the ATN Board of Directors in Resolution # 2016-004 is depicted in Figure 1.1. Adult fare passes were increased in 2003, 2005, 2008, and again in 2012.

FIGURE 1.1 Previous Fare Increases

Year	1-day Adult Pass	3-day Adult Pass	5-day Adult Pass	Child 1-day Pass	Child 3-day Pass	Child 5-day Pass	Reduced 1-day Pass	Reduced 3-day Pass	Reduced 3-day Pass
2002	\$2.00	\$5.00	\$8.00						
2003	\$3.00	\$8.00	\$10.00						
2005	\$4.00	\$10.00	\$16.00						
2008				\$1.00	\$2.00	\$4.00	\$2.00	\$5.00	\$8.00
2012	\$5.00	\$12.00	\$20.00	\$2.00	\$3.00	\$5.00	\$2.00	\$5.00	\$8.00
<b>2017</b>	<b>\$5.50</b>	<b>\$14.00</b>	<b>\$23.00</b>	<b>\$2.00</b>	<b>\$3.00</b>	<b>\$5.00</b>	<b>\$2.00</b>	<b>\$5.00</b>	<b>\$8.00</b>



Figure 1.2 ART Fare Media Not Subject to Fare Increase

Adult		Child (Under 2 Free)	Reduced
One-way cash fare	\$3.00	\$1.00	\$1.00
1-day		\$2.00	\$2.00
2-day		\$3.00	\$5.00
5-day		\$5.00	\$8.00
15-day pass		\$22.00	\$10.00
30-day pass		\$27.00	\$20.00

**1.2 Revenue from Fare Increase and Assessment Adjustment**

The fare increase will go into effect February 1, 2017. It is estimated that the increase will generate an additional \$250,967 in fare revenue and assessment adjustments in the current 2016/17 fiscal year, and \$689,902 in fiscal year 2017/18. This revenue will be used to cover additional operating expenses as a result of collective bargaining for the bus drivers, which raised the hourly rates of providing services, and led to a change in the bus operations contractor from First Group, Inc. (First Transit) to TransDev Transit Services, Inc. (TransDev).

Assessment fee adjustments will also be effective February 1, 2017. These fees are assessed on local business establishments as part of their financial responsibility in support of the local public transit services. Assessment fees will be increased from the current rate of \$.48/room/day to \$.55/room/day.

**1.3 Offset ART Operating Costs**

As discussed above, ATN is faced with increasing operating costs due to collective bargaining for the bus drivers, which raised the hourly rates of providing services and resulted in an unanticipated change in the bus operations contractor from First Transit to TransDev. ATN has not increased fares since 2012 and assessment contributions since 2002.

**2. DATA AND IMPACT ANALYSIS**

**2.1 Assessing Fare Increase Effects**

This section assesses the effects of a fare change on minority and low-income populations following the procedures in FTA Circular 4702.1B Chapter IV, Section 7(b)). Information generated from ridership surveys was used in the analysis. Additionally, 2010 Census data was analyzed to determine the percentage of the population within the ATN service that are considered minority and low-income.

**2.2 ATN Demographic Profile**

ATN’s service area consists of areas within the City of Anaheim, specifically The Anaheim Resort® and Platinum Triangle™. Within that service area, 67.6 percent of the residents are considered minority. Minority and Non-Minority residential areas are those areas with greater than the ATN service area average, and are shown in Figure 2.1. Figure 2.2 shows that 73 percent or more of ATN’s route service is within minority residential areas. A radius of one-half mile was applied to each route. The routes in this map are based on June 2016 ART System Route Map alignments. Figure 2.3 shows the distribution of low-income populations within the ATN service area. The low-income population distribution is determined by where the per capita income is less than \$21,867. The threshold of \$21,867 is based on 80 percent of



the national per capita income of \$27,334. The residential areas of low-income census tracts are displayed as low-income populations. As of June 2016, all ATN routes have greater than 50 percent of their service area within low-income areas.

Figure 2.1

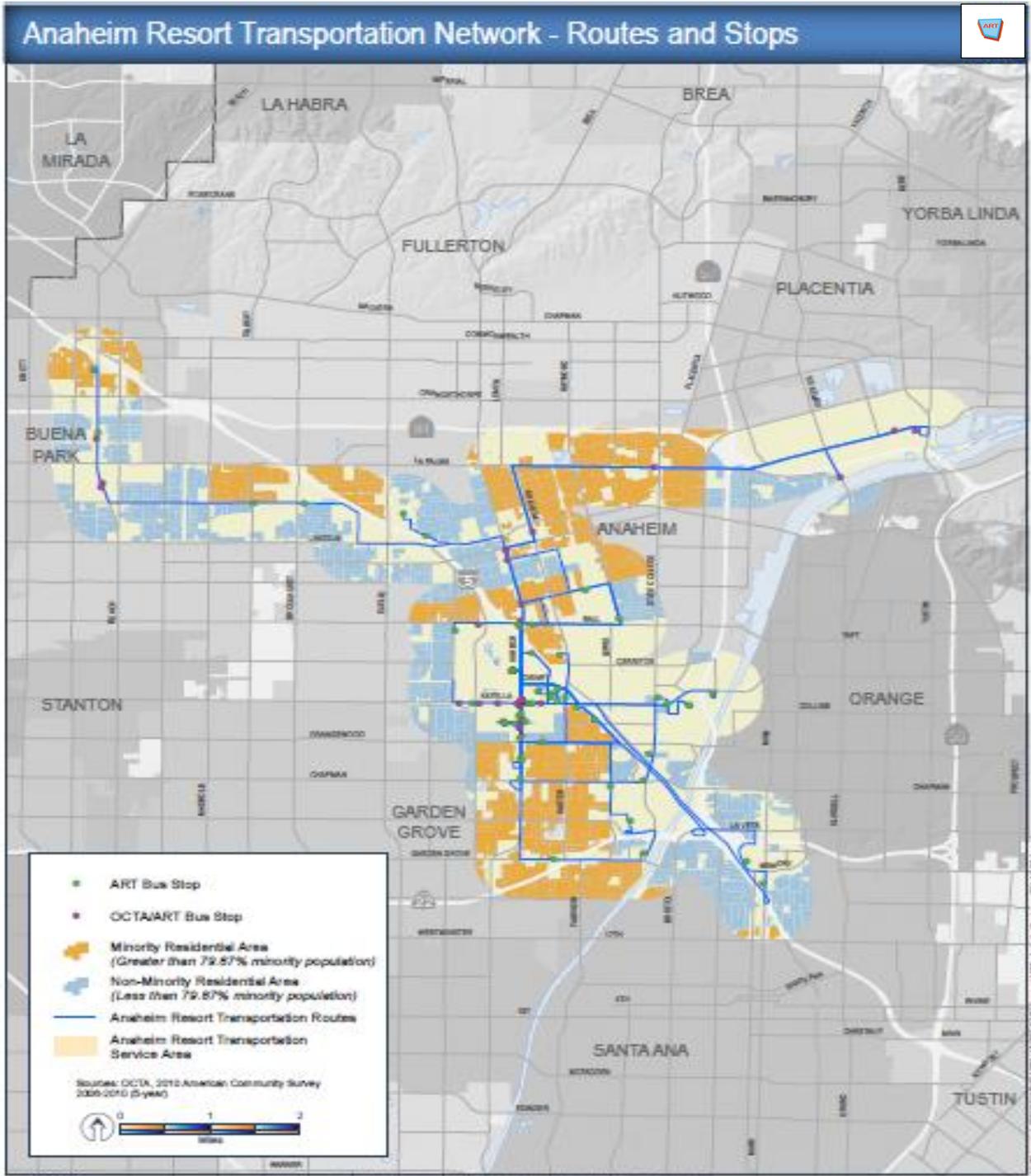


Figure 2.2

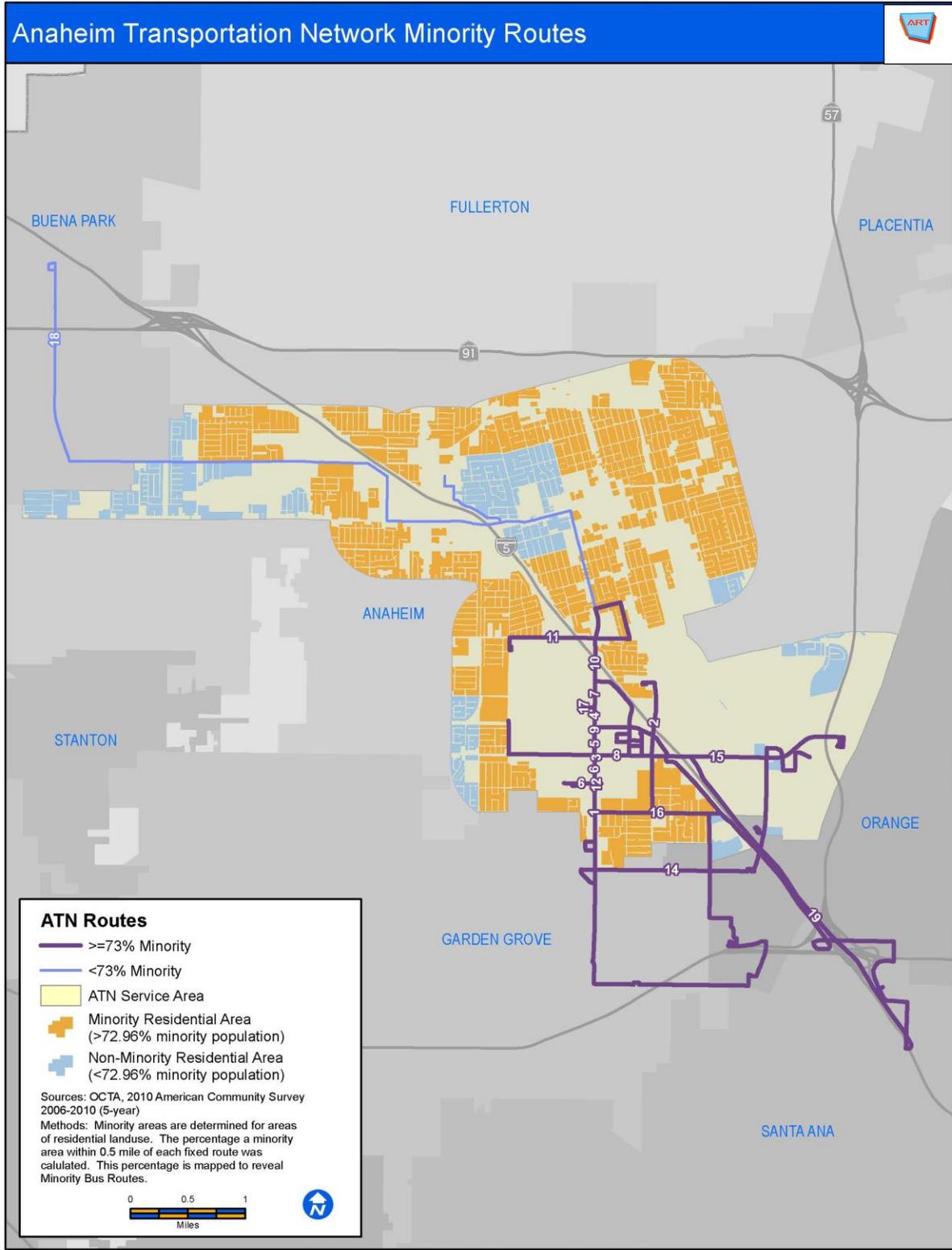
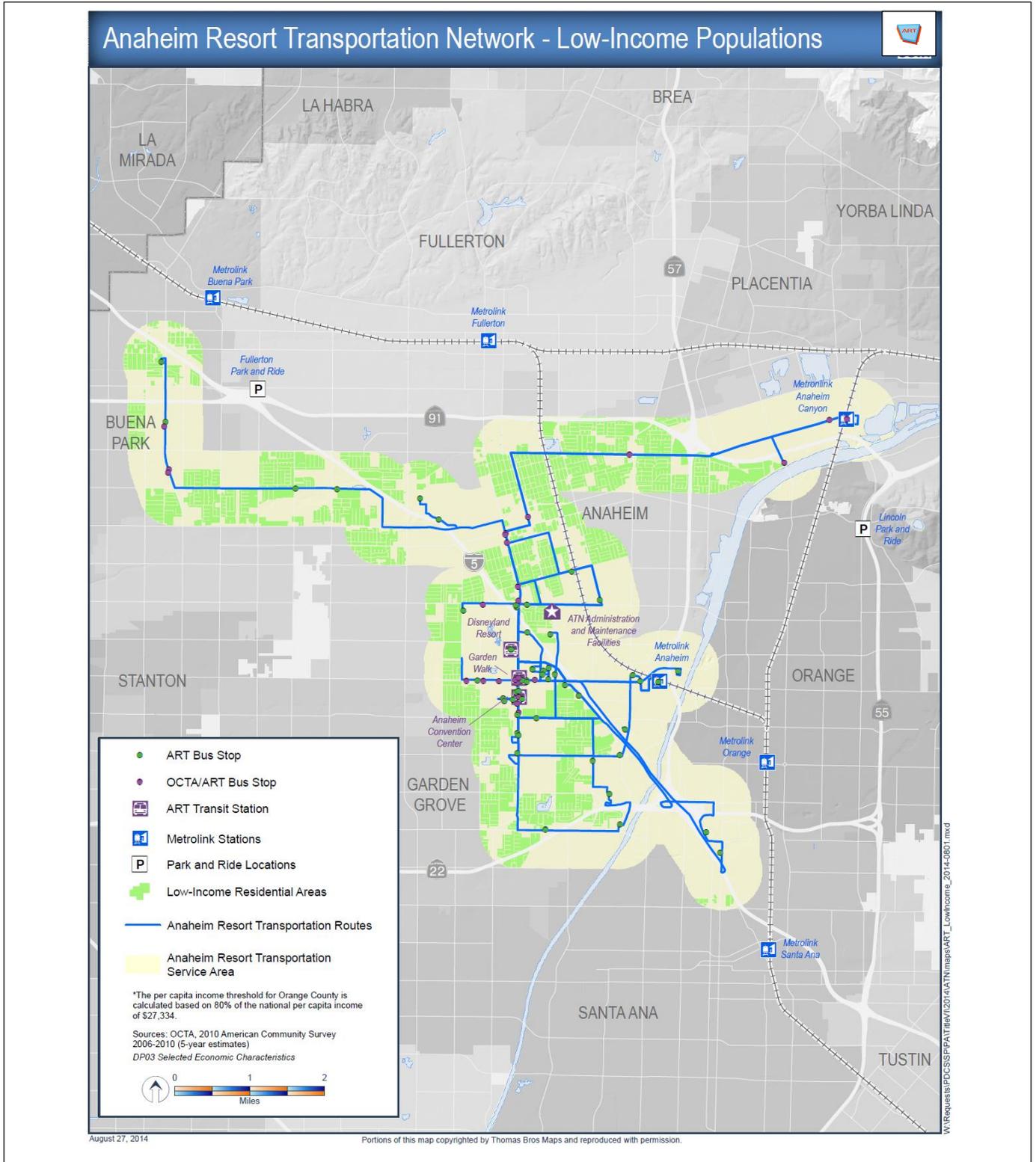




Figure 2.3





**2.3 Ridership Demographics Survey**

In July 2015, ATN conducted a Ridership Demographic Survey (see Figure 2.5) that included questions about ridership composition, trip origins, mode of transportation to the area, reason for the visit, length of stay and ART usage. A survey of 2,836 ART passengers was conducted to determine ridership demographic of ART users. The survey indicates that typical ART users are families (adults with either teenagers or children). Only 34% indicated that they were adults with no children. The survey also indicated that most of the ART users come from outside of California (86%) for the purposes of traveling on an overnight vacation or holiday (93%). Only 1% indicated that they used ART for a day-trip, and 3% indicated using ART for business. The results of the survey indicate that minority and/or low-income riders are not disproportionately more likely to use the mode of service, payment type, or payment media that would be subject to the fare changes.

**2.4 Customer Comment Cards:**

ATN provides riders an opportunity to comment on service in a variety of ways including on-board customer comment cards, online surveys or by the calling customer service line. The on-board survey asks riders to comment on the value/cost of the ART pass in order to provide feedback on the current fare structure. As can be seen in Figure 2.4, the survey data indicates that the majority of respondents do not feel that the existing fares are too expensive.

**Figure 2.4 – Customer Service Response**

<b>Response: How would you rate the value of an ART pass?</b>				
	<b>Good Value</b>	<b>Poor Value</b>	<b>No Response</b>	<b>Total</b>
# respondents	95	6	14	115
	82.6%	5.2%	12.2%	100.0%

**2.5 Fare Media Distribution**

The majority of ART passes sold in fiscal year 2015/16 were 1-day adult passes (59%); 3-day adult passes (9.9%); 5-day adult passes (5.2%); for the total adult sales of 74.1% of all ART passes sold, followed by 1-day child passes of 12% of total sales. All other pass types, including reduced fare passes, make up 13.9% or less of total sales.

**Figure 2.5 – ART Pass Sales by Denomination/Pass Time & Location**

<b>ART Pass Sales (FY 15/16)</b>				
<b>Denomination</b>	<b>Adult</b>	<b>Child</b>	<b>Reduced</b>	<b>Total</b>
1-day	513,787	97,854	2,544	614,185
3-day	86,907	48,768	9,607	145,282
5-day	45,461	28,948	5,029	79,438
15-day	25,433	2,078	4,936	32,447
30-day	2,038	3,542	1,134	6,714
<b>Total</b>	<b>673,626</b>	<b>181,190</b>	<b>23,250</b>	<b>878,066</b>
% Sold	77%	21%	3%	100%



Figure 2.5 Ridership Demographic Survey

2,836 Transit Riders Represented in The Study		Conducted 2015	
<b>Ridership Composition</b>		<b>Length of Stay</b>	
Adults	65%	Visitors from California	4 days
Teens	7%	Other US Visitors	4.2 days
Children (3-12 yrs)	28%	International Visitors	6.4 days
<b>Composition of Individual party</b>		<b>Use of ART Service</b>	
Adults with children	48%	<i>35% of ridership used ART service on prior visit 6.9 times</i>	
Adults with teens	7%	<b>Type of ART Pass Used</b>	
Adults with teens and children	11%	1-day	39.0%
Adults with not teens or children	34%	3-day	32.0%
<b>36% of total Ridership from California</b>		5-day	23.5%
Northern California	15%	15-day	2.0%
Central California	12%	30-day	0.5%
Southern California	9%	One-way cash fare	3.0%
<b>50% of total Ridership originated outside of California</b>		<b>Ethnicity (of those responded)</b>	
Arizona	25%	African American	4%
Nevada	13%	American Indian	1%
Pacific North West	12%	Asian	4%
<b>22% of total Ridership is International</b>		Caucasian	78%
Canada	16%	Hispanic	7%
Australia	3%	Other	6%
Mexico	2%	<b>Estimated Annual Household Income (of those responded)</b>	
New Zealand	1%	Under \$24,999	3%
<b>Transportation From/To The Anaheim Resort</b>		\$25,000 - \$34,000	9%
<b>Primary Mode of Transportation</b>		\$35,000 - \$49,999	3%
Auto	52%	\$50,000 - \$74,999	13%
Plane	44%	\$75,000 - \$99,999	16%
Bus	4%	\$100,000 - \$124,000	22%
<b>Primary Reason for Visit to The Anaheim Resort</b>		\$125,000 - \$149,999	13%
Overnight Vacation/Holiday	93%	Over \$150,000	21%
Convention/Meeting	3%	Anaheim Resort Transportation Ridership Demographic Profile	
Day Trip	2%		
Other	2%		

**3.0 Alternatives Available for People Affected by the February 2017 Fare Increase**

Although ATN has determined that minority and/or low-income riders will not be disproportionately impacted by the fare changes, this section analyzes alternative fare payment media and transportation options available for individuals who could be affected by the fare increase following the procedures in FTA Circular 4702.1B, Chapter IV, Section 7(b).

**3.1 Alternative Fare Media**

The fare increase will be applied to 1-day, 3-day and 5-day adult passes. ART provides other fare media that will not be affected by the fare increase including the one-way cash fares, children fares, reduced fares, and children under three years of age will continue to ride for free.

Figure 3.1 One-way Cash Fares

One-way Cash Fare		
Adult	Child (Under 3 free)	Reduced
\$3.00	\$1.00	\$1.00





Figure 3.3 Comparison of ART and OCTA Fares

<b>Comparison of ART and OCTA Fares ART Fares effective February 1, 2017</b>		
<b>Adult Local Fare</b>		
	<b>ART</b>	<b>OCTA</b>
Adult minimum fare	\$3.00	\$2.00
Child minimum fare (under 2 free)	\$1.00	N/A
Adult reduced minimum fare	\$1.00	\$0.75
<b>Adult Passes</b>		
	<b>ART</b>	<b>OCTA</b>
1-day adult unlimited use fare	\$5.50	\$4.50
3-day adult unlimited use fare	\$14.00	N/A
5-day adult unlimited use fare	\$23.00	N/A
7-day unlimited use fare	N/A	\$25.00
15-day adult unlimited use fare	\$27.00	N/A
30-day adult unlimited use fare	\$55.00	\$55.00
<b>Reduced Passes</b>		
	<b>ART</b>	<b>OCTA</b>
1-day reduced unlimited use fare	\$2.00	\$1.50
3-day reduced unlimited use fare	\$5.00	N/A
5-day reduced unlimited use fare	\$8.00	N/A
7-day reduced unlimited use fare	N/A	\$8.25
15-day reduced unlimited use fare	\$22.00	
30-day reduced unlimited use fare	\$27.00	\$18.00
<b>Child Passes</b>		
	<b>ART</b>	<b>OCTA</b>
1-day child unlimited use fare	\$2.00	\$2.00
3-day child unlimited use fare	\$3.00	N/A
5-day child unlimited use fare	\$5.00	N/A
15-day child unlimited use fare	\$10.00	N/A
30-day child unlimited use fare	\$20.00	\$40.00



**4. MITIGATION**

Although ATN has determined that minority and/or low-income riders will not be disproportionality impacted by the fare changes, in accordance within FTA Circular 4702.1B Chapter IV, Section 7(b), this section analyzes actions that mitigate any potential adverse effects of the fare increase on minority and low-income populations.

**4.1 Introduction of Additional Fare Media**

There is no indication that low-income and minority populations are disproportionately impacted by the fare increase, as compared to non-minority and non low-income populations. ART ridership demographic is comprised mostly of passengers who travel to The Anaheim Resort®, and surrounding areas, for the purposed of vacation and/or holiday (93%). Followed by trips to conventions and/or business meetings (3%). A total of 3% of ART ridership represent commuter-based trips.

In addition, over 87 percent of ART ridership fall into income categories of over \$50,000 in annual household income. To ensure that low-income populations are not adversely affected by the ART fare increase, no fare changes are recommended for 15- and 30-day passes, reduced passes, children passes and one-way cash fares.

The 15-day and 30-day passes offer significant savings when compared to the 1-day, 3-day or 5-day passes. Figure 3.2 shows a comparison of the cost of adult passes based on a five-day workweek per month. As can be seen, the 15-day and 30-day passes cost significantly less per month than the other types of fare media and offer an alternative to the fare media affected by the fare change.

**Figure 3.2 Monthly Cost for Adult Passes**

Monthly Cost for Adult Passes		
Fare Media	Before Fare Increase	After Fare Increase
1-day adult	\$90.00	\$99.00
3-day adult	\$78.00	\$92.00
5-day adult	\$80.00	\$99.00
15-day adult	\$54.00	\$54.00
30-day adult	\$55.00	\$55.00

**4.2 Fare Transfer Agreements**

ATN has two fare transfer agreements with OCTA:

1. For local bus service – free transfer between OCTA and ART along Harbor Boulevard and Katella Avenue at share bus stops; and
2. Amtrak intercity rail service – free transfer, with a valid rail pass, between Amtrak and ART.

ATN also has an interagency transfer agreement with the Southern California Regional Rail Authority, (SCRRA/Metrolink) for free transfers between Metrolink’s commuter rail trains and ART services. These transfer agreements help provide a more cohesive and seamless transit system for users.



## **5. CONCLUSION**

ATN is proposing to increase fares for adult 1-day, 3-day and 5-day passes. Fares have not increased for adult passes since 2012 and assessment rates were held at the initial level as established in 2002. Although the ATN service area is predominately minority and all ATN routes are within low-income residential areas. ATN ridership data indicates that that minority and/or low-income riders are not disproportionately more likely to use the mode of service, payment type, or payment media that would be subject to the fare changes, and the majority of riders surveyed do not feel that the existing fare price is too expensive. Additionally, when compared to parking at the area's major attractions, ATN's transit service is a better value.

Although there is no indication that Title VI populations are disproportionately impacted by the fare increase, ATN has taken several measures as part of the overall 2017 fare increase, to mitigate impacts on low-income and minority populations by keeping fares at the same rate for:

- 15-day and 30-day adult passes
- All child passes
- All reduced fare passes

ATN also took steps to improving access to regional transit and rail services through fare-transfer agreements with OCTA and Metrolink.

To ensure that the ART fare increase has a minimal impact on the traveling public, ATN will be increasing assessment rates on the local business community.

Because no disparate impacts were found, mitigation measures are included as part of the fare increase, and alternatives are available, no other action is necessary to implement the proposed fare increase.