

*Fare*  
**Aristide, Allison (MDT)**

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**From:** Stephens Jack [stephensj@sfrta.fl.gov]  
**Sent:** Wednesday, September 28, 2011 9:38 AM  
**To:** Llor, Ysela (MDT); Aristide, Allison (MDT)  
**Cc:** Giulietti Joseph  
**Subject:** Fwd: Miami-Dade Transit Fare Analysis

Congratulations! Enjoyed our time together yesterday. Wishing you the very best.

Sent from my iPad

Begin forwarded message:

**From:** Jarman Marie <jarmanm@sfrta.fl.gov<mailto:jarmanm@sfrta.fl.gov>>  
**Date:** September 28, 2011 9:23:38 AM EDT  
**To:** Stephens Jack <stephensj@sfrta.fl.gov<mailto:stephensj@sfrta.fl.gov>>, Hernandez Del Calvo Diane <hernandezdelcalvod@sfrta.fl.gov<mailto:hernandezdelcalvod@sfrta.fl.gov>>  
**Subject:** Miami-Dade Transit Fare Analysis

It has been approved. See email below...

**From:** antoinette.davis@dot.gov<mailto:antoinette.davis@dot.gov>  
[mailto:antoinette.davis@dot.gov]  
**Sent:** Wednesday, September 28, 2011 9:22 AM  
**To:** Jarman Marie  
**Subject:** RE: Fare Analysis

\*  
Hi Marie,

Miami-Dade Transit's fare analysis has been approved.

Toni

Antoinette "Toni" Davis  
Equal Opportunity Specialist  
Federal Transit Administration  
Office of Civil Rights  
1200 New Jersey Avenue SE  
Washington, DC 20590  
202-366-5190

This e-mail is intended to serve as informal guidance only and does not constitute the official opinion of the Federal Transit Administration or the U.S. Department of Transportation.

**From:** Jarman Marie [mailto:jarmanm@sfrta.fl.gov]  
**Sent:** Wednesday, September 28, 2011 9:04 AM  
**To:** Davis, Antoinette  
**Subject:** Fare Analysis

Morning Toni,

Just checking to see if you heard anything back on the Fare Analysis. Thanks.

Marie Jarman  
Administrative Compliance Office  
South Florida Regional Transportation Authority / Tri-Rail 800 NW 33rd Street Pompano  
Beach, FL 33064  
Phone: (954) 788-7944  
Fax# (954) 788-7961  
Email: <mailto:jarmanm@sfrta.fl.gov> jarmanm@sfrta.fl.gov<mailto:jarmanm@sfrta.fl.gov>

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**TITLE VI FARE EQUITY ANALYSIS**

**South Florida Regional Transportation Authority  
Implementation of the Miami-Dade County Transfer Fee**

**Submitted by:**

**MIAMI-DADE TRANSIT**

**Miami, Florida**

**FTA REGION IV**

**May 2011**

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In accordance with the Federal Transit Administration (FTA) Circular 4702.1A, Miami-Dade Transit (MDT) is required to conduct a Title VI Fare Equity Analysis stemming from the impending implementation of a transfer fee for commuters transferring from the South Florida Regional Transportation Authority (SFRTA)/Tri-Rail System into the Miami Dade Transit (MDT) system.

**Major Service Change**

FTA recommends that recipients evaluate the impacts of their service and/or fare changes using one of two specified options. For the purpose of this analysis, MDT has elected to utilize Option A; Section (2) assess the alternatives available for people affected by the fare increase or major service change, based upon (b) Fare Changes: For proposed fare changes, the recipient should analyze what, if any alternative transit modes, fare payment media are available for people affected by the fare change. MDT's analysis also includes a comparison of fares paid under the change with fares that would be paid through available alternatives.

**Threshold by Mode**

In order to ensure strict compliance with federal regulations, any increase or decrease in fares prompts a Title VI Fare Equity Analysis. The implementation of a transfer fee for commuters transferring from SFRTA into the MDT system represents the first proposed transfer policy change since the inception of Tri-Rail in 1989. SFRTA customers are currently not required to pay a fee to transfer into MDT's system when accompanied with any valid SFRTA ticket, from any SFRTA station located within the County. In 2004, SFRTA and Miami-Dade County entered into an interlocal agreement establishing the free transfer policy. The approval of this proposed fare policy has countywide and regional impact.

Overall, monthly averages of approximately 20,000 riders transfer into MDT's system from the Tri-Rail system-wide. MDT has proposed to begin collecting revenues from patrons transferring from SFRTA / Tri-Rail into MDT's system by modifying the MDT Schedule of Transit Fares, Rates and Charges through a "link up fee."<sup>1</sup>

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<sup>1</sup> Additional fee (\$40) is added to current full-fare cost of regional Tri-Rail Transit monthly pass (\$100). Full cost of monthly pass will provide unlimited travel between the two systems for one month.

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As previously noted, the existing fare structure currently provides free transfer from SFRTA/Tri-Rail into MDT's system, without cost to any passengers.

To date, Tri-Rail has 18 stations located throughout the South Florida region (Palm Beach, Broward County and Miami-Dade County). Five of the 18 stations are located in Miami-Dade County. These stations include: Golden Glades, Opa-Locka, Tri-Rail/Metrorail Transfer, Hialeah Market and the Miami Airport stations.

**Minority**

A minority tract is defined as a geographical area in which the minority demographics is 81.9% or higher, according to the 2000 Census. A survey conducted by the American Community Survey (ACS) in 2007 estimated that the figure has grown to 88%. However, for the purposes of this analysis, 81.9% was used.

Although there are five Tri-Rail stations in Miami Dade County, only four are utilized for this analysis: Golden Glades, Metrorail Tri-Rail Transfer, Opa-Locka Tri-Rail and Tri-Rail Hialeah Market. The Miami Airport Tri-Rail Station is not included because of an agreement between SFRTA and Miami-Dade County. (Attachment 1, page 2) This agreement is for the SFRTA to subsidize the County's feeder bus service in the amount of \$666,000 which funds the Routes 132 and 133. As a result of the agreement, both feeder routes are free. Additionally, the agreement provides for a free transfer policy.

Demographic data from the American Fact Finder (Census 2000 data) and the Economic and Social Research Institute (ESRI), determine that all of the four Rail stations exist within minority tracts. Over half of the total patrons' point of entry is at the Metrorail Transfer Station (59%). The second largest point of entry is the Golden Glades Station (32%). (Exhibit 2)

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### **Low Income**

A low income tract is defined as a geographical area in which the low income or poverty level of the demographic group is 15.7% or higher.

Demographic data from the American Fact Finder (Census 2000 data) and the ESRI determine that the following three Tri Rail transfer points within low income tracts: Golden Glades, Opa Locka Tri-Rail and Tri-Rail Hialeah Market. (Exhibit 2)

### **Data Sets Used for Analysis**

There were a total of 7,457 records obtained from Nextfare, MDT's fare collection software system to conduct this analysis from January 27, 2011 through April 13, 2011. Specifically, information used in this analysis is data derived from SFRTA EASY Card<sup>2</sup> "taps" which provide a myriad of data including the SFRTA origin station and transfers to both Broward and Miami-Dade Counties. As previously indicated, demographic data was obtained from The American Fact Finder (Census 2000 data) and the ESRI.

The process of obtaining point-of-entry and destination data for the Tri-Rail System is relatively new. With the introduction of the SFRTA Easy Card fare media on January 27, 2011, MDT was able to determine a passenger's point-of-origin when they "tapped in" with their Easy Card and point-of-destination when they "tapped out" upon exiting. For the purposes of this study, it should be noted that all four SFRTA stations are used as a patron's point of origin, due to the lack of a "true" point of origination. Additionally, the point-of-transfer is also assumed to be the patron's point of destination.

### **How information is quantified**

To support the analyses, staff has provided the following attached reports:  
(Exhibits 1, 2, 3 & 6)

- SFRTA Implementation of the Miami-Dade County Transfer Fees (Exhibit 1)

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<sup>2</sup> SFRTA Easy Card is an Automated Fare Collection Service.

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- Miami Dade Transit/ SFRTA Transfers – Low Income / Minority Ridership Data (**Exhibit 2**)
  - SFRTA/MDC Percentage of Riders Impacted by Proposed Transfer Fare Increase BUS and RAIL (**Exhibit 3**)
  - SFRTA Estimated Ridership by Station March 2011 (**Exhibit 6**)

The supporting data is presented in spreadsheet format and delineates the relevant data for each of the four Tri-Rail Stations to MDT transfer station points. The ridership and fare media data extrapolates the total ridership for the month of March 2011, for the purpose of analysis and estimating. Inclusive of the calculations are aggregate ridership data per Tri-Rail Station transfer point, payment type and fare media used. An extended analysis of payment type further delineates percentages of cash, discount and non-pass riders, per Tri Rail to MDT transfer station points.

Additionally, a set of data regarding low income and minority ridership, as well as a Geographical Information System (GIS) map (**Exhibit 5**) is included as an illustration of minority and low income tracts, and supplemental data reaffirming GIS tracts are also included.

### **Adverse Impacts**

The purpose of the Title VI Fare Equity Analysis-SFRTA Implementation of the Miami-Dade County Transfer Fee is to ascertain whether the link up fee, (i.e., fare increase) would have a disproportionately high and/or adverse effect on minority or low income riders. Although it is presumed that a price increase effectively impacts all transit riders, the daily ticket rider would incur the highest cost of travel; whereas the monthly pass holder would pay the lowest travel cost under the proposed new monthly link up fee of \$40.00. As further illustration, the \$140 total cost of the new monthly pass would provide unlimited monthly travel, including transfers to MDT's system; whereas, a full-fare daily rider, traveling SFRTA five days per week for a total of 20 days per month, and paying an average round-trip fare of \$5 would incur a total travel cost of \$160:

$\$8 \text{ per day} = \$5 \text{ fare} + \$1 \text{ transfer fee from SFRTA to MetroRail} + \$2 \text{ transfer fee upon return trip}$

An analysis of March 2011 ridership data in the NextFare system indicates that approximately 31% of all patrons are estimated to be cash riders. Approximately 3 out of 4 riders on the impacted routes are estimated to be non-monthly pass riders. This suggests that about three-fourths of all transit riders are not benefiting from the inherent discounted rates of the monthly passes. (**Exhibit 6**)

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As previously indicated, prior to the introduction of the cost associated with the link up fee, customers transferring from SFRTA into MDT's system were not required to pay to ride the system.

### **Mitigation Plan**

To effectively offset the moderately higher cost of utilizing a daily ticket, in comparison with the up-front cost disbursement of a monthly pass, MDT proffers the following viable alternatives:

Implemented the I-95 Express Bus (limited stop) Service,<sup>3</sup> which allows customers originating in Broward County, and not anticipating a transfer fare, both a cost effective (\$2.35 per trip) and quicker alternative to the Metrorail from SFRTA.

All passengers eligible for a discount would pay half-fare. Recent ridership data and projections indicate that a total 24.1 % of all passengers originating at the four Tri-Rail passenger points are discount riders. (Exhibit 6) MDT and SFRTA both offer discount programs for local employers. (Exhibit 7) SFRTA's employer discount program (EDP) has 786 employers and over 3,900 cardholders. SFRTA offers EDP members their monthly pass at a discounted rate of \$ 75.00. With a proposed transfer fee, SFRTA's EDP members will be able to purchase the link-up product for a total cost of \$115.00. (Attachment 1, page 5)

MDT will work with internal marketing staff to initiate a much more aggressive campaign regarding discount programs. This will ensure passengers' optimal use and benefit of discount rates.

Finally, MDT will conduct a ridership satisfaction survey. (Exhibit 8) MDT has already reached out to the community in the development of the survey designed to get more refined information regarding actual points of origin, and destination of passengers. This critical information will not only be utilized to further evaluate ridership data, but will also give MDT an opportunity to further enhance its public outreach campaign.

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<sup>3</sup> I-95 Express Bus Service-Uninterrupted Bus Service from Broward to Dade County.

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## Conclusion

An analysis of relevant data indicates that all four Rail stations exist in minority tracts. Additionally, three of the four Rail stations also exist within low income tracts. Ridership data and associated calculations further indicates that three out of four riders do not benefit from the usage of a monthly pass. This would seem to suggest a correlation between the usage of monthly pass and income level. While fare increases effectively impact all riders, it is understood that such increases would inherently impact the low income population to a greater degree. However, as indicated in Exhibit 3, this fare increase will impact less than 2% of Miami-Dade Transit's total riding public. Specifically, as opposed to a broad based far reaching impact, the fare increase is limited to those passengers desiring to transfer from SFRTA into the Miami-Dade County system. Therefore, the impact is significantly minimized. Moreover, for those passengers who elect to pursue alternative modes of travel such as the I-95 Express Bus Service, the impact can be entirely eliminated. The I-95 Express Bus is a parallel limited stop service, which is both fast and cost effective.

Since ridership data indicates that less than 30% of all transferring SFRTA patrons are discount riders (Exhibit 6), this ridership segment provides the greatest opportunity for further growth through an aggressive targeted outreach program. Additionally, the corporate discount program represents another viable alternative for qualified riders in which passengers could actually save up to \$25 with the purchase of the monthly pass, for a total cost of \$115. (Attachment 1, page 5)

Other options include a more effective utilization of the Easy Card through the usage of stored cash value which also provides a minimal financial benefit. This simply requires a more aggressive marketing campaign strategy to better inform the transit riders.

Finally, as an additional initiative to ensure fair and equitable transit service, following implementation, MDT will closely monitor all customer feedback received on the fare increase by conducting a ridership survey to further assess any unanticipated disparate impacts. (Exhibit 8)

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In conclusion, based on the analysis conducted during the Title VI Fare Equity Analysis- South Florida Regional Transportation Authority Implementation of Miami-Dade County Transfer Fee, MDT has determined that minority and low income transit riders will be minimally impacted by the link up fee. Given the viable travel and payment options designed to effectively counterbalance this impact, the Office of Civil Rights and Labor Relations has determined that implementation of the transfer fee, in addition to the full implementation of MDT's mitigation plan, complies with MDT's approved August 31, 2010, Title VI Program Update, in adherence to FTA's Title VI regulations. (Exhibit 4)

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## RESOURCES

- Exhibit 1** South Florida Regional Transportation Authority Implementation of Miami-Dade County Transfer Fee
- Exhibit 2** SFRTA MDC Point of Origin Minority and Low Income
- Exhibit 3** SFRTA/MDC Percentage of Riders Impacted by Proposed Transfer Fare Increase-BUS and RAIL
- Exhibit 4** SFRTA Implementation of Miami-Dade County Transfer Fee MITIGATION PLAN
- Exhibit 5** Miami-Dade Transit SFRTA Transfers Map
- Exhibit 6** SFRTA Estimated Ridership by Station March 2011
- Exhibit 7** Tri-Rail Employer Discount Program Corporate Benefits Brochure
- Exhibit 8** Miami-Dade County – Miami Dade Transit Title VI Ridership Satisfaction Survey
- Attachment 1** Resolution Authorizing Establishment of a Regional EASY Card Link Up Product and Transfer Fare to the Miami-Dade Transit Schedule of Transit Fares, Rates and Charges for Patrons Transferring from South Florida Regional Transportation Authority (SFRTA)/ Tri-Rail into the Miami-Dade Transit System