

# Dr. Toya Crain

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**Subject:** Central Indiana Transit Plan

To Whom It May Concern:

I attended the Marion County City Council meeting on January 30, 2017, after attending the meeting I followed-up and reviewed over 100 pages of documentation presented by IndyGo and Metrorail. As a minority (African American, single mother) who resides in Haughville, I found the data presented in Transit Plan proposal to be alarming for tax payers. Haughville is identified as a low income area improvised with a high crime rate; 92% African American. I did a review of the Census 2015 reports, in Marion County alone, there are over 300,000 non-whites. My concerns which I'm listing below will focus on some numbers obtained from the documents.

For informational purposes, current census report of 2014 reported the avg. household income for Haughville is \$17, 321. 40.7% of those residents do not have a high school degree or equivalent. In comparison to Broad ripple the avg. income \$90K and downtown Indy is appropriately \$200K; graduate rate is above 90%. According to IndyGo (press-release, 2016) the mission is "connecting workers to state's two largest employment clusters (downtown Indianapolis and U.S. Highway 31 in Carmel)... the first segment of the Red Line will run for 13 miles from Broad Ripple to the University of Indianapolis via Downtown Indianapolis and will be the nation's first battery powered all electric BRT system."

## **Identified concerns in the proposal:**

A statement that was used in the proposal (named: **Metro Customer Service, Operations and Security Committee** – Action Item III-A, proposed on December 1, 2016) created an alarm for me to respond in writing. Under the Title VI Equity Analysis document conducted by the Metro staff, this particular statement was presented over 10 times throughout the proposal:

"Proposal 3 will result in a disparate impact (DI) on minority populations and a disproportionate burden (DB) on low-income populations and there appears to be a less discriminatory alternative before considering public input, thus implementing this service change does not violate Title VI or Environmental Justice (EJ) because: (1) Metro has a substantial legitimate justification for the proposed service change; (2) **practically speaking**, no less discriminatory alternative exists because minority and low-income populations overwhelmingly prefer Proposal 3; and (3) Metro will provide supplemental bus service that will mitigate some of the rail service changes that have an adverse impact on minority and low-income riders (pg.7)".

Per the Central Indiana Regional Transportation Authority (CIRTA) contracts "typically last 10-12 years." According to the proposal an imposed tax of .25% will start on October 1, 2017 and become a lifetime commitment for Marion County residents. In May of 2016, IndyGo and Metro received the approval from legislation to place a question on the November 2016 ballot to ask the Marion County residences if they would be willing to pay for a transit plan however, they failed to provide complete transparency with tax payers. The service provider, IndyGo, is requesting \$54 million annually in addition to the other taxes that currently go

towards this contract agreement; this is a significant request when IndyGo is currently collecting a large portion of tax payers' funds. Currently there are **four** different funds that make up the IndyGo operating budget is primarily funded by:

- a). Property & Excise Tax; according to the 2014 Comprehensive Annual Financial Report for INDYGO they currently receive \$31,729,423 annually
- b). Operating Revenue and from the same report identified above they currently receive \$12,136,882 annually
- c). FTA Assistance
- d). Municipalities

Proposal 3 state, "a key strategy for implementing the proposed transit improvements in Indianapolis is leveraging federal grants for capital investments..." From the data findings, over \$11 million was collected from federal grants in 2015. In February 2016 the FTA (released its Small Starts funding Recommendations for the 2017 federal fiscal year) awarded \$75 million for the construction of IndyGo's Red Line. In addition, the funds are used as local match for federal grants (80%/20%); funds are obligated based on project proposals. My understanding of the data, "Marion County it will cost approximately \$390 million to buy all the new equipment and build all the new infrastructure necessary to implement the 2012 transit network. It will cost approximately \$108 million/year to operate the 2021 network." Per the question on the Nov. ballot, tax payers were asked to pay \$54 million, not \$390 million.

We are using resident's tax funds as leverage for soliciting grants and business projects. However, is this proposal really beneficial for tax payers? According to the Indianapolis Department of Metropolitan Development (DMD) pre-requisite "location near a transit stop is a prerequisite for the City's affordable housing subsidies (money must be spent on projects within 1/2 a mile of an existing or proposed transit line)". Ironically, IndyGo reports the Red Line alter 27 of the 31 routes and consolidate routes BUT "the trade-off of this is that some passengers may have to walk a few blocks farther to reach their route..."

It is important to highlight the numbers to reveal the hidden agendas within. Proposal 3 mentions multiple times throughout the report, that it will result in a disparate impact (DI) on minority populations and a disproportionate burden (DB) on low-income populations, however, the powerful and privileged suggest, since the minorities and low-income residents begged for the change, then technically its ok. Why should minority and low-income residents be forced to pay an additional .25% when many will be inconvenienced and forced to walk an additional 1/2 a mile or more to catch their desired line? Why pay \$54 million in add't taxes (for the first year at least) when current minority and low-income resident already pay multiple taxes (Property Tax base levy, Special Property Tax, Local Option Income Tax, Gasoline Tax, etc.) which currently funds a large portion of IndyGo and Metro. In essence, this is accommodating the private investors and corporations not the minority and low-income residents who are utilizing the bus system and truly in need.

#### **Priority of the bus line to be implemented first:**

**Red, Blue, Purple and Green** (these will connect to all points within the Marion county area identified in the 1 of 4 phases). In the proposal the priority sequence is Red, Purple and Blue then it states Red Line extensions are in the plan however, the Green Line was removed.

The concern, the Red Line was obviously chosen to be in the first phase because of three reasons. (1) it was already funded with taxes, federal grants and private investments, (2) the Red Line will be the first all-electric bus rapid transit (BRT) service in the nation and the first rapid transit service in Indiana; (3) this project

was not focused on the betterment of the minority and low-income Marion County residents, this was a project that was going to move forward with or without residents vote.

Completing the project of the Red Line (phase 1) in one year as stated in the proposal is phenomenal. This is a direct contradiction to what one of the IndyGo official stated in the January 30<sup>th</sup> meeting. IndyGo acknowledged it took thirteen years just to obtain “replacement” buses. This goes to show how much the voice of the minority and low-income resident(s) does not matter when facing the private investor’s contributions to IndyGo and Metro’s revenue. It appears to me that this proposal was based mainly on the “Mighty Dollar”. Is this transit plan really worth creating a bigger disparate impact and burden amongst your minority and low-income residents? According to the proposals in table 2: DI/DB Threshold for significant disparity should be no more than 7% according to surveyed Daily Riders Impacted. Proposal #3 produces a 3 to 5% increase in disparities amongst minorities and low-income residents.

### **Facts about Wage income (addressing poverty level income):**

The current minimal wage for Indiana is \$7.25 per hr.; according to the Central Indiana Transit Plan the proposal stated low income is equivalent to anyone making less than \$30K per year. According to the US Census Bureau the actual federal property threshold is approximately \$12K for one person; a family of five people with two related children to not exceed \$28,995. From the Metrorail pie charts, 52% of the individuals surveyed were NOT minority and 65% made over \$30K. It is also stated in the proposal that 88% of the survey respondents when asked about supplemental bus services, would **“NOT”** use the Metrobus system. The same system that IndyGo and Metro are asking an additional \$54 million, scheduled for October 1, 2017 deductions.

Again I ask, how much of this is for the benefit of minorities and low-income residents and is it worth imposing another “permanent” tax on Marion County residents in the amount of \$54 million annually to start. The private investors have a safety net which is stated in their contract. What safety net does the impacted residents have if the service does not include all of the promises made in the proposal by the service provider? According to Metrobus, the Lifeline Network Access Service Plain will “provided enhanced bus capacity and connections that assist in mitigating the impact of changes to the Metrorail service hours.” The Central Indiana Transit Plan is promising the completion of Red, Purple, and Blue Lines to include Red Line Extension, bus replacements, shelters, sidewalks, and facilities. In addition to hiring approximately “300+ full time, permanent jobs, organization-wide. If contracts **“typically last 10-12 years”** then why should Marion County City Council and residents accept a lifetime commitment? The Green Line has been completely removed because IndyGo felt the cost to repair exceeded their interest thus the reason for its disappearance from discussions.

To summarize my concerns, the data does not provide enough evidence to support the proposal; cost of the transit plan outweighs the benefits to minorities and low-income families regardless of the poor explanation submitted by the service provider(s). I recommend a review of the survey data regarding the families making less than \$30K annually; take into consideration that if they make \$30K, this hike will account for a \$6.25 monthly tax increase on top of their \$1.75 per trip (barring no hike in the future fares). Really review this information prior to the approval of this referendum and understand the negative burden and impact this proposal will have on Marion County residents; as elected officials, the minority and low-income residents also matter and accepting this proposal as is does a great injustice to your voters.

Thank you in advance for your time, attention and consideration.

Sincerely,

Dr. Toya Crain

Haughville Resident, District 11

