Agenda Item 2

TO: Regional Advisory Working Group DATE: January 19, 2016

FR: Doug Johnson, MTC and Pedro Galvao, ABAG

RE: MTC Resolution No. 4217: Equity Framework for Plan Bay Area 2040

Summary

This memorandum presents staff recommendations for communities of concern (CoCs) and the equity measures to be used as part of the Plan Bay Area 2040 Equity Analysis. To develop these recommendations, staff has been meeting on a monthly basis since June with stakeholders and local jurisdictions through the Regional Equity Working Group (REWG). This memo provides context on the Plan's overall equity framework, discusses the Bay Area's current demographic trends, and proposes a new set of equity measures as well as an updated definition of CoCs for your consideration.

Context and Overall Equity Framework

MTC has conducted an equity analysis for the last four Regional Transportation Plans (RTPs) in compliance with federal civil rights and environmental justice laws. For each RTP, MTC used the following steps to conduct the equity analysis:

1. Identify equity measures that reflect key issues faced by vulnerable and disadvantaged communities in the region (typically a subset of the Performance Targets);
2. Define these potential disadvantaged communities based on a CoCs framework that takes into account factors such as race, income, and disability, among others;
3. Conduct an assessment during the project performance analysis phase, using the equity measures, to identify potential benefits and burdens of proposed projects on CoCs;
4. Conduct an assessment during the scenario analysis phase, using the equity measures, to identify potential benefits and burdens of scenario alternatives on CoCs, and to inform the selection of a preferred alternative; and
5. Include an assessment of benefits and burdens for the preferred alternative in the final report, and conduct a supplemental analysis of minority status to comply with federal civil rights law.

For each RTP update, the equity measures are developed with input from key stakeholders. For Plan Bay Area (PBA) 2013, the combined Sustainable Communities Strategy (SCS) and RTP, MTC and ABAG formed a Regional Equity Working Group (REWG) to provide this input. MTC and ABAG created a REWG for Plan Bay Area 2040 as well which began meeting in June and will continue to meet until fall 2016.

Overall Equity Framework

The 2013 PBA equity analysis included three components, listed below. Staff is proposing to retain this overall framework for the Plan Bay Area 2040 equity analysis. The three components include:

A. A ***Title VI*** analysis of PBA investments that use federal and state funds to determine whether there are any disparate impacts of distribution of these funds on populations of different race, color or national origin;

B. An ***environmental justice*** analysis of PBA investments to determine whether there are any disproportionately high and adverse impacts on low-income and minority populations or CoCs; and

C. An ***equity analysis*** that assesses the distribution of benefits and burdens of PBA 2040 on CoCs in comparison to the rest of the region.

Equity Measures

To support the project performance and scenario analysis processes, staff recommends using the six Performance Targets listed below as equity measures (see Attachment B for the most recent list of adopted/proposed Performance Targets). The equity report will include a region-wide population-based analysis of benefits and burdens of the preferred alternative on CoCs based on these equity measures.

Staff recommends using the following Performance Targets as equity measures for PBA 2040 project performance and scenario analysis:

1. *Healthy and Safe Communities* Target #3 – will measure health benefits and burdens associated with air quality, road safety and physical inactivity (will also include a sub-analysis for low-income neighborhoods[1]);
2. *Equitable Access* Target #5 – will measure the share of lower-income residents' household income consumed by transportation and housing;
3. *Equitable Access* Target #6 – will measure the share of affordable housing in Priority Development Areas (PDAs), Transit-Priority Areas (TPAs), or high-opportunity areas[2];
4. *Equitable Access* Target #7 – will measure the share of low- and moderate-income renters in PDAs that are at an increased risk of displacement;
5. *Economic Vitality* Target # 8 – will measure the share of jobs that are accessible by auto and transit in congested conditions (will also include a sub-analysis for lower-income communities); and
6. *Economic Vitality* Target #9 – will measure the current share of middle-wage jobs in the region and project the share of jobs in predominantly middle-wage industries in 2040.

In addition to an analysis based on the equity measures listed above, the equity report will summarize key demographic and socio-economic trends, including the following topics:

- *Poverty in the Suburbs* – will measure trends in the share of lower-income households that reside in suburban or inland jurisdictions, as defined by Plan Bay Area 2040, and offer a discussion of its implications for the region;

[1] Census tracts with a concentration of households that earn less than 200% of federal poverty line
[2] See the Fair Housing and Equity Assessment report, ABAG, 2015, for a definition of high-opportunity areas

- *Concentration of Poverty* – will measure trends in the share of low-income households that reside in neighborhoods that have a high concentration[3] of poverty;
- *Proximity to Services and Amenities* – will measure trends in the share of lower-income households that live in neighborhoods with a high walk score[4];
- *Proximity to Opportunity Areas* – will measure trends in the share of lower-income households that live in high-opportunity areas; and
- *Exposure to Contamination and Pollutants* – will measure trends in the share of lower-income households exposed to air contaminants (diesel particulate matter and fine particulates (PM2.5)[5].

Communities of Concern and Plan Bay Area 2013

MTC defined "communities of concern" for the RTPs adopted in 1999, 2003 and 2007 as areas with a concentration of *either* 70% minority *or* 30% low-income households. For PBA 2013, CoCs were defined either as census tracts with a concentration of 70% minority population AND 30% low-income households OR as census tracts that have a concentration of 4 or more of the disadvantage factors listed in Table 1 below. The concentration threshold for each disadvantage factor was based on its current share of the region's population plus half a standard deviation above the regional mean.

Table 1: Communities of Concern Framework for Plan Bay Area 2013

Disadvantage Factor	*% Regional Population*[6]	*Concentration Threshold*
1. Minority	54%	70%
2. Low Income (<200% Federal Poverty Level - FPL)	23%	30%
3. Limited English Proficiency	9%	20%
4. Zero-Vehicle Household	9%	10%
5. Seniors 75 Years and Over	6%	10%
6. People with Disability	18%	25%
7. Single-Parent Family	14%	20%
8. Cost-Burdened Renter	10%	15%
Definition – census tracts that have a concentration of BOTH minority AND low-income households, OR that have a concentration of 4 or more factors listed above.		

Using the eight factors, concentration thresholds and definition in Table 1, PBA 2013 identified 305 out of a total of 1,405 census tracts in the region as CoCs. See Attachment 2 for a map of PBA 2013 CoCs. PBA 2013 used additional factors and a revised definition of COCs to respond to the changing demographics in the Bay Area. The region is far more racially diverse than in

[3] Census tracts with more than 40% low-income households; see Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment, Chetty, Hendren, and Katz, Harvard University and NBER, May 2015
[4] Walk score is calculated by MTC and is based on access to a range of amenities and services including parks, schools, grocery stores, primary care facilities, transit stations, jobs and libraries, among other, subject to data availability
[5] See Communities Air Risk Evaluation Program, Bay Area Air Quality Management District at: http://www.baaqmd.gov/plans-and-climate/community-air-risk-evaluation-care-program, and the California Environmental Protection Agency (CalEPA), California Communities Environmental Health Screening Tool: CalEnviroScreen at: http://oehha.ca.gov/ej/ces2.html
[6] 2005-2009 American Community Survey and 2000 Census

previous decades. This trend has continued since the plan was adopted in 2013[7] (see updated data Table 2). Between 2000 and 2013, while the total population in the region increased by 7%, both the Asian and Latino populations increased by more than 30%, while the White and African-American populations decreased by 10% and 8%, respectively.

Table 2: Racial Composition of Bay Area Population 2000-2013[8]

Race	*2000*		*2013*		*Change*	
	#	*%*	*#*	*%*	*#*	*%*
White	3,392,204	50%	3,047,321	42%	(344,883)	(10%)
Black or African American	497,205	7%	456,896	6%	(40,039)	(8%)
Asian	1,278,515	19%	1,704,791	23%	426,276	33%
Hispanic (any race)	1,315,175	19%	1,711,158	24%	395,983	30%
Total Population	6,783,760	-	7,257,501	-	473,741	7%

While the region became racially more diverse, it also became poorer. Between 2000 and 2013, the share of census tracts with a concentration of minority households (defined by PBA 2013 as 70% or more minority households per tract) increased from 23% to 32% and the share of tracts with a concentration of low-income households (defined as 30% or more low-income household per tract) increased from 23% to 35%[9].

Table 3: Census Tracts with Concentration of Low-Income and Minority Households

Criteria	*2000*		*2013*	
	#	*%*	*#*	*%*
70% or more Minority Households	324	23%	498	32%
30% or more Low-Income Households	323	23%	547	35%
Both Minority and Low-Income	186	13%	311	20%
Total Census Tracts	1,405	-	1,581	-

Since the Bay Area is experiencing a rise in the share and number of both minority and low-income households, both race and income are important measures of disadvantage. Staff recommends the inclusion of all census tracts that have concentrations of both low-income and minority households as the starting point for defining CoCs for PBA 2040 Equity Analysis. Based on REWG feedback, staff also recommends retaining the remaining six disadvantage factors (#3 to #8 in Table 1) in the CoC framework, and keeping the thresholds of significance the same as in 2013. In addition to updating the data to 2009-2013 American Community Survey (Plan Bay Area 2013 used data from the 2005-2009 ACS), the REWG is proposing one change to the definition of CoCs. See Table 4 below for the proposed new definition of CoCs.

[7] PBA 2013 used the 2005-2009 American Community Survey
[8] Bay Area Census: http://www.bayareacensus.ca.gov/ and 2009-2013 American Community Survey[9] 2009-2013 American Community Survey and 2000 Census
[9] 2009-2013 American Community Survey and 2000 Census

Table 4: Proposed Communities of Concern Framework for Plan Bay Area 2040

Disadvantage Factor	*% Regional Population*	*Concentration Threshold*
1. Minority	58%	70%
2. Low Income (<200% Federal Poverty Level - FPL)	25%	30%
3. Limited English Proficiency	9%	20%
4. Zero-Vehicle Household	10%	10%
5. Seniors 75 Years and Over	6%	10%
6. People with Disability	9%	25%
7. Single-Parent Family	14%	20%
8. Severely Rent-Burdened Household	11%	15%
Definition – census tracts that have a concentration of BOTH minority AND low-income households, OR that have a concentration of 3 or more of the remaining 6 factors (#3 to #8) but only IF they also have a concentration of low-income households.		

Recommendation

Staff is seeking comment from the RAWG on the equity framework. MTC Resolution No. 4217, which sets forth the equity measures and CoCs framework for Plan Bay Area 2040, will be considered by the Commission for approval at the January 27, 2016 meeting.

Attachments: MTC Resolution No. 4217

1. Plan Bay Area 2040 Goals and Performance Targets, excerpt from MTC Resolution 4204, Revised
2. Plan Bay Area 2013 Communities of Concern Map
3. Plan Bay Area 2040 Proposed Communities of Concern Map
4. Comparison Map of Plan Bay Area 2013 and 2040 Proposed Communities of Concern Boundaries
5. Presentation

Date: January 27, 2016
W.I.: 1212
Referred by: Planning Committee

ABSTRACT

Resolution No. 4217

This resolution adopts the equity measures and communities of concern framework for Plan Bay Area 2040.

Further discussion of this action is contained in the MTC Deputy Executive Director's Memoranda to the Planning Committee dated December 31, 2015.

Date: January 27, 2016
W.I.: 1212
Referred by: Planning Committee

Re: Adoption of Equity Measures and Communities of Concern Framework for Plan Bay Area 2040

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4217

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq.; and

WHEREAS, SB 375, Chapter 728, Statutes of 2008, amended Sections 65080, 65400, 65583, 65584.01, 65584.02, 65584.04, 65587, and 65588 of, and added Sections 14522.1, 14522.2, and 65080.01 to, the Government Code, and amended Section 21061.3 of, to add Section 21159.28 to, and to add Chapter 4.2 (commencing with Section 21155) to Division 13 of, the Public Resources Code, relating to environmental quality; and

WHEREAS, SB 375 requires MTC to adopt a Sustainable Communities Strategy (SCS) as part of the Regional Transportation Plan (RTP), referred to as Plan Bay Area 2040 ("the Plan"); and

WHEREAS, MTC may elect to set performance targets for the purpose of evaluating land use and transportation scenarios to help inform selection of a draft and final Plan; and

WHEREAS, MTC and ABAG have solicited extensive input from local governments, partner transportation agencies, the MTC Policy Advisory Council, the Regional Equity Working Group, and other regional stakeholders on goals and performance targets; and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, lists the equity measures to be used for the Plan Bay Area 2040 project performance assessment and scenario analysis; and

WHEREAS, MTC has defined 'communities of concern" for the RTPs adopted in 1999, 2003, 2007 and 2013 to identify communities with concentrations of poverty, minority households and other factors suggesting disadvantaged communities; and

WHEREAS, Attachment B to this resolution, attached hereto and incorporated herein as though set forth at length, sets forth the Plan Bay Area 2040 Communities of Concern framework, now, therefore be it

RESOLVED, MTC adopts the equity measures set forth in Attachment A and the proposed communities of concern framework for Plan Bay Area 2040 outlined in Attachment B.

METROPOLITAN TRANSPORTATION COMMISSION

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David Cortese, Chair

The above resolution was entered into by the
Metropolitan Transportation Commission
at a regular meeting of the Commission held in
Oakland, California, on January 27, 2016.

Equity Measures for Plan Bay Area 2040

Goal	Performance Target #	Equity Measures
Healthy and Safe Communities	**3**	Measure the health benefits and burdens associated with air quality, road safety and physical inactivity (will also include a sub-analysis for low-income neighborhoods)
Equitable Access	**5**	Measure the share of lower-income residents' household income consumed by transportation and housing
	6	Measure the share of affordable housing in Priority Development Areas (PDAs), Transit-Priority Areas (TPAs), or high-opportunity areas
	7	Measure the share of low- and moderate-income renters in PDAs that are at an increased risk of displacement
Economic Vitality	**8**	Measure the share of jobs that are accessible by auto and transit in congested conditions (will also include a sub-analysis for lower-income communities)
	9	Measure the current share of middle-wage jobs in the region and project the share of jobs in predominantly middle-wage industries in 2040

Date: January 27, 2016
W.I.: 1212
Referred by: Planning Committee

Attachment B
Resolution No. 4217

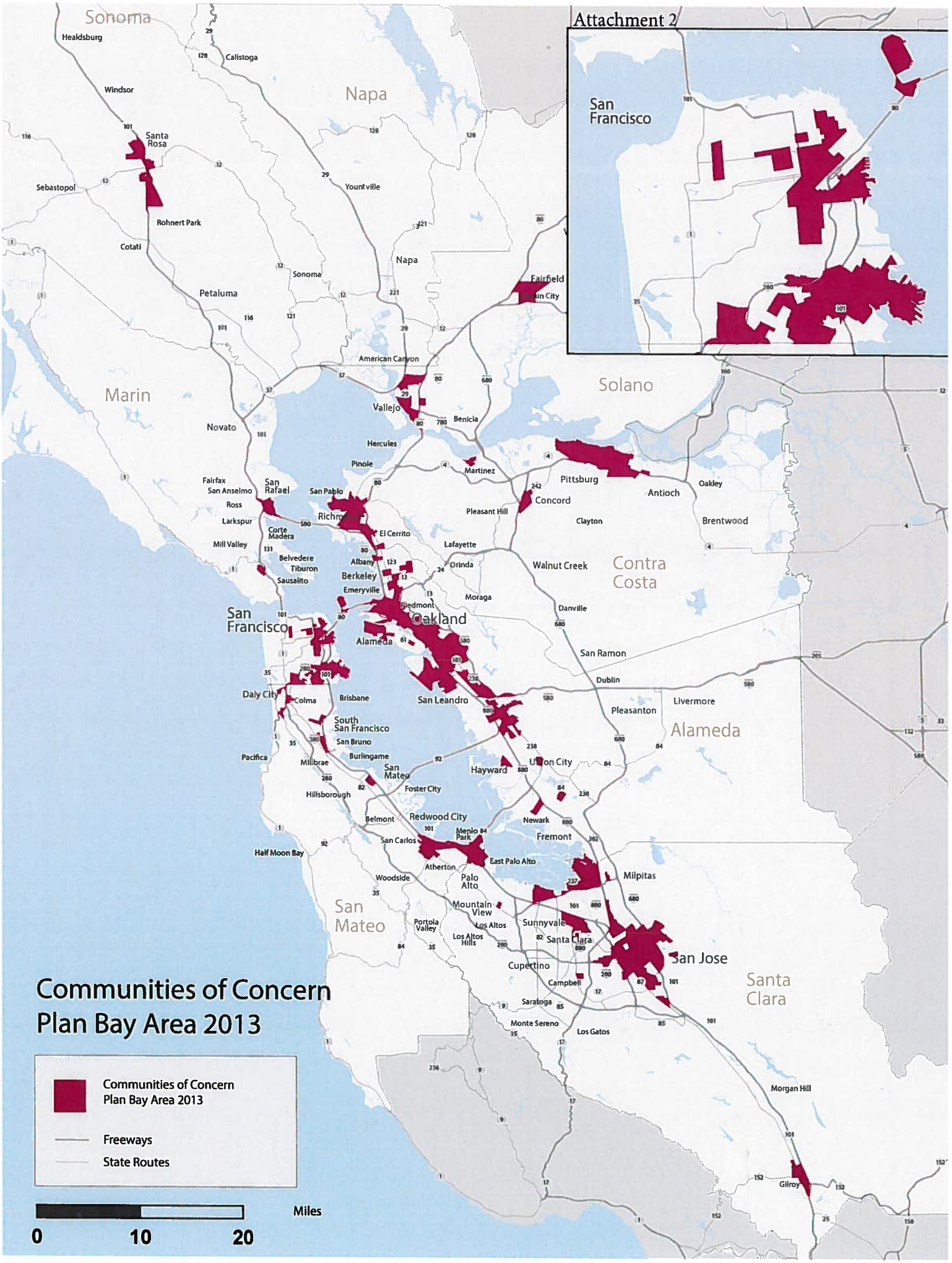
Proposed Communities of Concern Framework for Plan Bay Area 2040

Disadvantage Factor	*% Regional Population*	*Concentration Threshold*
1. Minority	58%	70%
2. Low Income (<200% Federal Poverty Level - FPL)	25%	30%
3. Limited English Proficiency	9%	20%
4. Zero-Vehicle Household	10%	10%
5. Seniors 75 Years and Over	6%	10%
6. People with Disability	9%	25%
7. Single-Parent Family	14%	20%
8. Severely Rent-Burdened Household	11%	15%
Definition – census tracts that have a concentration of BOTH minority AND low-income households, OR that have a concentration of 3 or more of the remaining 6 factors (#3 to #8) but only IF they also have a concentration of low-income households.		

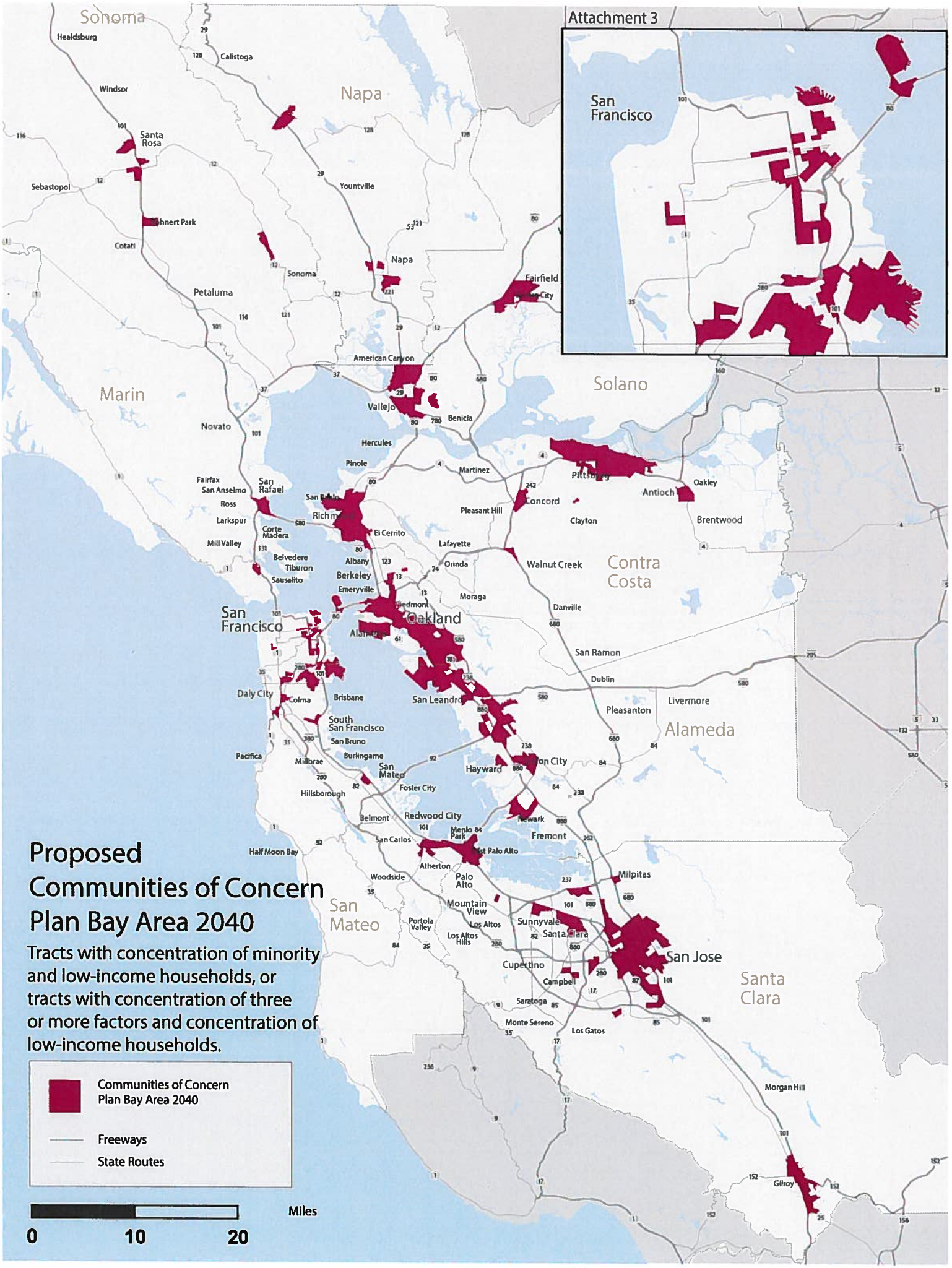
Goals and Performance Targets for Plan Bay Area 2040

Goal	#	Performance Target
Climate Protection	**1**	Reduce per-capita CO_2 emissions from cars and light-duty trucks by **15%**
Adequate Housing	**2**	House **100%** of the region's projected growth by income level without displacing current low-income residents and with no increase in in-commuters over the Plan baseline year*
Healthy and Safe Communities	**3**	Reduce adverse health impacts associated with air quality, road safety, and physical inactivity by **10%**
Open Space and Agricultural Preservation	**4**	Direct **all** non-agricultural development within the urban footprint (existing urban development and UGBs)
Equitable Access	**5**	Decrease the share of lower-income residents' household income consumed by transportation and housing by **10%**
	6	Increase the share of affordable housing in PDAs, TPAs, or high-opportunity areas by **15%**
	7	Do not increase the share of low- and moderate-income renter households in PDAs, TPAs, or high-opportunity areas that are at risk of displacement
Economic Vitality	**8**	Increase by **20%** the share of jobs accessible within 30 minutes by auto or within 45 minutes by transit in congested conditions
	9	Increase by **35%**** the number of jobs in predominantly middle-wage industries
	10	Reduce per-capita delay on the Regional Freight Network by **20%**
Transportation System Effectiveness	**11**	Increase non-auto mode share by **10%**
	12	Reduce vehicle operating and maintenance costs due to pavement conditions by **100%**
	13	Reduce per-rider transit delay due to aged infrastructure by **100%**

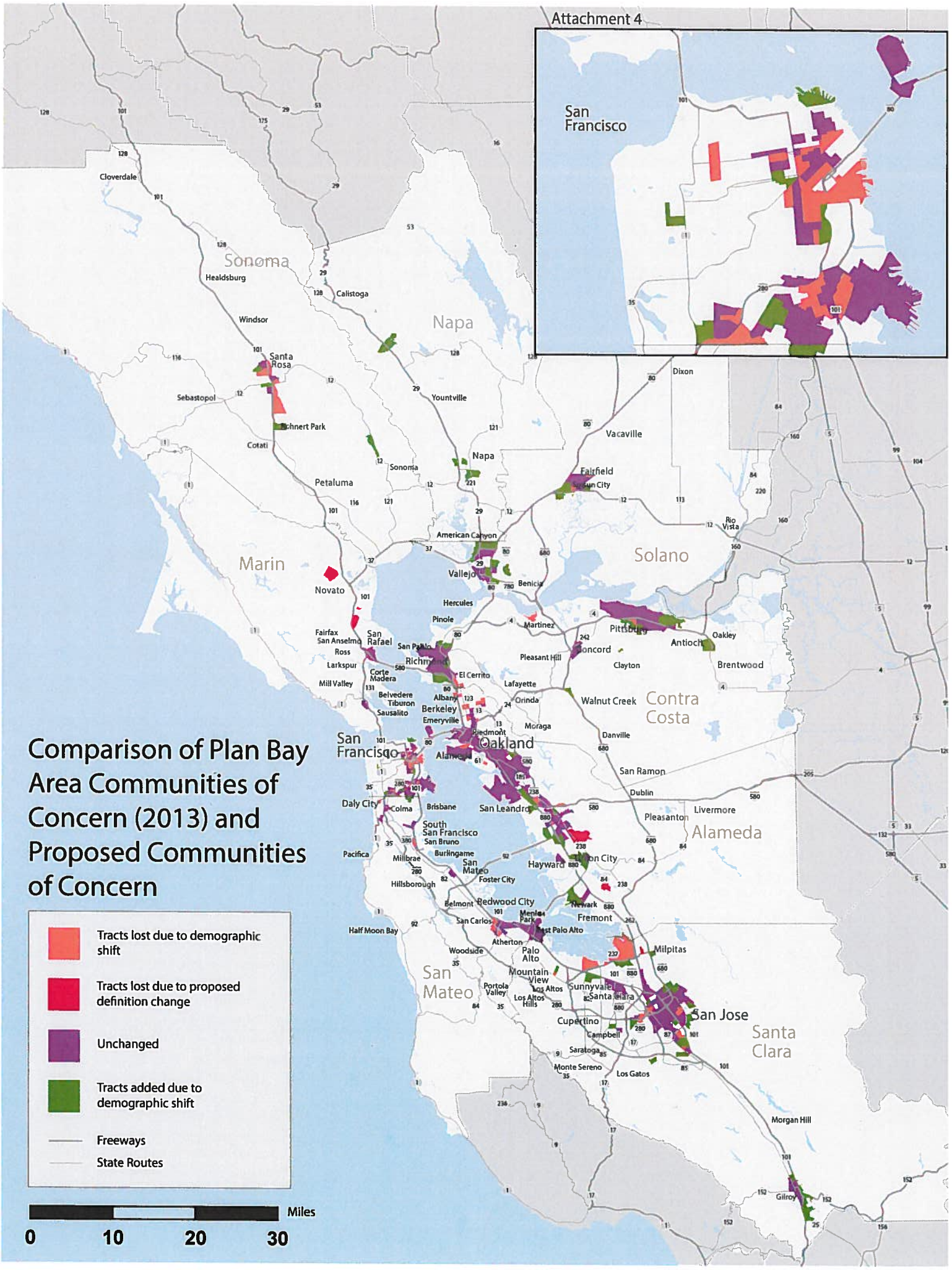
** = The Adequate Housing target relates to the Regional Housing Control Total per the settlement agreement signed with the Building Industry Association (BIA), which increases the housing forecast by the housing equivalent to in-commute growth.*
*** = The numeric target for #9 will be revised later based on the final ABAG forecast for overall job growth.*


Attachment 2
San Francisco
Sonoma
Napa
Solano
Marin
Contra Costa
Alameda
San Mateo
Santa Clara
Healdsburg
Windsor
Santa Rosa
Sebastopol
Rohnert Park
Cotati
Petaluma
Calistoga
Yountville
Napa
Sonoma
Fairfield
Vacaville
American Canyon
Vallejo
Benicia
Novato
Hercules
Pinole
Martinez
Pittsburg
Antioch
Oakley
Concord
Pleasant Hill
Clayton
Brentwood
Walnut Creek
Lafayette
Orinda
Moraga
Danville
San Ramon
Dublin
Livermore
Pleasanton
Fairfax
San Anselmo
San Rafael
San Pablo
Richmond
Ross
Larkspur
Corte Madera
El Cerrito
Mill Valley
Belvedere
Tiburon
Albany
Berkeley
Emeryville
Piedmont
Oakland
Alameda
Sausalito
San Francisco
Daly City
Colma
Brisbane
South San Francisco
San Bruno
Pacifica
Millbrae
Burlingame
San Mateo
Hillsborough
Foster City
Belmont
Redwood City
San Carlos
Menlo Park
Half Moon Bay
Atherton
East Palo Alto
Woodside
Palo Alto
Mountain View
Portola Valley
Los Altos
Los Altos Hills
Sunnyvale
Santa Clara
San Jose
Cupertino
Campbell
Saratoga
Monte Sereno
Los Gatos
Milpitas
Fremont
Newark
Union City
Hayward
Morgan Hill
Gilroy
Communities of Concern
Plan Bay Area 2013
Communities of Concern
Plan Bay Area 2013
Freeways
State Routes
Miles
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10
20

Attachment 3



Attachment 4



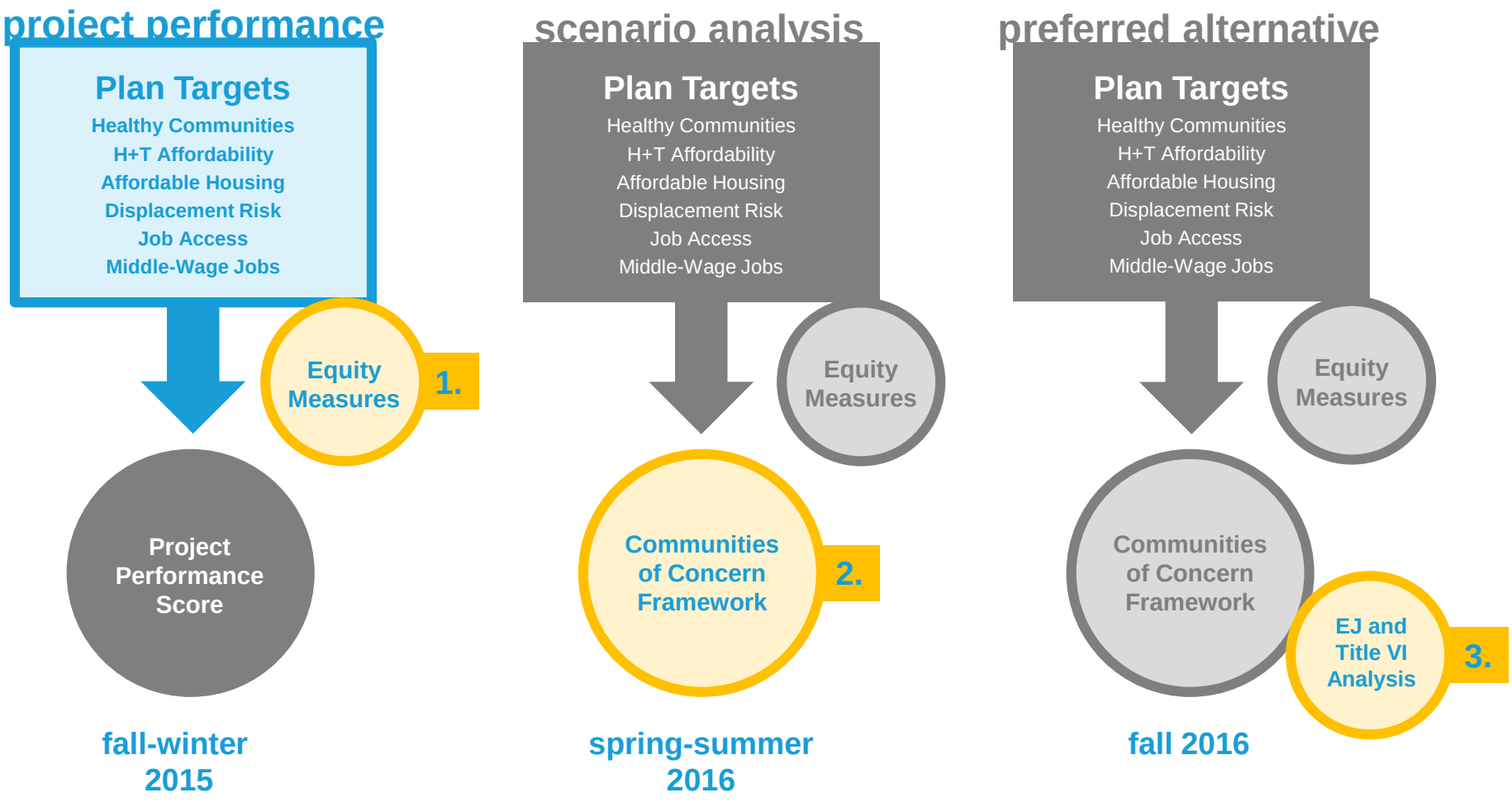
Plan BayArea 2040

Equity Framework

Regional Advisory Working Group

Tuesday, January 26, 2016

Process and Timeline



Plan BayArea 2040

Regional Equity Working Group

- **Formed to provide input to staff**
- **Members of RAWG and Policy Advisory Council**
- **Monthly meetings starting in June 2015**
- **Meetings open to the public**

Plan BayArea 2040

Equity Measures

- **Target 3: Healthy and Safe Communities**
- **Target 5: Housing and Transportation Cost**
- **Target 6: Affordable Housing**
- **Target 7: Risk of Displacement**
- **Target 8: Job Access**
- **Target 9: Middle-Wage Jobs**

Additional Analysis

- **Poverty in the suburbs**
- **Concentration of poverty**
- **Proximity to services and amenities**
- **Proximity to Opportunity Areas**
- **Exposure to contamination and pollution**

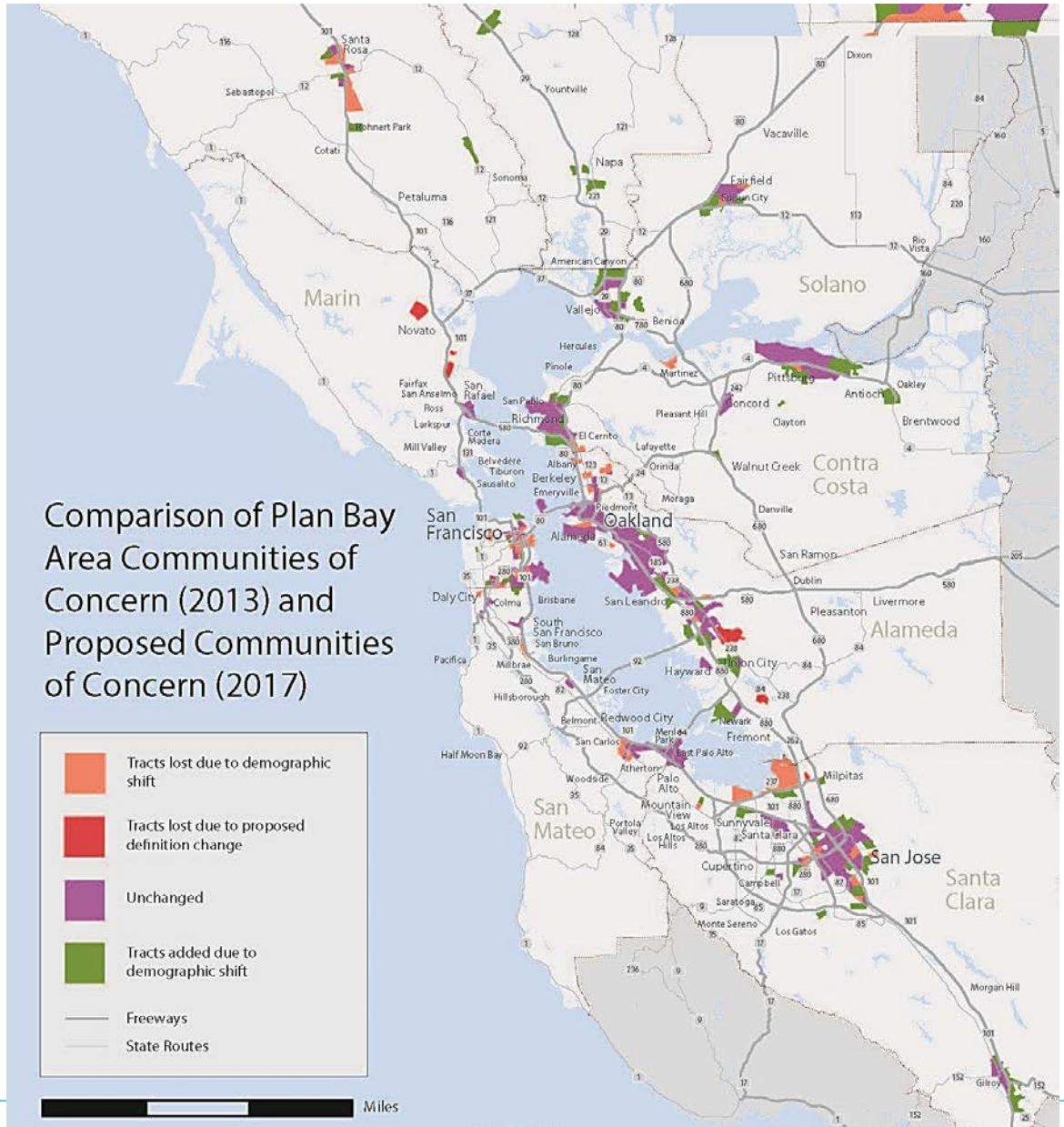
Communities of Concern Framework

Disadvantage Factor	*% of Regional Population*		*Concentration Threshold*
	2005-09	*2009-13*	
1. Minority	**54%**	**58%**	**70%**
2. Low-Income (<200% federal poverty)	**23%**	**25%**	**30%**
3. Limited English Proficiency	**9%**	**9%**	**20%**
4. Zero-Vehicle Household	**9%**	**10%**	**10%**
5. Senior (>75 years)	**6%**	**6%**	**10%**
6. Person with Disability	**18%**	**9%**	**25%**
7. Single-Parent Family	**14%**	**14%**	**20%**
8. Cost-Burdened Renter	**10%**	**11%**	**15%**

Communities of Concern Framework

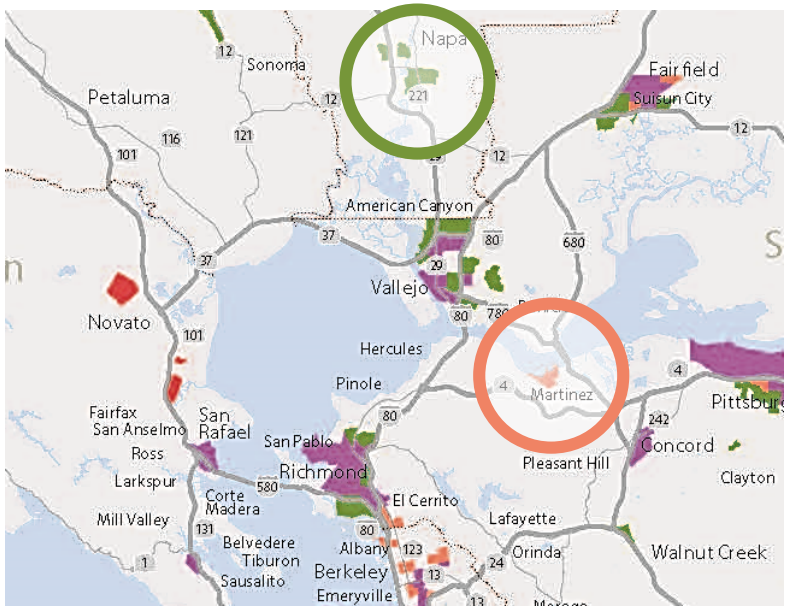
Plan Year	*Communities of Concern Definition*
2009	**Minority OR Low-Income**
2013 PBA	**Minority AND Low-Income OR Any 4 of 8 Factors**
2017 Proposed	**Minority AND Low-Income OR Any 3 of remaining 6 Factors if also Low-Income**

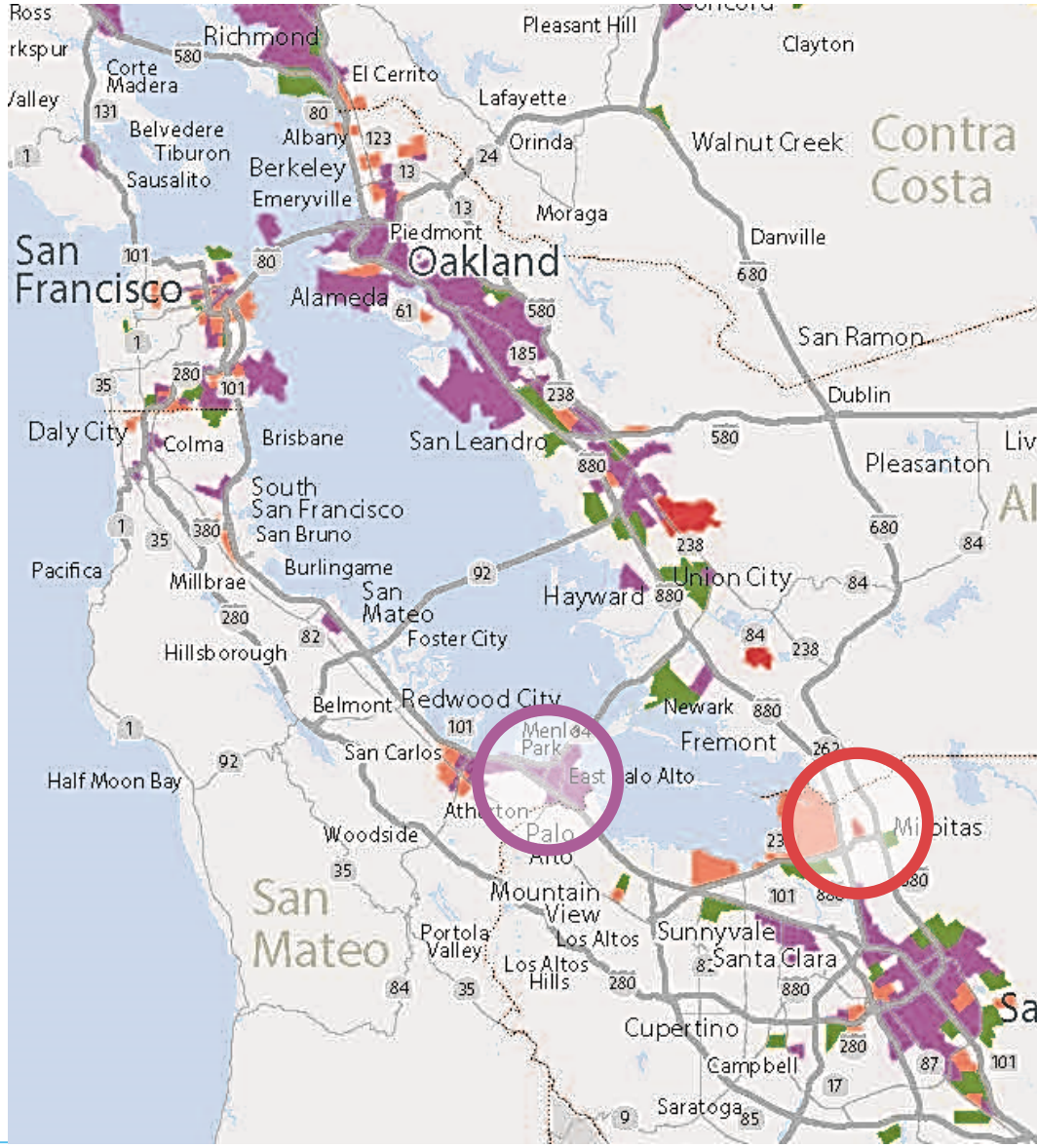
Communities of Concern Framework



Plan BayArea 2040

Communities of Concern Framework





- Tracts lost due to demographic shift
- Tracts lost due to proposed definition change
- Unchanged
- Tracts added due to demographic shift

Plan BayArea 2040