



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 6

Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105
415.778.6700
www.mtc.ca.gov

TO: Policy Advisory Council

DATE: November 29, 2016

FR: Dave Vautin and Stephanie Mak

W.I. 1212

RE: Vital Signs: Equity

The Vital Signs performance monitoring initiative was a key implementation action of the original Plan Bay Area in 2013, allowing residents to track trends related to transportation, land & people, the economy, and the environment. To date, over 55,000 Bay Area residents – ranging from elected officials and public agency staff to members of the public and policy advocates – have used Vital Signs to learn more about their communities and their region (<http://www.vitalsigns.mtc.ca.gov/>). Managed by MTC, Vital Signs involves close cooperation with other project partners including the Association of Bay Area Governments (ABAG), the Bay Area Air Quality Management District (BAAQMD), and the Bay Conservation and Development Commission (BCDC).

Over the course of this fiscal year, staff is going through the process of comprehensively updating existing indicators with the latest data – to ensure the website remains a timely and robust resource for users. New Land & People data were released in October, and updates to Economy data will be released in the coming weeks. Transportation and Environment data updates are planned for spring and summer 2017. In addition to updating the four existing sections of Vital Signs launched in 2015, staff has allocated remaining time and budget towards the Policy Advisory Council's highest-priority request: the creation of a new, independent Vital Signs section specifically on social equity.

Staff is seeking your input on the specific indicators to track as part of Vital Signs: Equity. The proposed indicators listed below seek to better sync Vital Signs with the performance targets adopted in Plan Bay Area 2040, while adding new equity indicators on key topic areas ranging from health to middle-wage jobs. Staff will present preliminary regional trend data for each of the proposed indicators at your meeting. We are looking for feedback to determine whether these are the right set of indicators, or if any of these indicators should be swapped out for another indicator that might address a topic area of greater interest to stakeholders (contingent on data availability).

Proposed Equity Indicators

1. Jobs by Wage Level

Similar to the existing Jobs by Industry indicator, this new indicator would focus on economic opportunities for Bay Area workers. By tracking the number and share of low-, middle-, and high-wage jobs over time, staff is proposing an easy-to-understand monitoring measure that aligns with target #9 from *Plan Bay Area 2040* (increasing jobs in middle-

wage industries). This indicator was also featured prominently in SPUR's 2014 *Economic Prosperity Strategy*, which was funded by the *Bay Area Prosperity Plan* effort.

Data Source: Longitudinal Employer-Household Dynamics/Bureau of Labor Statistics

2. Housing Affordability

Currently an indicator under the Economy category, this indicator is central to the Equitable Access goal for both the original *Plan Bay Area* and *Plan Bay Area 2040* (target #5). Now that an Equity category is being proposed, staff believes it is a more appropriate fit under Equity as it explores affordability by income level and by tenure (renter or owner). Access to affordable housing in this region has become the most pressing concern by many Bay Area residents, especially those in lower-income households.

Data Source: American Community Survey/U.S. Census Bureau

3. Displacement Risk

Given the rapidly-increasing significance of this regional issue, staff believes it is appropriate to incorporate this in Vital Signs so we can track it over time. Displacement risk, similar to the target in *Plan Bay Area 2040*, quantifies the number and share of lower-income households living in census tracts that are losing lower-income population over time. The methodology would be consistent with the Plan target (target #7) as well as the *Regional Early Warning System* effort by UC Berkeley.

Data Source: Longitudinal Database/U.S. Census Bureau

4. Poverty

Currently an indicator under the Economy category, this indicator is a key driver of Community of Concern status and helps us to identify areas where low-income households are concentrated. Staff believes it is a more appropriate fit under Equity as it looks at the issue of income by focusing on those below the 100% and 200% federal poverty levels. This indicator may also be useful as it relates to economic development and identification of at-risk populations.

Data Source: American Community Survey/U.S. Census Bureau

5. Life Expectancy

One of the most significant changes to the targets in *Plan Bay Area 2040* was the addition of a new health target (target #3) in lieu of traditional safety, air quality, and active transportation targets. While staff does not propose to remove those indicators at this time, this indicator reflects a key topic area with an equity nexus – and was one of the most requested additions during the first phase of Vital Signs. Defined as the number of years a person can live based on current death rates, life expectancy is one of the most commonly used measures to describe the overall health status of a population and can be used for health comparisons between populations. The ability to look at this data down to a localized level allows for equity comparisons between cities and neighborhoods of different income levels, races, etc. BAAQMD Planning staff have agreed to help with the addition of this indicator, given their existing expertise on this topic area.

Data Source: California Department of Public Health

6. Graduation Rates

High-opportunity areas have been a topic of interest for multiple cycles of Plan Bay Area, given the upward-mobility benefits of living in a neighborhood with good schools and minimal crime. Because opportunity areas were identified by the Kirwan Institute using a combination of 18 snapshot measures, it is not possible to track them all annually; additionally, many of them are correlated with existing Vital Signs indicators like income levels. Staff recommends focusing the most important missing piece of the puzzle – school quality. While the current primary metric of school quality is known as the Academic Performance Index (API), the California Department of Education is phasing out that single measure due to concerns about its focus on standardized testing. Given the lack of a primary statewide measure going forward, staff recommends measuring graduation rates as the best available proxy for school quality – given that standardized testing scores continue to be criticized as an educational performance measure.

Data Source: DataQuest/California Department of Education

Next Steps

Staff is seeking feedback from members of the Policy Advisory Council at your meeting on **Tuesday, December 6**; any other interested stakeholders, including public agency staff, may submit feedback on the proposed Vital Signs: Equity indicators to dvautin@mtc.ca.gov by **Friday, December 9**. Based on the feedback received, staff will review and potentially modify the list of indicators and then complete the necessary data analysis work. Vital Signs: Equity is currently scheduled for release in early 2017, at which time staff will return to the Policy Advisory Council to discuss key findings.

Attachment:

- PowerPoint Presentation

VITAL SIGNS

DECEMBER 2016

EQUITY PREVIEW

POLICY ADVISORY COUNCIL

MTC

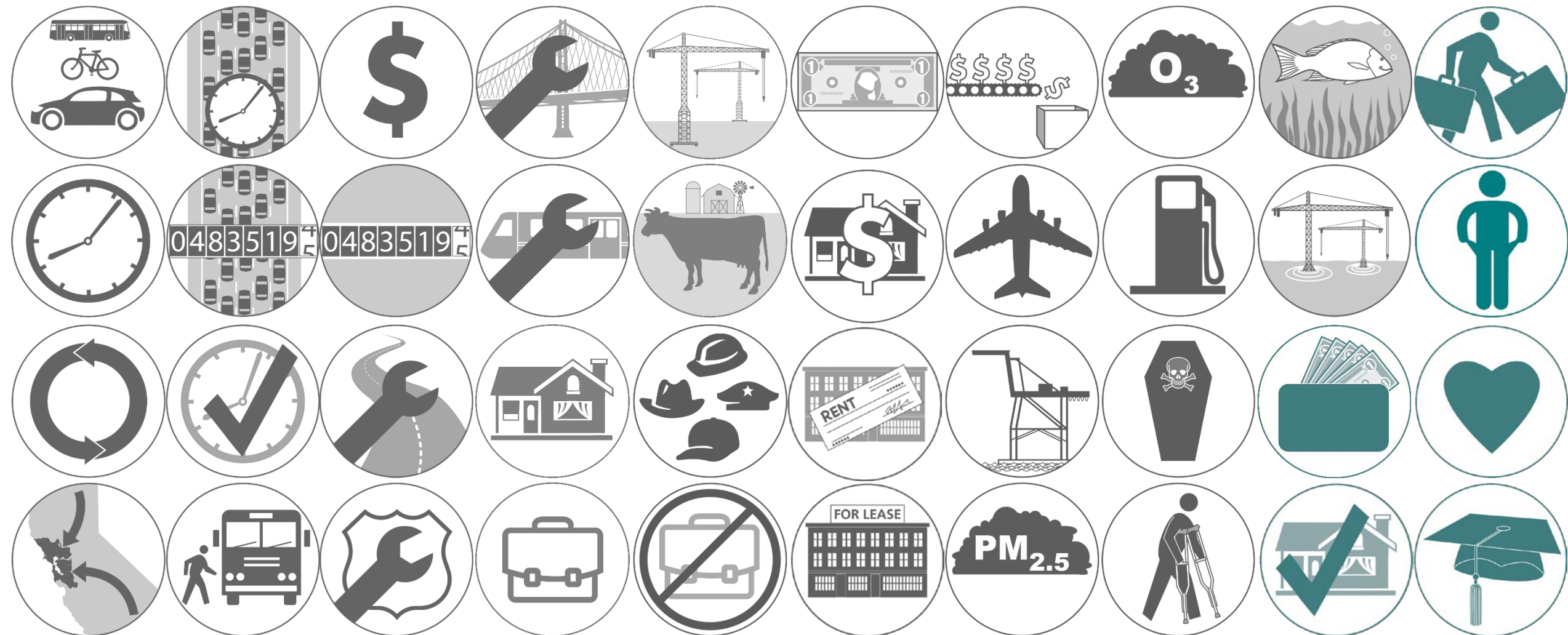
ABAG

BAAQMD

BCDC



The Vital Signs performance monitoring initiative is led by MTC in collaboration with ABAG, BAAQMD, and BCDC. Staff proposes adding a new section on Equity in early 2017 – potentially including six indicators.



Today's presentation provides a preview of preliminary data analysis on the proposed six indicators; additional analysis is required to complete work on these metrics and make them publicly available on Vital Signs.



Jobs by Wage Level



Poverty



Housing Affordability



Life Expectancy



Displacement Risk



Graduation Rate

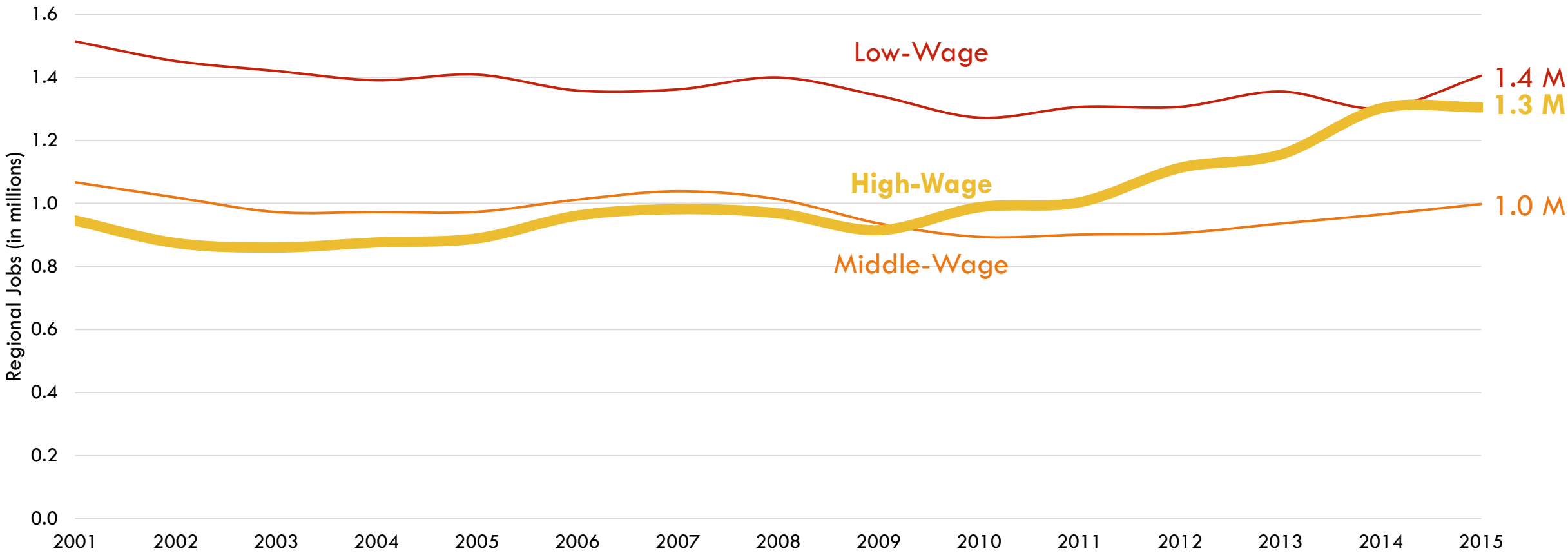
Key criteria for potential Vital Signs indicators: annually-updated observed data; able to be disaggregated down to local level; nexus with Plan Bay Area 2040



REGIONAL PERFORMANCE

Since the end of the Great Recession, the region has added more high-wage jobs than low- and middle-wage jobs.

REGIONAL JOBS BY WAGE LEVEL



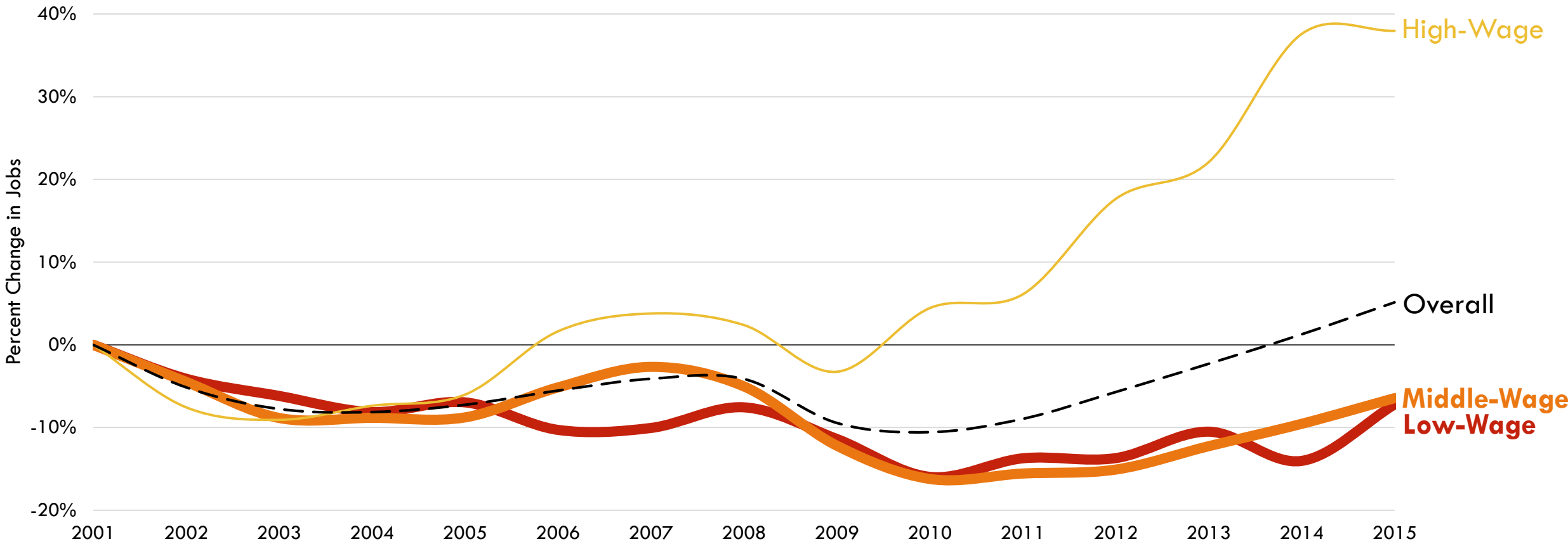
Sources: Employment Development Department; Longitudinal Employer-Household Dynamics/U.S. Census



REGIONAL PERFORMANCE

Low- and middle-wage jobs in the region have decreased since 2001, even as the Bay Area economy has grown.

PERCENT CHANGE IN REGIONAL JOBS BY WAGE LEVEL



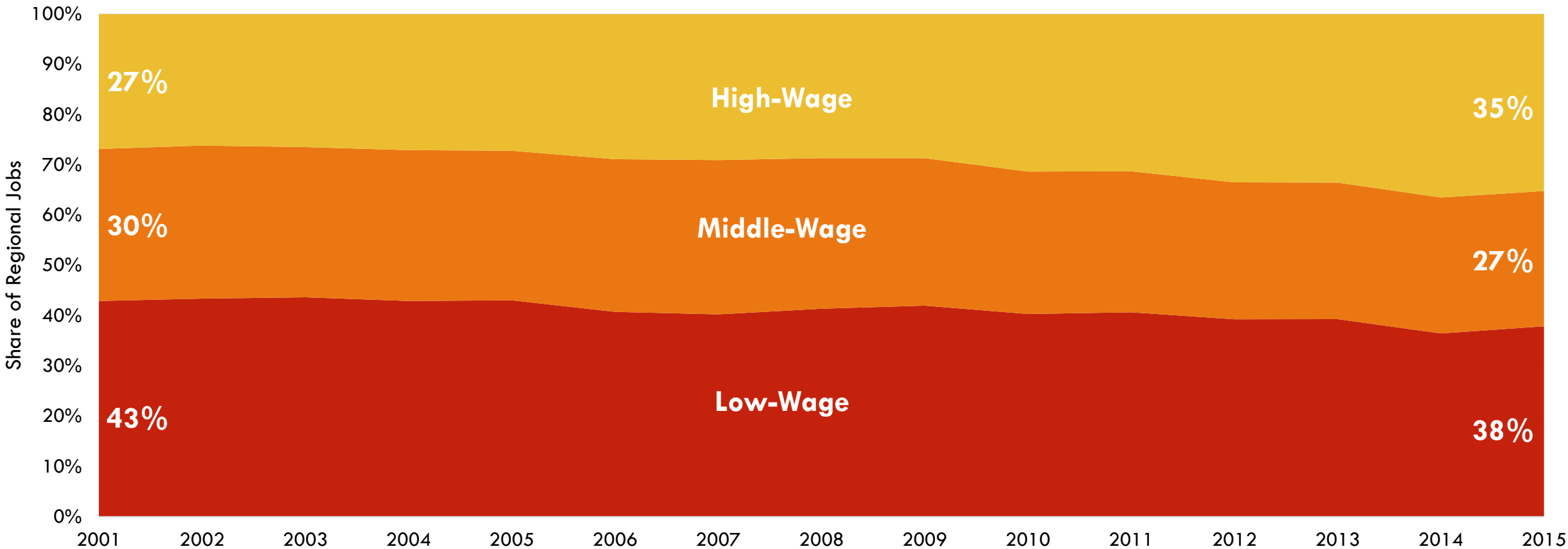
Sources: Employment Development Department; Longitudinal Employer-Household Dynamics/U.S. Census



REGIONAL PERFORMANCE

While increasing numbers of high-wage jobs may be good news overall, the decline in middle-wage jobs is troubling.

REGIONAL SHARE OF JOBS BY WAGE LEVEL

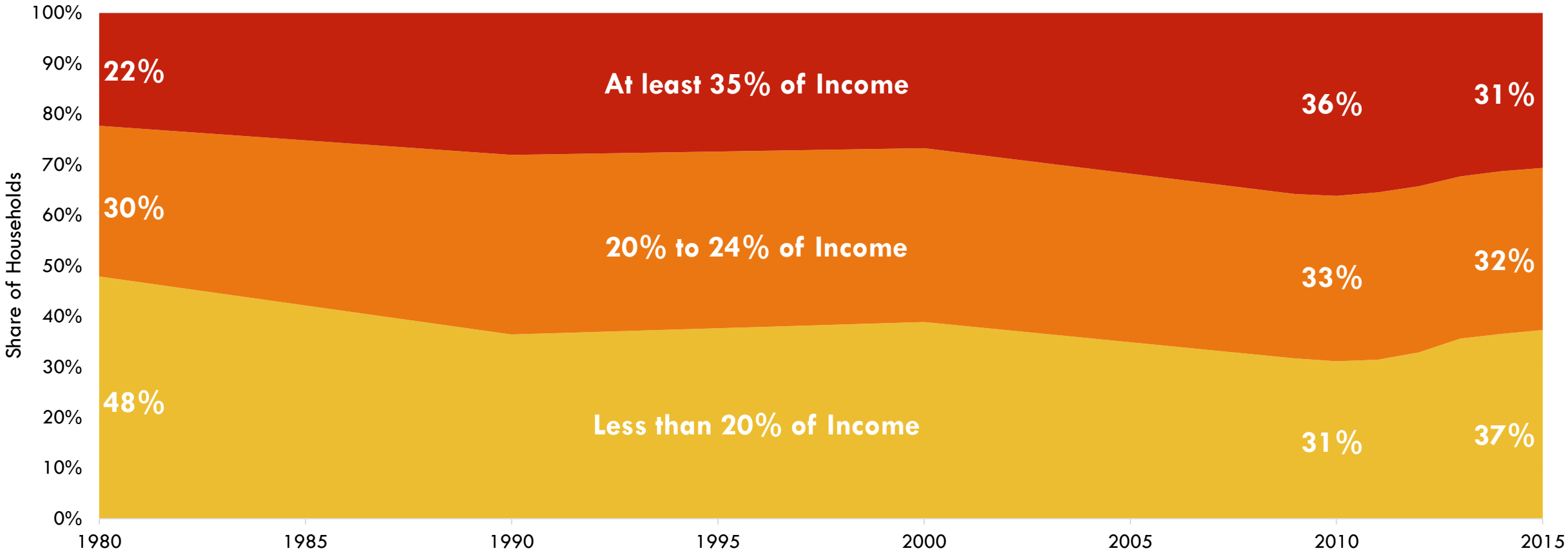




REGIONAL PERFORMANCE

Housing affordability has declined over time, but the region's economic recovery has resulted in progress since 2010.

SHARE OF HOUSEHOLD INCOME SPENT ON HOUSING



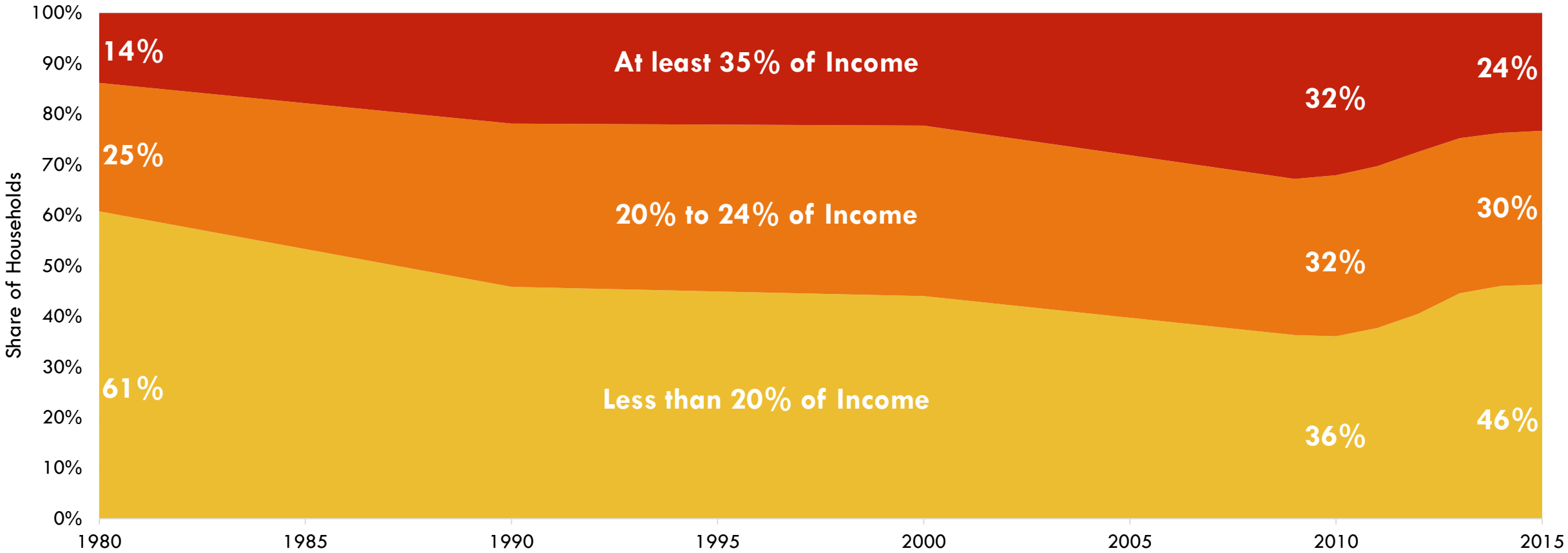
Source: U.S. Census Bureau/American Community Survey



REGIONAL PERFORMANCE

Homeowners have been able to capitalize the most from these trends – benefitting from refinancing, for example.

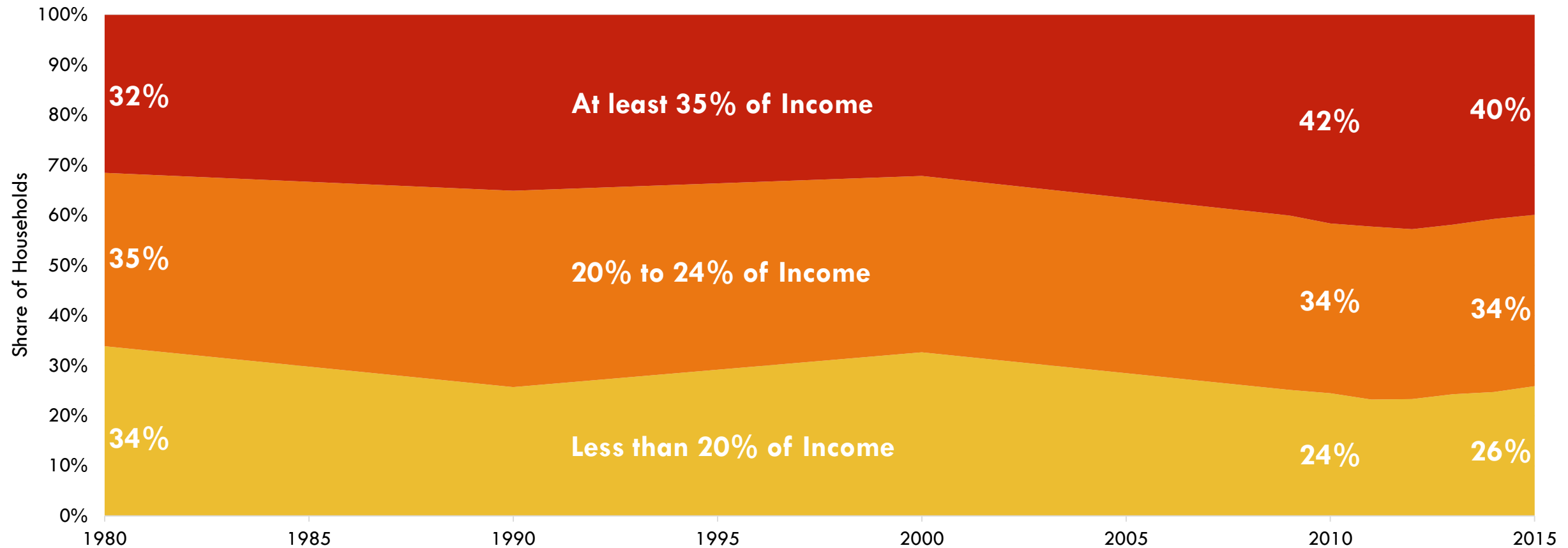
SHARE OF HOUSEHOLD INCOME SPENT ON HOUSING - OWNERS



Source: U.S. Census Bureau/American Community Survey

REGIONAL PERFORMANCE

Unfortunately, renter households have not seen any substantial improvement in affordability over this period.

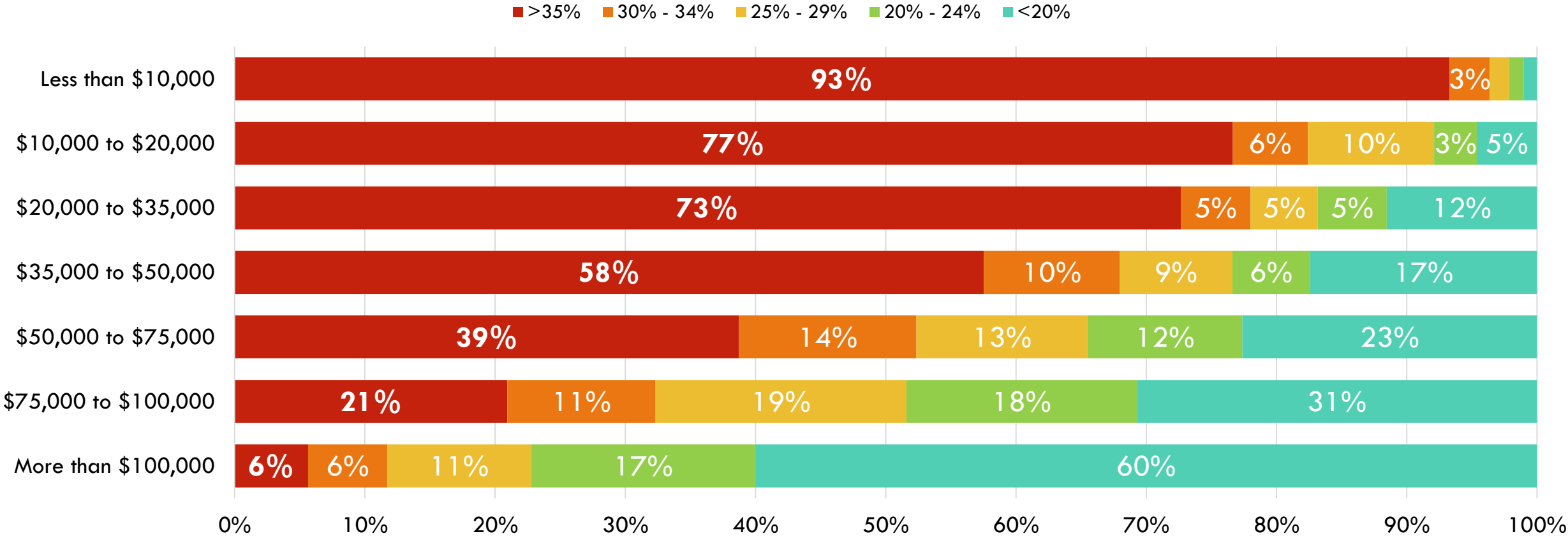
SHARE OF HOUSEHOLD INCOME SPENT ON HOUSING - RENTERS



REGIONAL PERFORMANCE

Lower-income households – especially those who rent – are most heavily-burdened by the region’s high housing costs.

SHARE OF INCOME SPENT ON HOUSING BY HOUSEHOLD INCOME LEVEL



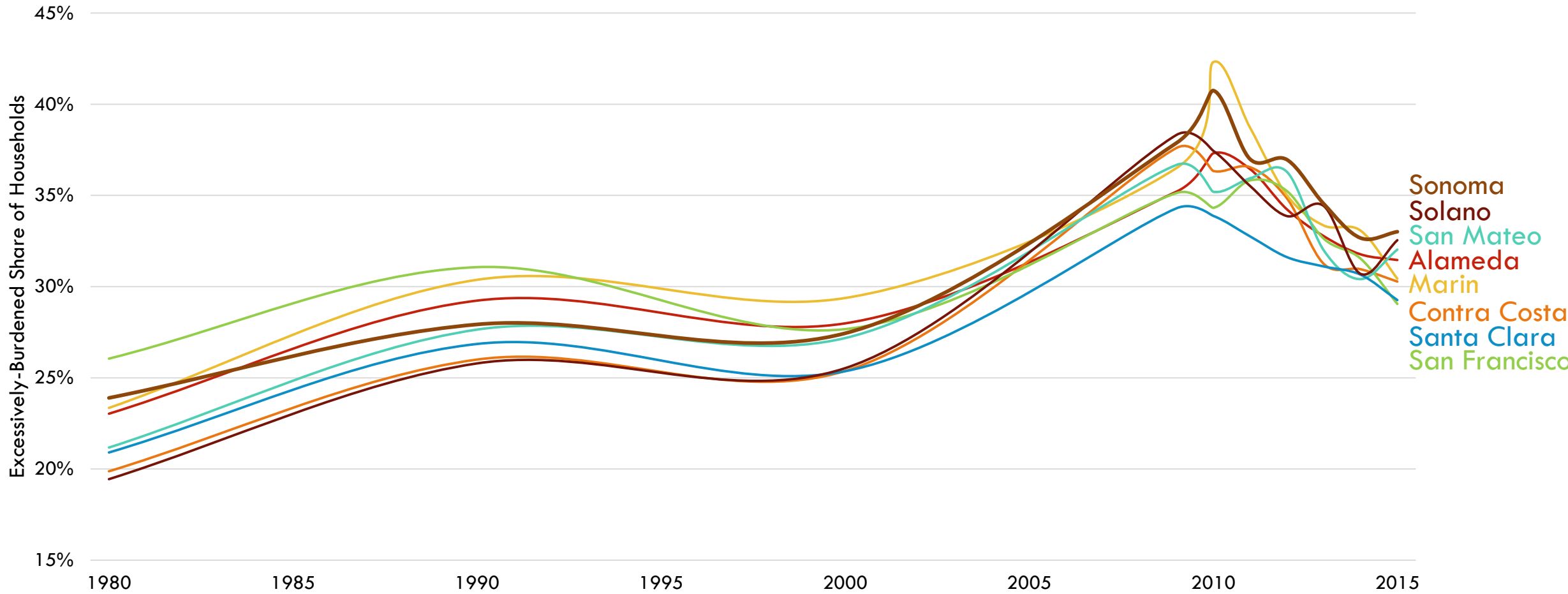
Source: U.S. Census Bureau/American Community Survey



LOCAL FOCUS

All counties have seen growing unaffordability since 1980.

SHARE OF HOUSEHOLDS EXCESSIVELY BURDENED BY HOUSING COSTS BY COUNTY



Source: U.S. Census Bureau/American Community Survey; note: data for Napa unavailable; note: excessively burdened is defined as greater than 35 percent of income spent on housing



OVERVIEW

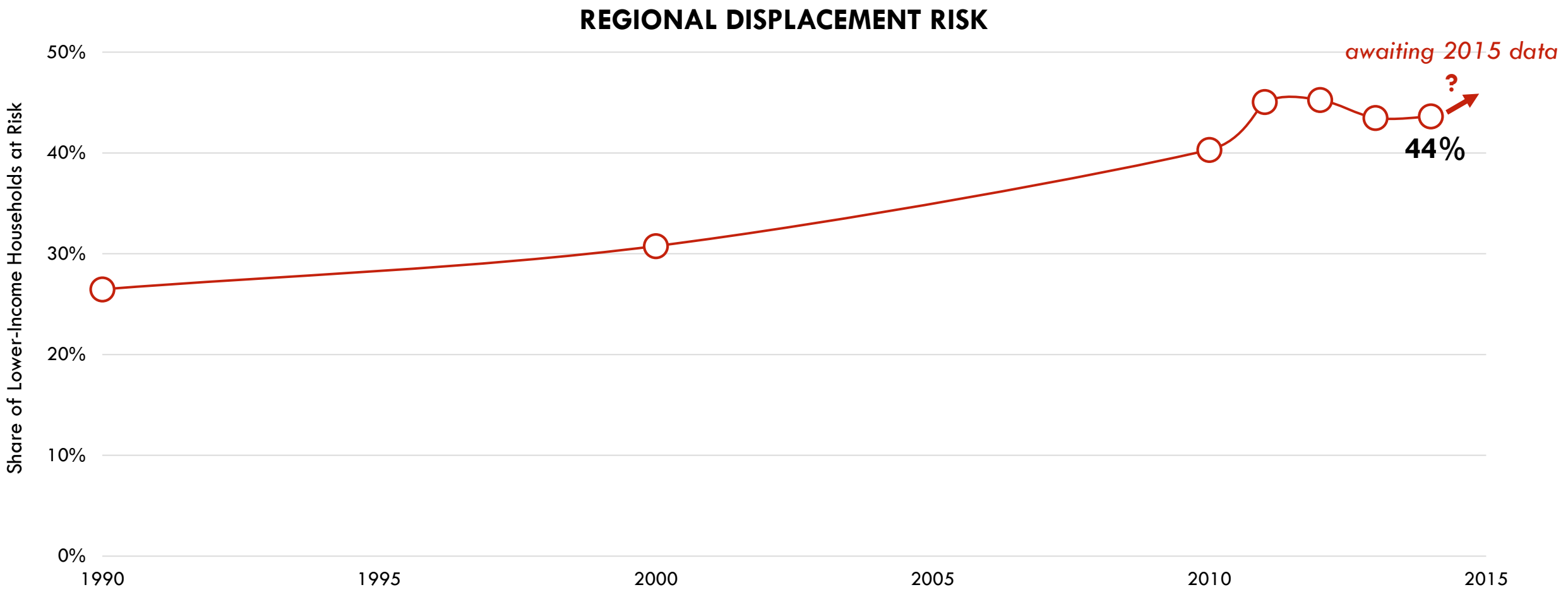
How is displacement risk defined?

- We propose using the **same definition** for risk of displacement as was included in Plan Bay Area 2040: **the share of lower-income households living in “at risk” census tracts.**
- A **lower-income household** is defined as a household earning less than the regional median in a given year.
- An **“at risk” census tract** is defined as a neighborhood that has lost lower-income households in year(s) prior.
- For example, if a census tract had **1000** lower-income households in 1990, but only **900** lower-income households in 2000, those **900** households would be considered at risk in 2000.



REGIONAL PERFORMANCE

The share of lower-income households at risk of displacement increased significantly between 1990 and 2010.



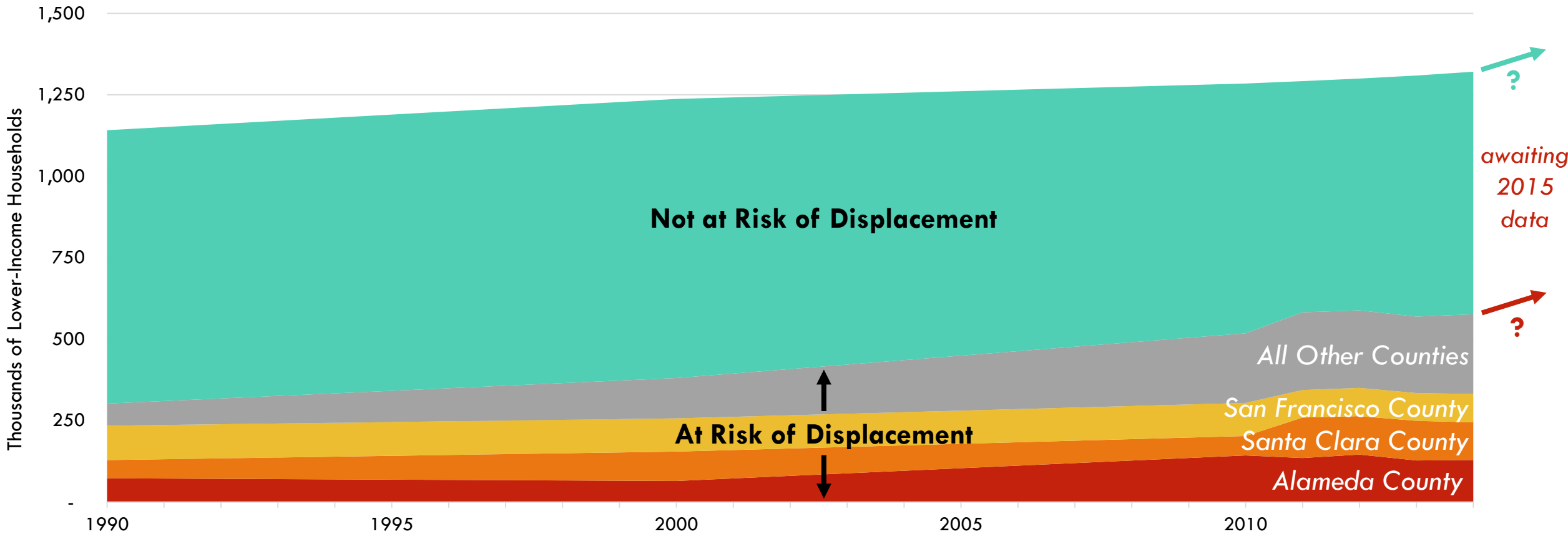
Sources: U.S. Census Bureau/American Community Survey; Longitudinal Tract Database; note that recent data relies upon 5-year rolling averages



LOCAL FOCUS

The majority of lower-income households at risk of displacement live in just three Bay Area counties.

LOWER-INCOME HOUSEHOLDS: AT RISK AND NOT AT RISK



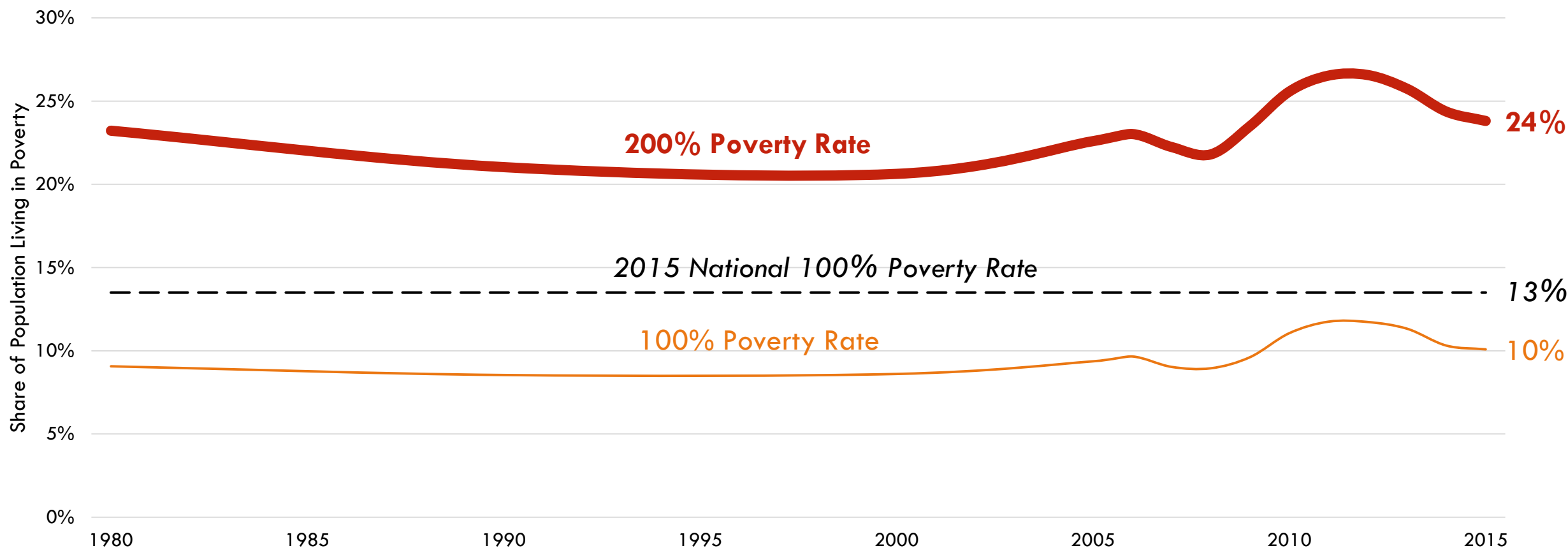
Sources: U.S. Census Bureau/American Community Survey; Longitudinal Tract Database; note that recent data relies upon 5-year rolling averages; data between decennial Census years are interpolated



REGIONAL PERFORMANCE

While the regional poverty rate has declined since the Great Recession, it remains above historical norms.

REGIONAL SHARE OF POPULATION LIVING IN POVERTY

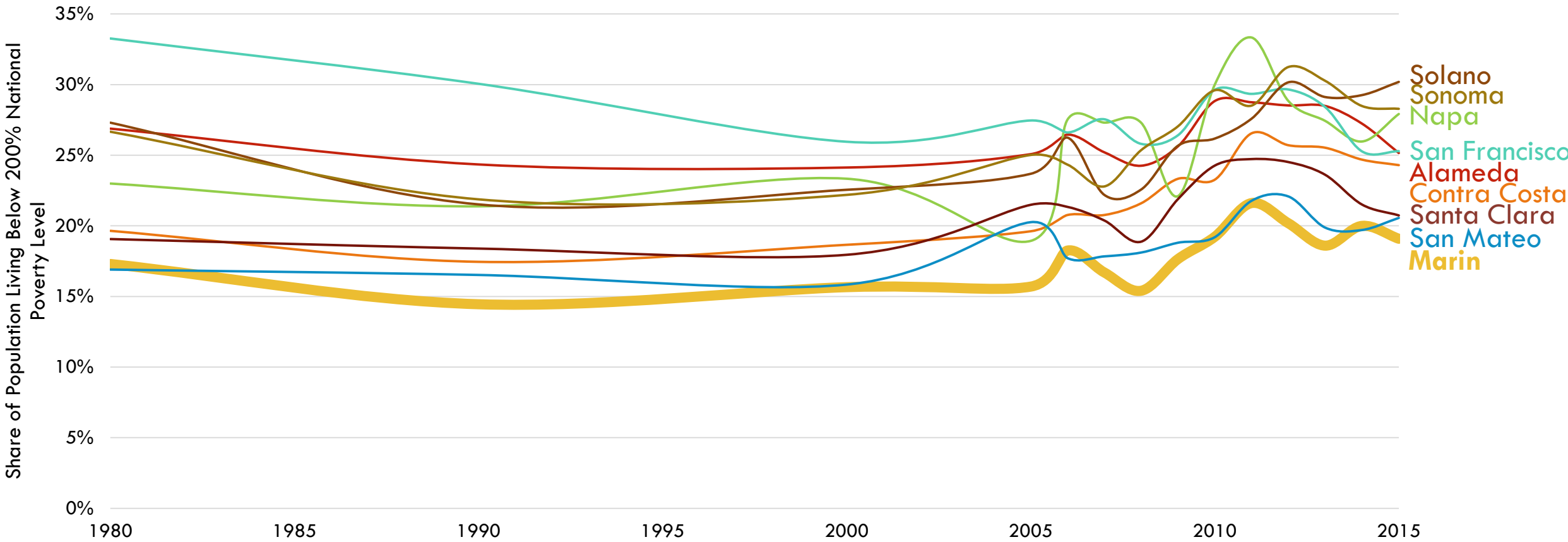




LOCAL FOCUS

For the vast majority of years on record, Marin County has had the lowest poverty rate of any county in the region.

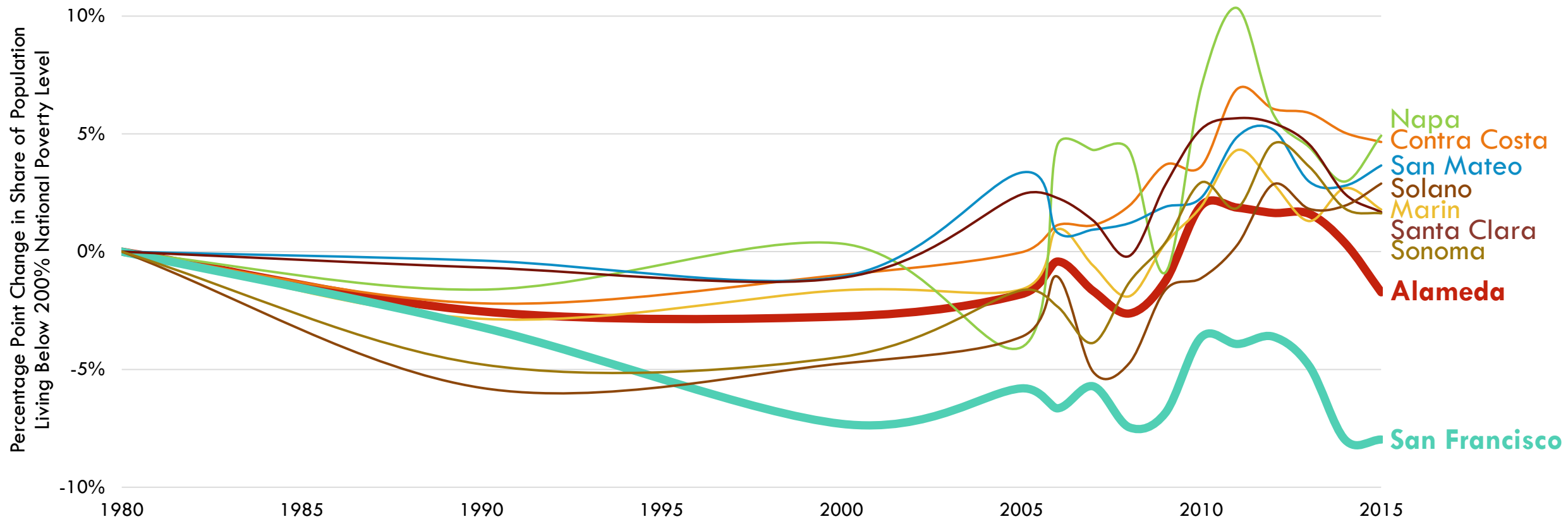
POVERTY RATE BY COUNTY



LOCAL FOCUS

Accelerating demographic shifts led to declining poverty rates in Alameda and San Francisco counties since 1980.

CHANGE IN POVERTY RATE BY COUNTY

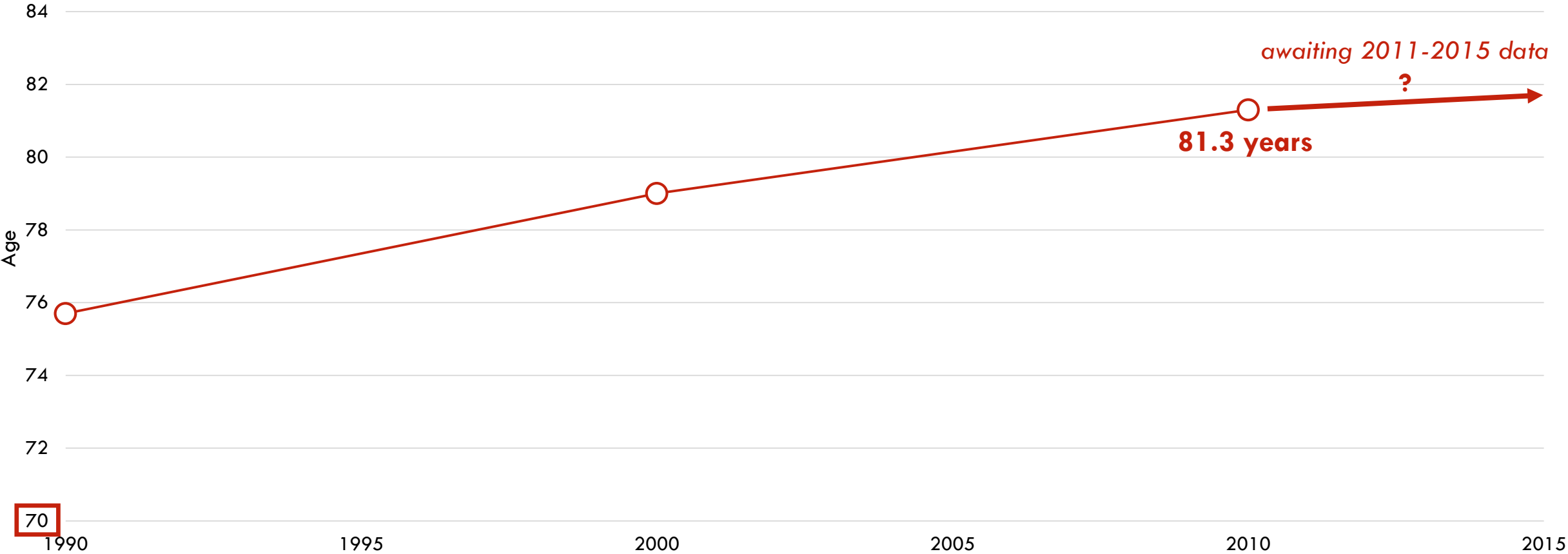




REGIONAL PERFORMANCE

Bay Area residents are living longer than in years past.

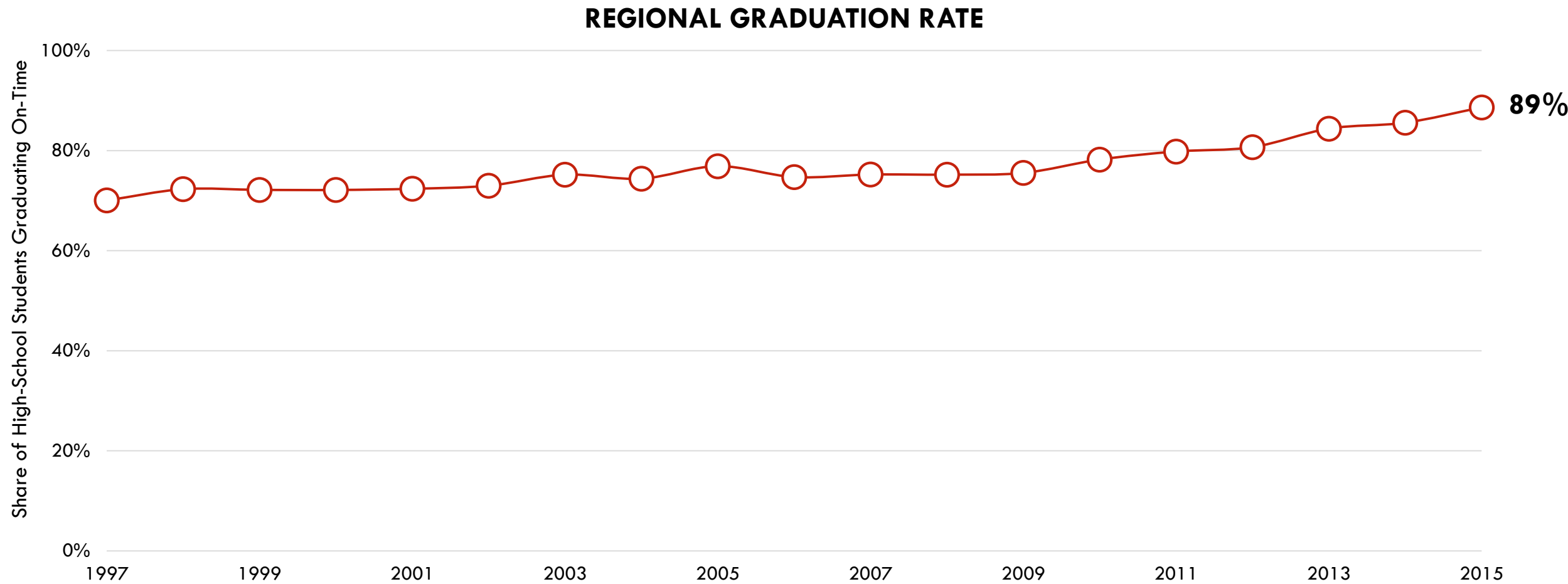
REGIONAL LIFE EXPECTANCY (PRELIMINARY RESULTS)





REGIONAL PERFORMANCE

Graduation rates at Bay Area high schools are at an all-time high, better positioning students for higher education.



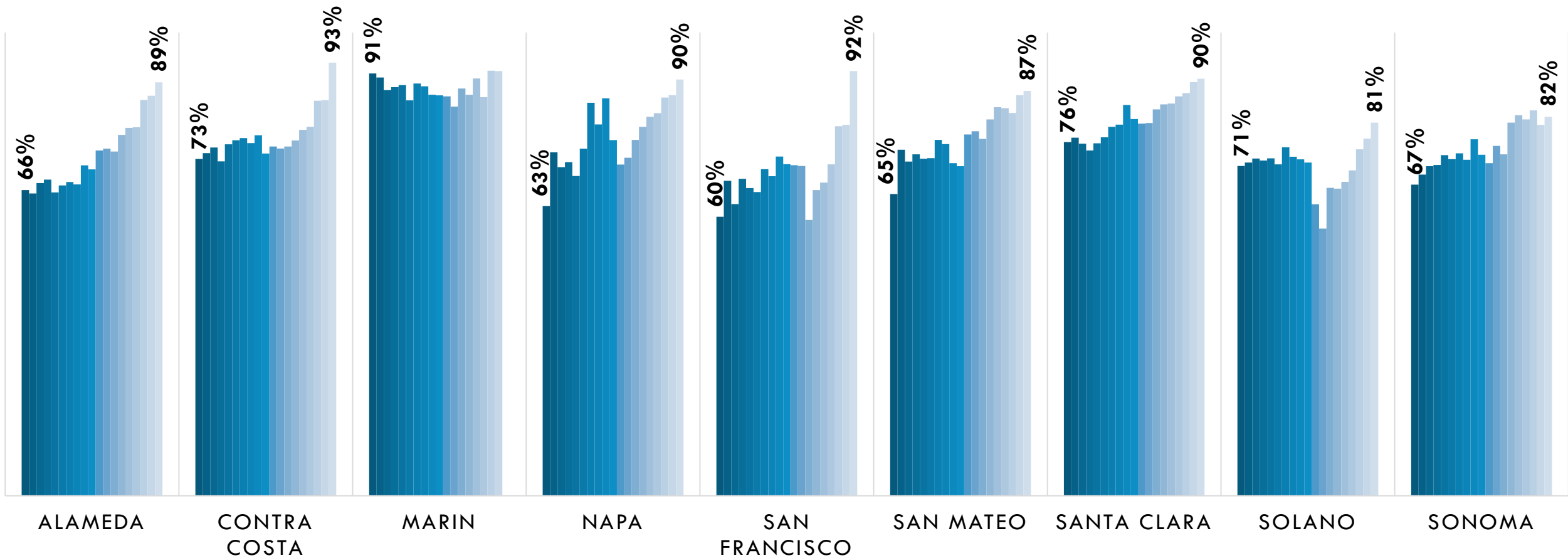
Source: California Department of Education; note that simple cohort analysis relies on 9th grade enrollment and 12th grade graduate data to determine high school completion



LOCAL FOCUS

Every county has made significant progress since 1997.

GRADUATION RATE BY COUNTY – 1997 TO 2015



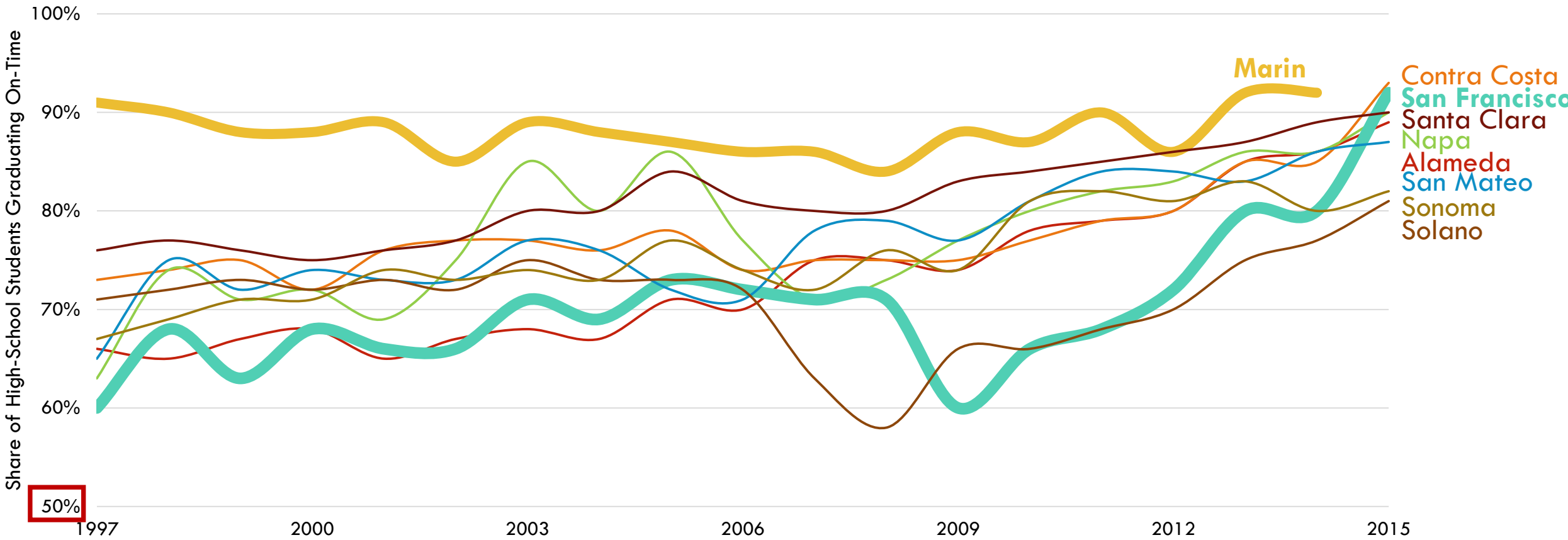
Source: California Department of Education; note that simple cohort analysis relies on 9th grade enrollment and 12th grade graduate data to determine high school completion; 2015 Marin data missing



LOCAL FOCUS

Once polar opposites, graduation rates in Marin County and in San Francisco are now in the same league.

GRADUATION RATE BY COUNTY



Source: California Department of Education; note that simple cohort analysis relies on 9th grade enrollment and 12th grade graduate data to determine high school completion; 2015 Marin data missing

VITAL SIGNS

WHAT'S NEXT?

DECEMBER 9 – DEADLINE FOR COMMENTS ON PROPOSED INDICATORS

EARLY 2017 – COMPLETE EQUITY ANALYSES & RELEASE TO PUBLIC

SPRING 2017 – TRANSPORTATION RELEASE

SPRING 2017 – ENVIRONMENT RELEASE

MTC

ABAG

BAAQMD

BCDC

