

**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC Planning Committee with the ABAG Administrative Committee**

April 10, 2026

Agenda Item 8b

CalEnviroScreen Update

Subject:

Information on CalEPA's CalEnviroScreen 5.0 update, including pollution and population factors, changes from the previous version, and how the update affects the Bay Area.

Background:

CalEnviroScreen is a statewide environmental screening tool developed by CalEPA's Office of Environmental Health Hazard Assessment (OEHHA) to identify disadvantaged communities (DACs) throughout the state. The tool is used to determine eligibility for certain state funding programs. This update, Version 5.0, includes new indicators and updated census data, including new tract geographies. These changes affect the scores and rankings of census tracts throughout the Bay Area and across California, but maintain the tool's statewide composite methodology, resulting in a continuation of the chronic under-representation of Bay Area disadvantaged communities in the state's definition, as described further below. MTC has submitted formal comments to OEHHA outlining regional concerns related to equity, the mismatch between CalEnviroScreen's methodology and Bay Area socioeconomic conditions, and the implications for state funding eligibility.

CalEnviroScreen Structure & Overview

CalEnviroScreen combines scores from 15 indicators of pollution and nine indicators of population sensitivity to identify communities across the state that are most susceptible to and at risk of the effects of pollution. The most burdened areas, typically the top 25% of all census tracts statewide, are considered disadvantaged communities and are prioritized for various state funding programs, including the Active Transportation Program, Affordable Housing and Sustainable Communities (AHSC) Program, and the Transit and Intercity Capital Rail Program (TIRCP).

However, CalEnviroScreen's statewide percentile-based methodology does not account for the Bay Area's uniquely high cost of living and other socioeconomic pressures. As described in MTC's comment letter, this causes many clearly disadvantaged Bay Area communities to fall below the 75th percentile threshold despite severe local burdens.

Updates in Version 5.0

CalEnviroScreen version 5.0 includes three major changes from the previous version, including two new indicators and one methodological change. First, the tool updates the census tract geographies from 2010 census data to 2020 census data. This change increases the total number of census tracts statewide by about 1,000, with about 200 new census tracts in the Bay Area. These increases are generally attributable to splits of existing census tracts into multiple tracts to account for population increases.

Second, the tool adds two new indicators, including one pollution factor and one population factor. The new pollution factor is *small air toxic sites*, which includes local sources of pollution that are not included in traditional lists of pollution sources. This includes sites like gas stations, auto body shops, oil and gas wells, as well as larger operations like food processing plants and refineries. The new population factor is *diabetes prevalence*, which contributes to worsening health outcomes in areas with exposure to air pollution.

With the updates, the overall number of DAC tracts in the Bay Area increases from 113 to 122, with the largest increases in San Francisco and Santa Clara counties. Meanwhile, San Mateo and Solano counties see a moderate decrease in the number of DAC tracts. Because of the increase in overall census tracts throughout the region and state, these changes do not represent a significant increase in DAC-designated populations for the region. However, despite these changes, many of the Bay Area's disadvantaged communities continue to be excluded from the DAC definition, as the underlying scoring methodology remains unchanged and continues to rely on statewide comparison rather than regional context.

Implications for the Bay Area

After the changes implemented in CalEnviroScreen 5.0, the Bay Area accounts for just 5.4% of the state's DAC tracts, despite making up over 19% of the state's population. In version 4.0, the Bay Area accounted for 5.8% of the state's DAC tracts, meaning this is a slight decrease in DAC tract representation for the Bay Area.

Additionally, when evaluating all census tracts within the Bay Area, staff analysis found that just 6.9% of the region's census tracts are designated as DACs. This contrasts with the rest of the state, where 29% of all other census tracts are designated as DACs. This disparity means that any given Bay Area census tract is more than four times less likely to be designated as a DAC than a tract outside the region, underscoring a structural inequity in how statewide metrics treat Bay Area socioeconomic disadvantage. This could make it more difficult for Bay Area communities to compete for state grant funding.

Because of requirements from AB 1550 (Gomez, 2016), the limited geographic spread of DAC tracts within the Bay Area may present challenges to local agencies and jurisdictions in both applying for and spending state grant funding. Not only does the Bay Area's relative lack of DAC tracts compared to other regions present a hurdle to obtaining funding, but requirements that a certain percent of funding be spent on projects physically sited in DAC tracts limit agencies' flexibility in using funds once they are allocated. This is especially visible in affordable housing projects, which may struggle to obtain funding unless physically located in environmentally sensitive areas, and transportation projects, which often benefit disadvantaged communities but cover long corridors that are not fully included in the DAC definition.

Interaction with Equity Priority Communities Framework

Separate from state efforts, MTC and ABAG have developed an Equity Priority Communities Framework that identifies areas within the region that are disadvantaged due to a variety of demographic and socioeconomic factors. While many EPC tracts overlap with CalEnviroScreen DAC tracts, MTC's EPC definition is much more expansive, with 441 tracts currently identified as EPCs, compared to just 122 DACs. Of the DACs identified by CalEnviroScreen, all but seven are also identified as an EPC. The discrepancy between EPCs and DACs reflects methodological limitations of CalEnviroScreen rather than uncertainty in local equity definitions. MTC's

comment letter highlights that CES's composite scoring approach fails to capture socioeconomic stresses specific to the Bay Area, especially housing cost burdens, which contributes to the exclusion of many clearly disadvantaged tracts. Staff will continue strengthening the EPC framework through the upcoming EPC Refresh and will advocate for state flexibility to allow a more expansive definition of disadvantaged communities. Staff will provide an update on that effort to this committee prior to kickoff this spring.

Next Steps:

Staff will continue to monitor OEHHA's actions pertaining to the CalEnviroScreen update and analyze published materials. Information identified will be used to engage with state and local partners to address availability and flexibility of state funding affected by CalEnviroScreen. Separately from the CalEnviroScreen evaluation, staff will also continue work on the Equity Priority Communities Refresh over the next two years in close coordination with local partners.

Issues:

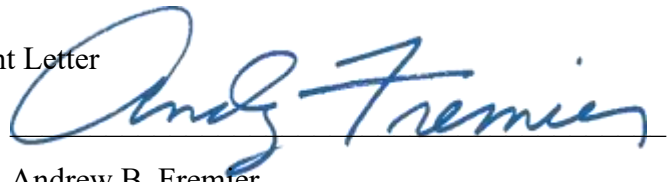
None identified.

Recommendation:

Information

Attachments:

- Attachment A: Presentation
- Attachment B: March 2026 Comment Letter



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