

Agenda Item 7a

Attachment A

MEMORANDUM

TO: MTC Policy Advisory Council DATE: April 26, 2024
FR: Joshua Croff and Natasha Opfell, MTC/ABAG Staff
RE: Draft 2024 Equity Priority Communities Update

Summary

This memorandum presents the calendar year 2024 update to the MTC Equity Priority Communities (EPCs) for use in Plan Bay Area 2050+ and related efforts. While the methodology to determine whether a census tract is an EPC remains consistent with past updates, the concentration thresholds have been recalculated using the most recent American Community Survey data (ACS 2018-2022). Between the current update and the previous one, census tract boundaries have changed due to shifts in population and development patterns, resulting in an increase in the number of tracts identified. Though the absolute number of EPCs in the nine-county region has increased, there has been a modest decline in the share of Bay Area census tracts identified as EPCs since the previous plan, largely due to a continued decline in low-income households. Staff are seeking feedback and inquiries on the updated draft EPC maps and related materials from key partners and stakeholders, prior to finalizing the EPCs later this spring.

2020 Decennial Census Boundary Changes

Several important changes to Census geographies occurred between 2010 and 2020, which impact the current update to Equity Priority Communities as the first EPC update released after the completion of the 2020 Census. Many statistical areas, like census tracts and block groups, are updated once per decade to reflect shifts in population and development patterns reported through the decennial Census. Census Bureau guidelines recommend that Census tracts be

merged with adjacent tracts when the population is below 1,200 or housing units are below 480. Guidelines recommend splits when tract population is above 8,000 or housing units exceed 3,200.¹ The American Community Survey (ACS) publishes estimates using vintages, representing the latest available geographic boundaries. For the ACS 5-year estimates, the vintage is the last year of the multi-year period.² For Plan Bay Area 2050, the adopted EPCs are based on ACS 2014-2018, which used 2018 vintage boundaries last changed in 2010. The latest update uses ACS 2018-2022, which uses 2022 vintage boundaries, which were last updated in 2020.

All counties saw an increase in the number of total tracts between Plan Bay Area 2050 and the current update to Plan Bay Area 2050+, with the exception of Napa which remained unchanged as shown in **Table 1**. Census boundaries can be split or merged, or in some cases, boundaries can be modified to enlarge or shrink existing tracts, which poses challenges for comparisons. Prior updates on this subject have contextualized changes in terms of absolute values; however, this memorandum will contextualize changes in terms of shares due to changes in tract boundaries.

¹ U.S. Census Bureau, 2018 November, 19, *2020 Census Participant Statistical Areas Program (PSAP) Quick Reference: Census Tracts* Retrieved January 30th, 2024, from <https://www2.census.gov/geo/pdfs/partnerships/psap/G-650.pdf>

² U.S Census Bureau, *Geography and the American Community Survey: What Data Users Need to Know*. Census.gov. Retrieved January 30th, 2024, from <https://www.census.gov/programs-surveys/acs/library/handbooks/geography.html>

Table 1: Total Number of Census Tracts by Vintage

County	# Tracts in Plan Bay Area 2050 (ACS 2014-2018)	# Tracts in Plan Bay Area 2050+ (ACS 2018-2022)	Net Change
Alameda	361	379	+18
Contra Costa	208	242	+34
Marin	56	63	+7
Napa	40	40	0
San Francisco	197	244	+47
San Mateo	158	174	+16
Santa Clara	372	408	+36
Solano	96	100	+4
Sonoma	100	122	+22
Total	1588	1772	184

Impact of COVID-19 Pandemic on American Community Survey Data Collection

In 2020 and 2021, the American Community Survey (ACS) faced significant hurdles in data collection due to the COVID-19 pandemic, resulting in only two-thirds of the typical responses being gathered. In 2020, the ACS changed their survey collection protocol, suspending mail operations starting mid-March through June 2020. Limited mail operations were resumed in July 2020. The full five-piece mail strategy was resumed in April 2021, impacting both 2020 and 2021 collection. During this modified protocol, the internet option was available only to a subset of the full sample due to reduced mailings between April and June 2020.³

³ U.S. Census Bureau, 2021 November 5, *American Community Survey Impact from the COVID-19 Pandemic*, Retrieved January 29th, 2024 from <https://www2.census.gov/about/partners/cac/nac/meetings/2021-11/presentation-american-community-survey-experience-2020-data.pdf>

Consequently, the 2020 segment of the 2016-2020 five-year estimates experienced a notable increase in margins of error, rising by approximately 15% to 20% relative to previous years. This spike underscores the importance of considering margins of error, particularly in comparisons involving smaller geographic areas or populations, where accuracy is paramount. Because ACS five-year estimates continue to integrate pandemic-era years into their rolling averages, ACS 2016-2020 estimates were not the only ones impacted; ACS 2018-2022 estimates which are used for Plan Bay Area 2050+ EPC mapping were also affected. The Census Bureau continues to publish data despite higher margins of error than are typical for newer datasets because they “believe that there is a critical need for the ACS data as it is the only source of data for small geographic areas”.⁴

Methodology to Determine Equity Priority Communities

MTC defined “Communities of Concern” (CoCs) for the Regional Transportation Plans (RTPs) adopted in 1999, 2003 and 2007 as areas with a significant concentration of either minority or low-income households. For Plan Bay Area (2013) – the first long-range plan integrating transportation and land use – CoCs were defined either as census tracts with a significant concentration of minority **and** low-income households **or** as census tracts that have a concentration of four or more of eight disadvantage factors, detailed below in Table 2. For Plan Bay Area 2040 (2017), this definition was further modified based on Regional Equity Working Group (REWG) feedback to census tracts that have a concentration of **both** minority **and** low-income households, **or** that have a concentration of three or more of the remaining six factors (#3 to #8), but only if they also have a concentration of low-income households. This methodology is detailed in MTC Resolution No. 4217 (Equity Framework for Plan Bay Area 2040).

⁴ U.S. Census Bureau, *Increased Margins of Error in the 5-Year Estimates Containing Data Collected in 2020*. Census.gov. Retrieved January 29, 2024, from <https://www.census.gov/programs-surveys/acs/technical-documentation/user-notes/2022-04.html>

In May 2021, the “Communities of Concern” nomenclature was updated to “Equity Priority Communities” across work products including Plan Bay Area 2050. This change reflects broad community consensus that the terminology should be more positive, empowering, forward looking, communicate “priority” and intentionality, and be short and easily understood. In addition to the updated nomenclature, staff recommended broad reexamination of the existing framework given shifting demographic trends in the region. As part of a longer-term effort, staff recommended revising the framework to be more issue specific, such as by identifying transit-deficient or rent-burdened communities; better identifying and addressing the needs of those with disabilities; addressing known gaps in the methodology, such as displacement of low-income populations leading to lower concentrations; and recognizing that a place-based framework is only one dimension.

Staff will continue to utilize the existing EPC methodology for Plan Bay Area 2050+, given that it is a limited and focused update to the long-range regional plan. However, staff intend to kick off a broader, multi-year effort to re-envision the EPC Framework later in 2024, for integration into the next long-range regional plan, Plan Bay Area 2060, as well as other future initiatives.

Concentration Thresholds for Equity Priority Community Disadvantage Factors

The thresholds to determine “significant concentration” for each disadvantage factor at the tract level are based on the regional mean and the standard deviation above the regional mean. For Plan Bay Area 2050, staff calculated thresholds using the latest ACS data to be exactly the regional mean plus half a standard deviation for consistency purposes across factors.

For Plan Bay Area 2050+, staff has recalculated thresholds using the latest ACS data, as shown in **Table 2**, setting the threshold at exactly the regional mean plus half a standard deviation to maintain consistency with Plan Bay Area 2050. With this, three of the eight factors have lower concentration thresholds, three have higher concentration thresholds, and two stayed the same in comparison to Plan Bay Area 2050 thresholds. With thresholds set based on regional demographics, lower concentration thresholds imply that a greater number of census tracts would be EPCs if the tract-level demographics held relatively constant.

Table 2: Equity Priority Communities for Plan Bay Area 2050 vs. Plan Bay Area 2050+

<i>Disadvantage Factor</i>	Adopted Thresholds Plan Bay Area 2050		Proposed Thresholds Plan Bay Area 2050+	
	<i>Regional Mean of Tract-Level Population</i>	<i>Concentration Threshold</i>	<i>Regional Mean of Tract-Level Population</i>	<i>Concentration Threshold</i>
1. People of Color	58%	70%	61%	72%
2. Low Income (<200% Federal Poverty Level – FLP)	21%	28%	18%	24%
3. Limited English Proficiency	8%	12%	7%	11%
4. Zero-Vehicle Household	9%	15%	10%	16%
5. Seniors 75 Years and Over	6%	8%	7%	10%
6. People with Disability	10%	12%	10%	12%
7. Single-Parent Family	13%	18%	12%	16%
8. Severely Rent-Burdened Household	10%	14%	10%	14%
<i>Definition</i> – census tracts that have a concentration of both people of color and low-income households, or that have 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.				

Context: Recent Demographic Shifts

Following trends from the previous update to EPCs during Plan Bay Area 2050, the largest overall demographic shift continues to be in the percentage of low-income households in the region, which decreased from 21% to 18%, as shown in **Table 2**. Notably, all counties saw a decline in the share of low-income residents relative to Plan Bay Area 2050 analyses.

The region's racial diversity has continued to increase, consistent with previous EPC updates. Overall, the share of people of color in the region rose modestly from 58% to 61%, as indicated in Table 1. Among counties, Marin, Solano, and most notably San Francisco saw declines in the share of people of color compared to Plan Bay Area 2050 analyses, while Contra Costa, San Mateo, and Santa Clara had higher percentages than previously. Alameda, Napa, and Sonoma Counties showed no change in the percentage of people of color.

Since EPC analyses were conducted for Plan Bay Area 2050, the share of White residents declined by 3%, accelerating a downward trend observed over the past two plan cycles as shown in **Table 3**. Asian & Pacific Islander residents increased by 3%, while growth in the 'Other' group increased by 1%, driven by people identifying as two or more races. The share of Black and Latino residents remained unchanged since Plan Bay Area 2050.

Table 3: Racial Composition of the Bay Area Population⁵

<i>Race/Ethnicity</i>	2018		2022		Change	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
White	3,046,000	40%	2,830,000	37%	-216,000	-3%
Asian & Pacific Islander ⁶	2,013,000	26%	2,165,000	28%	152,000	+2%
Latino (any race)	1,811,000	24%	1,819,000	24%	8,000	0%
Black	447,000	6%	438,000	6%	-9,000	0%
Other ⁷	359,000	5%	434,000	6%	75,000	+1%
Total Population	7,676,000	-	7,686,000	-	10,000	-

⁵ Compares American Community Survey 5-year estimates 2014-2018 and 2018-2022 B03002.

⁶ Includes 'Asian' and 'Native Hawaiian & Other Pacific Islander'

⁷ Includes 'American Indian or Alaska Native', 'Two or More Races', 'Other Race'

Impact of Demographic Shifts and Data Update on Equity Priority Communities

Though there have been demographic shifts as referenced above, most of these shifts have not had a considerable impact on determining whether a census tract is an EPC. The declining share of low-income households plays a modest but meaningful role in the total number of EPCs identified, similar to Plan Bay Area 2050. It should be noted that between Plan Bay Area 2050 and Plan Bay Area 2050+, the number of tracts increased from 1,588 to 1,772 as discussed in the section **2020 Decennial Census Boundary Changes**. As shown in **Table 4**, there is a one percent drop in the number of tracts with a concentration of low-income households. Consequently, there is a one percent drop of tracts classified as EPCs in Plan Bay Area 2050+ under the first definition of concentrated low-income and minority households. There is no change in the percent of tracts classified as EPCs under the second definition. Taken together, there are one percent fewer tracts classified as EPCs. A draft regional EPC map is included in Attachment C.

Table 4: Change in EPCs based on Tract-Level Thresholds of Disadvantaged Populations

<i>Criteria</i>	Plan Bay Area 2050		Plan Bay Area 2050+		Change	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Definition 1: Low-Income and People of Color	273	17%	281	16%	+8	-1%
Definition 2: Low-Income and Three or More Disadvantage Factors	66	4%	72	4%	+6	0%
Total EPC Tracts	339	21%	353	20%	+14	-1%
Total Tracts	1,588	100%	1,772	100%	+184	-

Since Plan Bay Area 2050, most counties saw a decrease in the percentage of tracts determined to be EPCs. Napa and Santa Clara counties saw no change in the percentage of EPC tracts, while Marin saw a four percent increase, as shown in **Table 5** on page 8. Changes by county are further described below; county-specific EPC draft maps demonstrating changes in EPCs between Plan Bay Area 2050 and Plan Bay Area 2050+ are included in Attachment D for further reference.

- 1. Alameda County:** In Alameda County, several tracts **lost EPC status** in west Berkeley, Hayward and Downtown San Leandro mostly due to a decline in the share of low-income residents. **New EPC tracts** emerged in Albany and Fremont due to increases in the share of low-income residents.
- 2. Contra Costa County:** In Contra Costa County, Richmond had **notable losses and gains of EPC tracts**. Tracts were lost in the south-eastern area and emerged in the north Richmond area. Tracts in south-eastern Richmond were lost due to a decline in the share of low-income residents while new tracts emerged in north Richmond due to an increase in the share of low-income residents. **New EPC tracts** emerged in southern Antioch due to an increase in the share of people of color and the share of low-income residents.
- 3. Marin County:** In Marin County, Unincorporated Marin County in the Marin City area **lost an EPC tract**. This is notable because it was one of the only EPC designated tracts in that area of the county. The tract lost EPC designation due to a decline in the share of people of color. **New EPC tracts** emerged in Novato, where there were previously no EPC designated tracts, due to increases in the shares of single-parent families and those with limited English proficiency.

- 4. Napa County:** In Napa County, Calistoga, and southern Napa **lost EPC tracts**. Notably, Calistoga lost its only EPC designated tract. These areas lost EPC tracts due to a combination of factors including declines in the shares of low-income residents, those with limited English proficiency, disabled residents, rent-burdened households, and single-parent families. **New EPCs emerged** in the northern area of American Canyon and northern Napa due to an increase in the share of low-income residents.
- 5. San Francisco:** In San Francisco, Bayview/Hunters Point, Civic Center, and southern neighborhoods **lost EPC tracts** mostly due to a decline in the share of low-income residents. **New EPC tracts** emerged in the east Mission/Potrero Hill, and Park Merced neighborhoods due to an increase in the shares of low-income residents, single-parent families, and rent-burdened households.
- 6. San Mateo County:** In San Mateo County, East Palo Alto, Menlo Park, and South San Francisco **lost EPC tracts**. East Palo Alto's city limits previously encompassed all EPC designated tracts but lost several due to tract splits and a decline in the share of low-income residents.
- 7. Santa Clara County:** In Santa Clara County, San Jose had **notable losses and gains of EPC tracts**. Tracts were lost in the north-eastern areas and emerged in the south-eastern areas. Santa Clara and Sunnyvale also **lost EPC tracts**. The majority of tracts lost EPC status due to a decline in the share of low-income residents. **New EPC tracts** emerged in Milpitas, western Mountain View, south Sunnyvale. Mountain View and Milpitas previously had no EPC tracts. Tracts emerged in these areas due to a combination of increases in the shares of low-income residents and people of color, or low-income residents and other EPC factors.
- 8. Solano County:** In Solano County, Dixon and Vallejo **lost EPC tracts**. **New EPC tracts** emerged in Unincorporated Solano County north of Suisun Bay. The new EPC tract is notable due to its size but much of the population is likely concentrated in or around Suisun City. The tract became an EPC due to an increase in the shares of low-income residents and people of color.

9. Sonoma County: In Sonoma County, the southwest areas of Santa Rosa, northern Rohnert Park, and rural areas near the unincorporated community of Monte Rio **lost EPC tracts.**

Rohnert Park lost tracts due to a decline in the share of low-income residents, while tracts near Monte Rio and in Santa Rosa lost tracts due to a decline in the shares of disabled and rent-burdened residents, and single-parent families.

Table 5: Change in EPCs by County

<i>County</i>	Tracts (ACS 14-18)	Tracts (ACS 18-22)	EPC Tracts in Plan Bay Area 2050		EPC Tracts in Plan Bay Area 2050+		Change	
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	Number	Percent
Alameda	361	379	101	28%	101	27%	0	-1%
Contra Costa	208	242	50	24%	50	21%	0	-3%
Marin	56	63	4	7%	7	11%	+3	+4%
Napa	40	40	5	12%	5	12%	0	0%
San Francisco	197	244	51	26%	60	25%	+9	-1%
San Mateo	158	174	22	14%	19	11%	-3	-3%
Santa Clara	372	408	63	17%	69	17%	+6	0%
Solano	96	100	28	29%	27	27%	-1	-2%
Sonoma	100	122	15	15%	15	12%	0	-3%
Total	1,588	1,772	339	21%	353	20%	+14	-1%

Next Steps

In addition to sharing with the MTC Policy Advisory Council, staff have released the updated Equity Priority Communities on a draft basis and shared with other key partners and stakeholders, including local jurisdictions and County Transportation Authorities. Staff will respond to comments, questions, and clarifications, and make technical adjustments as needed, prior to finalizing and publishing materials and resources online in late spring 2024.

Additional resources are available on the MTC website at

<https://mtc.ca.gov/planning/transportation/access-equity-mobility/equity-priority-communities>.

Once finalized, the new EPC layer will be used in Plan Bay Area 2050+ Blueprint analyses as well as the Final Equity Analysis Report, among other important deliverables. The broader multi-year effort to re-envision the EPC framework will kick off later in 2024.