Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

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EXECUTIVE MANAGEMENT COMMITTEE
AUGUST 18, 2022

SUBJECT: EQUITY FOCUS COMMUNITIES 2022 REPORT BACK

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE a report back on using 2022 Equity Focus Communities (EFCs) to prioritize investments during the development of the Metro FY24 budget.

ISSUE

During the May 2022 Executive Management Committee (EMC) meeting, Director Garcetti requested a report back in August 2022 on recommendations for using the newly updated 2022 EFC map to prioritize funding during the development of Metro's FY24 budget.

BACKGROUND

The original iteration of the EFC map (adopted by the Board in 2019) has been used as a geographic measurement of marginalized and high-need communities by staff in Metro project and program analysis, budget assessments, and grant application supplementary context. During the FY23 budget development process, Metro's CEO initiated a new approach: Equity Zero-Based Budgeting (EZBB). The FY23 EZBB process expanded the scope of budget justifications and applied the Metro Budget Equity Assessment Tool (MBEAT) to all FY23 annual budget and capital projects requests, both new and ongoing. The FY23 EZBB MBEAT required staff to identify impacts on EFCs for each budget item, including distinguishing between targeted benefits and disproportionate service.

Due to the delayed timing of 2020 Census demographic data becoming publicly available (mid-March 2022), the 2022 EFC Update map was not able to be used during the FY23 EZBB MBEAT process, which ended in late February 2022, per the annual budget development timeline. To accommodate this delay, staff identified budget impacts aligned with a modified EFC map that referenced 2019 Census data. This modified EFC map has only been used during the FY23 EZBB MBEAT process.

During the May 2022 EMC meeting, the 2022 EFC Update was received (File # 2022-0275), which included updating Los Angeles County demographic data (2020 Census), implementing an index methodology, and setting a three-year update cycle going forward.

The May 2022 EFC Update included a small miscalculation, referencing the raw number of residents and/or households per census tract, rather than the percentage of residents and/or households within each census tract that met the EFC sociodemographic criteria. The project consultant corrected this miscalculation in early June 2022.

The corrected analysis includes an overall increase of 43 census tracts designated as EFCs. This increase is a result of 122 census tracts that were added and 79 census tracts that were removed from the EFC designation from the incorrect analysis. The corrected EFC maps are shown in Attachment A. The correction also updates the analysis of the alignment of the 2022 EFC Update with the original 2019 EFC map (see Attachment B). While some census tract boundaries were changed in 2020, the project consultant estimates that approximately 91.4 percent of census tracts identified in the original 2019 EFC map are covered in the 2022 EFC corrected update. The correction maintains a designation of 40 percent of Los Angeles County census tracts defined as EFCs. Staff submitted a board box in mid-June 2022 to provide preliminary updates to the Board on the 2022 EFC Update miscalculation.. Metro will use the 2022 EFC Map in any new or updated equity analysis.

DISCUSSION

To continue Metro's commitment to incorporating equity into the annual budget development process staff will identify a budget equity baseline, calculating the percentage of FY23 investments that provide targeted benefits for EFCs and people living and working in EFCs. This FY23 budget equity baseline will be leveraged to guide FY24 investments through the agency's second EZBB process. A goal of the FY24 EZBB is to achieve equitable investments and targeted benefits for EFCs, which represent 40 percent of Los Angeles County. Staff will categorize FY23 investments as "targeted benefits," "disproportionate service," and/or "no equity impact" to calculate the FY23 budget equity baseline percentage.

A critical element of equity is intention, such as intentionally prioritizing resources based on need or to address disparities, or intentionally centering experiences of historically marginalized groups. "Targeted benefits" demonstrate positive impacts from Metro's projects, programs, policies, and services that are intentionally focused on marginalized communities. Examples of "targeted benefits" in Metro's budget include, but are not limited to, increased mobility access for people living and/or businesses located in EFCs to resources (transit service, transportation affordability, right-of-way design, or state of good repair targeted to EFCs); projects and/or programs that demonstrate priority for EFCs or EFC residents (systemwide programs that address needs in EFCs first or primarily, such as the LIFE Program); and deep and intentional engagement with stakeholders in or representing EFCs (residents, small businesses, community-based organizations).

Transit is a public service that can provide a mobility option for all, but especially for people with fewer transportation choices. Metro serves a core ridership that is disproportionately lower income, non-white, and without access to a vehicle, so many of Metro's projects and services provide a "disproportionate service" for marginalized communities. Examples of "disproportionate service" in Metro's budget include, but are not limited to, state of good repair programs or capital projects that

service Metro's whole transit system, which disproportionately serves EFCs; improvements to a Metro transit stop or station not located within or adjacent to EFCs; and project funding allocations or studies that include EFCs but do not analyze specific impacts to EFCs or people living in EFCs.

The 2022 EFC Update incorporates 40 percent of Los Angeles County and, by definition, have very high mobility investment needs. To continue striving towards equitable outcomes, Metro investments and targeted benefits in EFC's should be greater than an equivalent 40% share. The FY23 budget equity baseline will start the process of reaching these equitable outcomes through the upcoming FY24 EZBB process.

EQUITY PLATFORM

The Equity Focus Communities (EFC) map continues to be a geographic tool and resource to identify regional inequities and mobility needs across Los Angeles County. As Metro deepens implementation of budget equity, the EFC map will be leveraged for both assessment and prioritization of investments to serve those with the highest needs.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This recommendation supports strategic plan goals #1.1, 3.1, 3.2, 3.3, and 3.4 by helping Metro to target infrastructure and service investments toward those with the greatest needs and enhancing communities and lives through mobility and access to opportunity. Implementation of the equity framework is an explicit recommended action under the goals 1.1 and 3.3, and it supports actions under 3.1, 3.2, and 3.4.

NEXT STEPS

Staff will continue to build on lessons learned from the FY23 Equitable Zero-Based Budgeting (EZBB) process to identify impactful and feasible opportunities to prioritize EFCs in the FY24 budget.

ATTACHMENTS

Attachment A - 2022 Equity Focus Communities - June 2022
Attachment B - Comparison of 2019 EFCs and 2022 EFCs - June 2022

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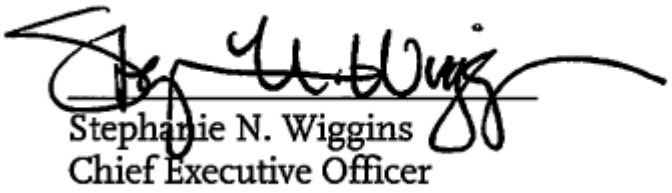
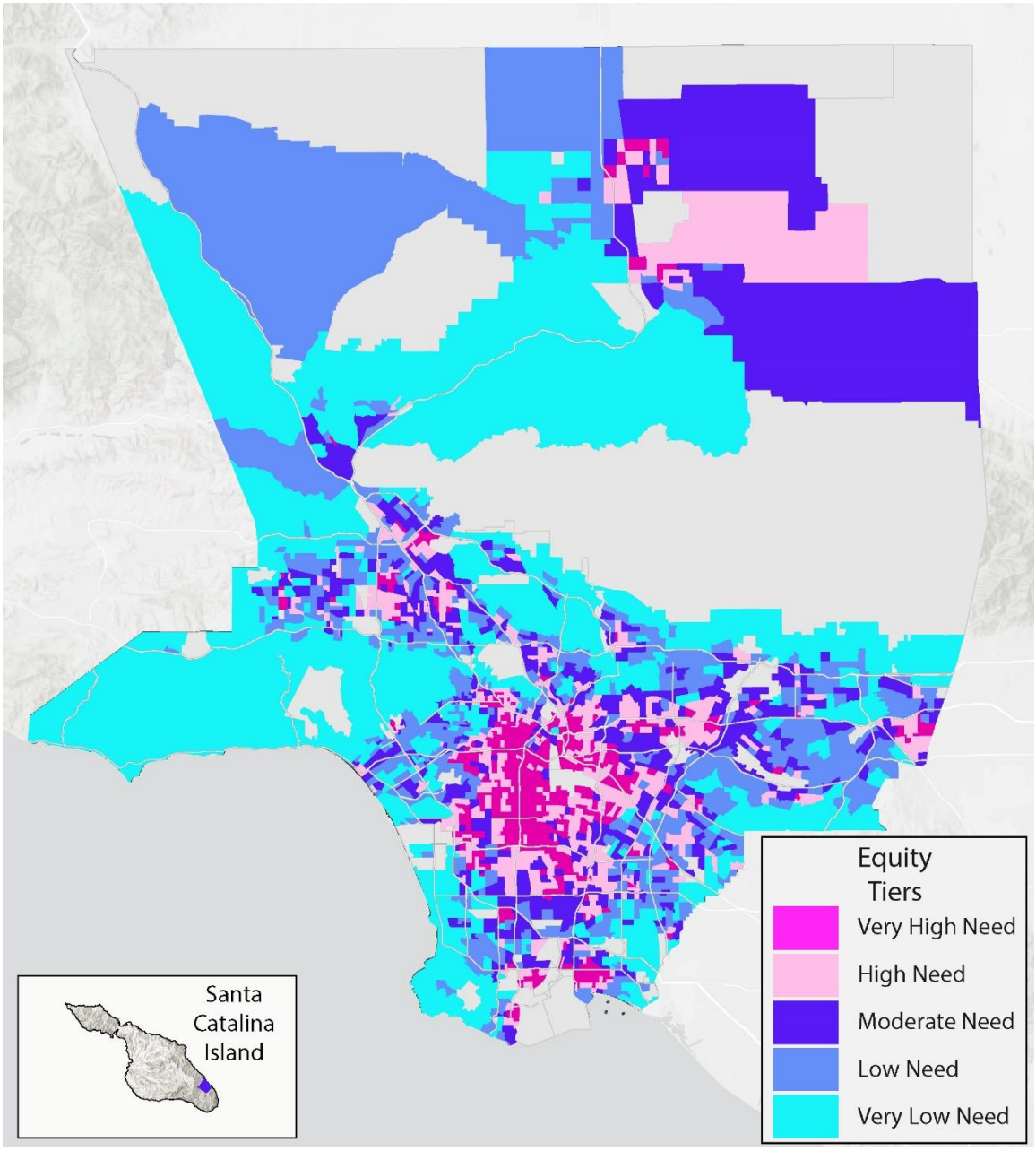


Stephanie N. Wiggins
Chief Executive Officer

2022 EQUITY FOCUS COMMUNITIES UPDATE
Attachment A – 2022 Equity Focus Communities – June 2022

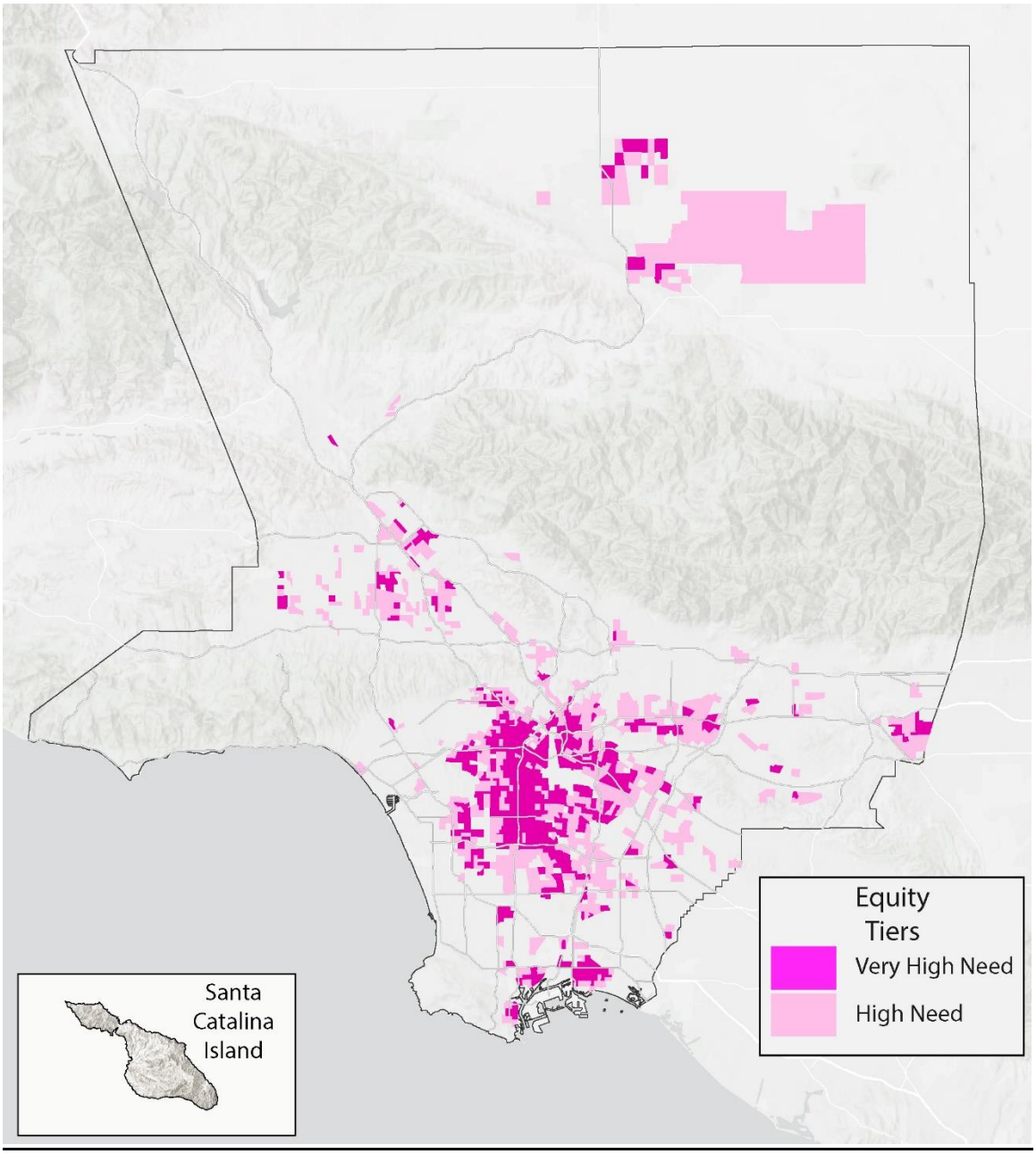
2022 EFC Index

- 80 to 99th percentile: Very High Need (EFC)
- 60 to 79th percentile: High Need (EFC)
- 40 to 59th percentile: Moderate Need (non-EFC)
- 20 to 39th percentile: Low (non-EFC)
- Below 20th percentile: Very Low (non-EFC)

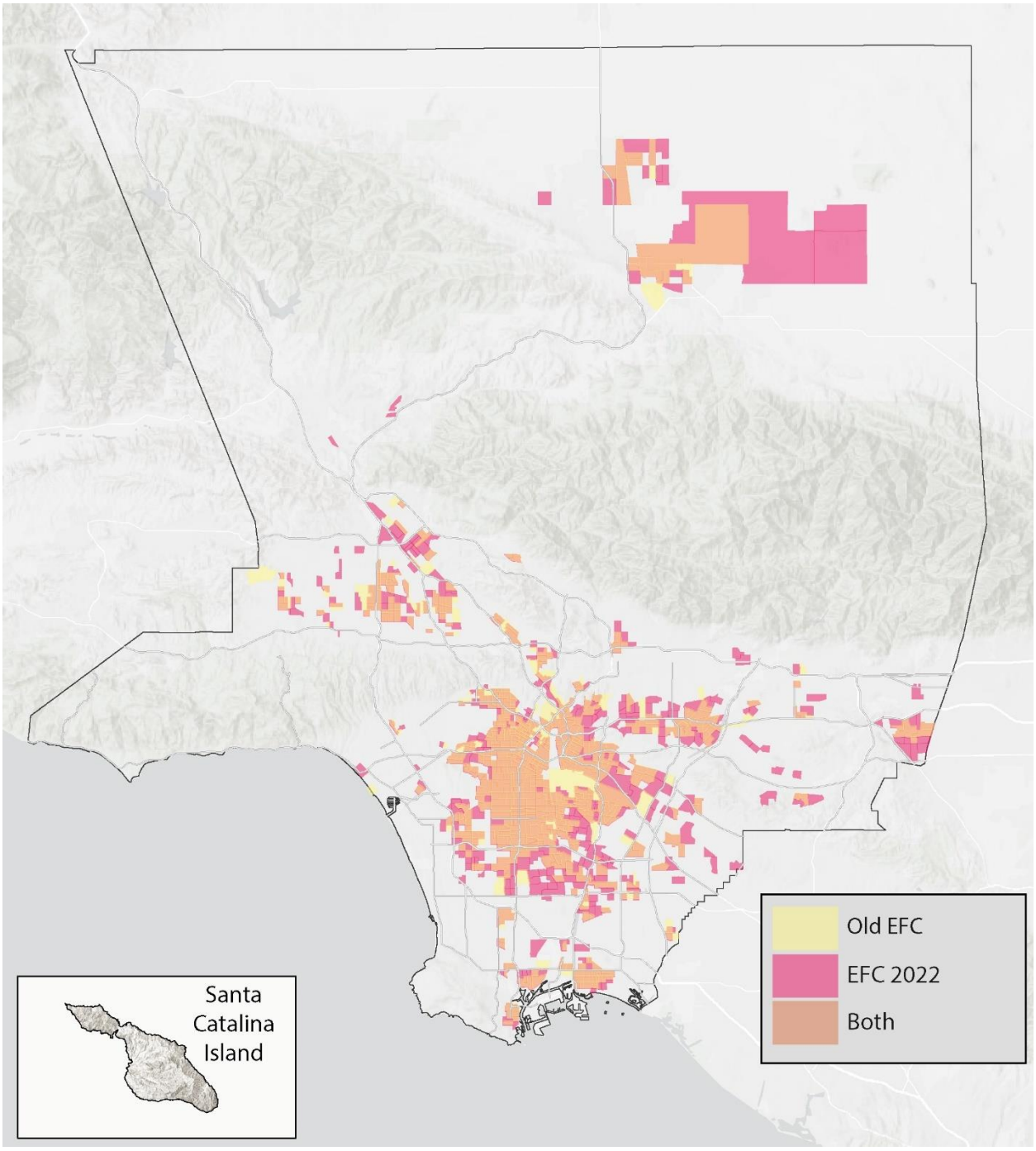


2022 EQUITY FOCUS COMMUNITIES UPDATE
Attachment A – 2022 Equity Focus Communities – June 2022

2022 EFC Index – EFCs only



2022 EQUITY FOCUS COMMUNITIES UPDATE
Attachment B – Comparison of 2019 EFCs and 2022 EFCs – June 2022

The map below shows three layers:

- Pink: 2022 EFC Updates that were not previously designated EFCs in the Original (2019) EFC definition
- Orange: 2022 EFC Updates that were previously designated EFCs in the Original EFC definition
- Yellow: Original EFCs that were not in the Very High or High Need tiers of the 2022 EFC Update