

Equity Assessment for a New Sales Tax Expenditure Plan



San Francisco
County Transportation
Authority

Final Report: July 2022

Acknowledgments

This report is part of the San Francisco County Transportation Authority's development of a New Expenditure Plan for the existing half-cent sales tax for transportation. As part of our agency's Racial Equity Action Plan, we are using the Racial Equity Toolkit to operationalize equity throughout all aspects of the New Expenditure Plan development. This assessment summarizes the research that staff working on the New Expenditure Plan process conducted for Step #2 of the Racial Equity Tool which focuses on understanding what the data tell us about existing conditions. The assessment concludes with recommendations for the process of developing a New Expenditure Plan, for the investments within the New Expenditure Plan, and for the administration of the New Expenditure Plan. For more information about the New Expenditure Plan development, please visit sfcta.org/ExpenditurePlan.

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1. Introduction to Reauthorization

In November 2003, 75% of San Francisco voters approved Prop K, extending the existing half-cent local sales tax for transportation and approving a new 30-year Expenditure Plan identifying projects and programs to be funded by the sales tax. The Prop K Expenditure Plan prioritizes \$2.35 billion (in 2003 dollars) and leverages another \$9 billion in federal, state and local funds for transportation improvements over the 30-year life of the plan. The Expenditure Plan was developed as part of the first San Francisco countywide transportation plan in 2003 and provided funding to help implement the long-range transportation vision described therein.

As we approach year 20 of the Prop K program, the Transportation Authority Board has directed staff to develop a New Expenditure Plan targeting a potential June 2022 ballot measure or possibly November 2022 should the Board later choose to target that election. We are considering adoption of a New Expenditure Plan now for multiple reasons: we have already delivered most of the major projects in the 2003 Expenditure Plan, we need to create a new plan to reflect new priorities that aren't currently eligible for funding, and we wish to replenish funds for programmatic categories that are running out of funds where we supported advancement of funds to support faster project delivery than operating on a pay-go (i.e., wait for the cash to be in the bank) basis would allow. This year we are also working on a major update to the countywide plan, called the San Francisco Transportation Plan 2050 or SFTP 2050. The SFTP 2050 will include an investment strategy with a funding strategy that incorporates the reauthorization of the existing half-cent sales tax with a New Expenditure Plan, in addition to potential new revenues measures to help close a substantial funding gap between anticipated federal, state, regional and local revenues and what we need to get us closer to our long-range transportation vision.

The purpose of the New Expenditure Plan is to help implement the priorities and long-term vision for the maintenance, development, and improvement of San Francisco's transportation system, as articulated in the SFTP, through investment in a set of projects and programs. One of San Francisco's most important priorities for the transportation system is equity. This Equity Assessment outlines how the Transportation Authority is integrating equity into its work as an agency; provides background on the half-cent transportation sales tax; analyzes how the existing transportation system is advancing equity and where it falls short; and makes recommendations for how the New Expenditure Plan and ongoing half-cent sales tax can continue to advance equity through investments in San Francisco's transportation system.

2. Background

2.1 RACIAL EQUITY

Over the past several years many departments and agencies, including the Transportation Authority, have participated in the San Francisco cohort of the Local and Regional Government Alliance on Race & Equity (GARE) program. GARE is a national network of government working to achieve racial equity and advance opportunities for all.

Pursuing racial equity is about closing gaps so that race does not determine someone's success, while improving outcomes for everyone. We lead with race because racial inequities are deep and pervasive. Even within other areas of marginalization, there are often differences in outcomes by race.

"Racial equity is a set of social justice practices, rooted in a solid understanding and analysis of historical and present-day oppression, aiming towards a goal of fairness for all. As an outcome, achieving racial equity would mean living in a world where race is no longer a factor in the distribution of opportunity. As a process, we apply racial equity when those most impacted by the structural racial inequities are meaningfully involved in the creation and implementation of the institutional policies and practices that impact their lives."

– Adapted by San Francisco Office of Racial Equity from
Anti-Oppression Resource and Training Alliance (AORTA)

The Transportation Authority started its Racial Equity Working Group in Fall 2018. The working group leads a number of initiatives for the Transportation Authority including applying the Racial Equity Tool to agency projects and processes, like the effort to develop a New Expenditure Plan and extend the half-cent sales tax. The Racial Equity Tool is a guidance document that helps staff think through equity implications throughout any process. This assessment summarizes the research that staff working on the New Expenditure Plan process conducted for Step #2 of the Racial Equity Tool which focuses on understanding what the data tell us about impacts in specific geographic areas and/or demographics of people in the areas.

The staff equity working group for the New Expenditure Plan process began meeting in mid-2020, and completed the research included in this report in January 2021. Staff drew from recent and ongoing efforts and used the most up-to-date data available at the time for the analysis conducted for this report. There is often a lag between when demographic, travel behavior, and safety data is collected and when it is made public, which is why equity analyses like these should be updated every few years. We plan to continue updating this analysis every four years through the SFTP, which is the citywide,

long-range investment and policy blueprint for San Francisco's transportation system. There are more details on the data used in Section 3 of this report.

2.2 BACKGROUND ON SALES TAXES

Sales taxes are an important source of funding in San Francisco, across the Bay Area, and all over California. They are a particularly important source of revenues for local governments in this state in part due to the limitations on property taxes imposed by Proposition 13 (1978). Eight of the nine Bay Area counties have transportation sales taxes in place to help fund their systems. The notable exception being Solano County, where numerous attempts have failed to meet the two-thirds majority vote required to pass these types of dedicated taxes.

More generally, local funding sources like sales taxes have become increasingly crucial to the maintenance and improvement of our transportation systems. Thirty years ago, federal or state funding might have covered the majority of costs for many major transportation projects. Today, we forecast that about two-thirds of all spending on transportation projects in the city for the next thirty years will come from local or regional sources.¹

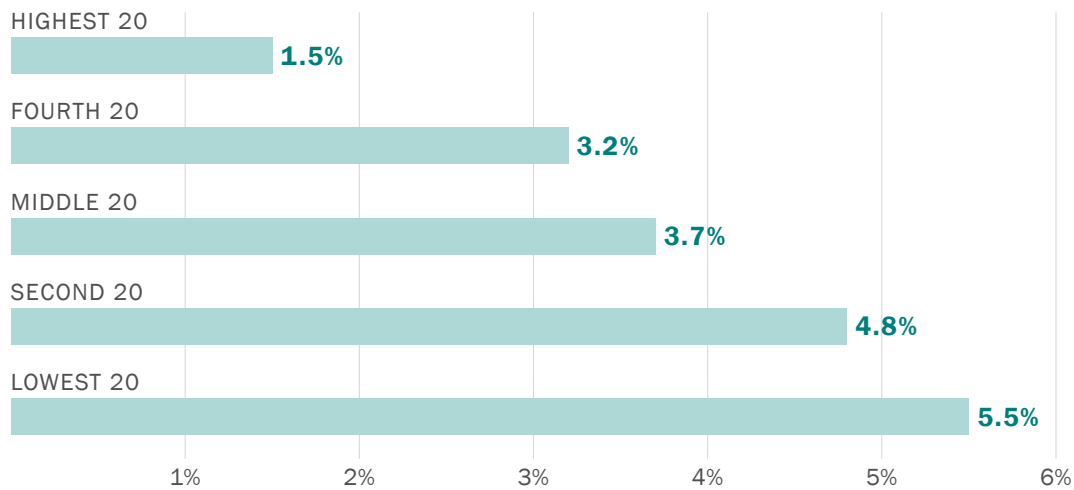
San Francisco has a sales tax rate of 8.625% as of July 2021 when the Caltrain one-eighth cent sales tax, approved by voters on November 3, 2020, went into effect. This 8.625% includes:

- 7.25% imposed by the State to fund state and local programs (including the State's General Fund, the Local Public Safety Fund, and city or county operations)
- 0.50% to fund the Bay Area Rapid Transit District (BART)
- **0.50% administered by the San Francisco County Transportation Authority for transportation purposes**
 - 0.25% for the San Francisco County Public Finance Authority (related to the San Francisco Unified School District)
 - 0.125% to fund the Peninsula Corridor Joint Powers Board (Caltrain)

Equity Implications of Sales Taxes

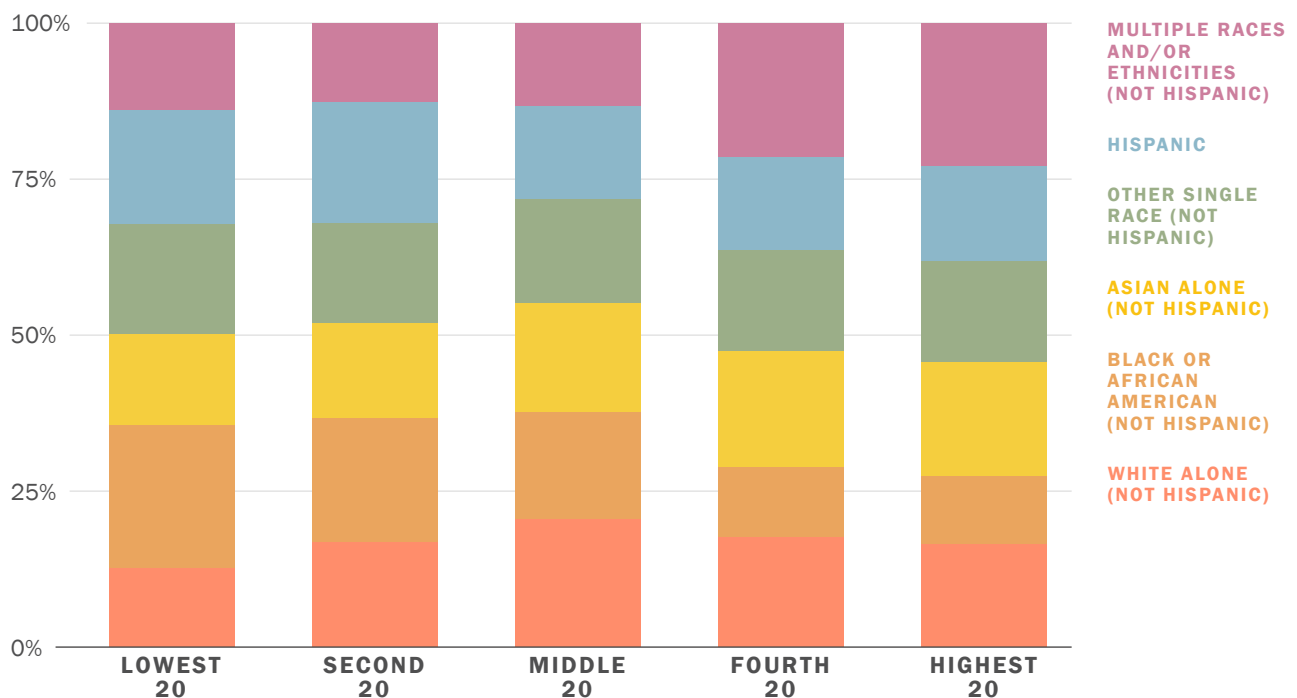
Sales taxes are generally considered to be regressive taxes, meaning that lower-income households pay a higher percentage of their income in taxes than do higher-income households. For example, households in the lowest 20% income quartile pay about 5.5% of their income in sales taxes, whereas the wealthiest 20% of households pay about 1.5%. This can be seen in Figure 2-1 from SPUR's October 2020 webinar on sales taxes:

¹ San Francisco County Transportation Authority, SFTP 2050 Revenue Forecast, forthcoming

Figure 2-1. Share of Household Income of Sales Taxes by Income Bracket

Source: SPUR's "Creating a Bay Area Sales Tax Fairness Credit" webinar, October 28, 2020

As depicted in Figure 2-2, SPUR's research also shows that sales tax impacts are borne disproportionately by the Bay Area's minority residents, who make up a higher percentage of lower income quartiles than do whites. This is particularly true for Black or African American and Hispanic households.

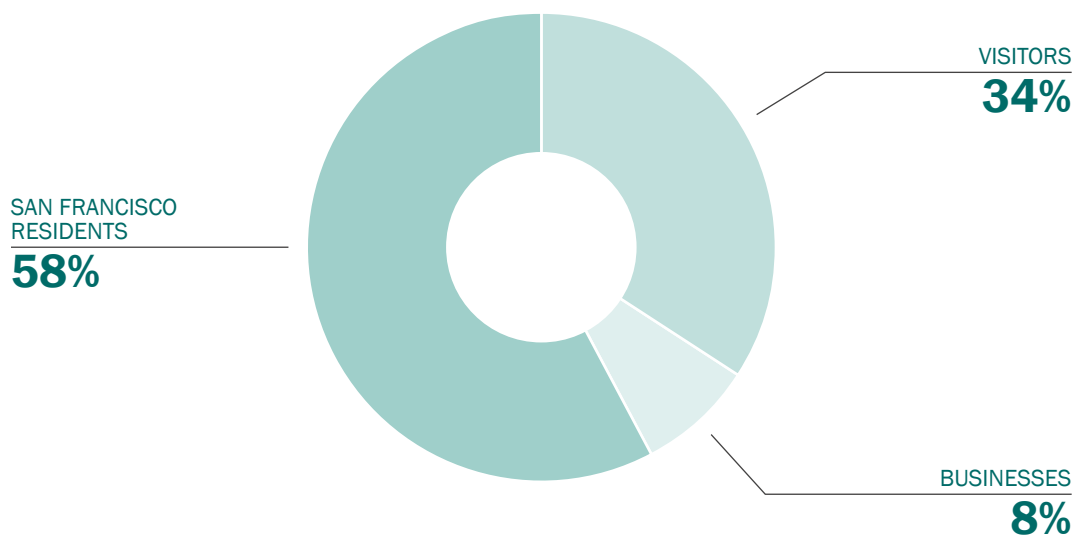
Figure 2-2. Distribution of Race Through Income Groups

Source: SPUR's "Creating a Bay Area Sales Tax Fairness Credit" webinar, October 28, 2020

Despite their regressivity, local option sales tax measures have proven popular among lower-income voters in California. According to research by the UCLA Institute of Transportation Studies, average tax burden was positively associated with votes for sales tax measures, at the census tract level.¹ The researchers considered a variety of reasons for this, including lack of awareness, focus on absolute instead of relative amounts of tax paid, and perception of increased benefits from the transportation expenditure plans, as low-income people usually comprise the majority of transit riders. For example, the Prop K Expenditure Plan is almost 75% transit investments, which disproportionately benefit low-income people.

When we look at where the sales tax in San Francisco is collected, pre-COVID data from the Controllers' Office estimated that 34% of sales taxes were paid by visitors and 8% were paid by businesses, leaving about 58% of sales taxes paid by San Francisco residents themselves.² This tells us that while sales taxes disproportionately impact lower income and minority residents, about 42% of the revenues in San Francisco are not paid for by the residents of San Francisco.

Figure 2-3. San Francisco Sales Tax Contributions by Group



There are significant limitations to many of the revenue sources currently used for transportation purposes. For example, many federal and state sources have restrictions on what type of project or what project phase they can fund. Local funds like the sales tax can be used to fund early project planning and environmental studies to set projects up to be competitive for funding for later phases like design or construction. Many fund

¹ Albrech Maxwell, Anne Brown, Jaimee Lederman, Brian D.Taylor, and Martin Wachs, The Equity Challenges and Outcomes of California county Transportation Sales Taxes, prepared for the University of California Center on Economic Competitiveness, June 2017, 4, www.its.ucla.edu/wp-content/uploads/sites/6/2017/05/LOST-Report_final.pdf.

² San Francisco Chief Economist, 2017

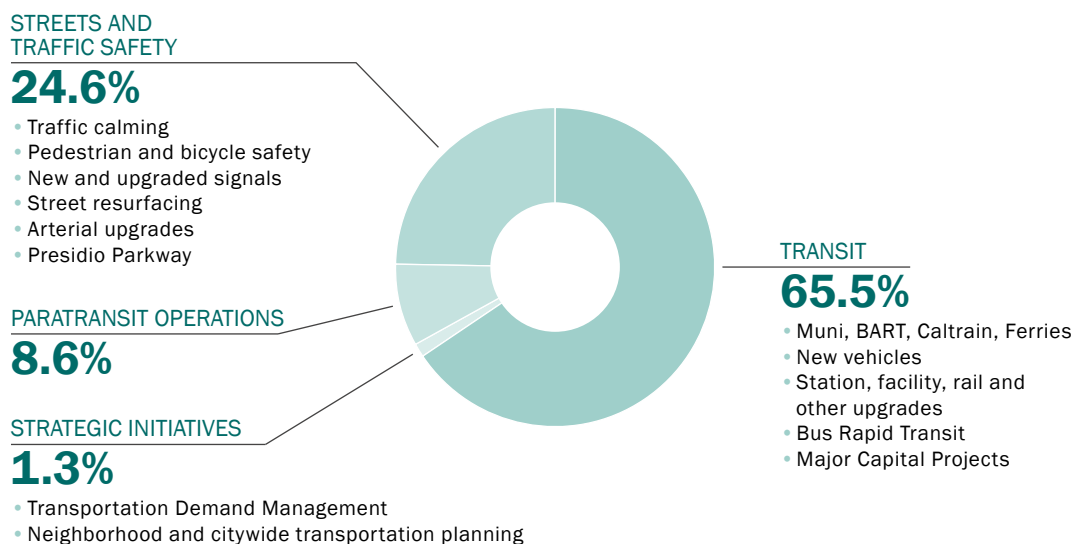
sources also require matching funds, sometimes up to a 50% funding match. A single grant may not cover the full cost of a project, particularly for larger, more expensive projects, which is why agencies frequently must use multiple different funding sources to fully fund a project. The local sales tax can provide needed matching funds and help to complete a projects' funding plan. In this context, local sales taxes will continue to be an important source of revenue. The intention of this Equity Assessment is to provide recommendations for how a New Expenditure Plan for the existing transportation sales tax can help mitigate the regressive impacts on lower income residents by specifically addressing transportation challenges facing those communities.

2.3 PROP K INVESTMENTS

Summary of project types and expenditures

The Prop K Expenditure Plan is composed of named projects and programs within four categories: transit capital projects (65.5%), paratransit (8.6%), streets and traffic safety projects (24.6%), and transportation system management/strategic initiatives (1.3%). Within these four categories, Prop K has provided funding for state of good repair needs, modernization and enhancement of transit, streets, and freeways, major capital projects, paratransit operations, and strategic initiatives, including transportation demand management and transportation and land use coordination. The breakdown of investment is shown in the graph below. As of August 2021, \$1.9 billion in Prop K funds have been allocated to project sponsors.

Figure 2-4. Project categories within the Prop K expenditure plan

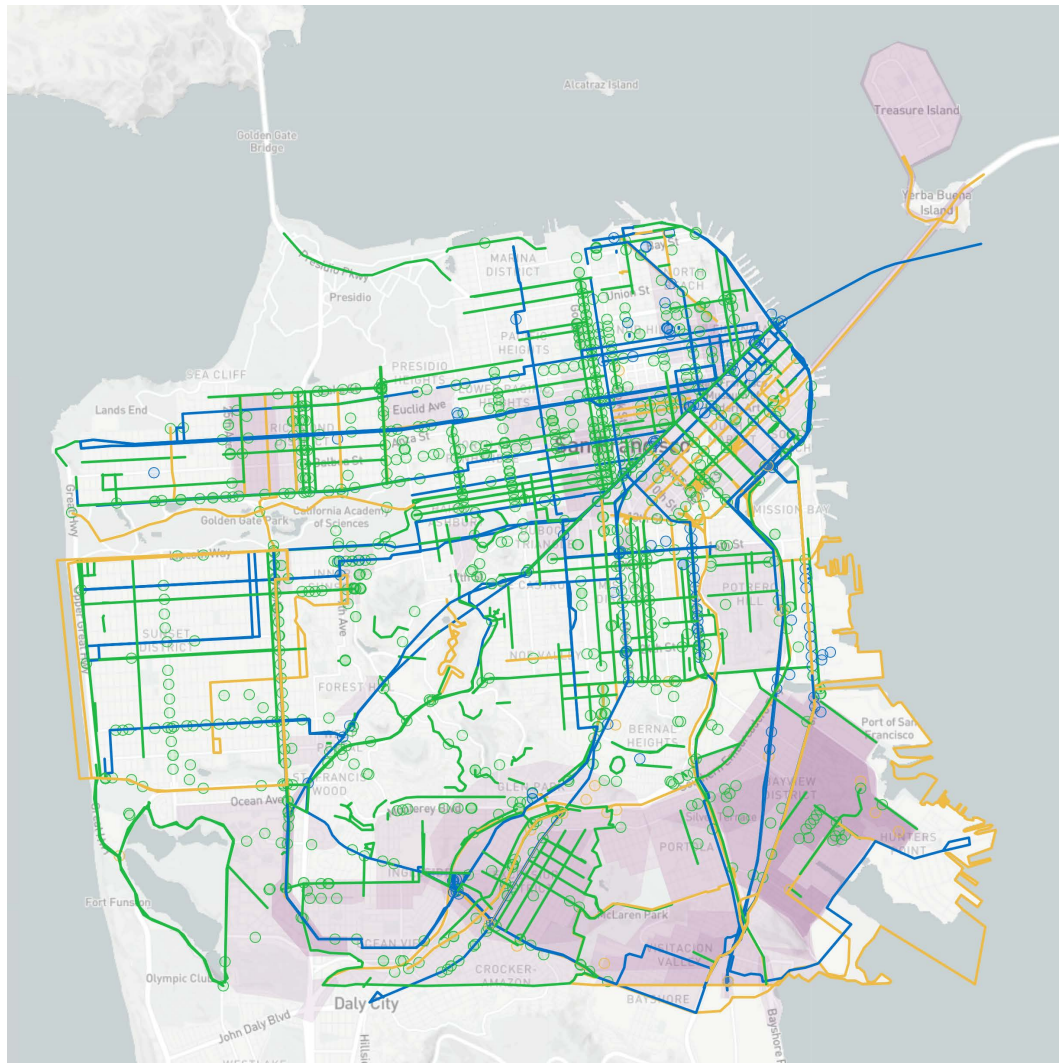


Source: www.sfcta.org/sites/default/files/2019-04/Expenditure_Plan_Summary_012417.pdf

Project Locations

The Transportation Authority has an interactive map that allows the user to view all mappable projects funded by the sales tax, both completed and underway. The mappable projects, overlaid with Equity Priority Communities, are shown in Figure 2-5 below and can also be viewed online at mystreetsf.sfcta.org. Citywide projects that are not easily mapped, such as Muni replacement vehicles, paratransit operations, street trees and curb ramps can be viewed online at mystreetsf.sfcta.org/citywide.

Figure 2-5. Prop K Investments and Equity Priority Communities, MyStreetSF



Source: mystreetsf.sfcta.org

3. Equity in San Francisco's Transportation Systems

As part of Step 2 of the Racial Equity Tool, this section seeks to collect and analyze data capturing the demographics and equity implications within Equity Priority Communities (EPCs) and citywide. By identifying the unique transportation, mobility, and access challenges faced by marginalized neighborhoods in San Francisco, this research will inform what processes, programs, and policies can be built into the New Expenditure Plan to effectively advance equity.

This section relies on data obtained from the following sources:

- **American Community Survey (ACS):** Some demographic data in this research relies upon ACS 5-Year Estimates from 2014 – 2018 obtained from [Esri Community Analyst](#).
- **U.S. Census Bureau:** This research relies upon Esri estimates for 2020 based upon the 2010 U.S. Census. These estimates were obtained from [Esri Community Analyst](#).
- **ConnectSF Statement of Needs:** ConnectSF is multi-agency collaborative process to build an effective, equitable, and sustainable transportation system for San Francisco's future. This research uses data on mode share, job accessibility, and commute times that was collected for the [ConnectSF Statement of Needs](#) completed in 2018.
- **San Francisco Transportation Plan (SFTP):** The SFTP is the citywide, long-range investment and policy blueprint for San Francisco's transportation system. The plan analyzes every transportation mode, every transit operator, and all streets and freeways every four years. It is currently being updated under the ConnectSF umbrella.
- **The Urban Displacement Project:** The [Urban Displacement Project \(UDP\)](#) is a research and action initiative of UC Berkeley to better understand and predict where gentrification and displacement is happening and will likely occur in the future. This research uses maps and data on gentrification and displacement trends in San Francisco.
- **The Downtown Congestion Pricing Study Briefing Paper:** The Transportation Authority is exploring how a fee to drive downtown (i.e. congestion pricing) could get traffic moving and achieve goals around street safety, clean air, and equity. This research uses data collected for creation of an [equity briefing paper](#) for the study.
- **Statewide Integrated Traffic Records System (SWITRS):** This research uses collision data from 2006 – 2017 obtained from safety.sfcta.org. The data originates from the SWITRS database.

3.1 INTRODUCTION TO EQUITY PRIORITY COMMUNITIES

San Francisco's Equity Priority Communities (EPCs), formerly referred to as Communities of Concern (CoCs), include a diverse cross-section of populations and communities that could be considered disadvantaged or vulnerable now and in the future. Equity Priority Communities can have high levels of households with minority or low-income status, seniors, people who have limited English proficiency, people who have disabilities, and more.

Definition and Background¹

The Metropolitan Transportation Commission (MTC) is the transportation planning, funding and coordinating agency for the nine Bay Area county region. MTC has conducted an equity analysis for the past several Regional Transportation and Sustainable Communities Plans – the long-range transportation plan for the Bay Area – to comply with federal civil rights and environmental justice laws. The results of this equity analysis have identified a series of disadvantaged communities or EPCs (formerly called Communities of Concern). MTC defines EPCs, as any census tract that either 1) has both a concentration of minority AND low-income households or 2) has a concentration of low-income households and three of the remaining 6 disadvantaged factors.

Table 3-1. MTC's 2017 Thresholds for Defining EPCs

DISADVANTAGED FACTOR	CONCENTRATION THRESHOLD
People of Color	70%
Low Income (<200% Federal Poverty Level)	30%
Limited English Proficiency	20%
Zero-Vehicle Household	10%
Seniors 75 Years and Over	10%
People with Disability	25%
Single-Parent Family	20%
Cost-Burdened Renter	15%

Source: www.sfcta.org/sites/default/files/2021-09/Item_11-Community_of_Concern_Update_MEMO.pdf

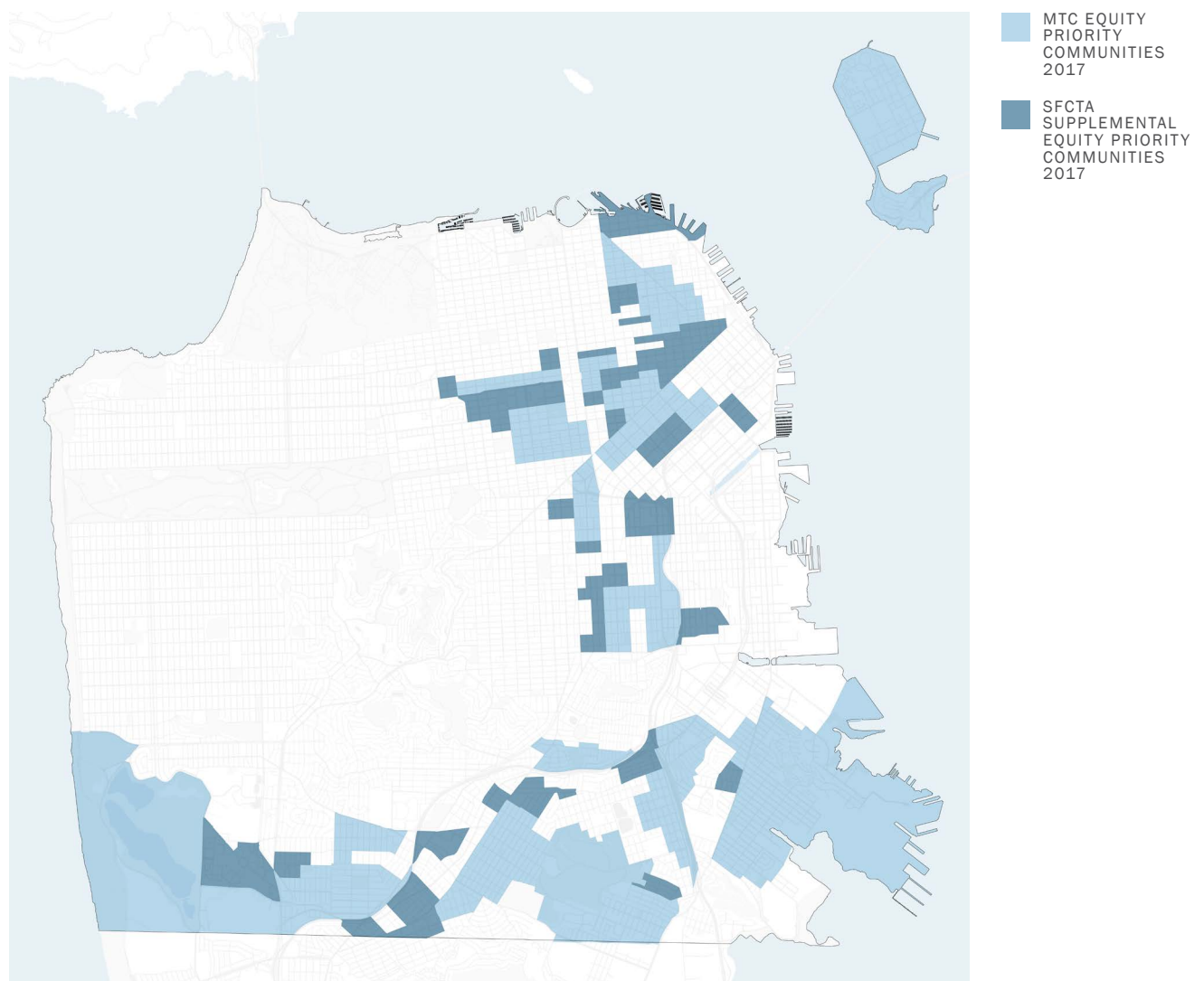
As in prior Plan Bay Area cycles, MTC's equity analysis for the nine county Bay Area was conducted at the census tract level; however, that methodology does not fully capture many of San Francisco's disadvantaged communities, which often are located in the same census tracts with more affluent neighborhoods. Conducting a similar analysis

¹ www.sfcta.org/sites/default/files/content/Executive/Meetings/board/2017/04-Apr-11/r17_xx_sf_communities_of_concern.pdf; www.sfcta.org/policies/communities-concern

at a more fine-grain level – the census block-group level – more accurately captures San Francisco’s disadvantaged communities, particularly when they are immediately adjacent to more affluent areas. This is the approach that Transportation Authority staff took to update the boundaries in 2017 to capture these smaller pockets of disadvantaged communities in San Francisco that were not included in MTC’s 2017 definition. This approach is reflected in the maps in this report.

After this analysis was completed, MTC updated the Equity Priority Communities for 2021. For the 2021 EPC update, the Transportation Authority applied a similar methodology as in 2017. The SFTP will use the updated 2021 EPCs.

Figure 3-1. 2017 Equity Priority Communities (Communities of Concern)



MTC prioritizes projects in or serving EPCs for several competitive grants that are distributed through Congestion Management Agencies, including the Transportation Authority. These programs include the One Bay Area Grant (OBAG) program, which has funded projects such as the Broadway Chinatown Streetscape Improvement Project and the Mansell Corridor Improvement Project. EPCs are also eligible to receive regional community-based transportation planning grants, which recently funded the Western Addition Community-Based Transportation Plan. Moreover, some external grant programs, such as the state Active Transportation Program, assign higher scores for projects in disadvantaged communities, and MTC has used its EPC designation as a proxy for this when allowed.

At the local level, the Transportation Authority and other city agencies have used EPCs in transportation funding (e.g. prioritizing projects that benefit EPCs in fund programs we administer) and in planning, notably for capturing how transportation impacts vary across the city. Common analyses include calculating the percent of the city's Vision Zero High-Injury Network that are present in EPCs and evaluating future plan scenarios for EPCs and non-EPCs for the San Francisco Transportation Plan, the countywide long-range transportation plan.

SFMTA's Equity Neighborhoods

For clarity and consistency, this report uses the equity neighborhood names designated in SFMTA's Equity Policy and Strategy to describe individual Equity Priority Communities. As shown in Figure 3-2, the equity neighborhoods are Treasure Island, Chinatown, Tenderloin, Western Addition, Inner Mission, Bayview, Visitacion Valley, Excelsior/Outer Mission, and Oceanview/Ingleside.

Figure 3-2. Equity Neighborhoods in the SFMTA Equity Policy and Strategy

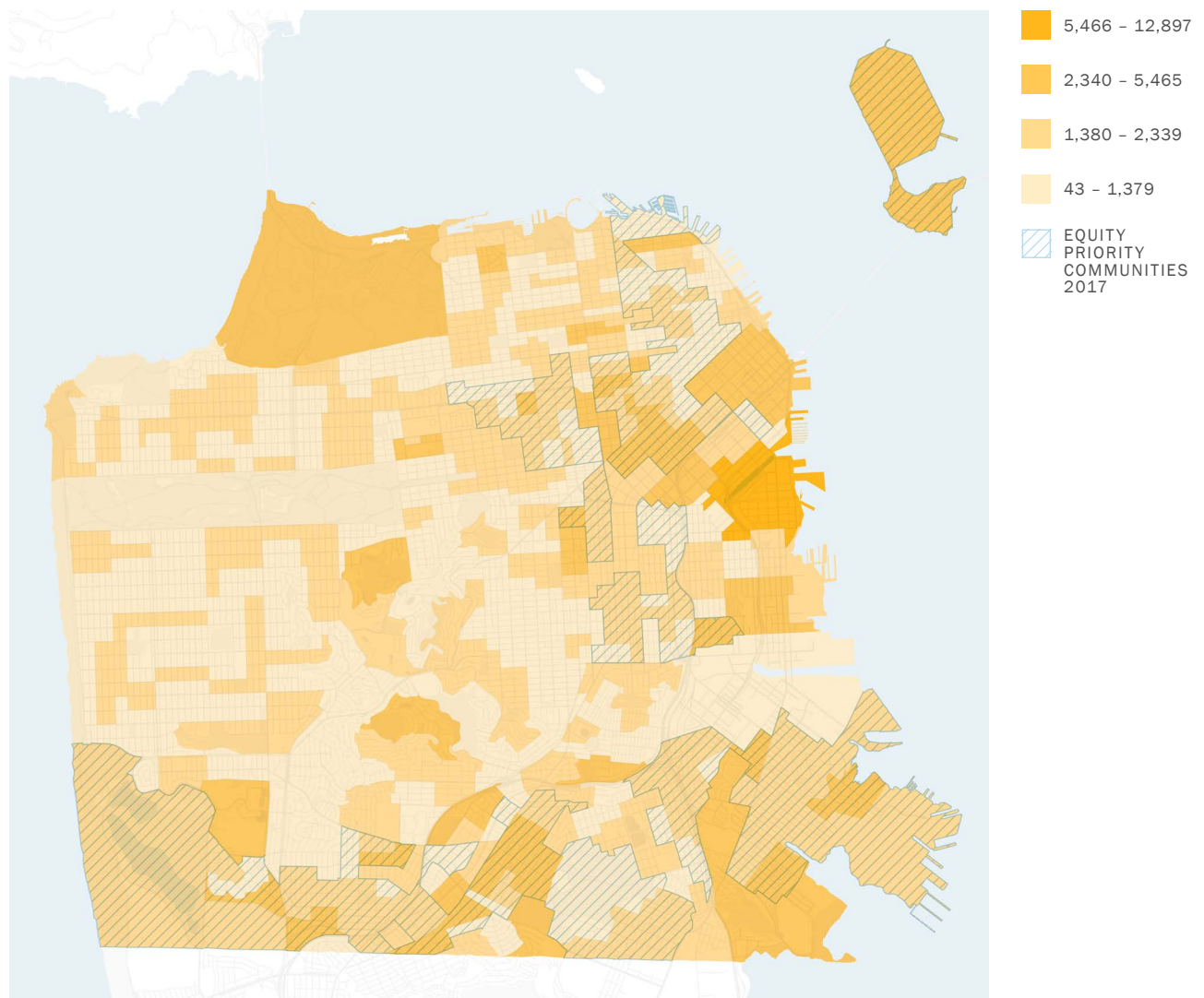
Population

In 2020 (pre-pandemic), the estimated residential population of the City and County of San Francisco is 881,791 (see Table 3-2). About one-third of that population, or 289,651 people, reside within San Francisco's Equity Priority Communities. Similarly, Equity Priority Communities contain about 34% of San Francisco's 337,346 households. During the daytime, San Francisco's population grows to 989,595 people. This population includes people that work in San Francisco and daytime residents, including residents under 16 years of age, the unemployed, those not in the labor force, and employed residents temporarily absent from work. About 34% of the daytime population (116,314 households) live or work in EPCs.

Table 3-2. 2020 Population within the City and County of San Francisco

POPULATION	EPCS	NON-EPCS	CITYWIDE
Residential	289,651	592,140	881,791
Daytime	335,916	653,679	989,595
Households	116,314	261,032	337,346

Source: U.S. Census Bureau, Census 2010 Summary File 1, Esri Community Analyst.

Figure 3-3. Residential Population Per Block Group

Race and Ethnicities

People of color comprise a larger percentage of the population in Equity Priority Communities than they do in other areas of the city. As shown in Table 3-3, while Black and Hispanic or Latino people make up 2.7% and 11.5% of the population, respectively, in areas that are not Equity Priority Communities, they are 10% and 23% of the population in Equity Priority Communities. Census block groups with a large percentage of Black or Hispanic residents generally align with census block groups that are designated as Equity Priority Communities. The percentage of the population that identifies as Asian, Pacific Islander, Native American, two or more races, or another non-white race are also higher in EPCs than other areas.

Table 3-3. 2020 Race and Ethnicity

RACE AND ETHNICITY	EPCS		NON-EPCS		CITYWIDE	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
White Alone	92,594	32%	315,943	53.40%	408,578	46.30%
Black Alone	28,750	10%	16,274	2.70%	45,024	5.10%
American Indian Alone	1,806	1%	1,818	0.30%	3,624	0.40%
Asian Alone	114,816	40%	200,879	33.90%	315,691	35.80%
Pacific Islander Alone	2,290	1%	1,237	0.20%	3,527	0.40%
Some Other Race Alone	33,641	12%	25,148	4.20%	58,789	6.70%
Two or More Races	15,754	5%	30,803	5.20%	46,558	5.30%
Hispanic Origin (Any Race)	67,166	23%	68,019	11.50%	135,187	15.30%

Source: U.S. Census Bureau, Esri Forecasts for 2020, obtained through the "Demographic and Income" Profile at communityanalyst.arcgis.com. (see files for EPCs, non-EPCs, and citywide)

Income

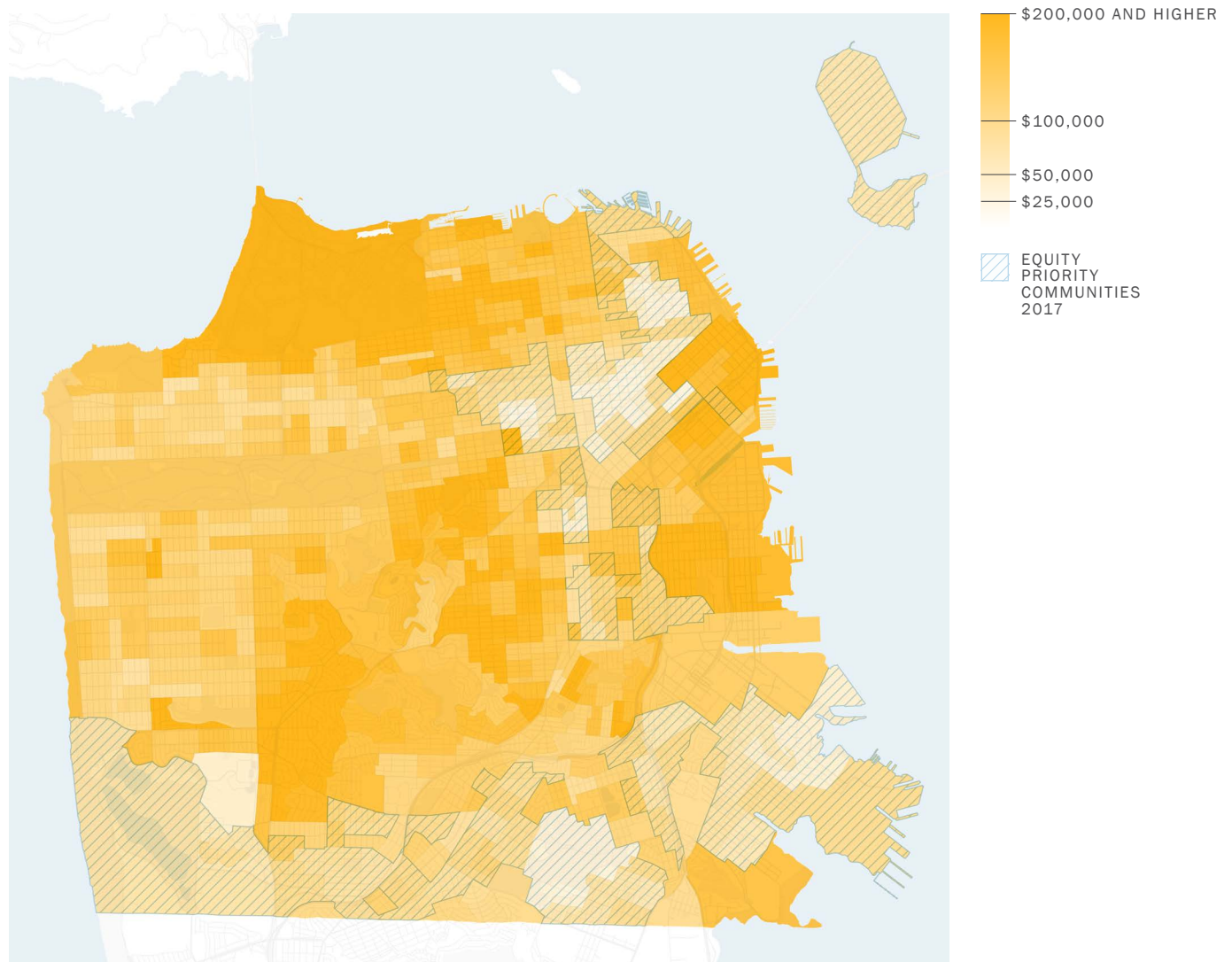
Equity Priority Communities have lower median and average household incomes than other areas of San Francisco. As displayed in Table 3-4 and shown in Figure 3-4, the median and average household incomes of San Francisco's Equity Priority Communities are \$59,968 and \$104,964, only 40% and 50%, respectively, of the median household income of areas that are not designated as Equity Priority Communities. Reinforcing this difference, the per capita income of Equity Priority Communities is \$42,374, about 49% of the per capita income in the rest of San Francisco.

Table 3-4. Household Incomes Based on Equity Priority Communities Status

	EPCS	NON-EPCS
Median Household Income	\$59,968	\$148,386
Average Household Income	\$104,964	\$196,899
Per Capita Income	\$42,374	\$87,244

Source: U.S. Census Bureau, Esri Forecasts for 2020, obtained through the "Demographic and Income" Profile at communityanalyst.arcgis.com. (see files for EPCs, non-EPCs, and citywide)

Figure 3-4. 2020 Median Household Income Per Block Group Based on Equity Priority Communities Status



Source: U.S. Census Bureau, Esri Forecasts for 2020, obtained through the "Demographic and Income" Profile at communityanalyst.arcgis.com. (see files for EPCs, non-EPCs, and citywide)

As shown in Table 3-5, a greater percentage of households within Equity Priority Communities have lower incomes than those within census block groups that are not designated as Equity Priority Communities. About 36% of households living in Equity Priority Communities have incomes that are less than \$35,000, compared to only 13% of the households in other areas of San Francisco. It is important to note that while EPCs have a greater concentration of households in lower income brackets, only 49% of low-income households live in EPCs. With about half of low-income households not living in EPCs, it is important to look at equity indicators citywide as well.

Table 3-5. Households by Income Range, 2020

INCOME	EPCS		NON-EPCS		CITYWIDE	
	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT
< \$15,000	21,282	18%	13,119	5%	34,401	9%
\$15,000 – \$24,999	11,842	10%	9,487	4%	21,329	6%
\$25,000 – \$34,999	8,437	7%	9,017	4%	17,454	5%
\$35,000 – \$49,999	10,071	9%	12,965	5%	23,036	6%
\$50,000 – \$74,999	13,657	12%	23,484	9%	37,141	10%
\$75,000 – \$99,999	10,636	9%	22,320	9%	32,956	9%
\$100,000 – \$149,999	13,061	11%	41,071	16%	54,132	14%
\$150,000 – \$199,999	9,517	8%	35,444	14%	44,961	12%
\$200,000+	17,811	15%	94,108	36%	111,919	30%

U.S. Census Bureau, Esri Forecasts for 2020, obtained through the “Demographic and Income” Profile at communityanalyst.arcgis.com. (see files for EPCs, non-EPCs, and citywide)

3.2 OTHER EQUITY INDICATORS

Low-Mobility and At-Risk Groups

As indicated in Table 3-6, some low mobility groups exist at higher rates in Equity Priority Communities than in other areas of San Francisco. People age 65 or older make up a slightly higher percentage of the population in Equity Priority Communities, comprising 17.81% of the population compared to 16.91% in the other block groups. As shown in Figure 3-6, some of the block groups with higher proportions of seniors (i.e., block groups in the Tenderloin, Western Addition, Chinatown, and Visitacion Valley) are located within Equity Priority Communities Concern.

Households with disabilities reside within Equity Priority Communities at a considerably higher rate than in other neighborhoods. Twenty-six percent of the households in Equity Priority Communities have a disability compared to only 15% of households that are not within designated Equity Priority Communities. As shown in Figure 3-5, in many of the block groups within Equity Priority Communities, particularly those located within the Chinatown, Bayview, Excelsior/Outer Mission, Oceanview-Ingleside, Western Addition, and Tenderloin neighborhoods, more than 34% of households have one or more people with a disability.

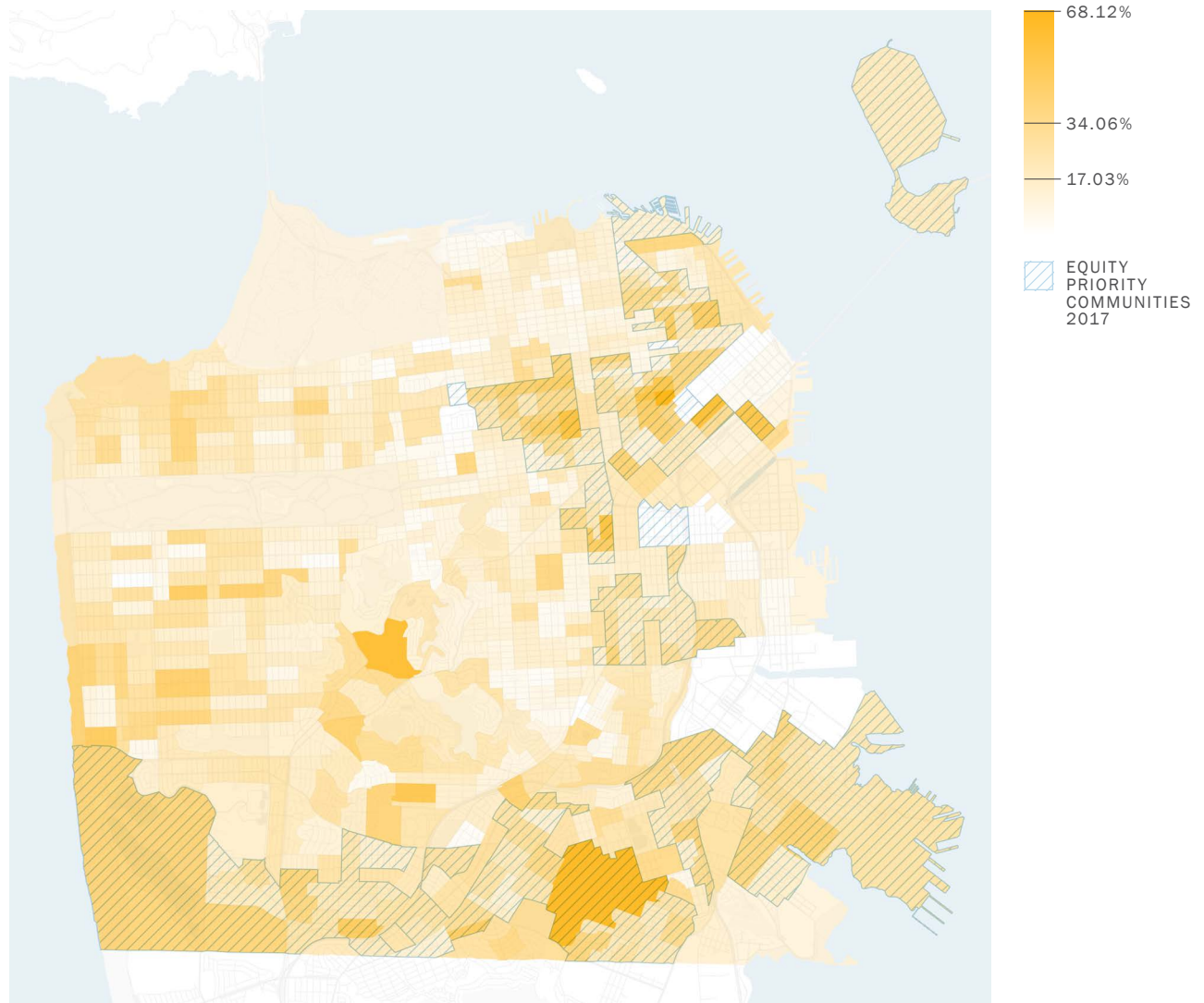
The percentage of households without a vehicle, however, was higher (3.98%) in non-EPC block groups than in Equity Priority Communities (3.31%). This is likely a result of land uses and other factors within the city that encourage or discourage driving. As shown in Figure 3-7 and Figure 3-8, households within the Equity Priority Communities located in the Chinatown, Tenderloin, Western Addition, and Inner Mission neighborhoods, which are relatively well served by transit, are less likely to have a vehicle available than on Treasure Island or in the Bayview, Visitacion Valley, Excelsior/Outer Mission, or Oceanview-Ingleside neighborhoods, which are relatively less well

served by transit. Less than 25% of homeowner households living in almost all the census blocks groups within these southern neighborhoods and Treasure Island have no vehicle available. Vehicle availability was less likely among renter households within Equity Priority Communities. More than 75% of renter households within most of the census blocks within the more central neighborhoods (Chinatown, Western Addition, Tenderloin, and Inner Mission) had no vehicles available. Renter households within the southern and Treasure Island census block groups were less likely to have no vehicles available, but there were a few block groups within the Bayview and Visitacion Valley that have high percentages of households with no vehicle availability.

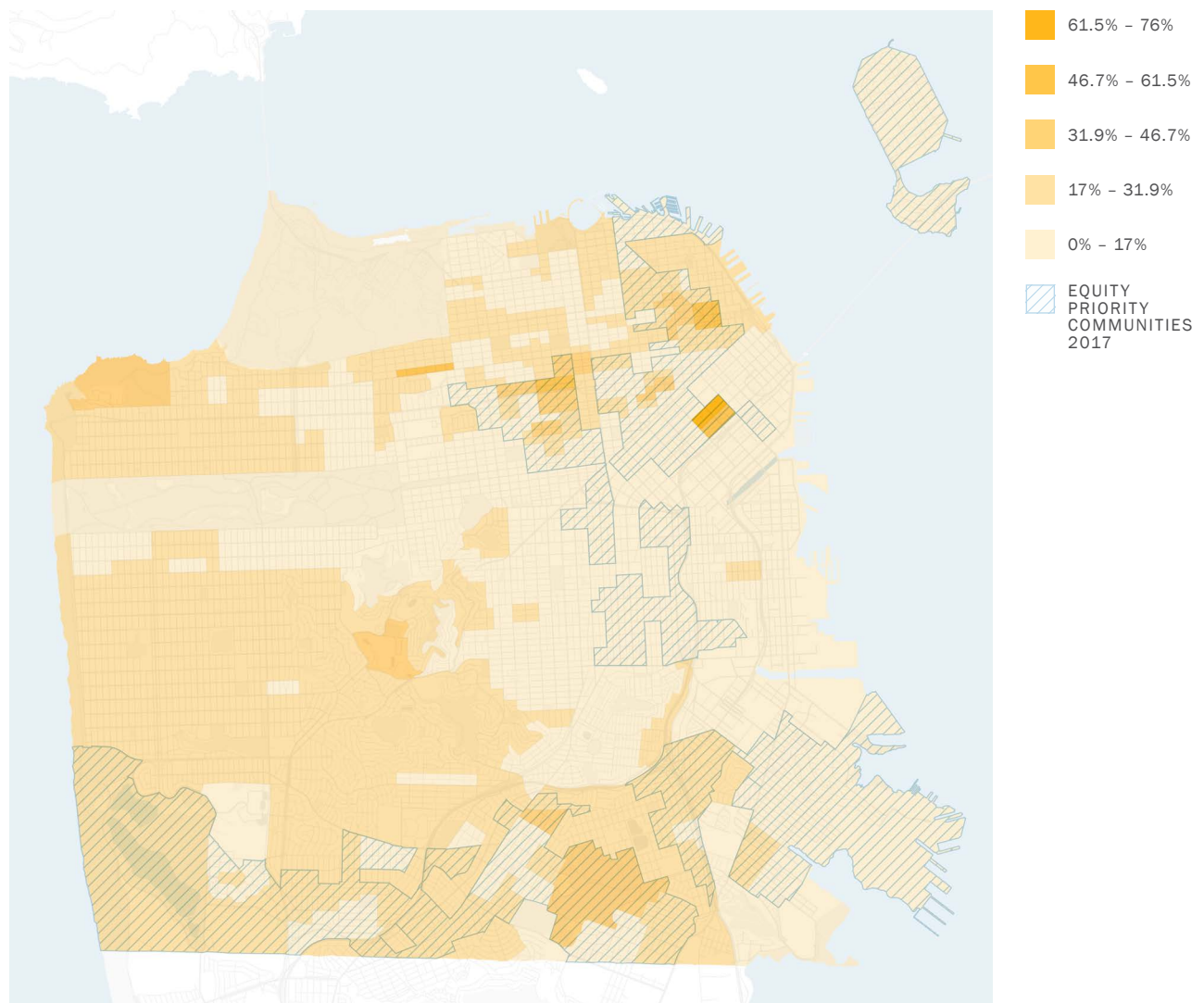
Table 3-6. Low Mobility and At-Risk Groups within San Francisco

	EPCS		NON-EPCS	
	QUANTITY	% OF POPULATION	QUANTITY	% OF POPULATION
Seniors 65+	51,595	17.81%	98,821	16.90%
Household with Disabilities	30,514	26.23%	40,012	15.33%
Households with No Vehicle	3,850	3.31%	10,402	3.98%

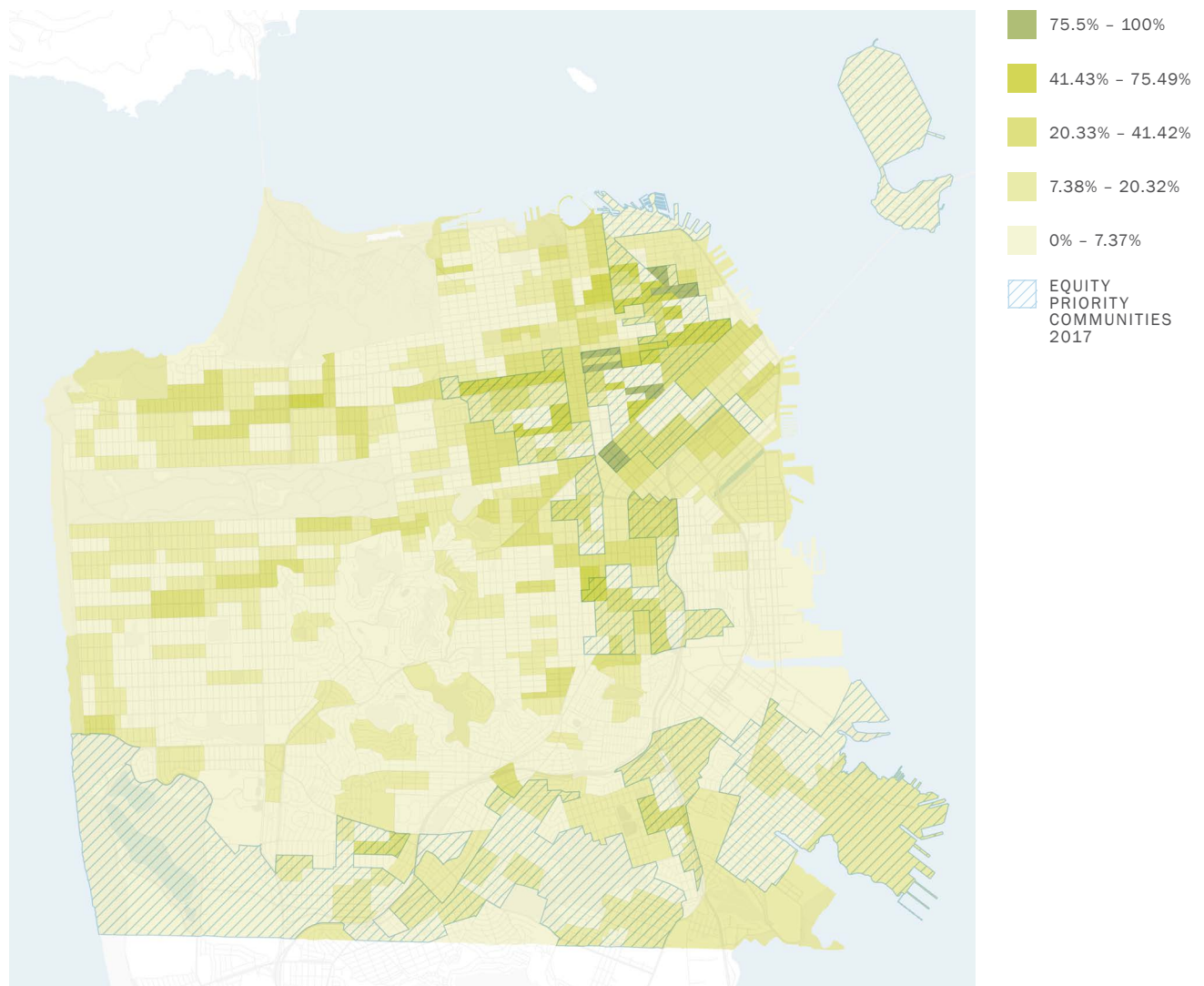
Seniors 65 + from US Census data, Esri estimates for 2020 – EPCs and Non-EPCs; Disabilities and No Vehicle data from “At Risk Population,” American Community Survey (ACS), Esri, Esri and Infogroup – EPCs and Non-EPCs Reauth Equity Assessment Working

Figure 3-5. 2018 Percentage of Households with One or More People with Disabilities

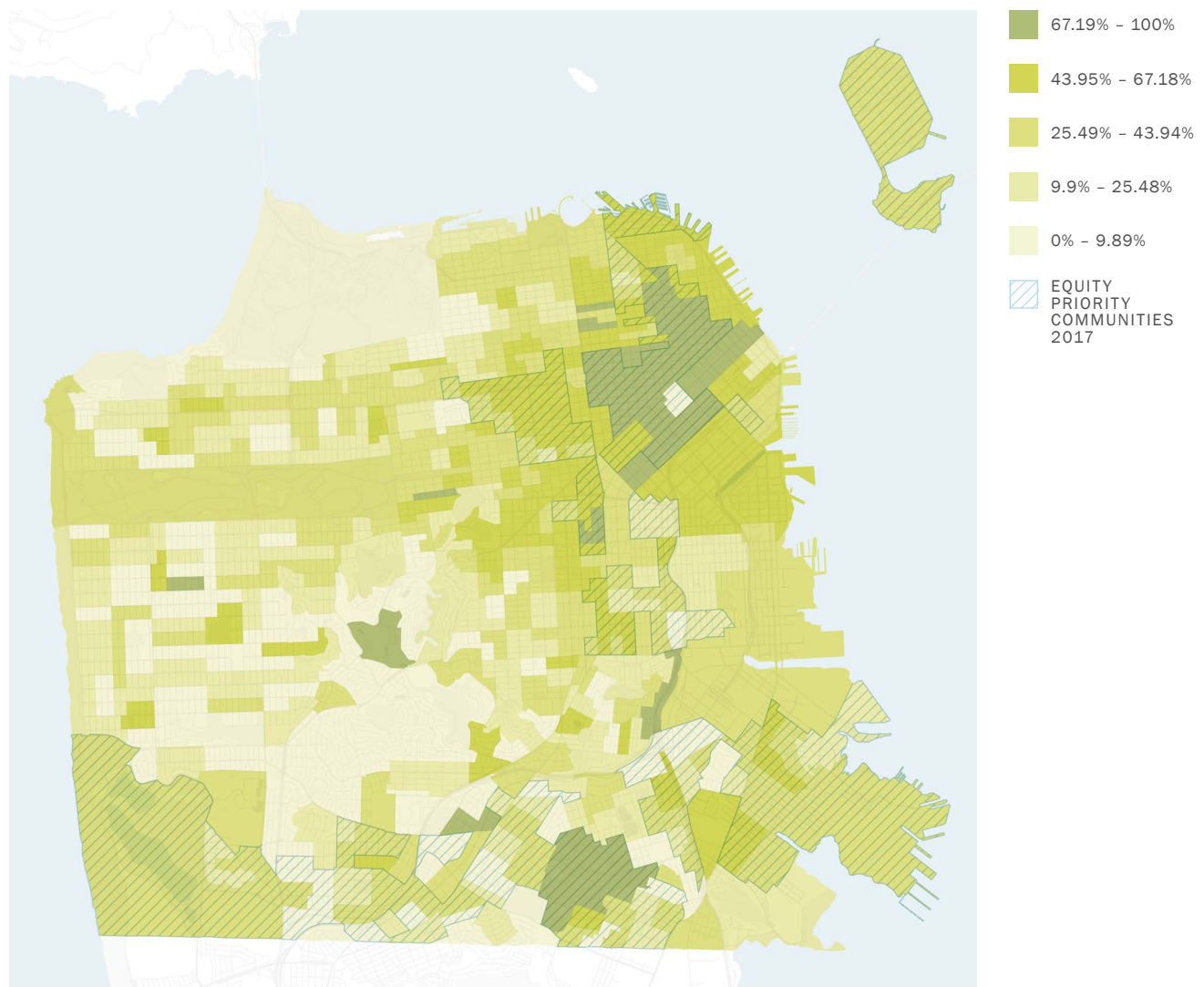
Created using "2018 Households with 1+ Persons with a Disability (ACS 5-Yr)," American Community Survey (ACS), 2014 - 2018, obtained through Community Analyst.

Figure 3-6. Percentage of Population Per Block Group that is 65 or Older, 2020

Created using 2020 Census estimates obtained from communityanalyst.arcgis.com.

Figure 3-7. Percentage of Owner Households with No Vehicles Available, 2018

Created using "2018 Owner Households with No Vehicles (ACS 5-Yr)," "2018 Owner Households with No Vehicles (ACS 5-Yr)," American Community Survey (ACS), 2014 - 2018, obtained through Community Analyst.

Figure 3-8. Percentage of Renter Households with No Vehicles Available, 2018

Created using "2018 Owner Households with No Vehicles (ACS 5-Yr)," "2018 Owner Households with No Vehicles (ACS 5-Yr)," American Community Survey (ACS), 2014 - 2018, obtained through Community Analyst.

Housing and Displacement

In San Francisco and the larger Bay Area region, housing affordability and displacement have become major issues of concern for residents. Staff from the Transportation Authority and other city agencies have heard concerns that transportation improvements may increase rents resulting in displacement of long-time residents from their homes. The Planning Department has been working on the Community Stabilization Strategy, which contains a series of tools and strategies that varying city agencies can employ to address displacement.

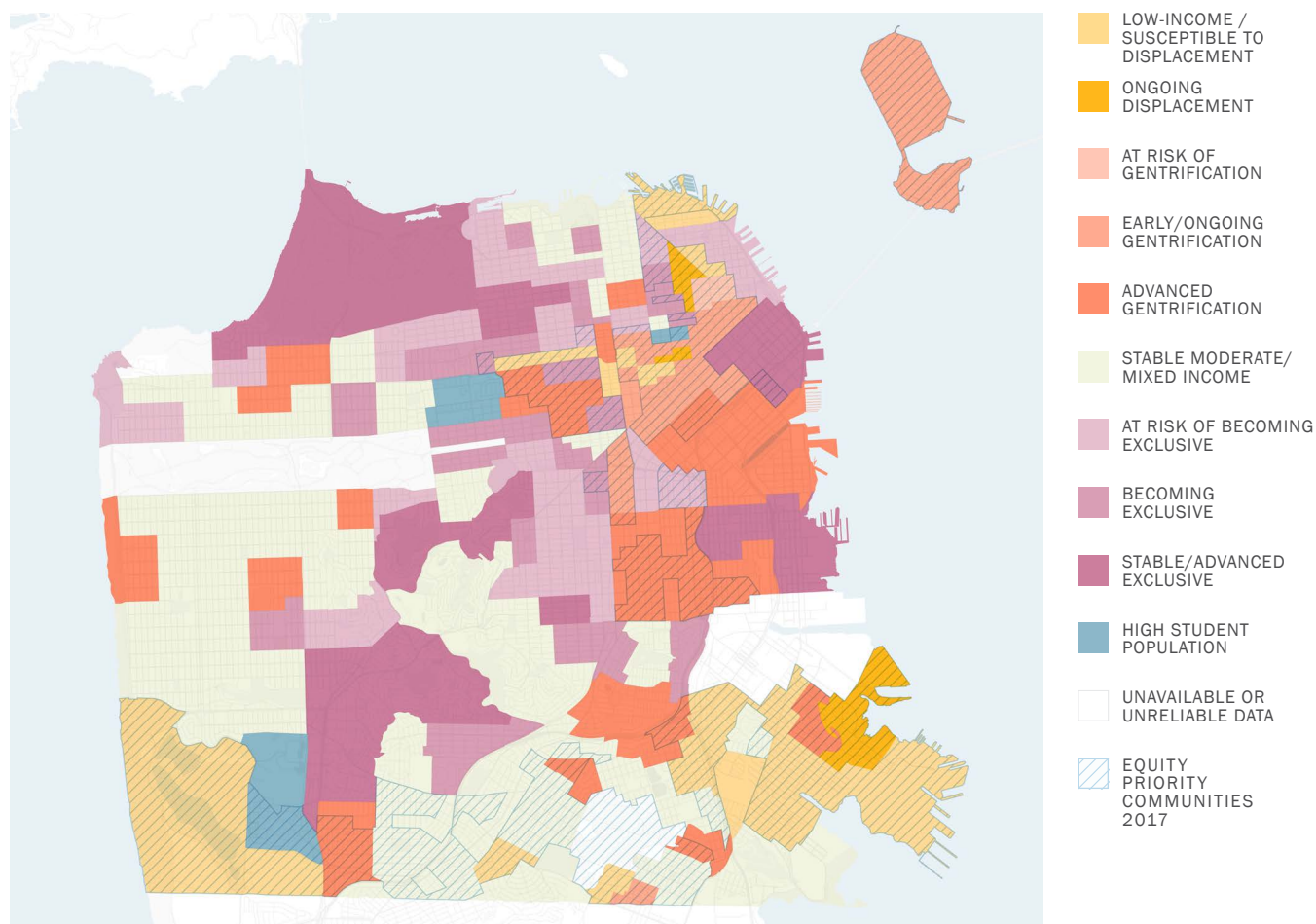
In our research, we found that housing within Equity Priority Communities is more likely to be renter-occupied than housing within other areas of the city (see Table 3-7 for more detail). The Urban Displacement Project at UC Berkeley has mapped gentrification and displacement patterns in the San Francisco Bay Area at the census tract level. According to the Urban Displacement Project, census tracts within the Equity Priority Communities in the Western Addition, Tenderloin, Chinatown, SoMa, and Inner Mission neighborhoods are experiencing ongoing gentrification and/or displacement. Bayshore and Outer Mission neighborhoods are susceptible to displacement while a few of the census tracts in the Bayshore are experiencing ongoing displacement. The Equity Priority Communities within the Bayview and Visitacion Valley are designated as at-risk of gentrification or displacement. Within the Equity Priority Communities in the Oceanview-Ingleside and Excelsior Outer Mission neighborhoods, a few census tracts are at-risk of gentrification or displacement, and several others are not losing low-income households.¹ This information is mapped in Figure 3-9.

Table 3-7. Renter vs. Owner-Occupied Units

	EPCS		NON-EPCS	
	NO.	% OF TOTAL	NO.	% OF TOTAL
Renter-Occupied Units	81,918	67.4% (out of 121,546 HUs)	142,464	52.3% (out of 272,416 HUs)
Owner-Occupied Units	28,093	23.11% (out of 121,546 HUs)	107,187	39.35% (out of 272,416 HUs)
Household Sizes (2020 data)	2.4	N/A	2.2	N/A

U.S. Census Bureau, 2014 – 2018 American Community Survey Estimates (5-Yr), obtained via the “ACS Housing Summary” from Esri Community Analyst. (see file for EPCs and Non-EPCs)

¹ www.urbandisplacement.org/map/sf

Figure 3-9. Displacement and Gentrification Patterns in San Francisco

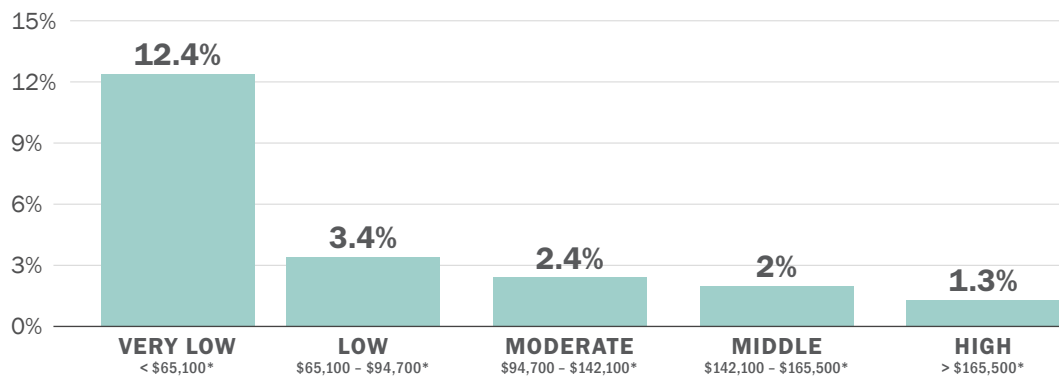
Chapple, K. & Thomas, T. (2021). Berkeley, CA: Urban Displacement Project., www.urbandisplacement.org/map/sf

Transportation Costs

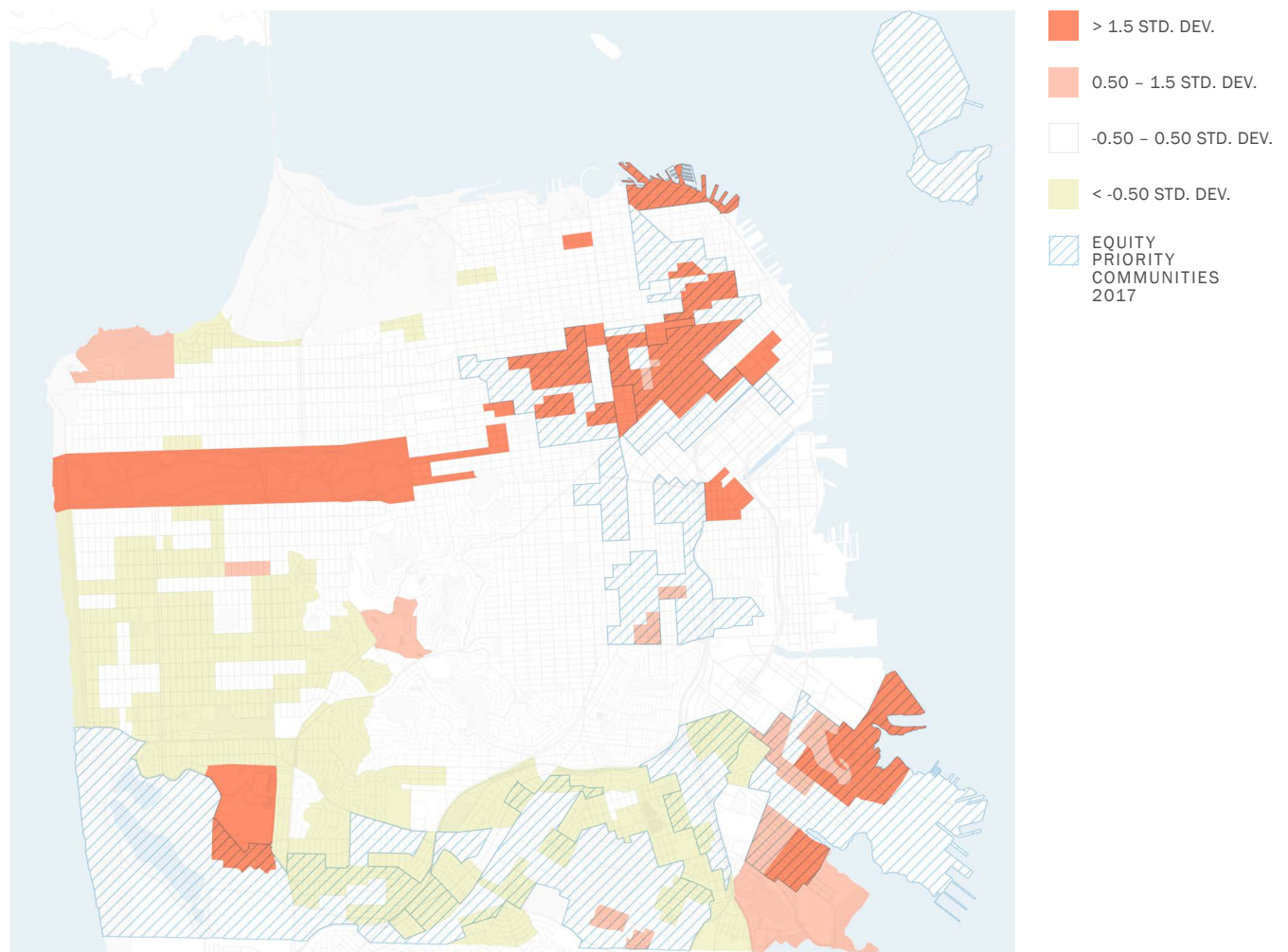
Many of the block groups within Equity Priority Communities spend a greater percentage of their income on transportation than those in other areas of the city, as displayed in Figure 3-11.

Analysis conducted through the San Francisco Downtown Congestion Pricing Study found that individuals with lower incomes were more likely to spend a higher percentage of their income on transportation. As shown in Figure 3-10, a family of four making less than \$65,100 spends about 12.4% of their income on transportation, while a family of four making \$165,000 or higher only spends 1.3%. Local Transportation costs include payments on vehicles (excluding leases), gasoline and motor oil, other vehicle expenses, and public transportation, carpool, and active transportation costs.¹

¹ Data Source: "2020 Transportation," Esri and Bureau of Labor Statistics, accessed from communityanalyst.arcgis.com.

Figure 3-10. Proportion of Income Towards Transportation Per Income Group

*Income numbers are for a family of four
Source: SF CHAMP Model

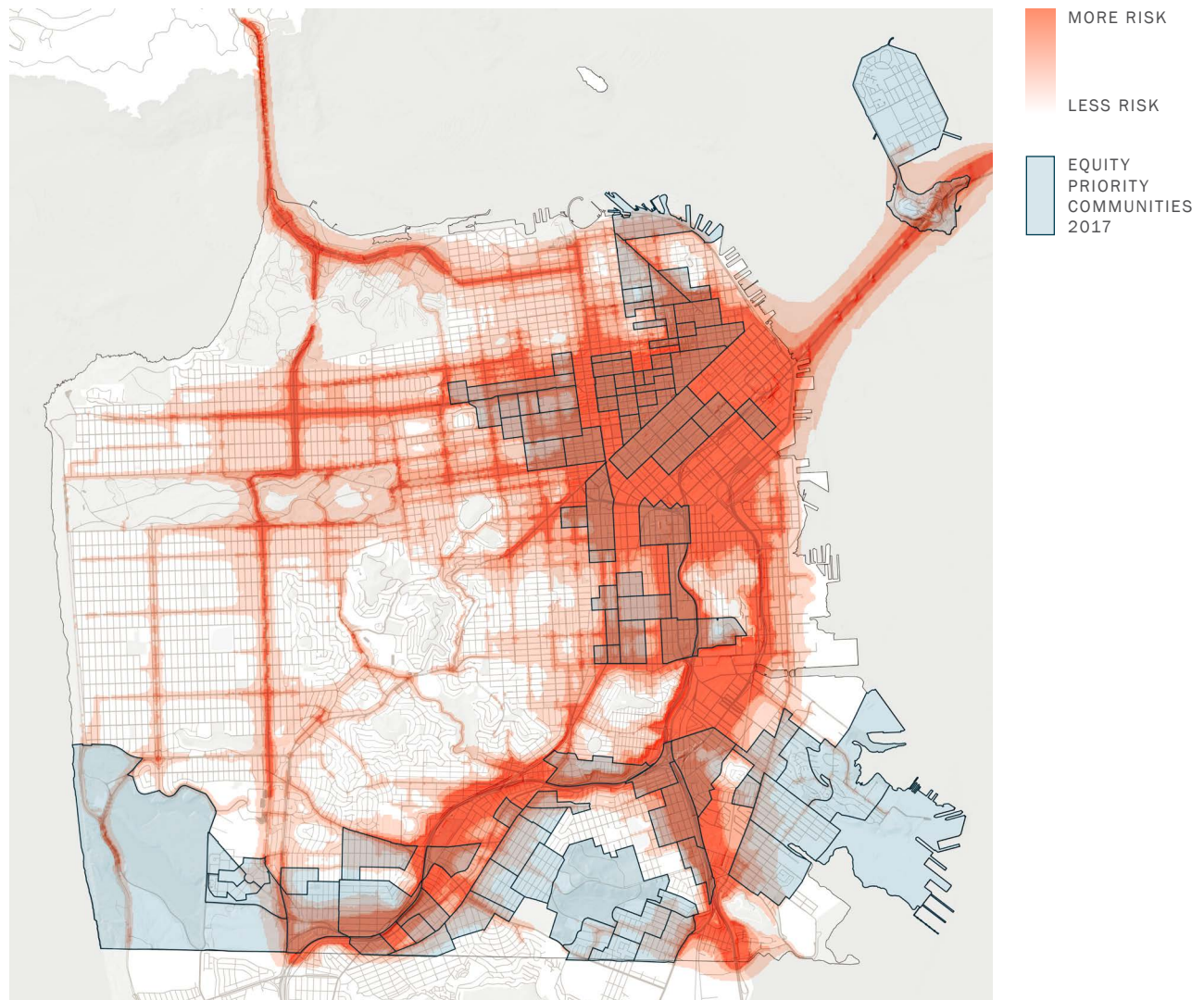
Figure 3-11. Average Percent of Income Spent on Local Transportation Per San Francisco Block Group

"2020 Transportation," Esri and Bureau of Labor Statistics, accessed from communityanalyst.arcgis.com.

Health Outcomes

Many Equity Priority Communities are at elevated risk of developing cancer due to exhaust and pollutants in their neighborhoods. The cancer risk is particularly high for the Tenderloin, Chinatown, Western Addition neighborhoods, and EPCs adjacent to freeways (see Figure 3-12).

Figure 3-12. Excess Cancer Risk From Traffic



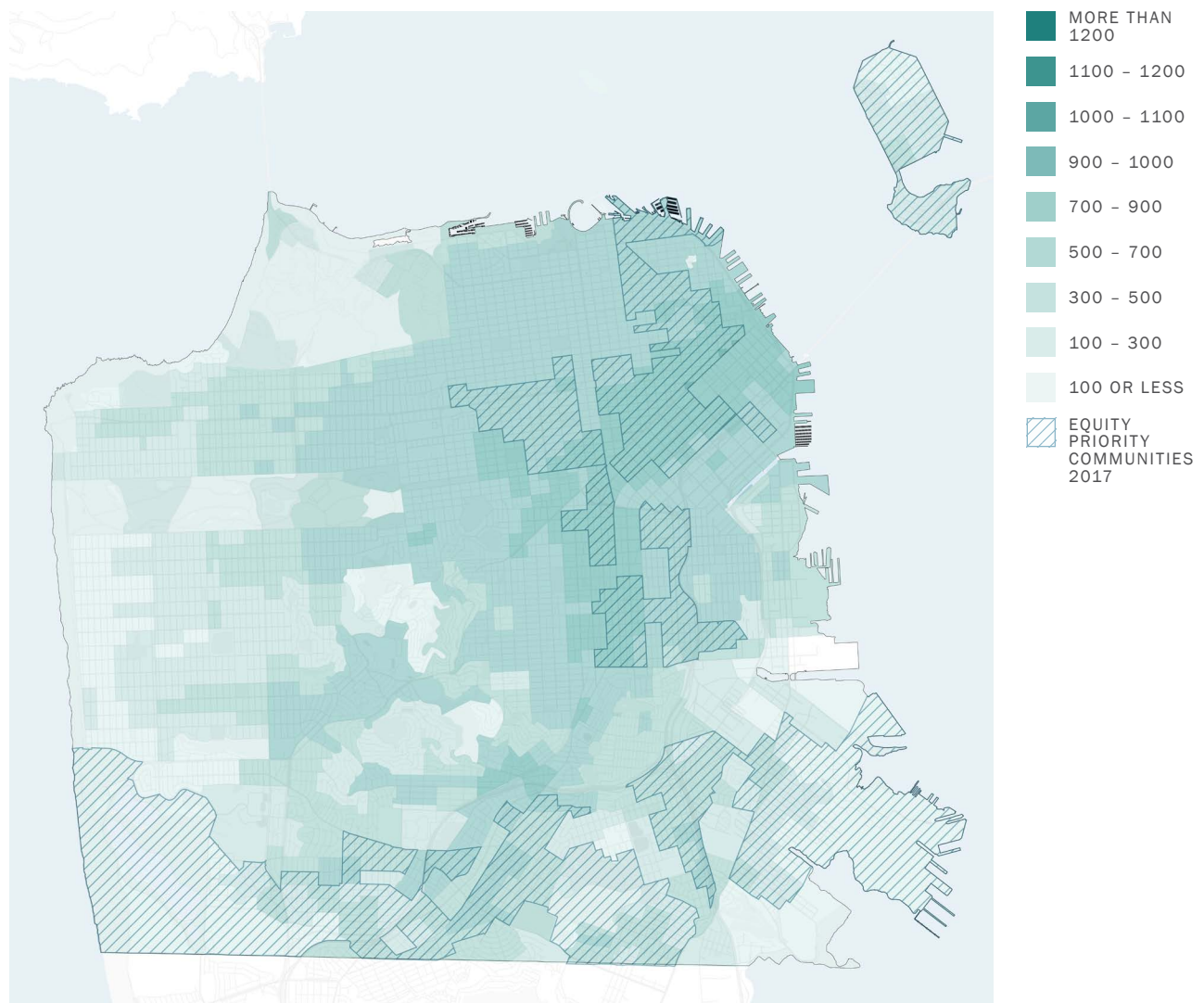
San Francisco Citywide Health Risk Assessment: Technical Support Documentation, accessed at www.sfdph.org/dph/files/EHSdocs/AirQuality/Air_Pollutant_Exposure_Zone_Technical_Documentation_2020.pdf

3.3 TRANSPORTATION CONDITIONS

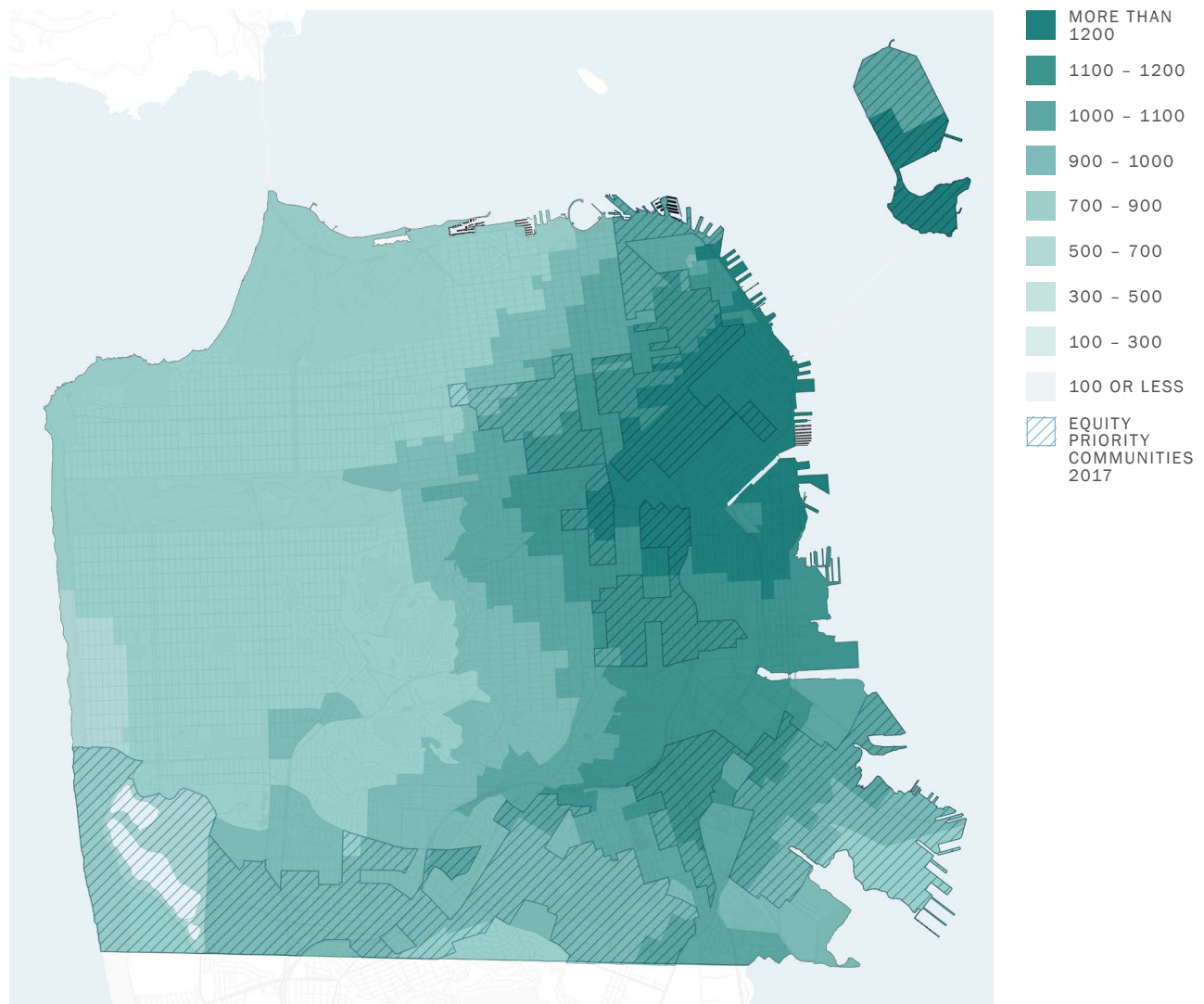
Employment Patterns

As shown in Figure 3-13 and Figure 3-14, many more jobs are accessible by automobile than by transit. San Francisco's northeastern neighborhoods can access the most jobs by transit and by automobile. Equity Priority Communities in the Tenderloin, Chinatown, Western Addition, and Inner Mission neighborhoods have high job access by transit or vehicle. Within the Equity Priority Communities in the Bayview, Visitacion Valley, Excelsior/Outer Mission, and Oceanview-Ingleside, jobs are far more accessible by automobile than by transit.

Figure 3-13. Thousands of Jobs Accessible by a 45-minute Public Transit Trip, 2015



Source: connectsf-jobsaccessibility.sfcta.org

Figure 3-14. Thousands of Jobs Accessible by a 30-minute Automobile Trip, 2015

Source: connectsf-jobsaccessibility.sfcta.org

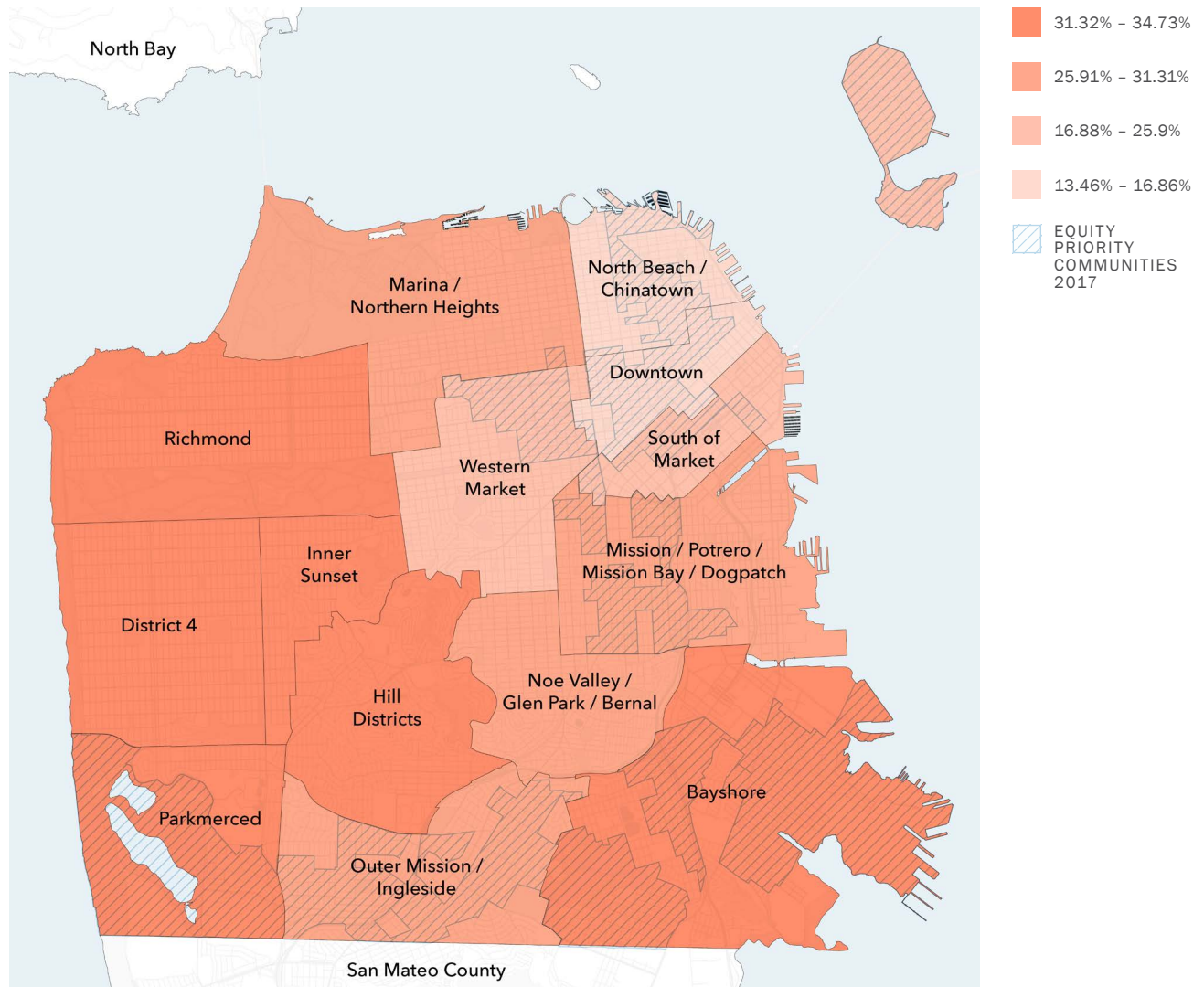
Mode Shares (by origin district)

According to research conducted for ConnectSF, western and southeastern areas of San Francisco, including the Richmond, Sunset, Hill Districts, and Bayshore neighborhoods, have the highest drive alone rates and lowest active transportation and transit mode share (see Figure 3-15). Parts of the Equity Priority Communities within the equity neighborhoods of Oceanview-Ingleside, the Bayview, and Visitacion Valley are included in that group.

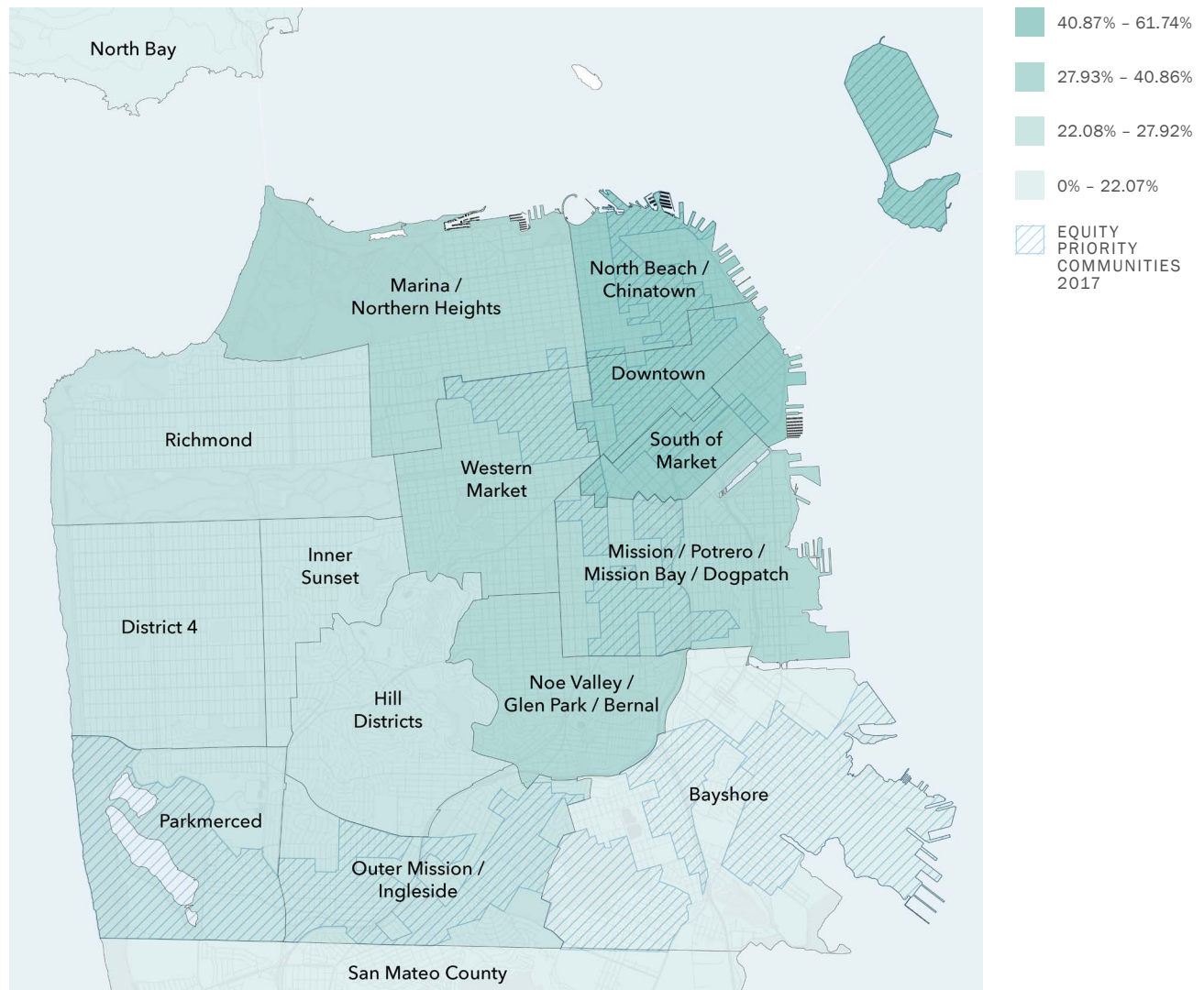
As shown in Figure 3-16, the Equity Priority Communities within the Chinatown and Tenderloin equity neighborhoods have the highest rates of active and transit trips.

The other Equity Priority Communities located within the Western Addition and Inner Mission neighborhoods have moderate active and transit trip rates.

Figure 3-15. ConnectSF Drive Alone Rates by Origin District, 2015



Uses data from ConnectSF, www.connectsf.org

Figure 3-16. Transit and Active Transportation Mode Share by Origin District, 2015

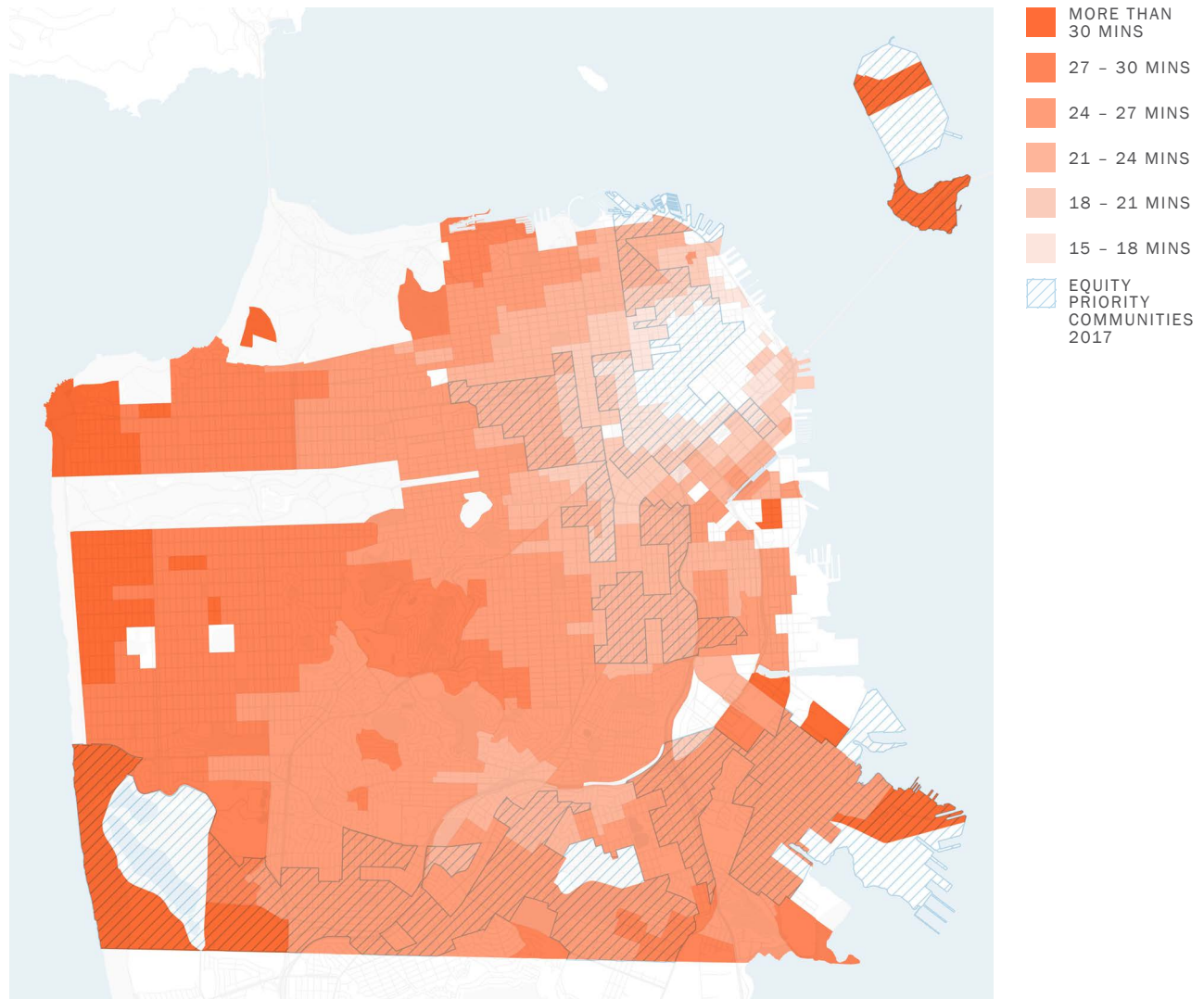
Uses data from ConnectSF, www.connectsf.org

Commute and Travel Times

As shown in Figure 3-17, neighborhoods with an average commute time greater than 30 minutes are located along San Francisco's western edge in the Sunset, the Richmond, and parts of the Marina and in eastern San Francisco on Treasure Island and in portions of the Bayshore and Mission/Potrero. The Equity Priority Communities located in the Bayshore, and southern areas of the Sunset neighborhoods coincide with those that have the longest commute and travel times. The communities located within the downtown, North Beach/Chinatown, and SoMa neighborhoods have shorter travel times, generally less than 18 minutes, likely due to their proximity to many jobs and services. The remaining Equity Priority Communities in the Western Market, and

Mission/ Potrero neighborhoods experience moderate travel times, generally ranging from 15 to 24 minutes.

Figure 3-17. Average Travel Time (Minutes) by Origin, 2015



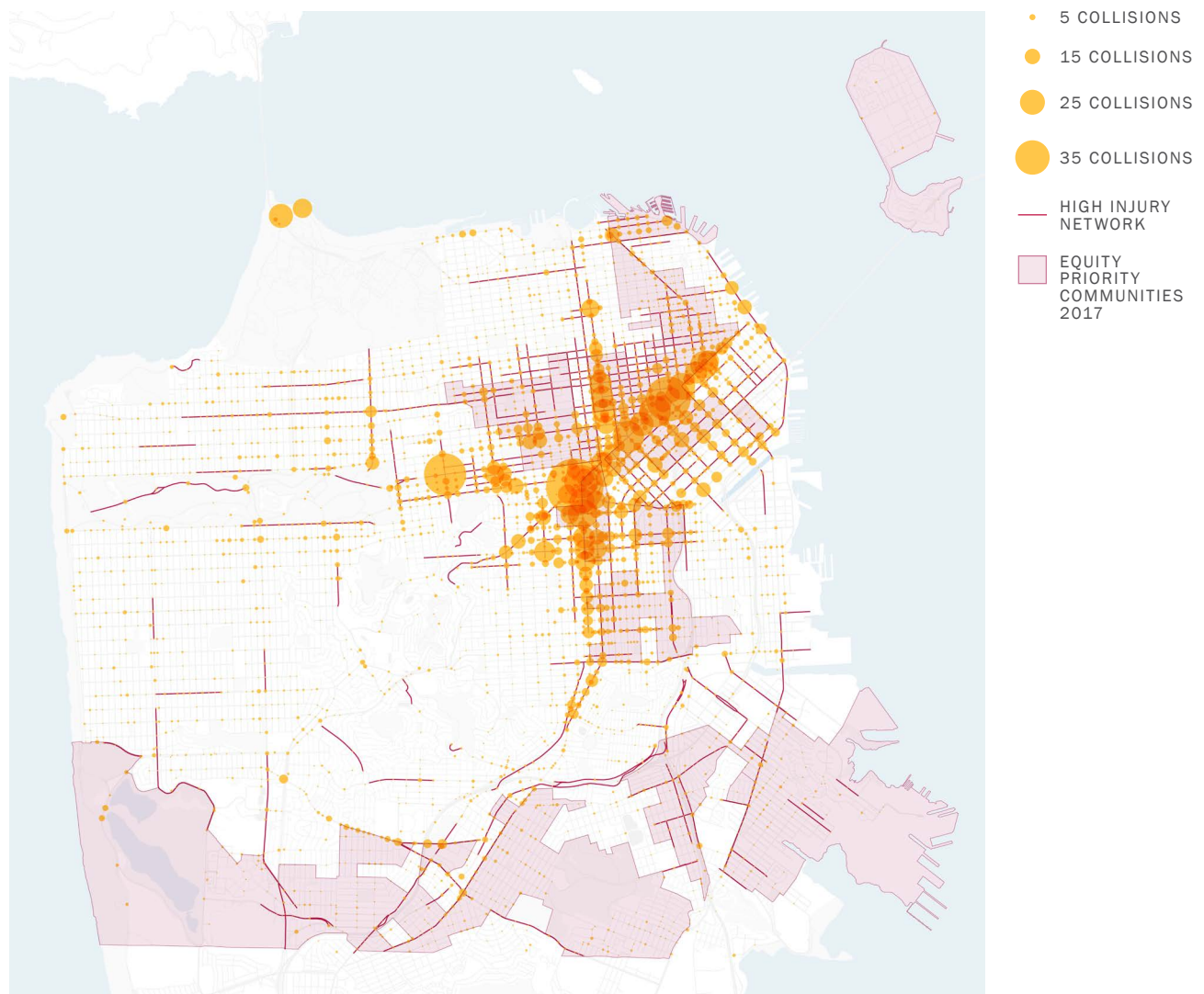
Source: connectsf-traveltime.sfcta.org

Bicycle and Pedestrian Severe Injuries and Fatalities

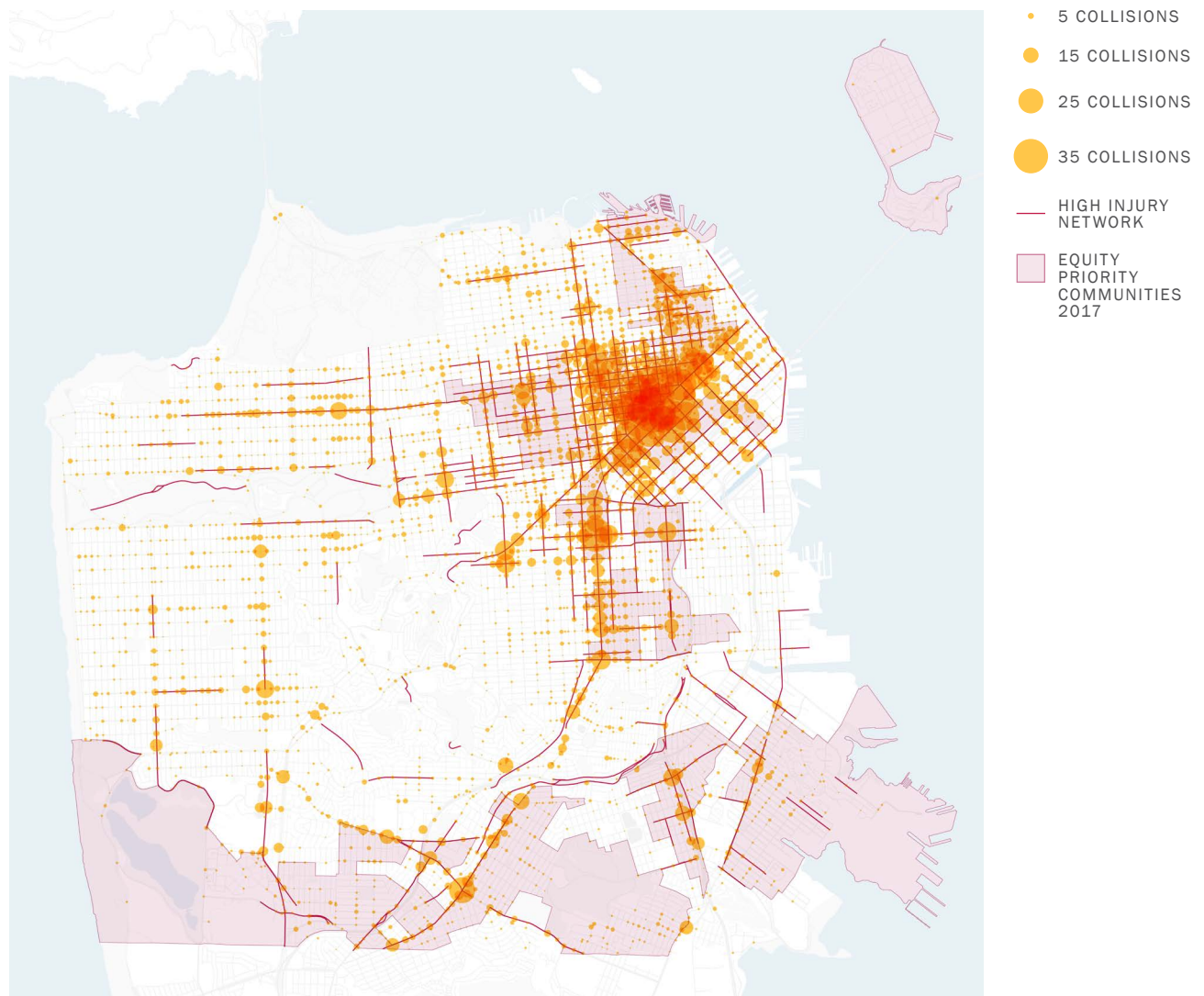
San Francisco's Vision Zero High-Injury Network reflects streets with the highest numbers of severe injuries and fatalities for all modes. About 13% of city streets account for 75% of severe injuries and fatalities. Half of the High Injury Network is located within EPCs, while only one-third of city streets run through these communities. The network helps to identify where targeted investments can help save lives and reduce severe injuries. As shown in Figure 3-18 and Figure 3-19, many of these high-injury corridors

are located within Equity Priority Communities, indicating that many bicyclists and pedestrian injuries and fatalities have occurred in those neighborhoods. Most of the High Injury Network is concentrated in northeastern San Francisco, which includes the Tenderloin and Chinatown neighborhoods. The Inner Mission and Western Addition also have a substantial number of high-injury corridors. Although fewer high-injury corridors are located in less trafficked areas along San Francisco's southern boundary, the Bayshore and Excelsior/Outer Mission neighborhoods are impacted by high-injury corridors such as 3rd Street, Highway 101, Mission Street, Highway 280, 9th Avenue, and Geneva Avenue.

Figure 3-18. Bicycle Collisions, 2006 - 2014



Source: safety.sfcta.org

Figure 3-19. Pedestrian Collisions, 2006 – 2014

Source: safety.sfcta.org

Summary of Findings

One of the overarching findings of this analysis is that transportation needs and challenges vary across Equity Priority Communities as well as citywide. There are differences in the needs of people living in EPCs across the city as well as disadvantages for low-income communities, communities of color and people with disabilities across the city, not only in Equity Priority Communities. Highlights of other findings include:

- **Accessibility for Low Mobility Individuals:** Most households in Equity Priority Communities near downtown (Western Addition, Tenderloin, Chinatown, Inner Mission) have no vehicle available and rely on transit or other modes of transportation, while access to a vehicle is more common among households in outer neighborhoods (Bayview, Excelsior and Outer Mission). A disproportionate number of households within Equity Priority Communities have one or more people with disabilities, impacting their options for getting around.
- **Transportation Costs:** Low-income residents spend a greater percentage of their income on transportation than higher income residents. Some of the block groups with the highest deviations from the mean percentage are located in the Chinatown, Tenderloin, Western Addition, and Bayview neighborhoods.
- **Health Outcomes:** Many Equity Priority Communities are at elevated risk of developing cancer due to exhaust and pollution in their neighborhoods. The cancer risk is particularly high for the Tenderloin, Chinatown, and Western Addition neighborhoods.
- **Pedestrian and Bicycle Safety:** Most of the High Injury Network is concentrated in northeastern San Francisco, meaning that the Equity Priority Communities within the Tenderloin, Chinatown, Western Addition, and Inner Mission equity neighborhoods are disproportionately at risk of pedestrian or bicyclist severe injuries or fatalities.
- **Travel Time and Job Accessibility:** Equity Priority Communities in the Tenderloin, Chinatown, Western Addition, and Inner Mission neighborhoods have high job access by transit or vehicle. Within the Equity Priority Communities in the Bayview, Visitacion Valley, Excelsior/Outer Mission, Oceanview-Ingleside and Treasure Island, however, jobs are far more accessible by automobile than by transit.

- **Need for Robust Outreach:** While this research uncovers many important trends related to equity and transportation needs, addressing the remaining gaps and gaining a clear picture of the half-cent transportation sales tax's role in advancing equity will require ongoing robust outreach. The transportation needs of Equity Priority Communities differ geographically, suggesting the importance of engaging each Equity Priority Community individually since there may not be a "one size fits all" approach to address identified needs. Furthermore, while this research focused on geographic concentrations of disadvantage, outreach should solicit the opinions and experiences of the many marginalized individuals that live in less disadvantaged neighborhoods.

4. Equity Analysis Recommendations

The findings from this Equity Analysis will be used to inform the New Expenditure Plan development process, investments, and administration.

4.1 NEW EXPENDITURE PLAN DEVELOPMENT PROCESS

The analysis already has shaped the Expenditure Plan Advisory Committee structure and development of the outreach strategy, focusing on engaging with EPCs.

Expenditure Plan Advisory Committee (EPAC)

The role of the Expenditure Plan Advisory Committee (EPAC) is to provide input and feedback on the New Expenditure Plan for the existing half-cent transportation sales tax and ultimately, to approve a New Expenditure Plan and recommend that the Transportation Authority Board approve the New Expenditure Plan and ask the Board of Supervisors to place it on the ballot for voters in June 2022 or a subsequent election.

Consistent with our intent to include equity as a core principle in our approach to developing a New Expenditure Plan, the Transportation Authority Board approved a structure for the EPAC, inviting representatives from EPCs and citywide equity priority interests, such as seniors, to participate as decision makers on the EPAC. Representatives have accepted seats on the EPAC from the following EPCs:

- Bayview
- Chinatown
- Inner Mission
- Outer Mission/Ingleside
- Tenderloin
- Western Addition
- Excelsior

Outreach Strategy

Staff has developed an outreach strategy that the Transportation Authority Board has approved to ensure participation of residents and service providers within EPCs in the New Expenditure Plan development process. In addition to establishing the EPAC, this targeted outreach includes:

- **Equity-focused listening sessions** where members of community-based organizations (CBOs) serving EPCs provide input on their transportation funding priorities and are compensated for taking the time to provide feedback.
- **Focus groups** in Spanish, Chinese, and Russian to hear transportation funding priorities from monolingual communities and those that may not feel comfortable engaging in English language outreach.
- **Town Halls** with a broader reach, providing an opportunity for anyone to provide input on priorities.
- **Roadshow presentations** will be offered to organizations as an opportunity to provide feedback on the New Expenditure Plan. Staff will target community-based and neighborhood organizations in EPCs, but will also provide a presentation to any group that requests one.
- **Online survey** will provide an opportunity for anyone to read through key information and provide input on priorities for the New Expenditure Plan. This and other online resources will be available in multiple languages.

4.2 EXPENDITURE PLAN INVESTMENTS

This equity analysis supports investments in the following types of projects and programs to address the equity gaps outlined in this report:

- Improve travel time and accessibility
- Improve traffic safety and public health
- Address transportation costs
- Support community-based planning

The sections that follow list some of the projects and programs that staff has incorporated into a preliminary draft New Expenditure Plan that would provide funding for the types of transportation investment needs identified in this equity analysis. Many are programs in the existing sales tax Expenditure Plan, and others are new proposals.

Improve Travel Time and Accessibility

- **Paratransit operations:** Paratransit provides transportation for seniors and people with disabilities who are unable to independently use or access fixed route public transit. Funding paratransit will increase accessibility for people with disabilities.
- **Transit maintenance and reliability enhancements:** Programmatic investments in transit maintenance and reliability ensure that the lower-cost transit option is a reasonable alternative to higher-cost vehicle ownership. Investing in maintenance is critical to providing reliable transit service as deferred maintenance can result in more transit vehicle breakdowns and more costly fixes. These investments provide improved travel time and reliability to transit-dependent populations, and can provide greater access to jobs across the city and region.
- **Manage congestion on streets and freeways:** Programmatic investments that help to reduce congestion on our local streets and freeways benefits those who need to drive or to drive for certain kinds of trips, as well as benefiting transit riders (e.g. less delays in traffic). This can include educational programs, incentives and pricing to encourage those who can shift their trips to sustainable modes like transit, biking or walking or to a different time of day and capital improvements to make sustainable modes more reliable, safe and convenient options.

Improve Traffic Safety and Public Health

- **Street safety improvements:** Half of the High Injury Network is located within EPCs while only one-third of city streets run through these communities. Prioritizing improvements on the Vision Zero High Injury Network would be particularly effective at targeting safety improvements within EPCs. Improvements can include bicycle and pedestrian safety projects, traffic calming, traffic signals and signs, street resurfacing, curb ramps and planting street trees.
- **Support mode shift:** Many EPCs are at elevated health risk due to pollution from vehicles. Programs focused on supporting mode shift to sustainable modes, such as transit, walking, bicycling, and other emerging modes will help to reduce pollution and negative health impacts from transportation. Supporting the electrification of Muni's transit vehicles will also help reduce vehicular pollution.

Address Transportation Costs

- **Transit:** Transit investments disproportionately benefit low-income households, as 38% of Muni riders live in low-income households, compared to 24% of households citywide designated as low-income.¹ The typical San Francisco resident riding BART today (during the COVID-19 declared emergency) within San Francisco is a person of color with an annual household income under \$50,000, does not own a car, and is using BART to commute to work.² The draft New Expenditure Plan includes 66% of investments going to transit.
- **Active transportation:** Walking, bicycling and other active modes are relatively low cost. Continuing to invest in the active transportation network will help people get around affordably and safely.
- **Lead with equity in planning for managing congestion and demand on the transportation system.**

Community-based Planning

- **New Equity Priority Neighborhood Program:** This proposed new program would fund planning efforts with robust outreach and engagement in EPCs, to identify project pipelines and fund community-identified neighborhood-scale transportation improvements. The pipelines of community-identified priorities will feed into the 5-year project lists as well as other funding we administer. Matching funds would be available to help implement the priorities identified in the planning process. This program could also fund equity studies for citywide initiatives.

4.3 EXPENDITURE PLAN ADMINISTRATION

If the voters approve the New Expenditure Plan, transparency and accountability would continue to be central to its administration. The Transportation Authority is set up such that items related to administration of the existing half-cent transportation sales tax including, but not limited to the financial plan (Strategic Plan), allocating or awarding funds to specific projects when they are ready to advance, and decisions about whether to issue debt to advance project delivery all go through a public process at our Community Advisory Committee (CAC) and Board meetings.

Most of the New Expenditure Plan will be programmatic categories that describe the types of projects that can be funded with the sales tax, rather than naming

¹ SFMTA, 2019 Title VI Program Update, Accessed: www.sfmta.com/sites/default/files/reports-and-documents/2019/10/11-5-19_item_11_2019_title_vi_program_report.pdf

² BART, Keeping San Francisco Moving Together Factsheet, September 2, 2021.

specific projects to fund. For the New Expenditure Plan, Transportation Authority staff anticipate recommending that it include a similar prioritization process as Prop K's 5 Year Prioritization Program (5YPP). This process provides an opportunity for staff to work closely with eligible agencies to develop lists of projects to be funded from each programmatic category over a 5-year period. Details include scope, schedule, cost, a funding plan showing proposed sales tax funds and any funds it would leverage, and, when possible, performance measures. Projects are prioritized based on established criteria, some of which are specified in the Expenditure Plan.

We recommend including equity criteria in the prioritization criteria for all programmatic categories in the Expenditure Plan. These criteria may include:





- Prioritizing projects that disproportionately benefit EPCs and/or low-income communities
- Prioritizing projects identified through community planning efforts or equity analyses

Each 5YPP goes through a public process at Community Advisory Committee (CAC) and Board meetings ending in the Board adoption of the 5YPPs, including the 5-year project lists. This action programs or sets aside the funds for the specific projects in the fiscal year(s) identified in the 5YPPs. When sponsors are ready to proceed with the project, they submit an allocation request, which also goes through the Community Advisory Committee and Board meeting process for approval.

Finally, we recommend that the Transportation Authority continue its practice of requiring project sponsors to report out on Disadvantaged Business Enterprise (DBE) utilization.

5. Ongoing Monitoring

We are committed to transparency and accountability and will monitor the impact of sales tax investments on equity. We will regularly update this analysis through the SFTP and other planning efforts, to assess the impact of transportation investments and their ability to advance equity.

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