Inclusive Growth — identifying vulnerable geographies

in ON TO 2050

March 16th, 2016

Requirements of MPOs

- MPOs must identify "environmental justice" (EJ) communities to include in analysis of plans, projects, and policies
  - Include low-income and minority populations
  - Federal government does not define methodology for identifying EJ communities

- MPOs do not have to solely include low-income and minority populations in their analysis

Why is this important?

More than just a requirement: Identifying vulnerable communities is critical for understanding inequality in the region and ensuring better investment and policy making that can reduce concentrations of poverty and race.

First analytical step to creating strategies that create a more inclusive region that promotes sustained economic growth

Geography of vulnerability

- **Goal:** Understand where vulnerable communities are in the region for CMAP to use in analysis of inequalities and other agency work.

- **Major question**: how to define vulnerable areas?

- **Populations included**:
  - Low-income
  - Minority
  - Limited-English speaking

- **Geography:** census tract

Measuring poverty

The **threshold** for poverty and **methodology** for defining poverty account for the majority of variance between scenarios

Poverty measure	Considerations
Federal Poverty Level (FPL)	Doesn't account for higher cost of living in the Chicago region
Percentage above the FPL	Adjusts for higher cost of living in the region. Federal programs use 185% above the FPL in metro areas.
Percentage below the area median income (AMI)	Is more regionally specific to the cost of living in the region, HUD section 8 income limit is 50% below AMI

Concentration of poverty

Question: what is the appropriate concentration of low-income residents or households in a census tract?

Concentration of Poverty	Description
Regional share of population in poverty	13.9%
PEW methodology of high and medium poverty	high poverty = 25% of families in poverty medium poverty = 5% to 24.9% of families

Creating scenarios

- Three scenarios with different thresholds for low-income, minority, and limited-English speaking

- Census tract must have concentration of:
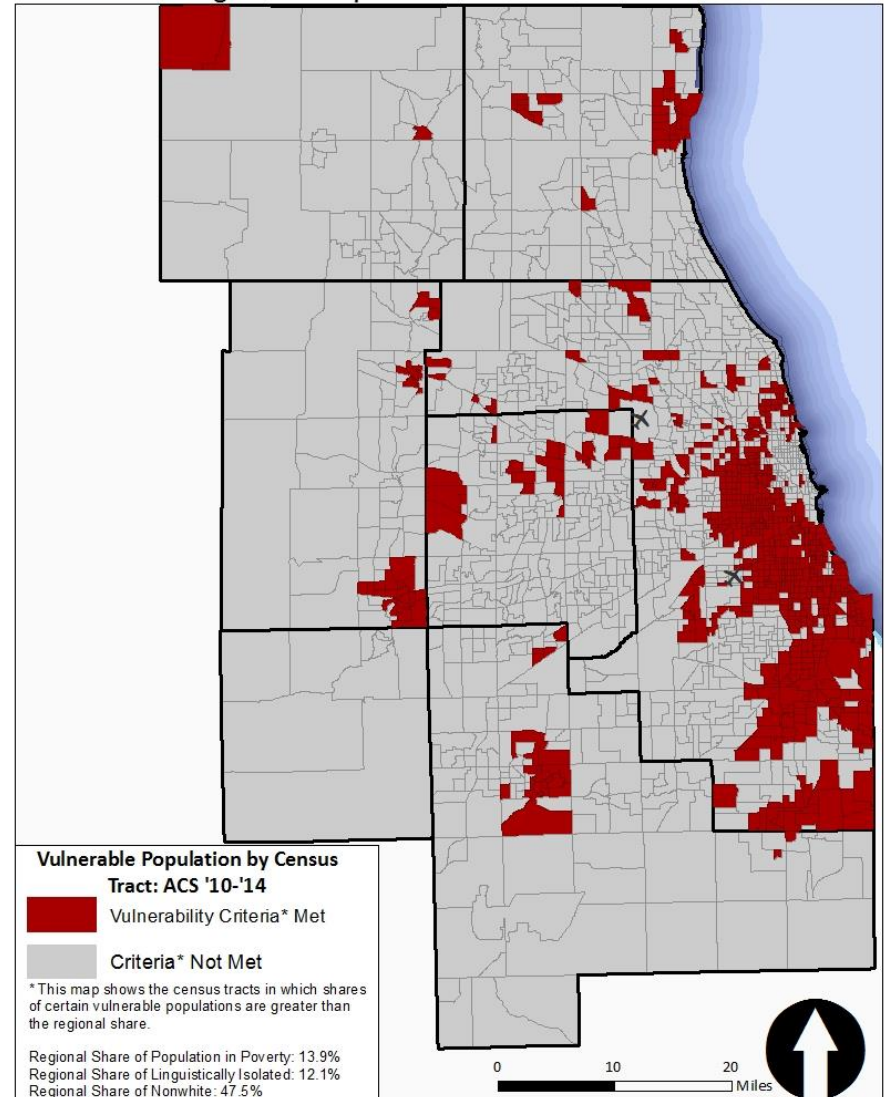
  1) Low-income AND minority

  OR

  2) Low-income AND limited-English speaking

DRAFT Scenario 1-Regional Proportions

PRO: easy to communicate, regionally-based thresholds

CON: Based on the federal poverty level which does not fully account for the higher cost of living

Scenario 1-Regional Proportions

Vulnerable Population by Census Tract: ACS '10-'14

Vulnerability Criteria* Met

Criteria* Not Met

*This map shows the census tracts in which shares of certain vulnerable populations are greater than the regional share.

Regional Share of Population in Poverty: 13.9%
Regional Share of Linguistically Isolated: 12.1%
Regional Share of Nonwhite: 47.5%

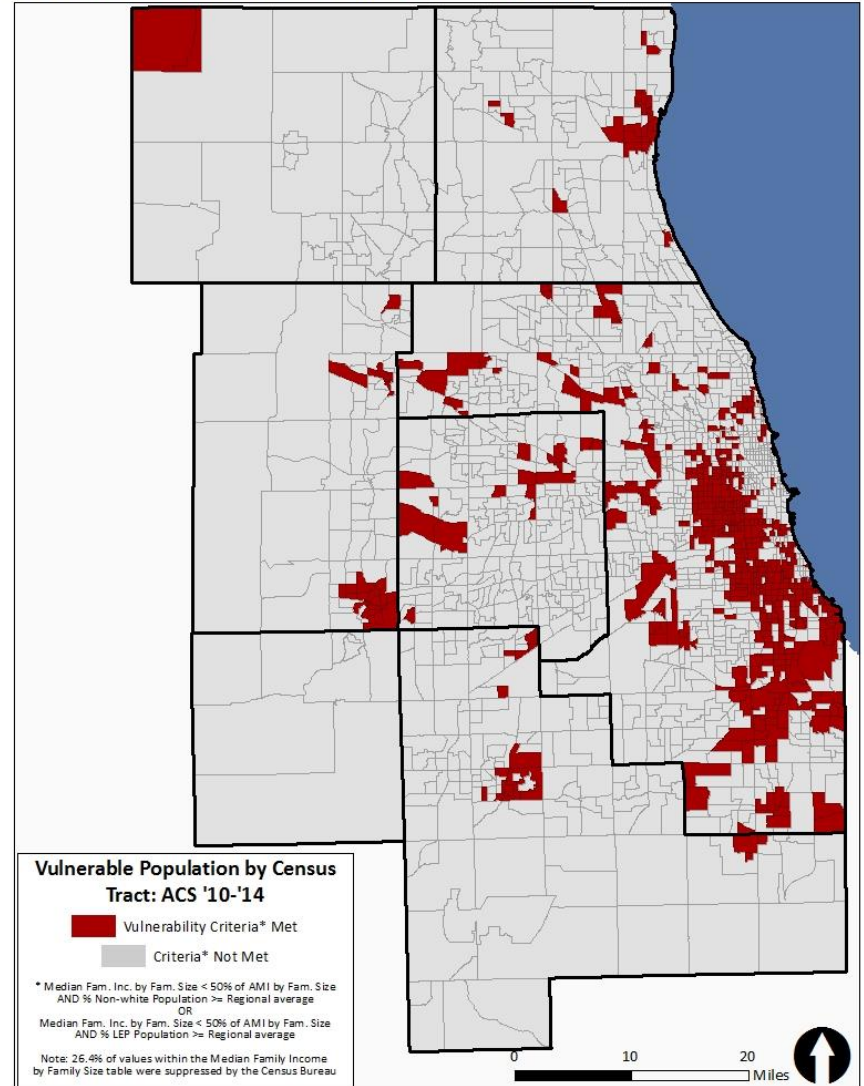0   10   20 Miles

DRAFT Scenario2—using median income

PRO: regionally-based thresholds and adjusts for family size

CON: Lower poverty threshold does not fully accounting for the higher cost of living

- Ex: family of four poverty threshold is $36,200

Scenario 2- 50% below Area Median Income

Vulnerable Population by Census Tract: ACS '10-'14

■ Vulnerability Criteria* Met

■ Criteria* Not Met

* Median Fam. Inc. by Fam. Size < 50% of AMI by Fam. Size
AND % Non-white Population >= Regional average
OR
Median Fam. Inc. by Fam. Size < 50% of AMI by Fam. Size
AND % LEP Population >= Regional average

Note: 26.4% of values within the Median Family Income by Family Size table were suppressed by the Census Bureau
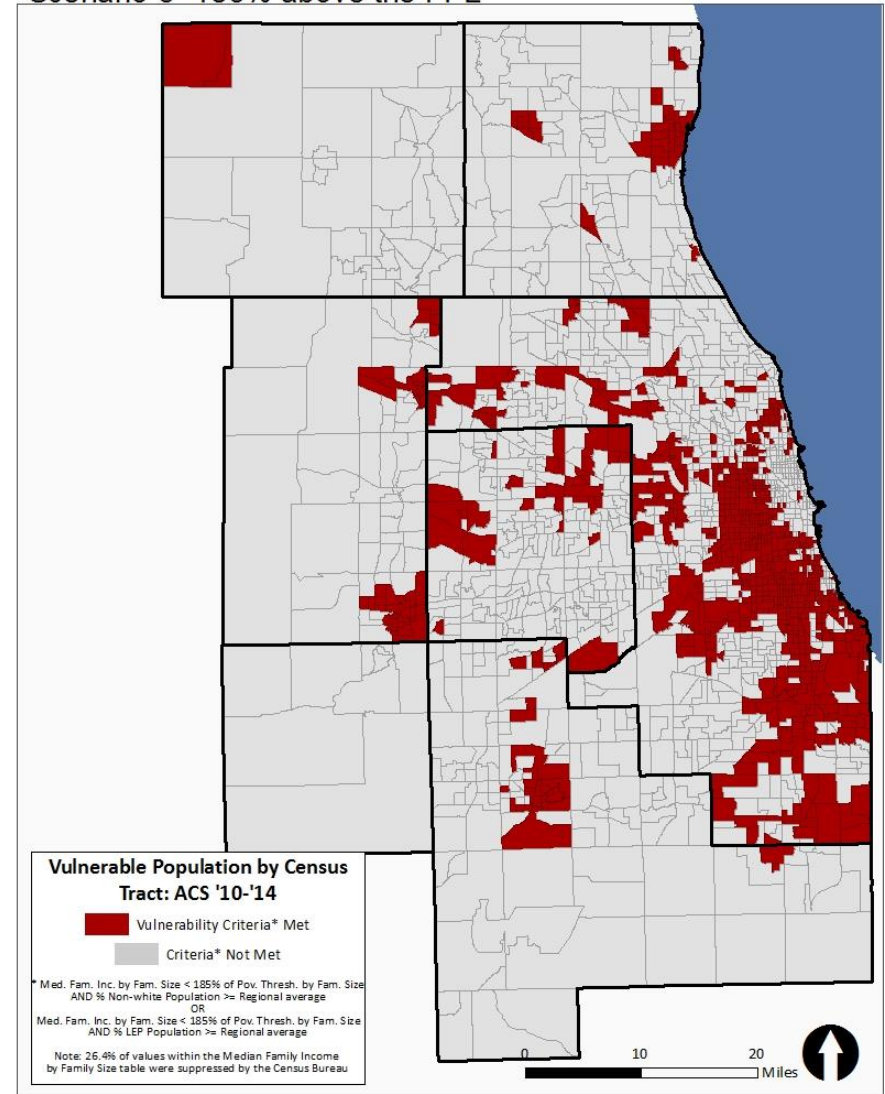
0   10   20
Miles

DRAFT Scenario 3-185% above Federal Poverty Level

PRO: Better accounts for the higher cost of living and adjusts for family size

- Ex: family of 4 poverty threshold is $44,123

CON: Not based on regionally-specific income level

Scenario 3- 185% above the FPL

Vulnerable Population by Census Tract: ACS '10-'14

- ■ Vulnerability Criteria* Met
- ▢ Criteria* Not Met

* Med. Fam. Inc. by Fam. Size < 185% of Pov. Thresh. by Fam. Size
AND % Non-white Population >= Regional average
OR
Med. Fam. Inc. by Fam. Size < 185% of Pov. Thresh. by Fam. Size
AND % LEP Population >= Regional average

Note: 26.4% of values within the Median Family Income
by Family Size table were suppressed by the Census Bureau

0   10   20
Miles

Scenario Matrix

Scenario	Minority threshold	LEP threshold	Low-income threshold	Concentration of Poverty
Regional proportions			13.9% pop. in poverty	Tract has at least 13.9% of residents in poverty
Using area median income	Regional average: 47.5%	Regional average: 12.1%	50% below area median income, adjusted for family size	Tract has at least 5% of families in poverty
185% above the FPL			185% above FPL, adjusted for family size	Tract has at least 5% of families in poverty

Discussion

What elements of the scenarios are useful?

- To what extent does the scenario reflect your understanding of exclusion in the region?

- How easy is it to understand this scenario?

- Can this scenario help focus and drive future action?

Inclusive Growth Terminology

KEY CONSIDERATIONS:

1. **Clarity**

    • Is it apparent whom/what is described (and why)?

2. **Urgency**

    • Does the term acknowledge the challenge and breadth of exclusion?

3. **Sensitivity**

    • Will the term be a barrier to working with stakeholders in the identified area or population?

Discussion

What are the elements of good terminology?

- Does the term describe the challenge?

- Can the term motivate action?

- Will the term be controversial?

Inclusive Growth Terminology

Potential terms

- Vulnerable
- Disadvantaged
- Underprivileged
- Neglected
- Excluded
- Isolated
- Deprived
- Marginalized
- Low-opportunity

Potential terms (cont'd)

- Communities for Economic Advancement
- Connect to the Economy Areas
- Creating Inclusive Communities
- Inclusive Target Areas

- Community of Concern (Bay Area)
- Environmental Justice Community (various)

Questions & Next Steps

Jacki Murdock
(312) 386-8665
jmurdock@cmap.illinois.gov

Andres Torres
(312) 386-8641
atorres@cmap.illinois.gov