

Regional Solicitation Policy Work Group #2

Equity and Housing Performance

May 24, 2019



Council's Role in Advancing Equity

“Equity connects all residents to opportunity and creates viable housing, transportation, and recreation options for people of all races, ethnicities, incomes, and abilities so that all communities share the opportunities and challenges of growth and change.”

Promoting Equity means:

- Using our influence and investments to build a more equitable region.
- Creating real choices in where we live, how we travel, and where we recreate for all residents, across race, ethnicity, economic means, and ability.
- Investing in a mix of housing affordability along the region's transit corridors.
- Engaging a full cross-section of the community in decision-making.

Equity and Housing Performance in the Regional Solicitation

- Equity and Housing Performance is a scoring criterion across all application categories
- Housing Performance is one measure: regional housing performance score
 - All application categories award 70 points
- Equity has three sub-measures:
 - Community engagement; project benefits; negative impacts and mitigation
 - Equity points vary across application categories ranging from 30 in all the Roadway applications to 130 for Transit Expansion applications
 - Score adjusted based upon economic conditions of census tracts in which the project is located

Equity and Housing Performance Scoring

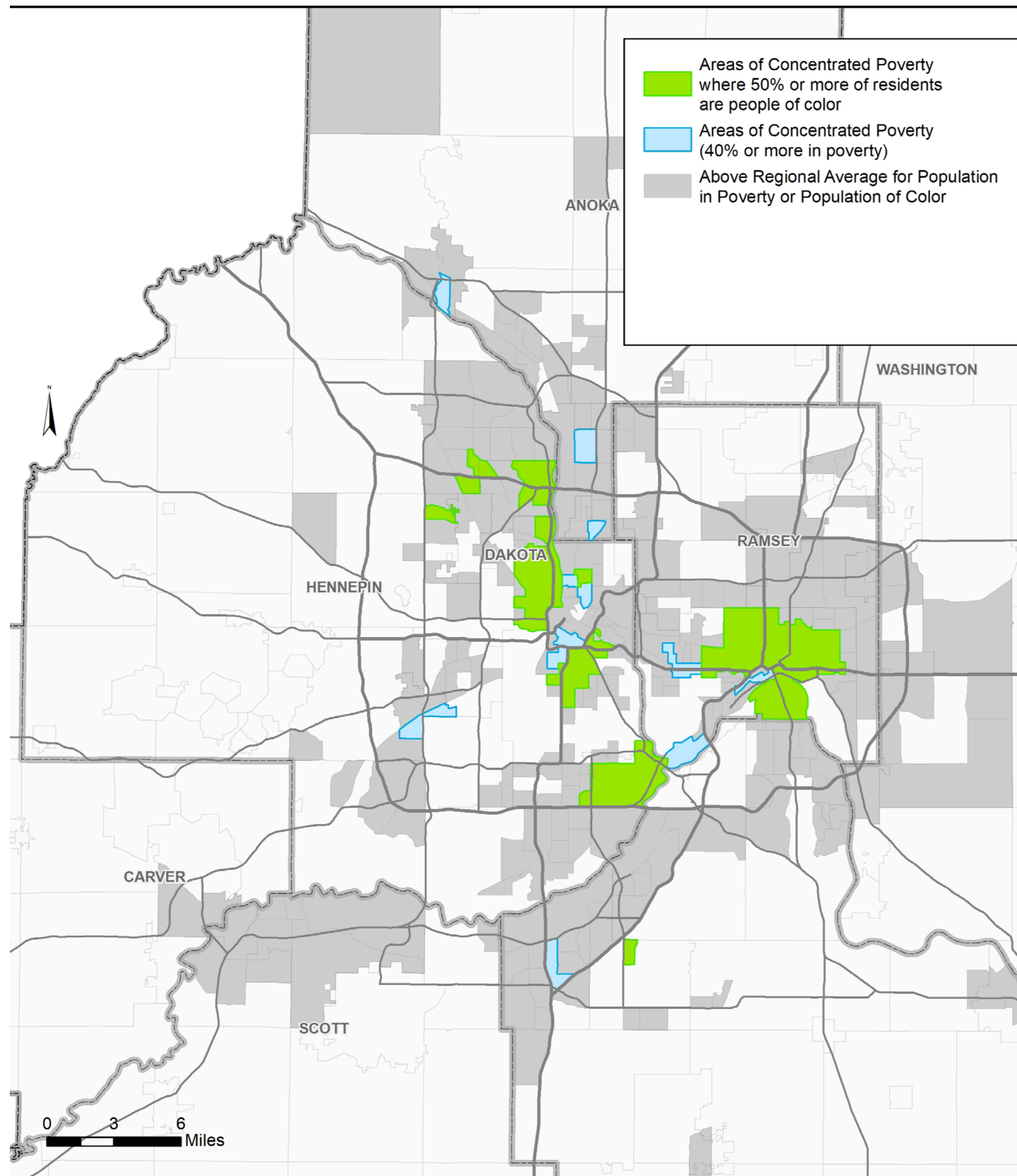
Application Category	3A: Housing Performance	3B: Socio-Economic Equity				Total Possible Points
		Community Engagement	Benefits	Negative Impacts	Total	
Roadway Expansion	70	9	21	0	30	100
Roadway Reconstruction/Modernization	70	9	21	0	30	100
Traffic Management Technologies	70	9	21	0	30	100
Bridge	70	9	21	0	30	100
Transit Expansion	70	39	91	0	130	200
Transit Modernization	70	31.5	73.5	0	105	175
Travel Demand Management (TDM)	70	20	60	0	80	150
Multiuse Trails and Bicycle Facilities	70	15	35	0	50	120
Pedestrian Facilities	70	15	35	0	50	120
Safe Routes to School	70	15	35	0	50	120

Housing Performance Scoring

- Measure not project based – city level performance score
- Measure used as an incentive for communities to contribute to an important regional goal
 - Recognizes community effort in meeting regional need
 - Advances Equity
- Community Housing Performance score
 - Projects crossing jurisdictional lines receive proportionate score based upon project length
 - Considers four factors: community housing policies; provision of new affordable housing; rehabilitation/provision of affordable housing through existing housing stock; overall makeup of existing housing stock
 - Scores based on performance over past 7 years
 - Calculated annually by Council and published late summer

Equity Scoring

- Scoring considers engagement, benefits and impacts on: low-income populations, communities of color, children, people with disabilities and elderly
- Community engagement measure focuses on if, and how, the project applicant has reached out to these communities
- Project benefits can include health-related, safety, access to destinations, gap closures, travel time reductions
- Project impacts and negative externalities can include decreased access, increased difficulties for pedestrians, displacement, increased speeds, decreased safety, construction impacts, other
- Impacts that are not mitigated receive negative points



Areas of Concentrated Poverty and Areas Above the Regional Average

Equity scores are adjusted based upon project location

- 100% for ACP with 50% or more people of color
- 80% for ACP
- 60% for areas above regional average
- 40% for all other locations



History

- Housing Performance has been a scoring measure since 1999
- Equity scoring measure added in 2014, recognized regional emphasis articulated in *Thrive MSP 2040*
- Weighting of Equity and Housing Performance criteria across application categories adopted in 2014
- Equity sub-measures revised for 2018 Solicitation to add community engagement and potential negative impacts
- Multiple scorers used for Equity in 2018 to build understanding, expertise and provide feedback

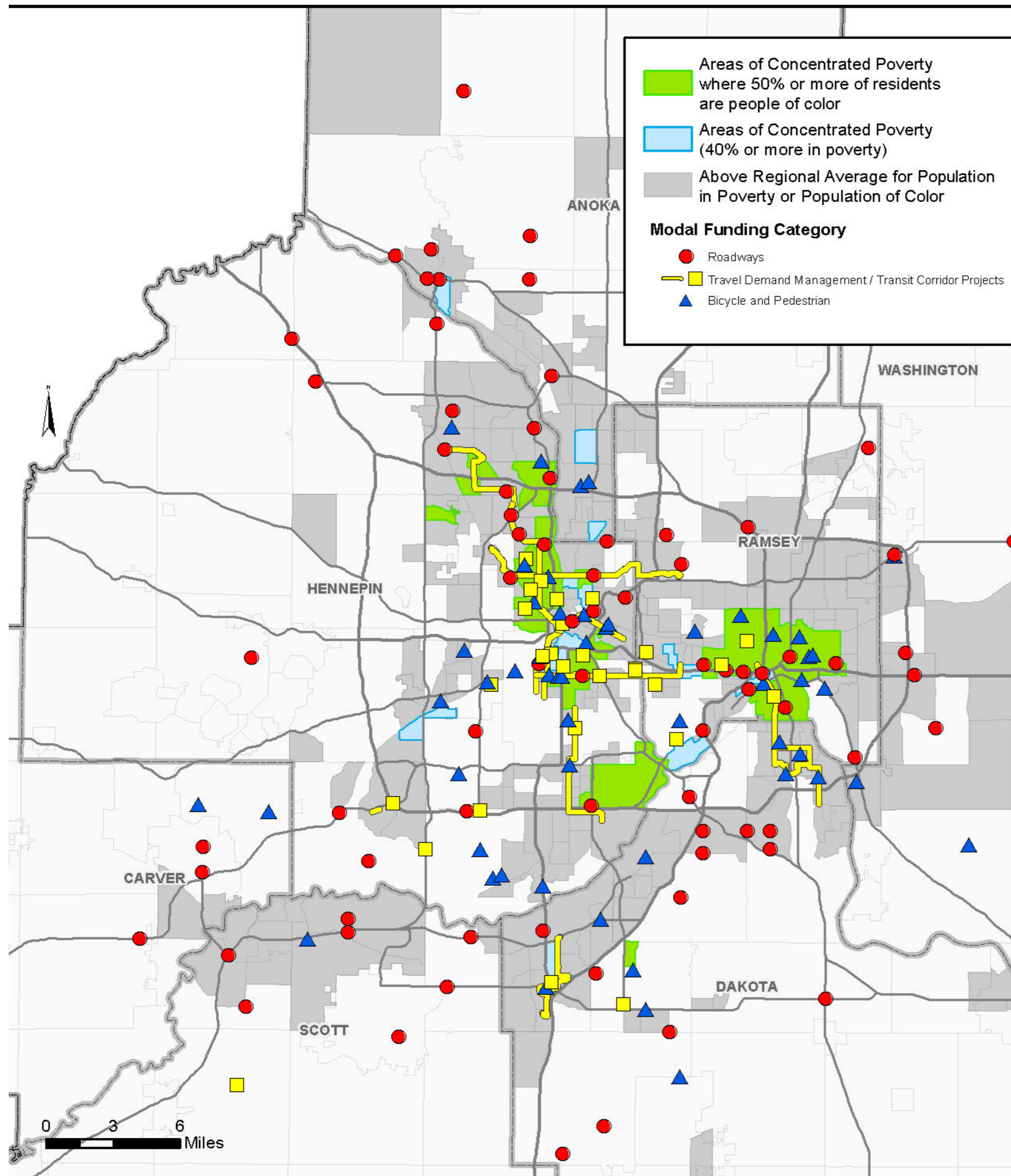
Feedback

- Received limited feedback through Regional Solicitation surveys
 - One comment from TAB member “Equity scoring is not working, ignores poverty in the suburbs”
 - One comment that multiple scorers improves experience
 - No comments on Housing Performance
- Feedback from Equity Scorers
 - Qualitative measure needs clearer expectations for both applicants and scorers
 - Training for applicants would be helpful
 - Confusion regarding engagement measure
 - Helpful to have a committee to discuss scoring
 - Confusion how to use the full range of potential scoring

Sensitivity Analysis Results

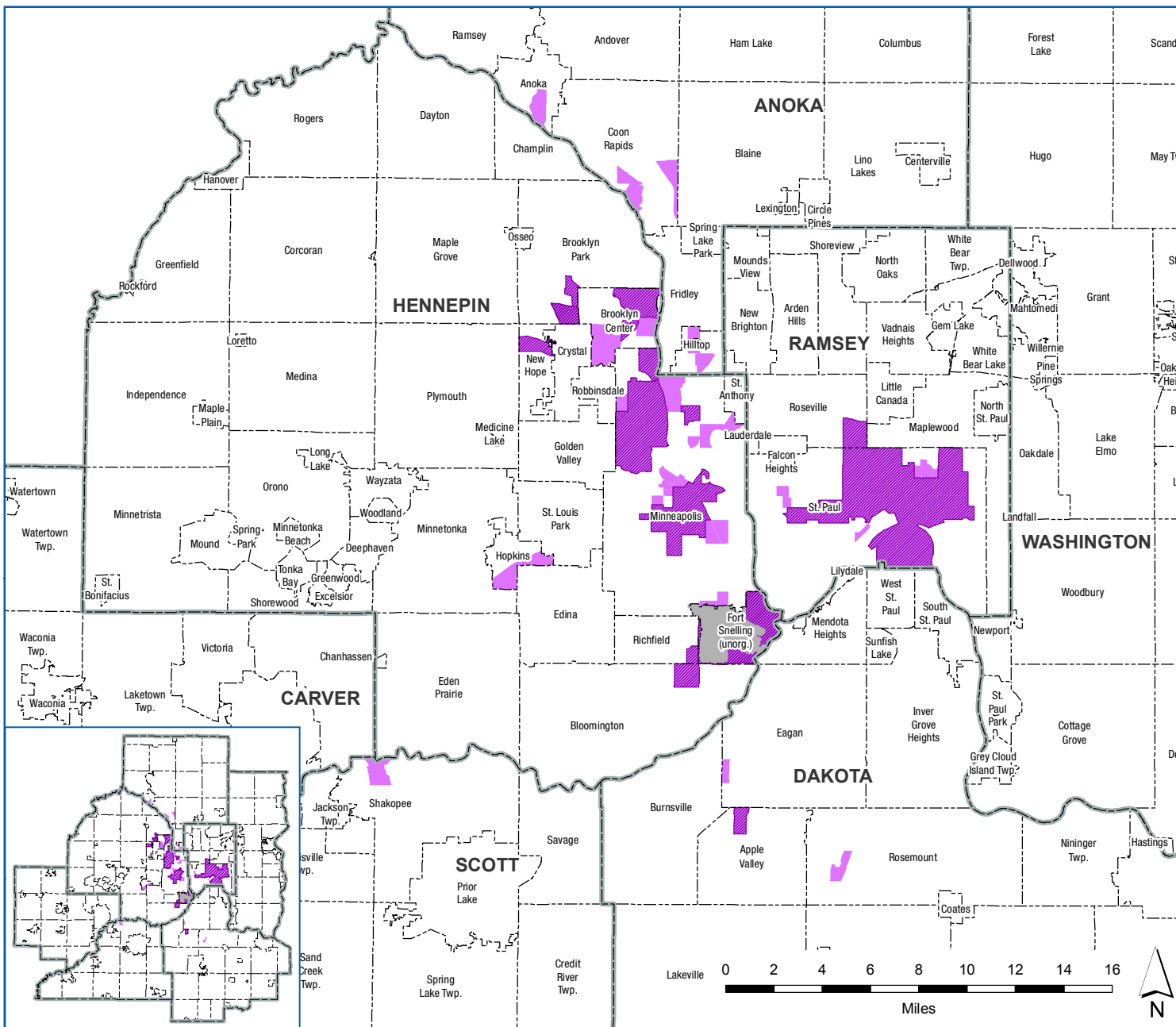
- Equity scoring changed the ranking of 48 projects out of 135 (36%); Housing Performance changed the ranking of 49 projects (36%)
- Two projects crossed the funding line if Equity measures were removed
 - One in Transit Expansion, one in Multiuse Trails
- One project crossed the funding line if Housing Performance was removed
 - One in Multiuse Trails
- 8 of 13 (61%) top scoring Equity measure projects received funding; 17 of 31 (55%) top scoring Housing Performance measure projects received funding
- The Equity measures had the least impact in the Roadway categories
 - Equity changed the ranking of 8 of 43 applications (19%)
 - 1 of 5 top scoring equity projects funded (20%)

2014-2018 Regional Solicitation Funded Projects by Areas of Concentrated Poverty



Discussion

- Should consideration of Equity better impact project selection?
- How to encourage/require outreach by applicants with impacted communities?
 - Provides input on the project purpose and need
 - Often not a priority before receiving project funding
- Could or should the process be changed to explicitly solicit/encourage projects whose primary purpose and need has an Equity focus? Options for doing this:
 - Higher Equity scoring or change the mix of scoring between Equity and Housing Performance?
 - Specific Equity project application category?
 - Requirement to fund highest scoring Equity project in each category?



Areas of Concentrated Poverty by Census Tract, 2011-2015

- Area of Concentrated Poverty
- Area of Concentrated Poverty where at least half the residents are people of color
- Cities and townships
- Counties
- Airports

Source: Metropolitan Council analysis of U.S. Census Bureau, American Community Survey Five-Year Estimates, 2011-2015.

Areas of Concentrated Poverty (ACP) are census tracts where 40% or more of the residents live with incomes below 185% of the federal poverty threshold. (We remove census tracts that meet this poverty threshold but have a high number of enrolled college or graduate students.) For context, 185% of the federal poverty threshold in 2015 was \$44,863 for a family of four.

Just over 370,000 people (about 12.6% of the region's population) lived in the 108 census tracts identified as Areas of Concentrated Poverty in 2011-2015. The number of residents living in the region's Areas of Concentrated Poverty has more than doubled since 2000.

People of color face race-specific barriers that can limit their housing choices (see Metropolitan Council's report, *Choice, Place and Opportunity: An Equity Assessment of the Twin Cities region* for a full discussion). As a result, people of color are more likely to live in Areas of Concentrated Poverty. Eighty-three of the 108 census tracts identified as Areas of Concentrated Poverty are majority people of color (ACP50s).

Areas of Concentrated Poverty are not just census tracts—they are neighborhoods with unique histories and built environments that people call home. That many residents living in Areas of Concentrated Poverty are low-income does not diminish the vibrancy or strength of these communities. Nonetheless, Areas of Concentrated Poverty are different from other places: research consistently links high-poverty places to negative effects on people's physical and mental health. Studies also find living in high-poverty neighborhoods reduces the cognitive abilities of children, making them more likely to have lower incomes as adults than their parents, and more likely to live in poverty across generations. For these reasons, Areas of Concentrated Poverty remain a concern.

We promote a balanced approach to Areas of Concentrated Poverty: 1) creating options for safe, stable, and affordable homes to people of all economic means, 2) investing in Areas of Concentrated Poverty and in their residents, and 3) improving how low-income residents access opportunities across the Twin Cities region.



Regional Solicitation Transit Options (About \$41 million available per solicitation cycle)

Variables	Existing Structure	Adjustment to Structure	Arterial Bus Rapid Transit Program
Funding Categories	Expansion Modernization	Expansion Modernization	Expansion Modernization Arterial Bus Rapid Transit Program
Max Award	\$7 million	\$10 million	\$4 million ABRT: \$28 million
Project Eligibility	<p>Eligible projects:</p> <ul style="list-style-type: none"> Expansion focus on attracting new riders (e.g. adding service and buses, adding or expanding facility) Modernization focus on benefiting existing riders (e.g. improving existing facility, improving customer experience, upgrading facility operations) <p>Ineligible projects:</p> <ul style="list-style-type: none"> Routine facility maintenance Operating expenses only allowed if transit operations expanded 	<p>Eligible projects: No change.</p> <p>New market guarantee: At least one project per cycle that serves a new market in the transit system.</p> <p>Ineligible projects: Bus replacement costs</p>	<p>Eligible projects: Maximum 25% of award for bus purchases.</p> <p>New market guarantee: At least one project per cycle that serves a new market in the transit system.</p> <p>Ineligible projects: Bus replacement costs</p>
Arterial BRT Outcomes	4 incremental awards for partial arterial bus rapid transit projects	4 incremental awards for partial arterial bus rapid transit projects	Creates arterial bus rapid transit program – Goal of 1 full project every two years
Other Projects Outcomes	Minimum 2 projects	Minimum 1 project, at least one project serving a new market	Minimum 4 projects, at least one project serving a new market

Arterial BRT Program Approval Process

- Funding amount approved with Regional Solicitation release
- Metro Transit plan for allocation of funds within arterial BRT program approved with Regional Solicitation project selection
- Annual Metro Transit update on program status, upcoming milestones, and project(s) funding issues
- Changes to Regional Solicitation funding plan for ABRT program processed as TIP amendments

Transit Expansion – Prioritizing Criteria and Measures

March 12, 2018

Definition: A transit project that provides new or expanded transit service/facilities with the intent of attracting new transit riders to the system. Expansion projects may also benefit existing or future riders, but the projects will be scored primarily on the ability to attract new riders. Routine facility maintenance and upkeep is not eligible. If a project includes both expansion and modernization elements, it is the applicant’s discretion to choose which application category the project would best fit. However, an application can be disqualified if it is submitted to the wrong category. It is suggested that applicants contact Council staff for consultation before the application deadline to determine eligibility.

Examples of Transit Expansion Projects:

- Operating funds for new or expanded transit service
- Transit vehicles for new or expanded service
- Customer facilities for new or expanded service, new transit centers or stations, along a route
- Park-and-ride facilities or expansions

Scoring:

Criteria and Measures	Points	% of Total Points
1. Role in the Regional Transportation System and Economy	100	9%
Measure A - Connection to Jobs and Educational Institutions	50	
Measure B – Average number of weekday transit trips connected to the project	50	
2. Usage	350	32%
Measure A - New Annual Riders	350	
3. Equity and Housing Performance	200	18%
Measure A - Connection to disadvantaged populations and projects benefits	130	
Measure B - Housing Performance Score	70	
4. Emissions Reduction	200	18%
Measure A - Total emissions reduced	200	
5. Multimodal Elements and Existing Connections	100	9%
Measure A - Bicycle and pedestrian elements of the project and connections	100	
6. Risk Assessment	50	5%
Measure A - Risk Assessment Form	50	
7. Cost Effectiveness	100	9%
Measure A – Cost effectiveness (total points awarded/total annual project cost)	100	
Total	1,100	

Transit Modernization – Prioritizing Criteria and Measures

March 12, 2018

Definition: A transit project that makes transit more attractive to existing riders by offering faster travel times between destinations or improving the customer experience. Modernization projects may also benefit new or future riders, but the projects will be scored primarily on the benefit to existing riders. Routine facility maintenance and upkeep is not eligible. Projects associated wholly or in part with new service/facilities intended to attract new transit riders, such as the purchase of new buses or expansion of an existing park-and-ride, should apply in the Transit Expansion application category. If a project includes both expansion and modernization elements, it is the applicant’s discretion to choose which application category the project would best fit. However, an application can be disqualified if it is submitted to the wrong category. Only capital expenditures are eligible for transit modernization; operating expenses are ineligible unless transit operations are expanded. It is suggested that applicants contact Council staff for consultation before the application deadline to determine eligibility.

Examples of Transit Modernization Projects:

- Improved boarding areas, lighting, or safety and security equipment, real-time signage;
- Passenger waiting facilities, heated facilities or weather protection
- New transit maintenance and support facilities/garages or upgrades to existing facilities
- ITS measures that improve reliability and the customer experience on a specific transit route or in a specific area
- Improved fare collection systems
- Multiple eligible improvements along a route

Scoring:

Criteria and Measures	Points	% of Total Points
1. Role in the Regional Transportation System and Economy	100	9%
Measure A - Connection to Jobs and Educational Institutions	50	
Measure B – Average number of weekday transit trips connected to the project	50	
2. Usage	325	30%
Measure A - Total existing annual riders	325	
3. Equity and Housing Performance	175	16%
Measure A - Connection to disadvantageded populations and project’s benefits	105	
Measure B - Housing Performance Score	70	
4. Emissions Reduction	50	5%
Measure A – Description of emissions reduced	50	
5. Service and Customer Improvements	200	18%
Measure A - Project improvements and amenities for transit users	200	
6. Multimodal Facilities and Connections	100	9%
Measure A - Bicycle and pedestrian elements of the project and connections	100	
7. Risk Assessment	50	5%
Measure A - Risk Assessment Form	50	
8. Cost Effectiveness	100	9%
Measure A – Cost effectiveness (total points awarded/total annual project cost)	100	
Total	1,100	