2022 EQUITY FOCUS COMMUNITIES UPDATE
Attachment D – 2022 EFC Update Methodology Research

Summary of EFC Methodology Options Considered

Binary
The Original EFC definition used a binary methodology to identify EFC census tracts: if a census tract met the definition, it was an EFC; if it did not meet the criteria, it was not an EFC. While a binary method provides clear designation of higher need census tracts (EFCs) and others, there are some challenges to this method:

- The binary designation combines different levels of need within the EFC designation and can "lump" together very different and disparate geographies. Similarly, differences and disparities within a non-EFC designation can be hidden with this method.
- The binary designation can be misinterpreted that to mean non-EFCs have no need, which is not accurate.
- The binary designation makes equitable prioritization more difficult, especially if resources for prioritization are not sufficient for the whole proportion of designated EFCs.

Raw Score
A raw score method would calculate characteristics of each census tract in the county and assign a percentile rank based on the concentration of high-need households and populations in the census tract, using the three Original EFC indicators of income, race/ethnicity, and vehicle ownership. Each census tract would then be assigned a percentile (0 to 99), identifying its ranking compared to all census tracts in the county.

A raw score method allows for granular analysis of each census tract compared to other census tracts in the county. It also reflects a more nuanced analysis of differences between many high-needs census tracts (or low-needs census tracts). However, this method also generates thousands of individual data points, which may have challenges for big picture data analysis.

Index
An index method utilizes the raw score method and then categorizes the percentile rankings into five tiers. This method preserves the percentile ranking between 0 to 99 and aggregates similar percentile rankings for a more manageable "big picture" analysis. In the 2022 EFC Update, percentile rankings are categories into five tiers of: "Very High Need," "High Need," "Moderate Need," "Low Need," and "Very Low Need." An example of the use of an index with tiers is affordable housing thresholds that identify eligibility tiers based on a range of household income types, such as "Low Income," "Very Low Income," or "Extremely Low Income." An index method allows flexibility in the number of tiers, depending on the level of granularity needed. Further, an index method has been used by similar geographic equity analyses in Los Angeles County, such as the 2016 Countywide Parks & Recreation Needs Assessment and the City of Los Angeles Equity Index.

The 2022 EFC Update uses the index method.