MEMORANDUM

TO: R.A. Plummer and Brent Billingsley
FROM: Lisbeth Springer
CC: Brian Kennedy, Sandy Richardson, Rob Fetter
DATE: May 17, 2004
SUBJECT: Draft Recommendation for Low-income and Minority Definitions in the I-70 East Corridor

I. Introduction
The I-70 East Corridor EIS project team has been working with the Environmental Justice Compliance Committee (EJCC) and other agencies to develop "low-income" and a "minority" definitions for use in the environmental justice analysis in the EIS. This memo provides a recommendation on the use of a low-income definition and a minority definition. Technical data in support of this recommendation has been prepared and can be provided in the form of a technical memo, as requested.

II. Review of sources
The project team has conducted a review of published guidance including the U.S. Department of Transportation (U.S. DOT) Order on Environmental Justice (5610.2), FHWA Order on Environmental Justice (Order 6640.23), the CDOT Environmental Justice Guidebook, and other published environmental justice guidance from the Council on Environmental Quality (CEQ), the Environmental Protection Agency (EPA) as well as Executive Order 12898 itself. In addition, the project team has reviewed material provided by the US 36 EIS project team regarding their use of the Housing and Urban Development (HUD) 30 Percent Area Median Income (AMI30) low-income definition. Additional guidance provided on the FHWA web site was also reviewed. The project team has prepared technical data and maps that were reviewed by the EJCC, including the PMC, and has considered any further comments and guidance provided.

III. Low-income Definition
FHWA Order 6640.23 defines "low-income" as "a household income at or below the Department of Health and Human Services (HHS) Poverty Guidelines." The FHWA environmental justice web site provides further guidance indicating that "a State or locality may adopt a higher threshold for low-income as long as the higher threshold is not selectively implemented and is inclusive of all persons at or below the HHS poverty guidelines". FHWA staff provided comments specific to the I-70 East Corridor EIS project that reiterated this guidance and suggested consideration and coordination with the US 36 project regarding their use of AMI30. The CDOT Environmental Justice Guidebook utilizes an AMI50 definition for statewide planning purposes but does not specifically address corridor studies or project planning.

The project team compiled information on household income for block groups within the project area neighborhoods using data from the 2000 Census. That information compares the number of
households considered low-income using three definitions: the Census Poverty Thresholds, the HHS Poverty Guidelines, and HUD AMI30 income limits. The published cutoff points for HHS and HUD were adjusted using the average household size for the Denver Primary Metropolitan Statistical Area (PMSA). The published cutoff points for the Census Poverty Threshold require no adjustment because the Census publishes block group-level data on households living in poverty that considers the reported household size and income for each household, whereas income data for households is not available by household size and therefore requires adjustment in order to utilize either the HHS or HUD definitions.

Both approaches start with published 2004 cutoff points, deflate them to 1999 dollars (because Census income data is for 1999), and adjust for average household size. The Adjusted AMI30 cutoff point ($15,933) is higher than the Adjusted HHS Poverty Guideline ($12,613). In addition, the total number of low-income households in the project area neighborhoods is greater using the AMI30 cutoff point than for either the Adjusted HHS Poverty Guideline or the Census Poverty thresholds. Furthermore, for each block group in the project area neighborhoods, the use of the Adjusted AMI30 cutoff point results in identifying a number of low-income households that is greater than or equal to the number of low-income households that results from using the Adjusted HHS Poverty Guideline. Based upon this information, the Adjusted AMI30 threshold meets the criteria of being higher than the HHS Poverty Guideline threshold and is also inclusive of all persons at or below the HHS poverty guidelines. In addition, AMI30 is based upon a locally/regionally-specific cutoff point that reflects evidence that Colorado has a higher cost of living. Use of AMI30 would also provide increased consistency between US 36 and I-70 East project data for the overlapping area. The Adjusted AMI30 threshold is recommended for use.

IV. Minority definition
Council on Environmental Quality (CEQ) Environmental Justice Guidance under NEPA states: "Minority populations should be identified where either: (a) the minority population of the affected area exceeds 50 percent or (b) the minority population percentage of the affected area is meaningfully greater than the minority population percentage in the general populations or other appropriate unit of geographic analysis." FHWA Order 6640.23 does not specify a numeric method for determining minority populations (i.e., concentrations); it instead uses concepts of geographic proximity, readily identifiable groups, and exposure to similar effects.

The project team compiled data on minority populations in block groups within the project area neighborhoods using data from the 2000 Census. If either the state of Colorado or the Denver PMSA were assumed to represent the "general population", in both cases, the minority population percentage of the general population is considerably lower than 50 percent, 25.5 percent for the state and 29.6 percent for the Denver PMSA, respectively. Therefore, no block groups identified as having "a minority population" would be added through the use of the 50 percent criteria that are not already identified through use of the comparison with the general population. Nevertheless, although inclusion of the 50 percent criteria would not appear to make any difference in the impact analysis for the EIS, for the purpose of achieving consistency with CEQ Guidance, it is recommended that this "either/or" approach be carried forward.