

Urban Inequality Analysis

San Francisco Metro Division

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USP 515

December 6th, 2024



Introduction

The San Francisco Metro Division (MD) is a part of the greater San Francisco – Oakland Metropolitan Statistical Area in California. This division consists of San Francisco and San Mateo counties which together make up the majority of the San Francisco Peninsula. The major cities in this division include San Francisco, San Mateo, Millbrae, Daly City, and Redwood City. The wider Bay Area is among the most populated regions in the state and the country with a MSA population of 7.76 million (2020). The SF Metro Division is home to 1.64 million (2020) of those residents.

Though many areas of the metro division are home to major economic and job centers, the MD's Central Business District (CBD) is the downtown area of San Francisco, indicated by the red circle in image one.

Racial Makeup of the MD Population



Image 1. San Francisco and San Mateo Counties.

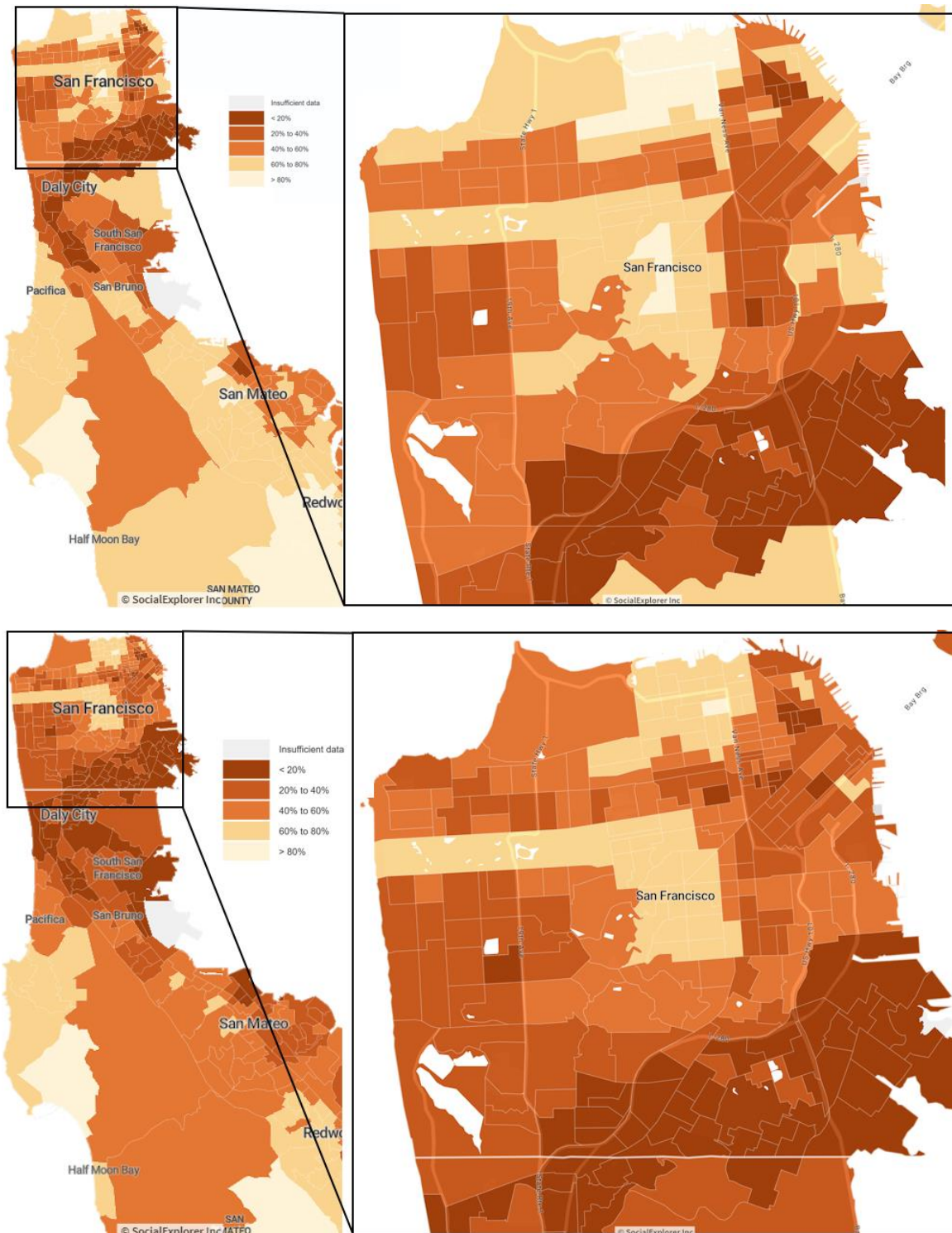
Table 1. Population breakdown by race or ethnicity in the city of San Francisco and the SF Metro Division, compared to the United States in 2000, 2008 – 2012, and 2018 – 2022.

Race/Ethnicity	Year	United States (%)	Metro Division (%)	San Francisco City (%)
White Alone, Non-Hispanic	2000	69.1	46.6	43.6
	2008 - 2012	63.7	46.5	41.8
	2018 - 2022	58.9	37.7	38.3
Black or African American Alone, Non-Hispanic	2000	12.1	5.6	7.6
	2008 - 2012	12.2	4.0	5.7
	2018 - 2022	12.1	3.6	4.9
American Indian and Alaska Native Alone, Non-Hispanic	2000	0.7	0.2	0.3
	2008 - 2012	0.7	0.2	0.3
	2018 - 2022	0.6	0.2	0.2
Asian Alone, Non-Hispanic	2000	3.6	25.5	30.7
	2008 - 2012	4.8	25.9	33.3
	2018 - 2022	5.7	32.5	34.6
Native Hawaiian and Other Pacific Islander Alone, Non-Hispanic	2000	0.1	0.9	0.5
	2008 - 2012	0.2	0.8	0.4
	2018 - 2022	0.2	0.7	0.4
Some other race Alone, Non-Hispanic	2000	0.2	0.3	0.3
	2008 - 2012	0.2	0.3	0.4
	2018 - 2022	0.4	0.7	0.7
Two or more races, Non-Hispanic	2000	1.6	3.1	3.0
	2008 - 2012	2.0	3.1	3.1
	2018 - 2022	3.5	5.1	5.5
Hispanic or Latino	2000	12.6	17.8	14.1
	2008 - 2012	16.4	19.2	15.1
	2018 - 2022	18.7	19.4	15.5

Source: Authors analysis of the United States Census Bureau's 2000 Decennial Census, 2008 – 2012 American Community Survey, and 2018 – 2022 American Community Survey.

Table 1 shows the population share of each given racial or ethnic group in the metro division relative to the country as a whole. Some key differences worth noting are the significantly lower shares of White and Black or African American populations in the MD

Image 2. (top) and Image 3. (bottom) depict the percentage of BIPOC residents in the SF MD in 2000 and 2022, respectively



relative to the US, and the over five times higher share of Asian population in the MD compared to the US in each of the studied years.

Notable trends in the racial makeup of the metro division include a two percent decrease in the share of Black or African American population between 2000 and 2022, while the national share has remained flat. While the share of Asian population in the US has increased by just over two percent, the share in the MD has increased by seven percent.

This shows that the Metro Division is generally more diverse than the country as a whole, but that some racial or ethnic groups are under-represented. This also shows that the region has undergone, and likely continues to experience, a dramatic shift in its population and demographics. Images 2 and 3 show the increase in the share off BIPOC residents, with the most significant differences being in South San Francisco, San Mateo, and Daly City rather than in San Francisco proper.

Household Income Trends

Table 2. Median Household Income in 2022 dollars in the MD, US, and San Francisco as well as the ratio of income between these areas and the US.

	2000	2008-2012	2018-2022
United States	\$74,082	\$67,820	\$75,149
San Francisco MD	\$110,017	\$104,409	\$142,445
MD to US Ratio	1.49	1.54	1.90
San Francisco City	\$97,416	\$94,357	\$136,689
SF to US Ratio	1.31	1.39	1.82

Source: Authors analysis of the United States Census Bureau's 2000 Decennial Census, 2008 – 2012 American Community Survey, 2018 – 2022 American Community Survey.

Compared to the United States as a whole, the city of San Francisco and the San Francisco Metro Division both have a much higher median household income. In each of the years studied, the MD had roughly a \$10,000 per year¹ higher median household income. While the MHI for the US had only increased by about \$1,000 between 2000 and 2022, the MHI in the MD has increased by over \$34,000 per year. Table 2 shows that in the most recent studied year, the ratio of MHI between the MD and the US was 1.9 – nearly double. Tabel 3 demonstrates that this is certainly due to the concentration of high-paying jobs in the Information and Professional

Table 3. Share of employed population in given industries in the MD and the United States

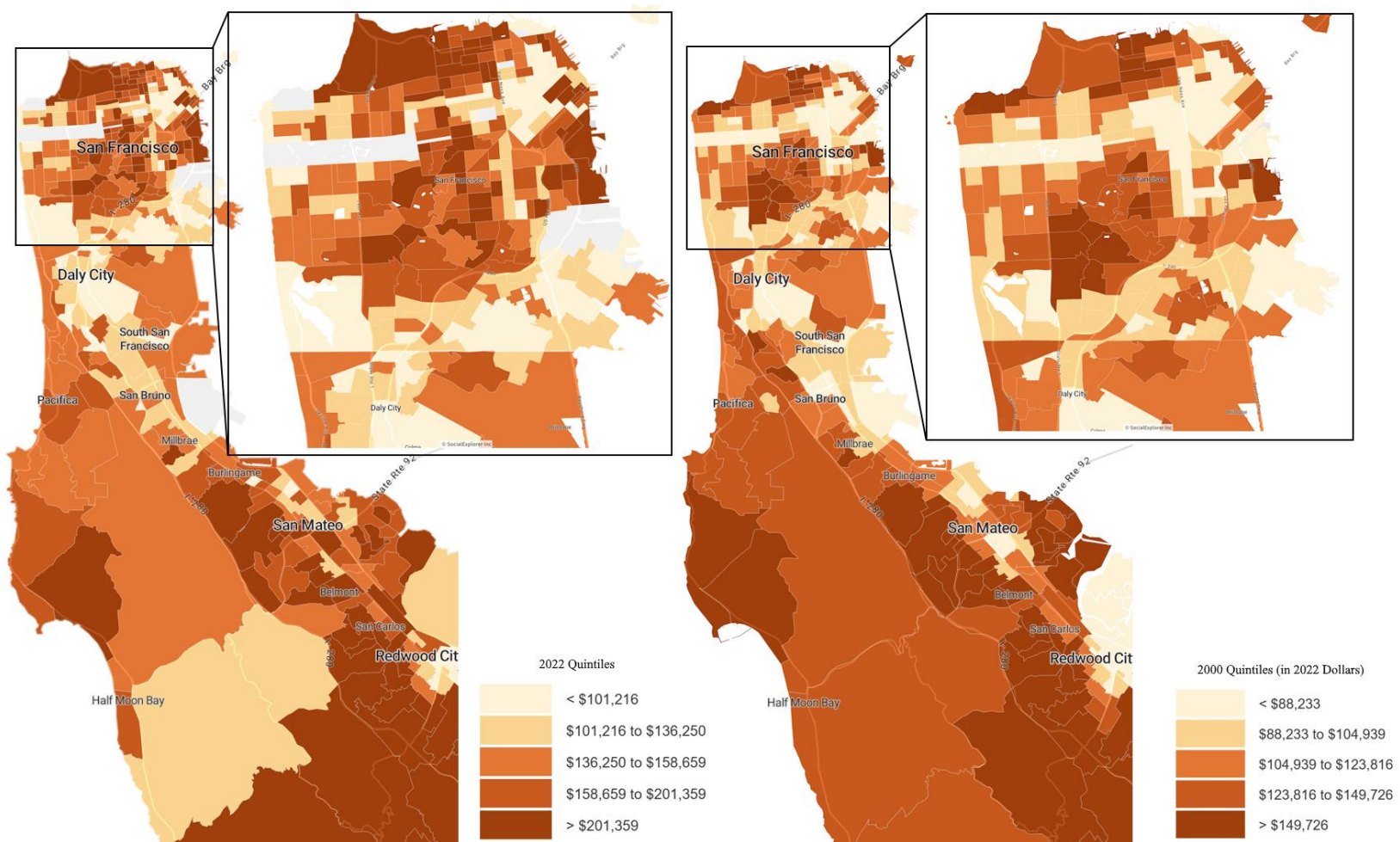
Industry	San Francscico MD (%)	United States (%)	Ratio
Professional, Scientific, and Management, and Administrative and Waste Management Services	24.1	12.1	1.99
Educational Services, and Health Care and Social Assistance	19.8	23.3	0.85
Arts, Entertainment, and Recreation, and Accommodation and Food Services	8.7	9.0	0.97
Retail Trade	8.6	11.0	0.78
Finance and Insurance, and Real Estate and Rental and Leasing	7.8	6.7	1.16
Manufacturing	6.2	10.0	0.62
Information	5.6	1.9	2.95
Transportation and Warehousing, and Utilities	5.3	5.8	0.91
Other Services, Except Public Administration	4.3	4.7	0.91
Construction	4.2	6.9	0.61
Public Administration	3.4	4.7	0.72
Wholesale Trade	1.7	2.4	0.71
Agriculture, Forestry, Fishing and Hunting, and Mining	0.4	1.6	0.25

Source: Authors analysis of the United States Census Bureau's 2018 – 2022 American Community Survey.

¹ All currencies in this paper analysis been converted to 2022 dollars.

and Scientific industry in the area. This high concentration of wealth, however, does not indicate a lack of poverty in the area.

Image 4. SF MD tracts by MHI quintile in 2000 (right) and 2022 (left)



Poverty

While the city of San Francisco had a higher rate of poverty than the metro division in each of the years studied, as shown in table 5, both the MD and city had lower rates of poverty in every year than the national average. Table 4 shows that there is a decreasing yet strong correlation between tract-level poverty and BIPOC population share.

A more detailed analysis shows that American Indian or Native Alaskan, Hispanic or Latino, Black or African American, and Pacific Islander populations had the strongest correlation to low-income tracts (in that order, ascending). The population with the lowest ratio living in low-income tracts, aside from White populations, was Asian with a ratio of 0.68. Though this is the highest of any of the other named BIPOC categories (excluding “Two or More Races” and “Some Other Race”), it is still an and over four and a half times lower ratio than White populations. This means that even in the relatively diverse

Table 4. Correlation coefficient between tract-level poverty rate and tract-level BIPOC population share (higher number indicates stronger correlation)

	2000	2022
Correlation Coefficient	0.47	0.4

Table 5. Rate of residents living in poverty in given geographies

	2000	2008 - 2012	2018 - 2022
United States	12.4%	14.9%	12.5%
San Francisco MD	8.7%	10.0%	8.6%
San Francisco	11.3%	13.2%	10.5%

Source: Authors analysis of the United States Census Bureau's 2000 Decennial Census and 2018 – 2022 American Community Survey.

Table 6. Share of each race or ethnicity living in top MHI quintile or bottom MHI quintile tracts in 2000 and 2022

	Top Quintile Pop. Share		Bottom Quintile Pop. Share		Ratio of People Living in Top to Bottom Quintile Tracts	
	2022	2000	2022	2000	2022	2000
Total	19.24%	17.02%	17.31%	20.08%	1.11	0.85
White	11.16%	12.13%	3.53%	5.81%	3.17	2.09
Black or African American	0.36%	0.24%	1.07%	2.43%	0.33	0.10
American Indian or Native Alaskan	0.03%	0.02%	0.06%	0.08%	0.39	0.32
Asian	4.36%	3.06%	6.42%	5.01%	0.68	0.61
Pacific Islander	0.04%	0.05%	0.17%	0.27%	0.25	0.18
Some Other Race	0.13%	0.04%	0.11%	0.07%	1.16	0.60
Two or more races	1.17%	0.47%	0.65%	0.66%	1.80	0.71
Hispanic or Latino	1.99%	1.01%	5.29%	5.75%	0.38	0.18
Total BIPOC	8.09%	4.90%	13.79%	14.27%	0.59	0.34

Source: Authors analysis of the United States Census Bureau's 2000 Decennial Census, 2008 – 2012 American Community Survey, 2018 – 2022 American Community Survey.

and wealthy San Francisco MD, BIPOC people still disproportionately experience poverty or are less wealthy than their white neighbors.

Images four through six depict how the census tracts with the lowest rates of poverty are often predominately White or Asian tracts. Many tracts with higher rates of poverty, such as in the South-East portion or central portion of the city of San Francisco, are home to

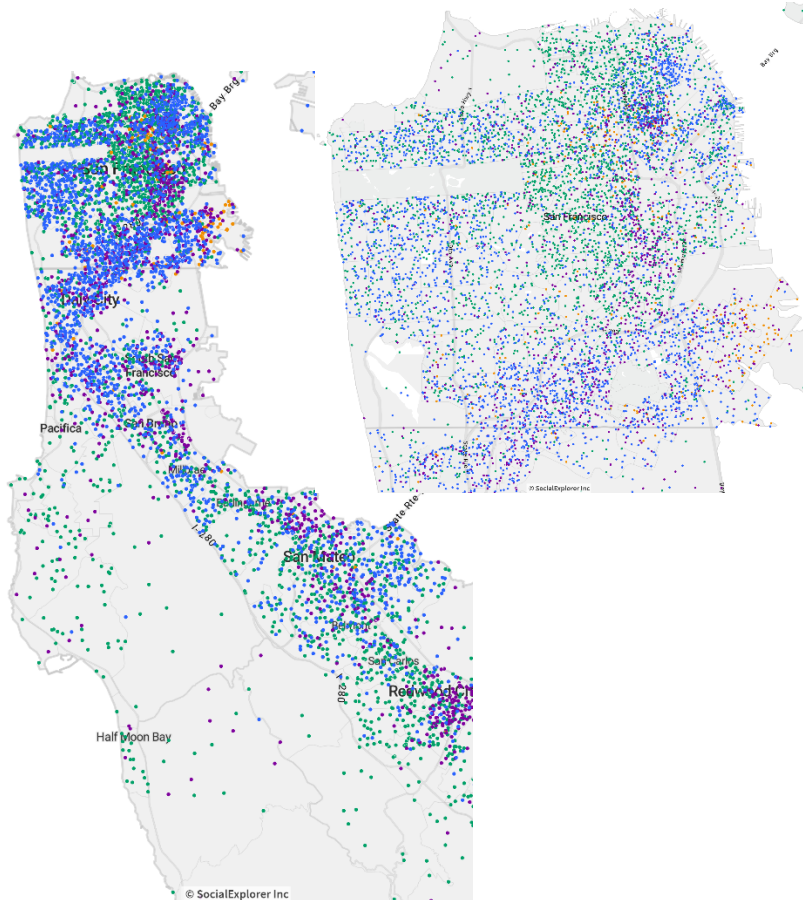
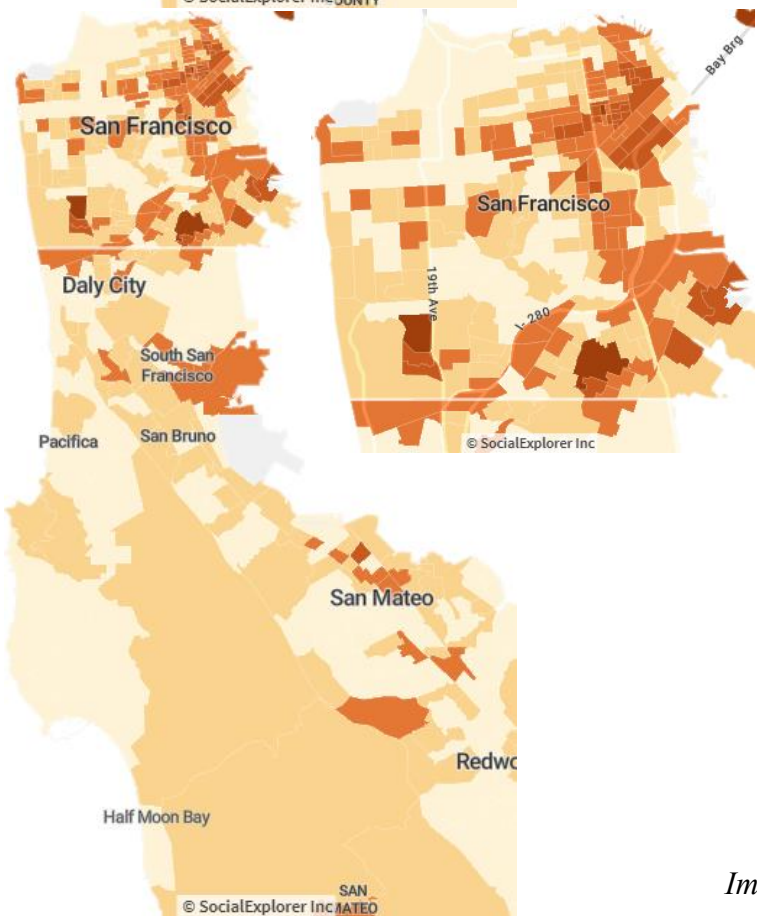
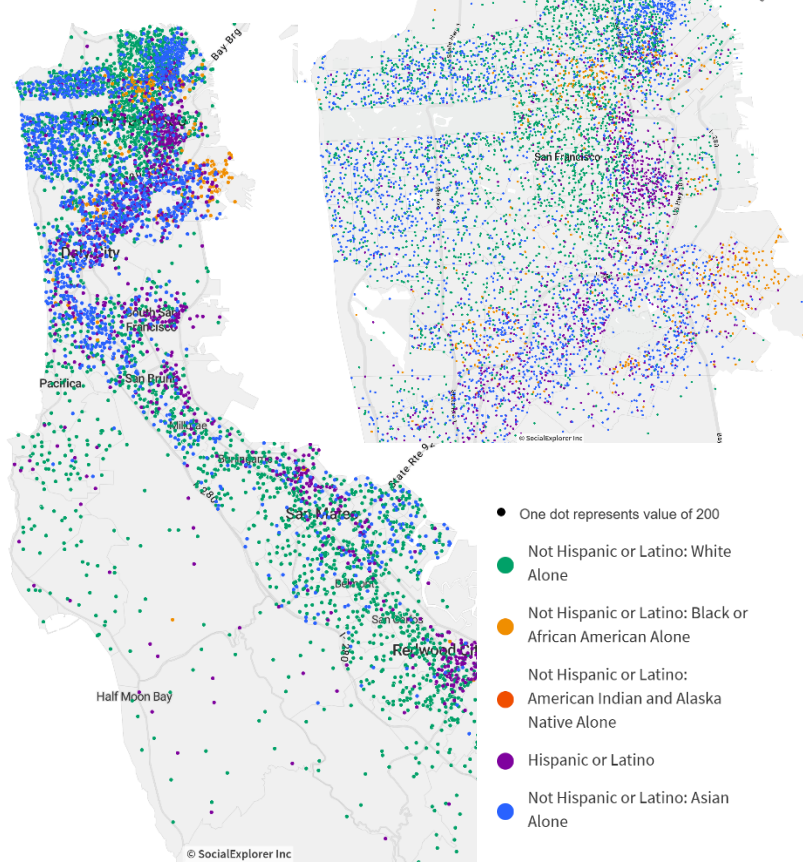
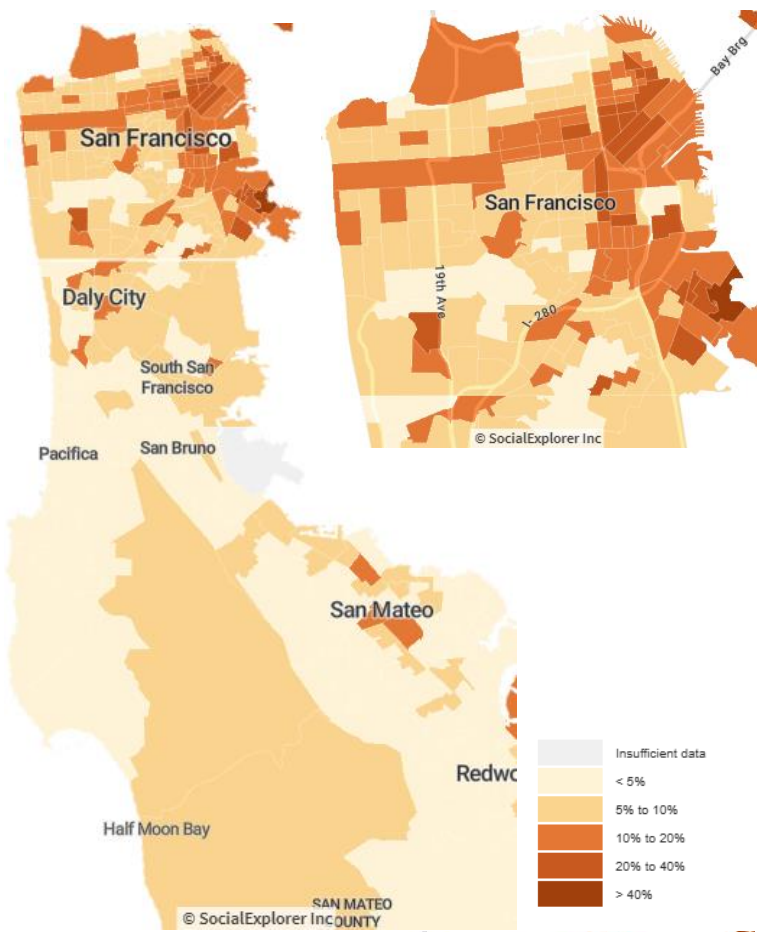


Image 4. (top left) Poverty rate by tract in 2000

Image 5. (bottom left) Poverty rate by tract in 2022

Image 6. (top right) Location of various populations by race in 2000

Image 4. (bottom right) Location of various populations by race in 2022

many Black or African American, Hispanic or Latino, or American Indian and Alaskan Native populations. This visualization reinforces the conclusions drawn from tables four and six and further highlights the stark divide that exists between the different populations residing in the area.

Worth noting are two census tracts just North of the Southern border of the city of San Francisco. Both tracts show over 40% poverty in 2022, a large jump for each from 2000. The tract to the East (9805.01) is John McLaren Park and the tract to the West is San Francisco State University.

Rincon Hill

With nearly triple the overall population in 2022 as it had in 2000, Rincon Hill is a vastly different San Francisco neighborhood than it once was. While the change in total population is already stark, it is especially interesting given the change in demographics. The neighborhoods

Table 7. White and Asian population and poverty rate in selected census tracts in the Rincon Hill neighborhood, 2000 and 2022.

Census Tract	Total Pop.		White		Asian		Share Asian or White		Poverty Rate	
	2000	2022	2000	2022	2000	2022	2000	2022	2000	2022
176.02	534	-	294	-	82	-	70%	-	18%	-
179.01	5408	-	3488	-	877	-	81%	-	19%	-
615.01	-	1656	-	767	-	724	-	90%	-	13%
615.02	-	1901	-	1312	-	179	-	78%	-	14%
615.03	-	3205	-	1271	-	1427	-	84%	-	7%
615.04	-	1567	-	433	-	967	-	89%	-	1%
615.05	-	1061	-	317	-	572	-	84%	-	4%
615.07	-	1772	-	374	-	1082	-	82%	-	3%
615.08	-	2222	-	945	-	937	-	85%	-	11%
Total	5942	13384	3782	5419	959	5888	80%	84%	19%	8%

Source: Authors analysis of the United States Census Bureau's 2000 Decennial Census and the 2018 – 2022 American Community Survey.

population changed to have a four percent higher share of White and Asian population. These groups were combined for this analysis as they were the two racial groups identified in table six as being most likely to live in a high-income tract. The observed drop in poverty rate from 2000 to 2022 backs the theory that higher-income households moved in over the previous two decades, pushing other, lower-income households out.

Rincon Hill is home to a number of new, high-rise apartment buildings and is the site of a Google office. Being in the central business district of San Francisco, there are also a number of other major technology companies in the area, as well as some significant new developments. Salesforce Tower and Transit Center, for example, are located less than 1,000 feet from the neighborhoods Northern border. The location of Rincon Hill in relation to the wider MD is indicated in image one.

Downtown Redwood City

The downtown area of Redwood City is a predominately BIPOC area that has observed an increase in MHI from 2000 to

Table 8. Share of BIPOC population and MHI in selected Downtown Redwood census tracts in 2000 and 2022

Tract	Share BIPOC Pop. (%)		MHI (\$/year, 2022)	
	2000	2022	2000	2022
6100	25.2	41.1	106,271	153,303
6101	51.7	59.0	101,662	122,250
6102.01	83.6	86.7	79,559	75,184
6102.02	67.8	64.5	63,257	173,125
6102.03	87.8	90.4	71,579	75,597
6104	71.1	84.9	115,226	94,861
6105	82.5	89.3	83,382	95,708
6106.01	86.1	88.2	79,448	96,042
6106.02	49.5	61.0	141,975	162,188
6107	47.7	61.2	91,344	111,467
6108	64.4	80.7	82,116	89,178
6109	52.7	-	97,402	-
6109.01	-	70.6	-	112,059
6109.02	-	59.6	-	125,541
Total	65.4	73.3	92,772	112,244

Source: Authors analysis of the United States Census Bureau's 2000 Decennial Census and the 2018 – 2022 American Community Survey.

2022. While some of the tracts fall into the lower quintile for the MD’s MHI ($\leq \$101,216$ in 2022), many are higher, and the average across the selected tracts falls within the second quintile. While the MHI is still lower than that of the wider MD, it is still significantly higher than the national average and grew by nearly \$20,000 inflation-adjusted dollars per year in that time period. Further showing that this area is an outlier is the breakdown of the area by racial or ethnic group. In 2022, the Hispanic and Latino population made up a significant majority of the area’s population, far surpassing the share in the MD.

This increase in BIPOC populations and MHI occurred at the same time that Redwood City was transforming its downtown area, implying that possibly the effects of gentrification usually seen during these projects were not as strong in this case. It is important, however, to recognize that despite the increase in diversity, the share of population of Black or African American people decreased at a similar rate to the rest of the region.

After publishing a “Downtown Precise Plan” in 2011, the downtown area saw the development of numerous mixed-use buildings as well as some new businesses moving in. (Keninger, 2024) The city’s own study also showed that

Table 9. Percentage of total population of each racial or ethnic group, summed for selected census tracts in 2000 and 2022

	2000	2022
	(%)	(%)
White	34.6	26.7
Black/African American	2.8	1.9
American Indian/Alaskan		
Native	0.3	0.1
Asian	4.8	10.6
Native Hawaiian/Pacific		
Islander	1.2	1.1
Some other race	0.2	0.6
Two or more	1.8	2.9
Hispanic or Latino	54.3	56.1

Source: Authors analysis of the United States Census Bureau’s 2000 Decennial Census and the 2018 – 2022 American Community Survey.

after the implementation of their plan, the number of residents saying they felt they needed a car dropped by half. This sort of development and increased access to public transit and other forms of transit often cause gentrification and decreased affordability, but Redwood City appears to have dodged the typical gentrification, at least for now.

Conclusion

The San Francisco Metro Division is a wealthy, diverse region when compared to the national averages. Upon further analysis, however, there is a clear relationship between race and income in the region, and the continued growth in population and wealth has only worsened these issues. People of all backgrounds and races are displaced from the region every year, but it is the BIPOC communities that feel the most burden.

References

Keninger, E. (2024, October 31). *Redwood City follows trend of urbanization*. Retrieved from Scot Scoop: <https://scotscoop.com/redwood-citys-urbanization-expanding-into-the-future/>