

quality of life in los angeles

2008 STATE OF THE COUNTY REPORT UPDATE



CREATING PATHWAYS
OUT OF POVERTY

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introduction

Los Angeles County is a thriving, dynamic region, home to millions of people striving for a good quality of life for themselves and their families. Blessed with a multitude of physical assets, a rich history of innovation, and a young population, Los Angeles is, and always has been, a place of hope. At the same time, there are serious challenges - high levels of poverty and homelessness, stark income inequality, and low levels of educational attainment, just to name a few. Without tools to analyze these trends and mobilize action, these problems can seem overwhelming.

United Way of Greater Los Angeles developed the Quality of Life Index in 2007 to track conditions in Los Angeles County in four key areas – Education, Economic Status, Health and Public Safety. The Index allows us to assess how we are doing in providing a good quality of life for residents so that we can better direct action where needed.

With this *2008 Quality of Life in Los Angeles* report, we have updated the Index with the most recent data available, utilizing the same methodology as in the 2007 report.

methodology

The Quality of Life Index is comprised of 36 indicators, which were selected by an expert Advisory Committee. Each indicator metric for each year (from 2000-2006) is evaluated against a benchmark value which also serves as a target goal for that particular indicator. This produces an Indicator Score – a ratio between 0 to 1 per year for each indicator (except in the rare cases where the value for L.A. County was better than the benchmark, in which case the ratio is over 1). For example, the Child Poverty Rate for Los Angeles County in 2006 is 22% while the benchmark is 17% (based on the U.S. Child Poverty Rate in 2001). This produces an Indicator Score of 0.77 (i.e. 17 divided by 22). The

closer to a score of 1.0, the closer Los Angeles County is to the benchmark values. Indicator scores are then added up and scaled to 10 to produce the index values for each area and for the overall quality of life. An index was created with the same methodology for California for comparison. **An index score of 10 signifies a good quality of life and is the goal in each section.**

For more information on the methodology and indicators, please see the *2007 Quality of Life in Los Angeles* report, which is available on our website at www.unitedwayla.org or by calling (213) 808-6220.

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Sponsored by Dominic Ng, Chairman, President and CEO, East West Bank.

overall quality of life

L.A.
7.52

CA
8.05

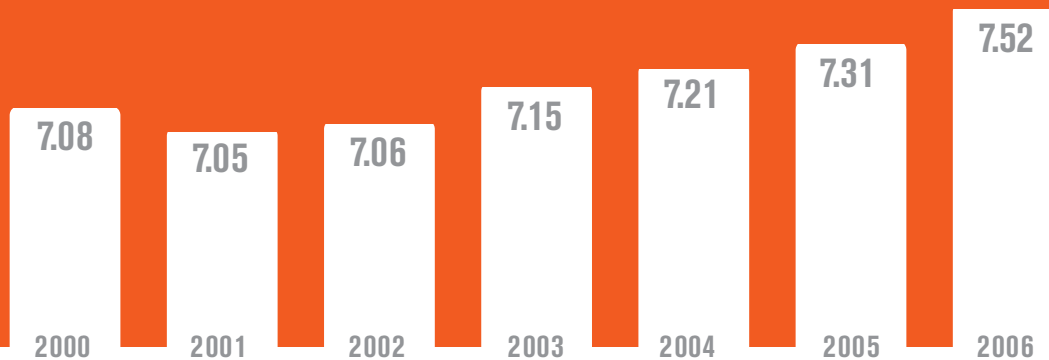
10

GOAL

overall index

8.0

6.0



Overall, the quality of life in Los Angeles County has improved from last year's report, up from 7.31 in 2005 to 7.52 in 2006 (the most recent year for which we have a complete data set of indicators). This is part of a general trend of improvement since 2001 and is the largest one-year increase over the years evaluated in the Index. All four areas of the Index showed

some improvement with the greatest gains in Education, Economic Status and Health and slight improvement in Public Safety. The latest Index score shows that Los Angeles County is about 75% of where it should be to offer a good quality of life for its residents, and still trails the state of California, which has a score of 8.05 (down slightly from 8.08 in 2005).

Selected Findings and Implications

- The Education Index saw the largest growth over the last year, up 6% from the previous year, due largely to improvements in Algebra I Proficiency, Student-Counselor Ratio, School Overcrowding, and the SAT Sitting Rate.
- The Economic Status Index grew by 3% with nearly all of the indicators showing improvement. Indicators that showed negative trends include Rent Burden and Students in Free/Reduced Meals Program.
- The Health Index increased by about 2%, with nearly all of the indicators improving. The only ones that were projected to decline, based on past trends, were Adult Obesity and Childhood Asthma.
- Despite historically low crime rates, the Public Safety Index was basically flat over the past year, due to negative trends in youth crime and violence (Juvenile Felony Arrest Rate and Gang-Related Crimes).

Threats to our Future Quality of Life

Despite the generally positive direction in the Quality of Life Index over recent years, there are several current trends that could negatively impact the performance of the index in the near future.

- **Housing** – The number of home sales in Los Angeles County declined 39% from January 2007 to January 2008, and the median home price dropped 18% over the same time period, according to the California Association of Realtors. Foreclosures in Los Angeles County have been skyrocketing over the past year. About 3,600 families lost their homes in the third quarter of 2007, up nearly 600% from the previous year, according to DataQuick. Average rents have also increased 5% over the last year in Los Angeles County as demand has risen in the rental market.

- **Budget Deficits** – The State of California is facing a \$16 billion deficit for the 2008-9 fiscal year and has cut education, health and other benefits and social services to help meet this budget gap. Both Los Angeles County and the City of Los Angeles are facing budget deficits of hundreds of millions

of dollars and are considering various alternatives to cut services to help meet the budget for the next fiscal year.

- **Unemployment** – The seasonally unemployment rate in Los Angeles County in January 2007 was 5.7%, up a full percentage point from the year before. Industries that saw declines in jobs over the past year include construction, financial services, and manufacturing. The county lost 75,800 non-farm payroll jobs from December 2007 to January 2008.

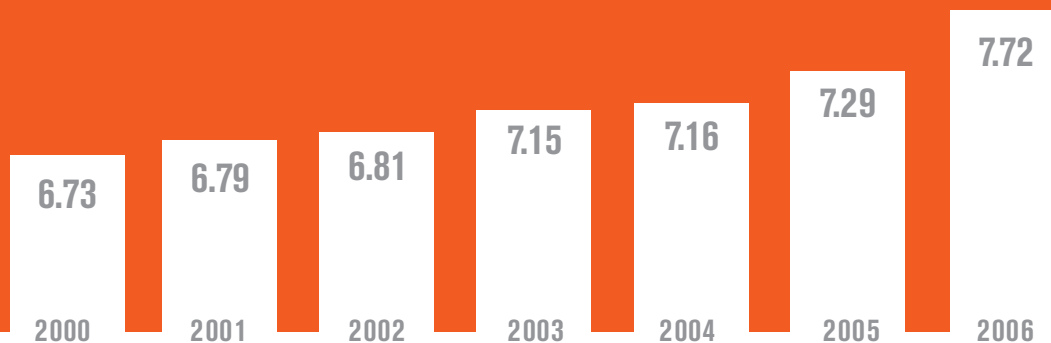
- **Crime** – Crime often increases in times of economic insecurity, and while overall crime rates have been at historic lows, there are signs that crime is on the upswing. For example, the Los Angeles County Sheriff's Department reported that property crimes rose 4% in 2007 in the areas they patrol in the county.

As these facts show, anxiety in the economy and budget crunches in the public sector put health care, public education and public safety all at risk, and point to a downward trend in the future Index in spite of the improvements in recent years.

education index

8.5

6.0



Despite persistent challenges and controversy in public education in Los Angeles County, the Education Index continues to improve, growing from 7.29 in 2005 to 7.72 in 2006, the largest one-year increase since 2000. However, key indicators such as Graduation and College Readiness rates did not show improvement, and the index is still well below the statewide index of 8.50. The

major factors which contributed to the growth in the Education Index were improvements in Algebra I Proficiency, Student-Counselor Ratio, School Overcrowding, and the SAT Sitting Rate. Other indicators that saw virtually no improvement or worsened slightly were 3rd Grade Reading Level, High School Exit English Exam Pass Rate, and Community College Transfer Rate.

Selected Findings and Implications

- After declining in 2004 and 2005, the SAT Sitting Rate increased to its highest level (44%) in 2006, perhaps signaling renewed interest in postsecondary education by graduating seniors.
- Efforts to improve school infrastructure may be leading to improvements in several of the education indicators such as Student-Counselor Ratio and School Overcrowding.
- High school graduation remained flat at 61%, and African Americans (55%) and Latinos (51%) continue to have the lowest graduation rates.
- Despite improvements in many of the indicators, academic achievement is still well below the benchmarks. Just 15% of Los Angeles County 9th graders are proficient in Algebra I and less than a third of 3rd graders read at the national level.



**Just 15% of Los Angeles County
9th graders are proficient in Algebra 1**

economic status

L.A.
8.07

CA
8.85

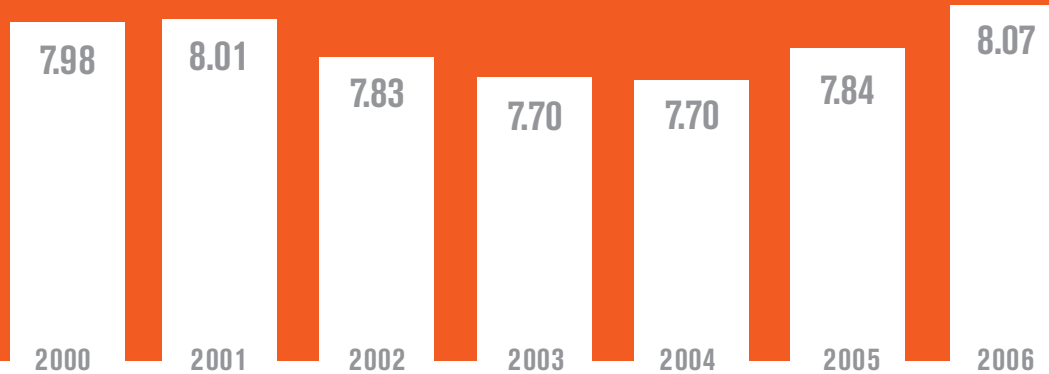
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GOAL

economic index

8.5

6.0



The Economic Status Index grew to its highest level over the six year time frame, up to 8.07 in 2006 after declining to 7.7 in 2003 and 2004. It is still well below the California index of 8.85, however. Nearly all of the Economic Status indicators

showed improvement in 2006, with Unemployment Rate and Poverty declining and indicators of Income rising slightly. The only indicators to not improve were Rent Burden and Students in Free/Reduced Meal Program.

Selected Findings and Implications

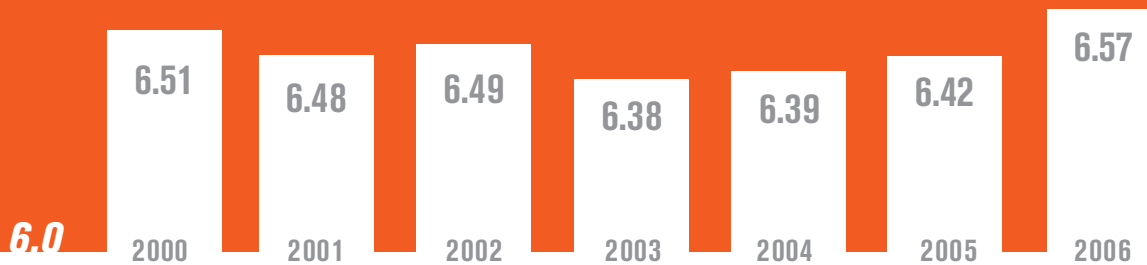
- Overall, poverty has declined slightly over recent years, including among children. In 2006, about 27% of people lived at 150% of the poverty line, while 22% of children lived below the poverty line.
- The Median Family Income for Los Angeles County in 2006 was about \$57,000; well under what a family of four needs to make ends meet, according to the California Budget Project. The new figure represents a rise in income from 2005 when accounting for inflation, but it is still slightly below the figure for 2000.
- The percentage of public school students enrolled in the Free/Reduced Meal Program has risen over recent years, from 60% in 2002 to 64% in 2006.
- The percentage of renters paying more than 30% of their income on rent has also increased recently from 51% in 2003 to 55% in 2006. Nearly a third pay more than half of their income on rent.



The Median Family income for Los Angeles County in 2006 was about \$57,000

health index

7.0



There was significant improvement in the Health Index during 2006, after a generally declining or flat trend in the previous six years. The Los Angeles figure of 6.57, is at its highest level, but is still below the California Health index score of

6.88. The rise was due to improvements in the Air Quality Index, Substance Abuse, AIDS Cases, and Immunization, as well as projected improvements in Health Insurance rates for children and adults.

Selected Findings and Implications

- After a slight decline in Immunization Coverage from 2004 to 2005, the percentage of children immunized rose in 2006 to 81%.
- The rate of AIDS Cases continues to decline steadily, down to 10 cases per 100,000 persons from a high of 38.1 in 1995.
- Despite having some of the worst air pollution in the country, the Air Quality Index in Los Angeles County continues to improve, at 122 in 2006, down from 150 in 2003.
- Obesity among both adults and youth has been on the rise and remains an area for great concern because of its relationship to other related diseases such as heart disease and diabetes.

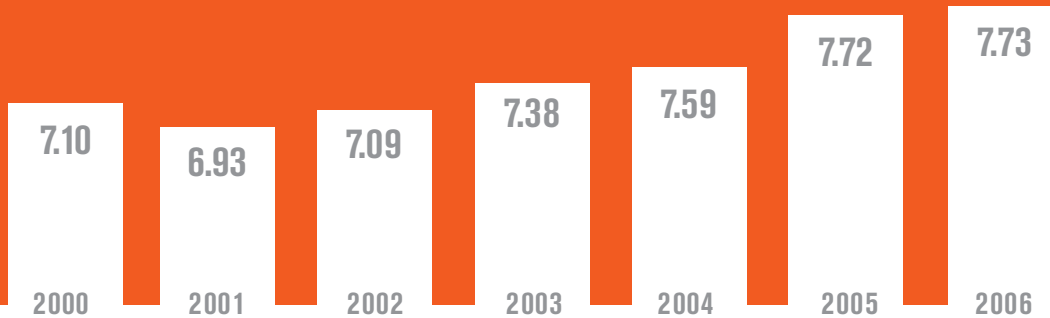


The percentage of children immunized rose to 81% in 2006

public safety index

8.5

6.0



After marked improvement from 2001 to 2005, the Public Safety Index was basically flat over the last year at 7.73. It remains relatively close to the statewide index of 7.98. The improvement was due to lower Property and Violent Crime and

Homicide Rates – part of decade long trends – as well as a lower rate of Child Abuse Cases. Slightly negative trends in Gang-Related Crimes and Juvenile Felony Arrests, however, kept the index from showing more improvement.

Selected Findings and Implications

- Violent Crime Rates in Los Angeles County have declined from 1,399 for every 100,000 persons in 1995 to 632 in 2006, while Property Crime Rates have declined from 2,951 for every 100,000 persons in 1995 to 1,744 in 2006.
- Juvenile Felony Arrest Rates have been on the rise since 2003, and the number of Gang-Related Crimes in the City of Los Angeles increased 16% from 2005 to 2006.
- At 9.8, the Homicide Death Rate in 2006 was at its lowest level since 1999, when it was 9.6.
- Declining crime rates in Los Angeles County mirror trends in other major cities and across the nation, but negative trends in youth crime and violence are particular areas for concern.



The number of gang-related crimes in the city of Los Angeles increased 16% from 2005 to 2006

2008 Quality of Life Indicator Values Benchmarks and Data Sources

indicator	values						
	2000	2001	2002	2003	2004	2005	2006
education							
Reading Level (3rd Grade)	25.8%‡	26.3%‡	26.9%‡	27.0%	28.0%	30.0%	31.0%
Algebra I Proficiency (9th Grade)	12.1%‡	12.2%‡	12.4%‡	14.0%	11.0%	12.0%	15.0%
SAT Sitting Rate	38.5%	39.4%	40.4%	41.4%	39.3%	38.9%	44.3%
English Exit Exam Pass Rate	55.3%‡	55.0%	50.0%	62.0%	70.0%	61.0%	58.0%
Graduation Rate	60.9%	60.0%	62.7%	61.9%	62.1%	60.6%	61.3%
College Readiness Rate	36.1%	38.6%	36.5%	37.1%	35.4%	39.7%	38.9%
Community College Transfer Rate	3.6%	3.4%	3.8%	4.1%	4.1%	4.5%	4.3%
Teacher Credential	75.0%	74.4%	75.8%	78.6%	82.2%	88.7%	91.5%
School Overcrowding	26.1%	25.8%	25.8%	26.2%	24.8%	23.4%	20.4%
Student-Counselor Ratio	820	798	822	820	786	823	723
economic status							
Homeownership Rate	46.9%	46.5%	48.2%	49.0%	49.5%	49.0%	49.3%
Rent Burden	49.2%	50.0%	51.5%	51.4%	54.3%	55.6%	55.5%
Transportation Cost	14.6%	15.1%	16.0%	16.3%	16.3%	16.7%	15.1%
Unemployment Rate	5.4%	5.7%	6.8%	7.0%	6.5%	5.3%	4.7%
Formal Economy Employment	65.5%	64.4%	62.5%	61.0%	60.6%	61.1%	61.5%
Poverty (150% of FPL)	29.9%	27.6%	27.5%	27.9%	28.1%	28.3%	27.0%
Child Poverty Rate	24.8%	22.3%	22.6%	23.7%	23.5%	22.9%	22.0%
Median Family Income (\$2005)	\$54,627	\$54,099	\$54,785	\$53,630	\$52,850	\$53,431	\$54,603
Students in Free/Reduced Meals	61.3%	60.5%	59.6%	61.8%	62.2%	62.6%	64.3%
Average Earned Income (\$2005)	\$46,659	\$46,520	\$46,190	\$46,295	\$46,982	\$46,332	\$46,533
health							
Child Health Insurance Rate	87.9%‡	87.9%	90.3%‡	92.6%	93.8%‡	93.8%	95.7%‡
Adult Health Insurance Rate	78.5%‡	78.5%	79.1%‡	79.7%	80.0%‡	79.5%	80.0%‡
Adult Obesity	19.6%‡	20.1%	19.0%	21.0%	20.7%‡	20.9%	21.3%‡
Youth Overweight or Obese	13.4%‡	13.4%	13.4%	13.3%	15.3%‡	17.2%	16.8%‡
Childhood Asthma	11.7%‡	11.7%	13.1%‡	14.5%	13.9%‡	13.3%	14.6%‡
Air Quality Index	137	135	138	150	129	127	122
Diabetes	6.6%‡	6.6%	6.8%‡	6.9%	7.1%‡	7.2%	7.3%‡
Substance Abuse	508.0	522.8	533.3	575.7	694.7	704.8	686.6
AIDS Cases (per 100,000)	22.9	22.2	23.8	20.4	16.5	12.1	10.0
Immunization	72.6%	71.6%	76.0%	80.3%	80.1%	79.0%	81.3%
public safety							
Child Abuse Cases (per 100,000)	63.7	58.8	56.5	53.4	57.3	61.2	58.7
Violent Crime Rate (per 100,000)	926.7	921.3	899.3	842.7	753.0	649.0	632.0
Property Crime Rate (per 100,000)	1,827.3	1,915.4	1,964.0	1,959.6	1,876.6	1,846.4	1,744.7
Juvenile Felony Arrest Rate (per 100,000)	1,429.5	1,405.0	1,275.2	1,220.4	1,325.9	1,384.7	1,396.7
Gang-Related Crimes	7,588	8,934	8,978	8,829	7,203	6,668	7,714
Homicide Death Rate (per 100,000)	10.6	11.2	12.0	10.8	10.8	11.3	9.8

‡ = Estimated Value
All currency figures in 2005 dollars

* For these benchmarks we used data on family budgets from California Budget Project's *Making Ends Meet* report. For Median Family Income, we used the budget for a 2 working parent with 2 children family as a benchmark and for Average Earned Income we used the budget for a single parent with 2 children.



benchmark	data sources
50.0% (National Average) 19.0% (CA, 2003) 60.4% (Marin County, 2005) 75.0% (CA, 2004) 75.0% (UWGLA Goal) 60.0% (UWGLA Goal) 6.4% (Ventura County, 2005) 93.3% (CA, 2005) 12.3% (CA, 2005) 786 (Best Value)	CA Department of Education (http://dq.cde.ca.gov/dataquest/) CA Department of Education (http://dq.cde.ca.gov/dataquest/) CA Department of Education (http://dq.cde.ca.gov/dataquest/) CA Department of Education (http://dq.cde.ca.gov/dataquest/) CA Department of Education and Urban Institute (http://dq.cde.ca.gov/dataquest/)** CA Department of Education (http://dq.cde.ca.gov/dataquest/) California Postsecondary Education Commission (http://www.cpec.ca.gov/) CA Department of Education (http://dq.cde.ca.gov/dataquest/) CA Department of Education (http://dq.cde.ca.gov/dataquest/) CA Department of Education (http://dq.cde.ca.gov/dataquest/) CA Department of Education (http://dq.cde.ca.gov/dataquest/)
67.1% (U.S., 2005) 41.2% (U.S., 2005) 13.5% (Urban Consumers, 2005) 4.0% (U.S., 2000) 72.4% (CA, 2000) 20.9% (U.S., 2001) 16.9% (U.S., 2001) \$63,079 (CBP, Family Budget, 2005)* 46.8% (CA, 2001) \$54,091 (CBP, Family Budget, 2005)*	US Census Bureau, American Community Survey (http://factfinder.census.gov) US Census Bureau, American Community Survey (http://factfinder.census.gov) Bureau of Labor Statistics, Consumer Expenditure Survey (http://www.bls.gov/cex/) CA Employment Development Department (http://www.labormarketinfo.edd.ca.gov/) CA Employment Development Department (http://www.labormarketinfo.edd.ca.gov/)*** US Census Bureau, American Community Survey (http://factfinder.census.gov) US Census Bureau, American Community Survey (http://factfinder.census.gov) US Census Bureau, American Community Survey (http://factfinder.census.gov) CA Department of Education (http://dq.cde.ca.gov/dataquest/) US Bureau of Labor Statistics (http://www.bls.gov/data/)
100.0% (Healthy People 2010) 100.0% (Healthy People 2010) 15.0% (Healthy People 2010) 5.0% (Healthy People 2010) 5.0% (Healthy People 2010) 100 (US EPA) 2.5% (Healthy People 2010) 508 (Healthy People 2010) 7 (Healthy People 2010) 90.0% (Healthy People 2010)	California Health Interview Survey (http://www.chis.ucla.edu) California Health Interview Survey (http://www.chis.ucla.edu) California Health Interview Survey and LA County Health Survey (http://www.chis.ucla.edu ; http://www.lapublichealth.org) California Health Interview Survey (http://www.chis.ucla.edu) California Health Interview Survey (http://www.chis.ucla.edu) US Environmental Protection Agency (http://www.epa.gov/airnow/) California Health Interview Survey (http://www.chis.ucla.edu) LA County Alcohol & Drug Program Administration (http://lapublichealth.org/adpa/) LA County Office of AIDS Programs and Policy (http://lapublichealth.org/aids/) National Immunization Survey (http://www.cdc.gov/nis/)
53.4 (State of CA) 469.0 (State of CA) 1,677.0 (State of CA) 1,220.4 (State of CA) 6,668.0 (Lowest Value) 2.8 (Healthy People 2010)	CA Department of Justice, Criminal Justice Statistics Center (http://ag.ca.gov/cjsc/) CA Department of Justice, Criminal Justice Statistics Center (http://ag.ca.gov/cjsc/) CA Department of Justice, Criminal Justice Statistics Center (http://ag.ca.gov/cjsc/) CA Department of Justice, Criminal Justice Statistics Center (http://ag.ca.gov/cjsc/) Los Angeles Police Department (http://www.lapdonline.org) CA Department of Vital Statistics and RAND California (http://ca.rand.org/)

** We calculated the Graduation Rate using enrollment data from the CA Department of Education and the Cumulative Promotion Index methodology developed by the Urban Institute. For more information on this methodology, see *Who Graduates? Who Doesn't?* by Christopher Swanson, <http://www.urban.org/>

*** To calculate the Formal Economy Employment, we divided the number of persons employed according to official Employment Development Department records by the number of working age persons using detailed population estimates from the State Department of Finance Demographic Unit.



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