

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

THE
STATE
OF THE
REGION
2006



MEASURING REGIONAL PROGRESS





RESOLVING REGIONAL CHALLENGES

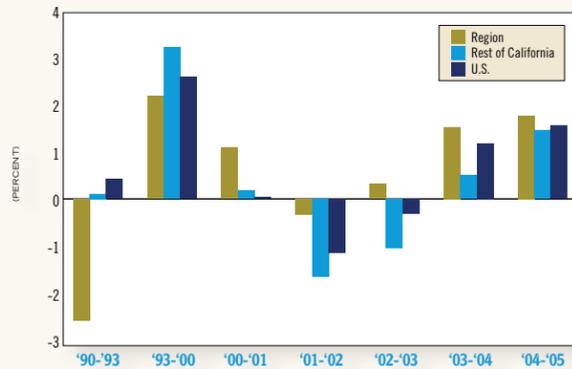
This report card is a companion piece to *The State of the Region 2006* report published by the Southern California Association of Governments. The Benchmarks Task Force, comprised of members from the public and private sectors and academia, rated the region's performance based on selected indicators. It should be noted that the grades in the report card represent the regional average while an individual county's performance may vary from the regional average.

The preparation of this report card was financed in part through grants from the United States Department of Transportation—Federal Highway Administration and Federal Transit Administration – under provisions of the Transportation Equity Act for the 21st century (TEA-21). The California Department of Transportation provided additional financial assistance.

The complete report and report card are available at www.scag.ca.gov. For obtaining copies of the report, please contact Javier Minjares at 213.236.1893 or e-mail minjares@scag.ca.gov.

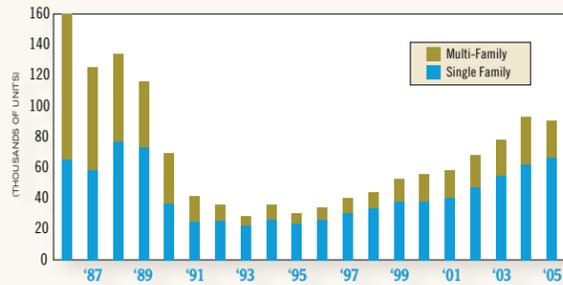
818 W. Seventh Street, 12th Floor • Los Angeles, CA 90017-3435 • 213.236.1800 • www.scag.ca.gov

Employment Change (Annual Average)



Source: California Employment Development Department and Council of Economic Advisers

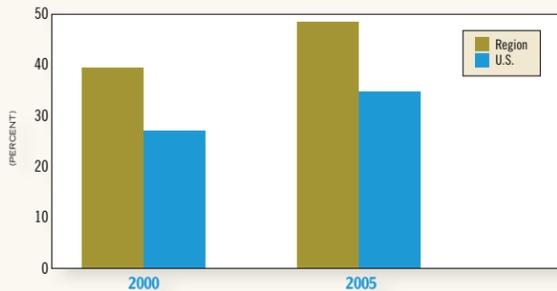
Residential Building Permit Activity



Source: Construction Industry Research Board

Housing Cost Burden

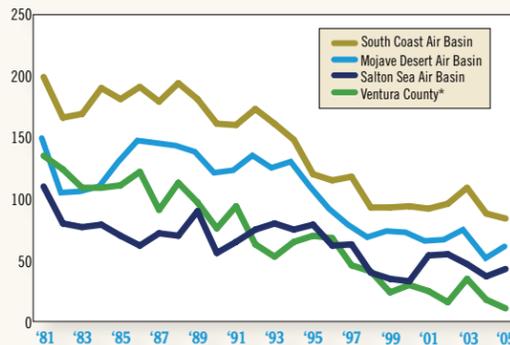
(Homeowners Paying 30 Percent or More of Household Income on Housing)



Source: U.S. Census Bureau, 2000 and 2005 American Community Survey

Ozone Pollution in Non-attainment Air Basins

(Number of Days Exceeding Federal 8-hour Standard)



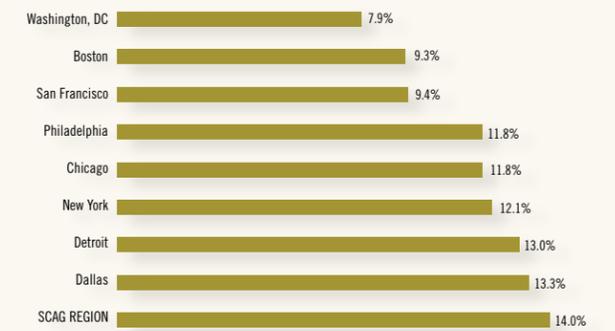
* Ventura County is part of the South Central Coast Air Basin
Source: California Air Resources Board and South Coast Air Quality Management District

THE STATE OF THE REGION 2006

Grade: **A**: excellent • **B**: moderately well • **C**: average • **D**: potential failure • **F**: failing

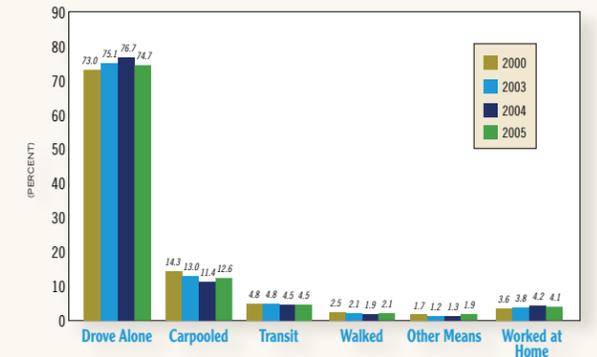
Sector	Condition	Grade
Employment	The regional job market continued to achieve a broad-based expansion in 2005. After gaining about 100,000 jobs (or 1.5 percent) in 2004, total wage and salary jobs in the region increased by almost 120,000 (1.7 percent) during 2005 and fared a little better than the national average. The increase in 2005 was the highest since 2000 in terms of the growth rate and number of jobs, and every county in the region achieved job increases. The Inland Empire (Riverside and San Bernardino counties) continued to be the leading job generator, accounting for 48 percent of the job increases in the region. Professional and business services, construction, and retail trade sectors created the most new jobs. In 2005, the region achieved the lowest unemployment rate (5 percent) since 1988 which was slightly lower than the national average, the first time since 1990. Average payroll per job in the region reached \$44,390 in 2005, a decline of 1.6 percent from 2004 after adjusting for inflation. This was the first decline after two consecutive years of improvements.	2001 B 2002 B- 2003 B 2004 B 2005 B
Income	Real per capita income in the region in 2005 was estimated to increase by up to 1 percent to reach \$34,990, only half of the growth rate in 2004. The growth of real per capita income was constrained by the higher cost of living partly due to the steep increases in energy, housing prices as well as rent. Among the 17 largest metropolitan regions in the nation, the SCAG region continued to rank last in per capita income. Over the past three decades, the SCAG region's per capita income ranking dropped from the 4th highest in 1970 to 7th in 1990 to 16th in 2000. Real median household income in the region declined slightly by 0.5 percent from 2004 to reach \$52,069 in 2005, following a 2.6 percent gain during the previous period. In 2005, about 14 percent of residents lived in poverty, a slight decrease from 2004 (14.3 percent) though continuing to be higher than the national average (12.6 percent). Among the nine largest metropolitan regions in the nation, the SCAG region continued to have the highest poverty rate for all people. In addition, about 20 percent of children under 18 lived in poverty in 2005, changing little from 2000.	2001 C 2002 C- 2003 C- 2004 C 2005 C
Housing	Total number of building permits issued in 2005 reached 91,000 units, declining slightly from the 93,200 units in the previous year, yet it was still the second highest since 1989. Notably, the decline was only within the multi-family sector in which the number of permits decreased by 22 percent (or 6,800 units) in one year. Since 2000, homeownership in the region increased by about 2 percentage points to reach over 56 percent, though continuing to be significantly below the national average of 67 percent. With record high housing prices and significant rent increases, housing affordability continued to decline across the region and reached a record low in 2005. While about half of the nation's households could afford a median-priced home in 2005, less than 15 percent of the region's households could achieve the same. Among the nine largest metropolitan regions in the nation, the SCAG region had the highest percentage of rental households and the second highest percentage of owner households (following the San Francisco Bay Area) with housing cost at or greater than 30 percent of household income.	2001 D+ 2002 D+ 2003 D 2004 D 2005 D
Mobility	The SCAG region consistently ranks as the most congested metropolitan region in the nation. In 2005, gasoline prices reaching \$2.50 were the highest between 1970 and 2005 and began to have some impacts on commuters' mode choices and total vehicle miles traveled (VMT). Specifically, the region experienced a decrease in the drive-alone share and an increase in carpool share of commuting, both reversing recent trends. Nevertheless, carpool share in 2005 was still well below the 2000 level. Total transit boardings also registered the first increase in two years, more than recovering the previous losses from labor strikes. The slight shift away from drive-alone commuting along with the stabilization of the total VMT in 2005 contributed to the stabilization of the overall congestion level, particularly in Los Angeles/Orange counties. In 2005, motor vehicle crashes in the region resulted in 1,824 fatalities (about 5 deaths per day), almost the same as that in the past two years. In 2005, the region's highway accident fatality rate at 1.18 persons per 100 million vehicle miles, though reduced by 30 percent below the 1991 level, was still significantly higher than the national average for urban areas.	2001 D 2002 D- 2003 D- 2004 F 2005 F
Air Quality	In 2005, ozone pollution improved slightly in the South Coast Air Basin and Ventura County but worsened somewhat in the Mojave Desert and Salton Sea air basins. In the most populous South Coast Air Basin, the number of days exceeding the federal eight-hour ozone standard decreased slightly from 88 days in 2004 to 84 days in 2005, continuing the long-term trend of improvement. Between 2004 and 2005, the annual average concentration of PM ₁₀ pollution declined in the Salton Sea and South Coast air basins, though continuing to exceed the federal standards. As to the federal 24-hour standard for PM ₁₀ between 2004 and 2005, neither the South Coast nor Mojave Desert air basins experienced exceedance while the Salton Sea Air Basin experienced a decrease from 8 to 6 days of exceedance. With regard to PM _{2.5} , while the annual average concentration in the South Coast Air Basin declined from 22.1ug/m ³ in 2004 to 21 ug/m ³ in 2005, it continued to exceed the federal standards of 15 ug/m ³ . Despite significant improvements in the past two decades, the South Coast Air Basin continued to have the highest concentration levels of ozone and PM _{2.5} in the nation. In 2005, the region also continued to meet the federal standard for carbon monoxide (CO).	2001 B- 2002 C 2003 C- 2004 C 2005 C
Education	In 2005, there were slight improvements in math scores for 7th graders in the region. However, the region continued to perform below the national median in reading and math test scores, except in Orange and Ventura counties. While Los Angeles County achieved noticeable reductions in high school dropout rates, San Bernardino County saw its dropout rates increase from 12 percent in 2000 to 20 percent in 2005, the highest in the region. In 2005, every county in the region had less than 40 percent of high school graduates completing courses required for University of California (UC) or California State University (CSU) entrance, representing little change from 2000. Between 2000 and 2005, the region made noticeable progress in educational attainment among residents, consistent with the national trend. Nevertheless, among the nine largest metropolitan regions, the SCAG region remained in last place in the percentage of adults (77 percent) with at least a high school diploma or at least a Bachelor's degree (27 percent). Finally, there continues to be significant disparities in educational performance among different racial and ethnic groups.	2001 D 2002 D 2003 D 2004 D 2005 D
Safety	In 2005, the violent crime rate in the region declined by about 11 percent from 2004, larger than the 5 percent reduction at the state level. The violent crime rate in 2005 was less than 40 percent of the peak 1992 level. The reduction was most significant in Los Angeles County (-14 percent). Ventura and Orange counties consistently had the lowest rates in violent crimes in the region. From 2004 to 2005, the juvenile felony arrest rate in the region increased by about 3 percent following the 2 percent increase in the previous period, in contrast to the trend of continuous decline between 1990 and 2003. At the state level, the juvenile felony arrest rate in 2005 increased slightly by 1 percent from the previous year. Since 2000, Los Angeles, Riverside and San Bernardino counties have had higher rates in juvenile felony arrest than the other three counties. Between 2004 and 2005, the number of hate crime events and victims in the region increased slightly by 4 percent and 2 percent respectively, contrary to the declining trend between 2001 and 2004.	2001 B 2002 B 2003 B 2004 B 2005 B

Persons in Poverty by Metropolitan Region, 2005



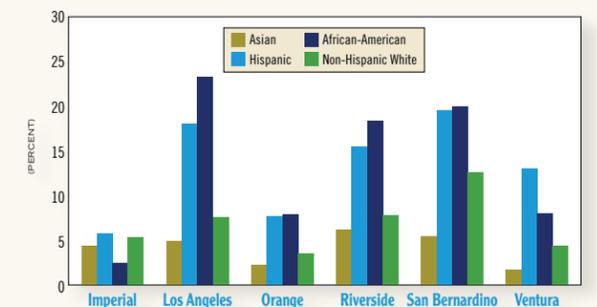
Source: U.S. Census Bureau, 2005 American Community Survey

Mode Choice to Work (Workers 16 Years and Over)



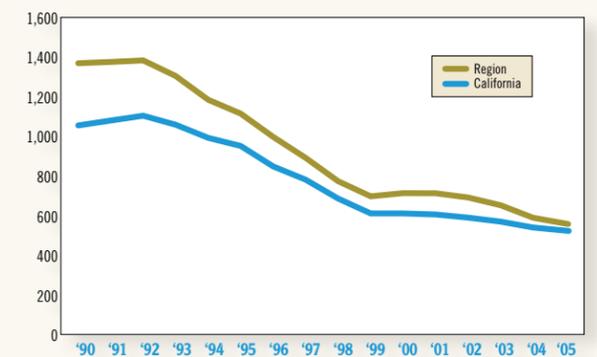
Source: U.S. Census Bureau, American Community Survey

Dropout Rates by Race/Ethnicity in Public High Schools, 2004-2005



Source: California Department of Education

Violent Crimes (Per 100,000 Population)



Source: California Department of Justice