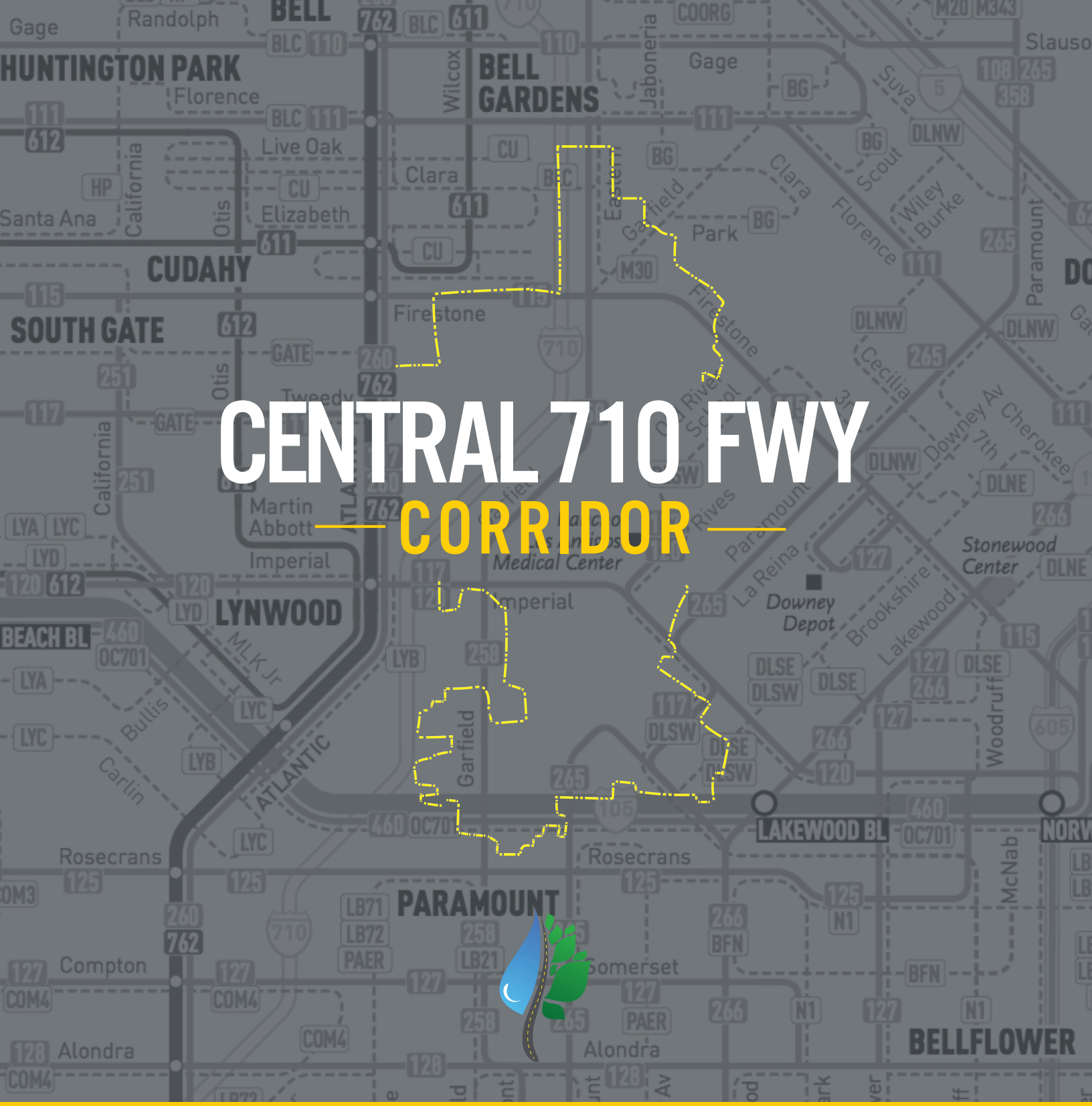


CENTRAL 710 FWY CORRIDOR

An Asset Based Analysis

BEACON ECONOMICS

CAL STATE LA
PAT BROWN INSTITUTE FOR PUBLIC AFFAIRS
Unleashing the Power of Participation

California COMMUNITY Foundation



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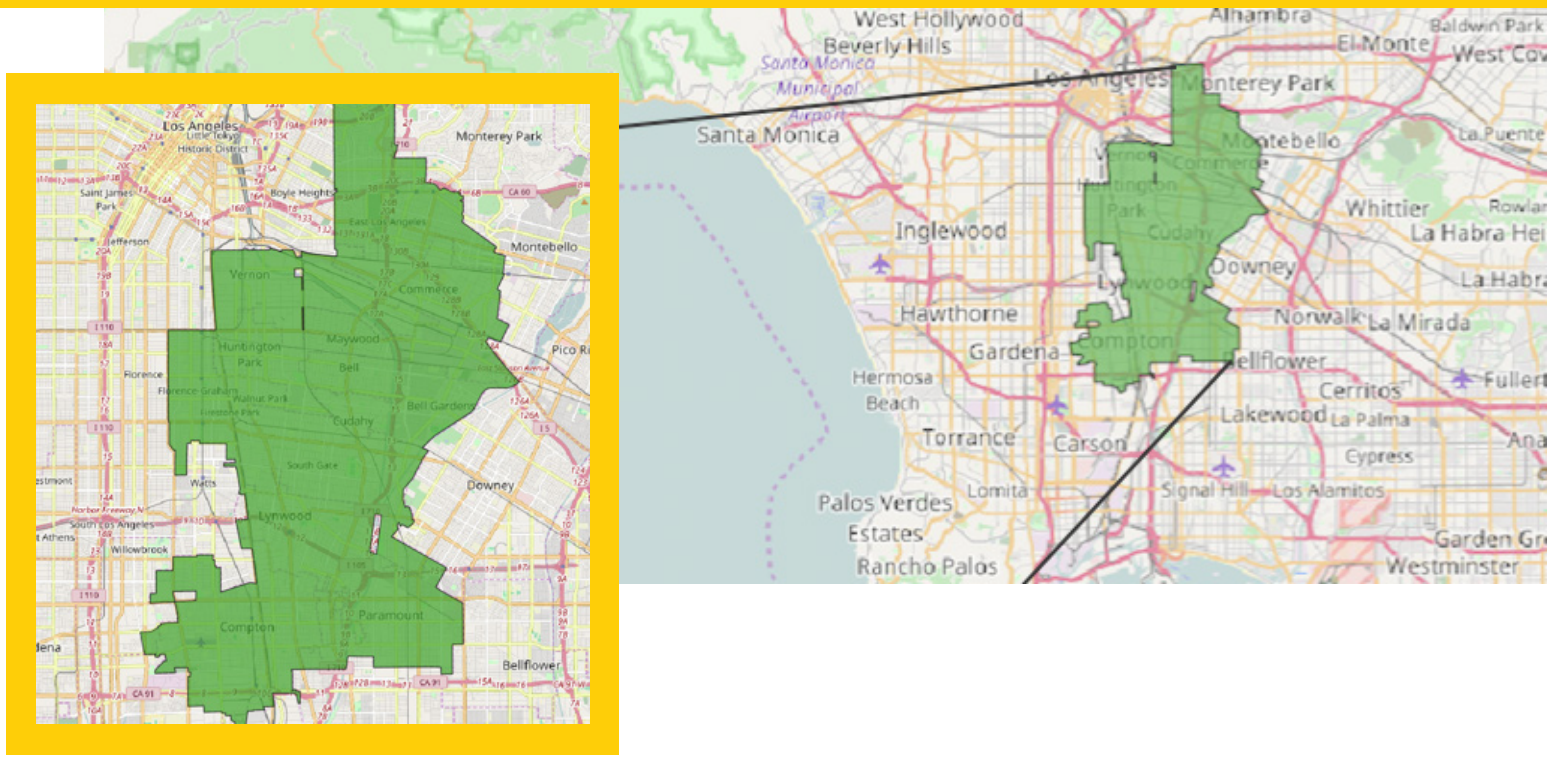
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All photos courtesy of the Pat Brown Institute, Photographer David Ng.

Table of Contents

Introduction	5
Human Assets	8
Housing Assets	14
Business Assets	18
Transportation Assets	24
Summary & Implications	30

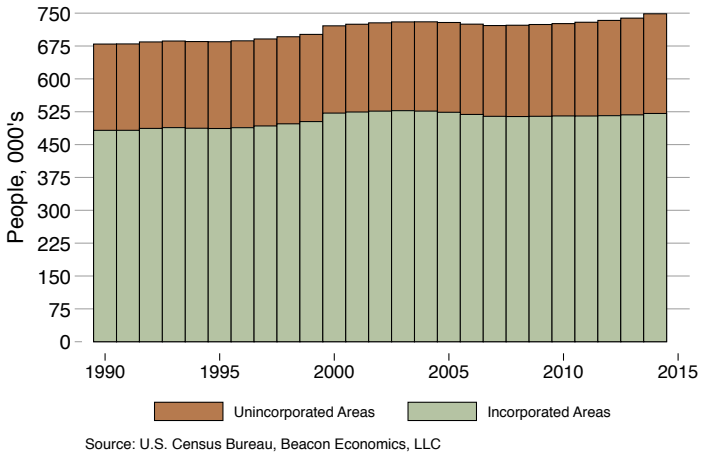


Introduction

Within the southeast portion of Los Angeles County is one of the most economically and culturally distinct regions in Southern California. A large swath of the area once belonged to Rancho San Lugo, a land grant presented to Corporal Antonio Maria Lugo in 1810. Optimally located along major rail routes that serviced the Port of Long Beach, the region quickly transformed from agricultural lands into a hub of industrialization. The region has retained a strong industrial character, despite having weathered the gradual transition of the United States from a production to service oriented economy.

The movement of the auto manufacturing industry towards the Mid-West, and the subsequent contraction of major aerospace manufacturing in the 1990s, reshaped manufacturing in the region. By 1993, the local industry was dominated by apparel and textiles, food processing, and furniture production.[2] This transition also saw the collapse of major unions and white flight, as ex-industrial workers found that the new jobs no longer offered comparable pay. As demographic shifts coincided with economic upheaval, the region has experienced an explosion in its dominantly Latino immigrant population in recent decades. The region experienced its most recent surge in population between 1995 and 2000, based on data for the incorporated regions included, when the population expanded by 7.2%.

Study Area Population

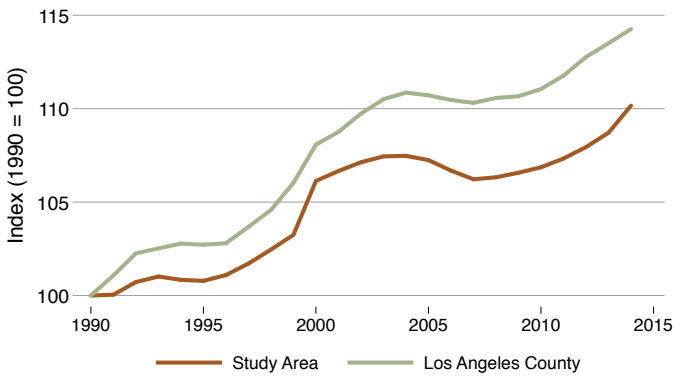


Source: U.S. Census Bureau, Beacon Economics, LLC

1 Tom Larson and Miles Finney, "Rebuilding South Central Los Angeles: Myths, Realities, and Opportunities," http://web.calstatela.edu/faculty/tlarson (January 1996)

As of 2014, 748,500 people reside within the Central 710 Corridor – well over the total population of some nearby counties.

Indexed Population 1990 to 2014



Source: CA Department of Finance, Beacon Economics, LLC

The rapid expansion of the local population has strained the area's resources, which have been slow to catch up to increasing need. Political disunity has remained an obstacle to developing a regional voice, which is particularly disabling in a county with so many stakeholders vying for resources. This report hopes to change that by creating a unified vision of what this community is, and the assets that will play a role in its future growth.

This report will provide an analysis of a study area in Los Angeles County, which will be called the Central 710 Corridor (or "Study Area"), with an assets-based approach. The goal is to take stock of the assets in the Central 710 Corridor to better inform local stakeholders. While this analysis will cover a broad spectrum of socioeconomic data, the focus will not necessarily on the comparative performance of the Study Area's economy. Rather, it will be an exploration into the assets of the region: people, housing, businesses, and transportation. These are all assets within the region that are a critical component of growth potential. Taking inventory of these assets is an important first step in any process that seeks to formulate policies or initiatives within the Study Area and can inform the likelihood of success for said initiatives.

The Central 710 Corridor is a geographic region in the southeast portion of Los Angeles County stretching from Lynwood in the west to Bell Gardens in the east and from East Los Angeles in the north to Rancho Dominguez in the south. The 710 Interstate runs through the entirety of it. The Central 710 Corridor represents a unique geographic organization, and to date there has been no comprehensive study on this area's assets. This report examines these assets in four main sections, each focusing on a different set of assets in the Study Area. The first two sections focus primarily on the residential side of the Study Area: human and housing assets. The final two sections are oriented toward the commercial side of the Study Area: business and transportation assets.

Central 710 Corridor Study Area

Cities		Unincorporated Communities
Bell	Lynwood	East Los Angeles
Bell Gardens	Maywood	Florence
Commerce	Paramount	Rancho Dominguez
Compton	South Gate	East Compton
Cudahy	Vernon	
Huntington Park		

Over the course of this analysis, a number of recognized challenges are confirmed by our findings: as freeways passing through the Study Area have seen more traffic, fueled both by population and port activity growth, pollution has risen to concerning levels. As greater automation has caused production in Manufacturing to become less labor intensive, the negative impact on the Study Area's workforce has been disproportionate. Additionally, the region has faced low levels of residential development in recent decades, leading to some of the highest rates of overcrowding in the nation. Educational attainment levels in the area are also exceptionally low – and as it stands, the local base of public and private post-secondary institutions is not adequate to meet the needs of younger generations.

On the whole, the Study Area is a region in transition, with perhaps the largest challenge moving forward the guidance of trends and effective use of assets that are currently in place.

Political disunity has remained an obstacle to developing a regional voice, which is particularly disabling in a county with so many stakeholders vying for resources. This report hopes to change that by creating a unified vision of what this community is, and the assets that will play a role in its future growth.

However, we find reason for optimism based on the observation that many of the challenges the Study Area faces are symptomatic of growing pains. Post-secondary institutions in the region are inadequate to meet current needs because younger generations are enrolling in colleges at higher rates than previous generations did. Additionally, the role of existing transportation infrastructure should not be viewed as an exclusively negative one, as it has made it feasible for the Study Area to evolve into a bedroom community that feeds into nearby jobs centers. High rates of overcrowding are a product of this, and the region is ripe for high-density housing development. The existing network of roads passing through the Study Area has also enabled strong growth in the logistics industry even as manufacturing jobs have disappeared. The Study Area has made a slower recovery from the recent recession than the county as a whole, but forward momentum is evident.

Human Assets

Population

- The Study Area's population has rapidly expanded in recent years, as strong inbound migration and high birth rates have reshaped the local demographic.
- In 2014, 30.6% of Study Area residents were under the age of 18, compared to 23.5% in Los Angeles County.
- The overwhelming majority of Census respondents identified as Hispanic or Latino (88.1%), while the remainder of respondents identified as African American (8.4%), White (2.0%), Asian (0.8%), and Other (0.6%).
- Younger generations are closing the gap between the county and the Study Area in educational attainment. In 2014, 36.5% of the cohort between 18 and 24 years of age reported enrollment in a post-secondary programs.



The most recent American Community Survey data indicates that the population in the Study Area is growing rapidly as the region's employers add new jobs. In all, 29,800 people entered the area between 2010 and 2014[2] . This represents 4.1% growth during the four-year period, compared to 2.2% population growth in the surrounding Los Angeles County. Corresponding to population growth, employment in the Study Area also grew by 4.7% despite substantial employment losses in the manufacturing industry.

The overwhelming majority of Census respondents identified as Hispanic or Latino (88.1%), while the remainder of respondents identified as African American (8.4%), White (2.0%), Asian (0.8%), and Other (0.6%). For comparison, only 48.3% of respondents in Los Angeles County identified as Hispanic or Latino. Spanish is still dominantly spoken by households in the region despite the fact that the majority of households in the Study Area either speak English fluently or very well. Of the 81.8% of households where Spanish is spoken, more than half speak English "very well."

Citizenship Status by Nativity and Age, 2014

			Foreign Born (%)	
Location	Total	Native Born (%)	Naturalized Citizen	Not a Citizen
Study Area Total	748,492	59	13	28
Under 18 Years of Age	228,769	94	1	5
Over 18 Years of Age	519, 723	44	19	38
Los Angeles County Total	9,974,203	65	17	18
Under 18 Years of Age	2,347,600	93	1	5
Over 18 Years of Age	7,626,603	56	22	22

Source: The American Community Survey

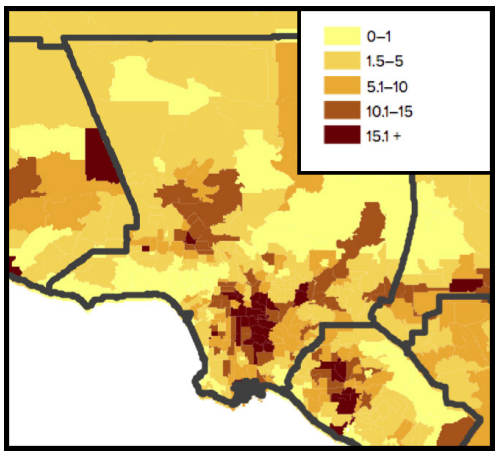


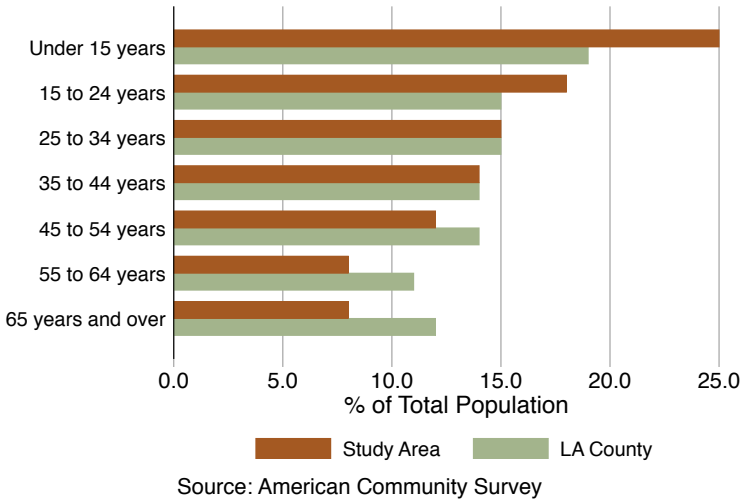
Figure 2: Percentage of Los Angeles County Residents that are Undocumented (Public Policy Institute of California)

The ethnic demographic of the Study Area has been defined in large part by the immigration waves in the 1970s through the 1990s, with an estimated 41% of the population foreign-born and 59% native-born, according to 2014 Census estimates. The trend is even starker when looking only at the adult population: at 57%, the majority of the adult population is foreign born. In contrast, foreign-born individuals make up 44% of the adult Los Angeles County population. The county as a whole has absorbed large numbers of foreign-born individuals in recent decades, but is it evident that new migrants have disproportionately settled down in the Study Area. American Community Survey data also reveals that in 2014, immigrants in the Study Area identified as citizens at lower rates than in the county, regardless of age.

2 This report draws on 1-year and 5-year data from the American Community Survey, which limits analysis to the 2010 through 2014 time period.

For the Study Area, the gap between foreign-born respondents who reported having citizen status (13%) and not having citizen status (28%) was also much greater than in the County. While the Census Bureau does not ask respondents to report on whether or not they have immigrated legally, it is safe to assume that the Study Area is home to a disproportionate number of Los Angeles' 814,000[3] undocumented immigrants. A zip code level analysis undertaken by the Public Policy Institute of California indicates that in much of the Study Area, undocumented immigrants represent over 15.0% of the total population. [4]

Age Distribution, 2014



Source: American Community Survey

Age in the Study Area skews strongly toward a younger demographic, and the median resident was 33 years old in 2014. Almost one-third of the Study Area's residents are under 18 years of age, and of these, 94% are native born. This is in stark contrast to the adult population, where the majority was born abroad. Consequentially, distinct qualitative differences are emerging within the predominantly Hispanic population based on place of birth. One of these is that foreign-born residents are much older than their native born counterparts: at 44 years of age, the median foreign-born resident is approximately 11 years older than the median resident. In contrast, the median age of the native-born resident is just over 18. Therefore, many of the most striking demographic differences in the Study Area are more related to generation than to ethnicity.

Educational Attainment by Age Group, 2014

	Age Group					
Educational Attainment Level	25 to 34(%)	35 to 44(%)	45 to 64(%)	65+ years (%)	Study Area* (%)	Los Angeles County* (%)
Less than 9th grade	13.9	26.2	41.3	53.7	26.7	13.6
9th to 12th grade, no diploma	19.8	23.1	17.2	12.1	19.3	9.6
High school graduate, GED or alt.	30.6	26.4	19.9	17.5	25.5	20.5
Some college, no degree	22.2	14.5	12.5	9.3	19.1	19.5
Associate's degree	5.5	4.3	3.8	2.9	4.0	6.8
Bachelor's degree	6.6	4.1	4.1	2.9	4.3	19.5
Graduate or professional degree	1.5	1.4	1.3	1.6	1.2	10.4
Source: The American Community Survey. *Population aged 25 years and older						

3 Laura Hill and Joseph Hayes, "Just the Facts: Undocumented Immigrants," http://www.ppic.org/main (June 2015)

4 Laura Hill and Joseph Hayes, "Just the Facts: Undocumented Immigrants," http://www.ppic.org/main (June 2015)

Shifts in education are becoming apparent across age cohorts as younger generations boost educational attainment rates. Of the 25 to 34 age cohort, 8.1% obtained baccalaureate degrees or higher. This is slightly higher than 6% rate of post-secondary degree attainment in the total population 25 years and older. It is likely that this trend will gain strength in the longer term, as college enrollment is on the rise in the 18 to 24-year-old cohort. Between 2010 and 2014, the rate of enrollment in colleges and graduate schools for this cohort increased from 29.2% to 36.5%.

While this trend offers hope for better employment opportunities for future generations, the gap in educational attainment between the Study Area and the rest of the county remains substantial. Nearly half of the Study Area's adult population does not have a high school diploma, whereas that figure is just 23.2% for Los Angeles County. An examination of establishment level data reveals that there are a number of technical and vocational schools within the Study Area, but many of these are small establishments that have fewer than 20 employees on their payrolls. By far, the largest establishment in the Study Area is the El Camino College Compton Center, which reported total enrollment of 6,000 in 2015[5]. As such, it is likely that many of the approximately 34,400 young adults who were enrolled in college and graduate programs in 2014 commuted to schools outside of the Study Area. Moving forward, the Study Area's dearth of post-secondary institutions will be a challenge in bridging the educational gap between the Study Area and the county.

The Study Area's labor force as of 2014 stood at over 342,300. However, despite 4.7% employment growth between 2010 and 2014, 14.1% of the labor force remained unemployed, compared to 11.0% in the county overall. This is in part a byproduct of the youth of the Study Area's workforce, as younger workers tend to lack the skills and experience

Workforce

- Employment in the area has historically been strongly represented in goods movement and production related sectors, but much of employment growth in the most recent economic expansion has been in Leisure & Hospitality and Retail Trade.
- Occupations in Production, Transportation, and Material Movement represent 28.6% of all jobs in the Study Area, boosted by strong gains in the logistics sector even as Manufacturing has contracted.
- While Management, Business, Science, and Arts occupations remain underrepresented, especially in the foreign-born segment of the local workforce, these occupations grew at a faster rate than those in Production, Transportation, and Material Movement between 2010 and 2014

5 Rob Fulcher, "El Camino College's Compton Center poised for 'major step,'" http://www.easyreadernews.com (February 8, 2015)

that their older counterparts have and are thus more vulnerable to layoffs. Additionally, while Manufacturing remains the largest industry employer in the Study Area, the industry contracted by 7.5% between 2010 and 2014. While local industry employment has been shifting since the recession, permanent contraction in the Manufacturing industry as a whole have placed downward pressure on job growth. Foreign-born workers were likely disproportionately hurt, as they are 2.4 times as likely to work in Manufacturing than overall workers in the county, and 1.3 times as likely to work in Manufacturing than overall workers in the Study Area. In consequence, while county employment grew by 5.6% in this period, overall employment in the study area grew by 4.7%. Due to strong growth in industries that represent high levels of part-time and low skill work, the median household income in the region has been slow to fully recover to pre-recession highs. However, household incomes have picked up dramatically over the last year, increasing by approximately 9% between 2014 and 2015. In 2015, the median household income stood at $43,708.[6]

Civilian Employment by Industry, 2010 to 2014

			2010 vs. 2014 (% Change)	
Industry	Employment	Location Quotient*	Study Area	Los Angeles County
Manufacturing	51,774	1.7	-7.5	-7.30
Educational and Health Care Services	46,268	0.8	5.4	5
Retail Trade	37,486	1.2	9.9	1.20
Leisure and Hospitality	24,712	0.8	13.1	8.50
Professional and Business Services	24,300	0.7	8.1	3.50
Transportation, Warehouse and Utilities	23,473	1.6	8.0	1.20
Construction	21,304	1.3	-13.5	-9.40
Other Services	19,545	1.1	14.8	6.20
Wholesale Trade	15,763	1.5	-1.4	-6.30
Finance, Insurance, and Real Estate	8,490	0.5	-14.4	-8.90
Public Administration	6,687	0.7	-1.6	0
Information	3,303	0.3	-13.0	-0.10
Natural Resources and Mining	2,586	1.8	-4.5	16.10

Source: The American Community Survey. *Quotient calculated as a comparison of the Study Area to Los Angeles County

The Study Area's three largest industries—Manufacturing (17.6%), Education and Health Care Services (16.4%), and Retail Trade (13.0%)—collectively account for almost half of the Study Area's jobs. The Study Area's proximity to ports and distribution hubs has led to strong representation of goods movement and production related industries in the area. In particular, employment in the Manufacturing, Transportation and Warehousing, and Wholesale Trade industries is much more concentrated in the Study Area than the county. Even as Manufacturing employment has contracted since 2010, Transportation, Warehousing, and Utilities employment has been rapidly increasing in the Study Area. The logistics industry saw 8% employment growth locally between 2010 and 2014, compared to 1.2% growth in the county over the same time frame. As such, many of the Study Area's residents remain occupied in Production, Transportation and Material Movement, which represent 28.6% of overall employment. Location quotients—calculated as ratios of the

6 At the time of this writing, the American Community Survey has not released 2015 data for county subdivisions with less than 20,000 residents. As such, Commerce, East Rancho Dominguez, and Vernon have been omitted from our 2015 median household income estimate.

percent of occupational employment locally to countywide employment for that occupation—demonstrate that the Study Area's employment in this occupational category is 2.2 times as concentrated as in the county.

Civilian Employment by Occupation, 2010 to 2014

			2010 vs. 2014 (% Change)	
Occupation	Employment	Location Quotient*	Study Area	Los Angeles County
Civilian employment population 16 years and over	280,882	-	4.6	8.0
Management, business, science, and arts occupations	37,274	0.4	6.4	10.3
Service occupations	52,891	1.1	16.3	9.5
Sales and office occupations	73,689	1.0	0.6	3.6
Natural resources, construction, and maintenance occupations	37,376	1.5	-7.0	6.9
Production, transportation, and material moving occupations	79,652	2.2	5.4	9.2

Source: The American Community Survey. *Quotient calculated as a comparison of the Study Area to Los Angeles County

Occupations in Management, Business, Science, and the Arts remain underrepresented, especially in the foreign-born subset of the Study Area workforce. For example, the foreign born are 0.3 times as likely to work in Finance and Real Estate than workers in the county, and 0.6 times as likely to work in Finance and Real Estate than workers in the Study Area. Still, as younger generations boosted educational attainment rates, occupations in Management, Business, Science, and the Arts grew at a faster rate than overall employment between 2010 and 2014. This came as the Professional and Business services sector increased employment in the Study Area by 8.1% in the same time frame. Retail Trade (+9.9%) and Leisure and Hospitality (13.1%) sectors have also been areas of heated job creation between 2010 and 2014, and have contributed to filling the gap of occupations available to those who do not have higher degrees. Service occupations outdistanced all other occupational categories over the period of this analysis, with 16.3% growth.



Housing Assets

Households

- The Study Area is home to a large number of families, with 46.4% of households including members under the age of 18. As such, local households are roughly 1.4 times the size of households in the county, on average.

- Homeownership rates are relatively low, at 39%, due in part to relatively low incomes and large numbers of young adults who rent in the population. Low levels of U.S. citizenship in the adult population may also contribute to low homeownership rates, as the lack of citizenship status may also pose challenges in navigating the real estate system and obtaining financing.

- Real median household incomes rose dramatically to $43,708 in 2015, representing 9% year-to-year growth. [7]

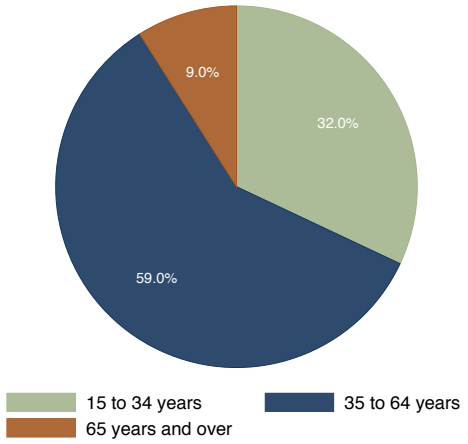
7 At the time of this writing, the American Community Survey has not released 2015 data for county subdivisions with less than 20,000 residents. As such, Commerce, East Rancho Dominguez, and Vernon have been omitted from our 2015 median household income estimate.

Based on American Community Survey data, a total of 179,645 households resided in the Study Area in 2014, with an average household size of 4.1. This is roughly 1.4 times the size of the average Los Angeles County household, and is in part a product of the large number of youth in the area. At 46.4% of households in the Study Area, a comparatively large percentage of households include children under the age of 18.

While the labor force participation rate in the Study Area, at 62.4%, is only slightly lower than the 64.7% participation rate for the county, differences in the workforce composition are evident. For the majority of areas included in the Study Area, labor force participation rates for males between the ages of 20 and 64 tend to be higher than the county average of 83.9%, but a smaller percentage of females of the same age range choose to join the workforce in included areas than the county rate of 70.2%. Gender differences in labor force participation are likely more pronounced in the Study Area due to the large number of youth and young children living in the region, with a slightly larger number of families adopting a nuclear structure.

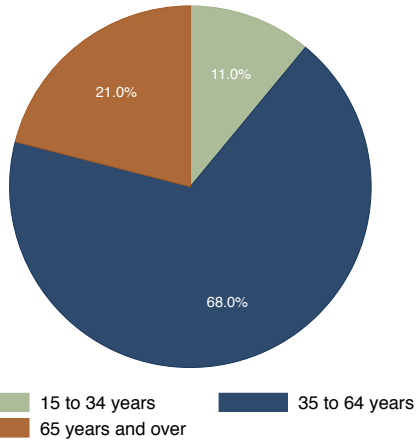
Homeownership rates in the Study Area are comparatively low: 61% of housing units in the area were rented in 2014. The comparative youth of the population provides some explanation for high renter rates in the area; in Los Angeles County, householders aged 15 to 34 occupy 30.7% of rented units, compared to the 32% in the Study Area. Additionally, for the 38% of the adult population that does not have citizenship status, unfamiliarity with the U.S. real estate system may make renting a single-family home an easier option.

Rented Housing Stock by Age of Householder, 2014



Source: The American Community Survey

Owned Housing Stock by Age of Householder, 2014



Source: The American Community Survey

Housing Stock

- The Study Area has not been targeted by housing developers in recent decades, and actually has a lower residential density than the county. Underbuilding has resulted in both high overcrowding rates and a housing base that is older on average, with 75.3% of housing units built prior to 1970.

- In 2014, 48.5% of owners and 63.4% of renters spent more than three-tenths of their incomes on housing costs in the Study Area—figures that were high even in Los Angeles County.

- Construction activity since the start of the decade (2010 to 2015) indicates that the Study Area has permitted 2.7 times the volume of multifamily housing units as single family housing units, alleviating tight apartment vacancies in the area.

While there is a high level of variance within the Study Area, at 1,969 units per square mile, the residential density of the Study Area is slightly lower than it is for the county (2,100 units /mi^2). The Study Area includes both cities that have a stronger mix of non-residential properties, and some of the densest neighborhoods in the nation. Some of the Study Area's densest residential regions lie between the I-10/SR-60 and the I-105.

Overcrowding Rates, 2014

Occupants Per Room	Los Angeles County (%)	Study Area (%)
1 or less occupants	88	71
1.01 to 1.50 occupants	7	18
1.51 or more occupants	5	10

Source: The American Community Survey

While Los Angeles is ranked among the most overcrowded counties in the nation, rates of overcrowding are far more severe in the Study Area, where 4.15 residents live in the average housing unit, compared to 2.75 in Los Angeles County. In 2014, 28% of occupied single-family housing units were considered overcrowded with an occupant-to-room (excluding bathrooms) ratio exceeding 1 in the Study Area, in comparison to a 12% overcrowded rate in the county. According to a Los Angeles Times analysis of overcrowding at the zip code level,[8] the Study Area is home to six of the 20 most overcrowded neighborhoods in the United States – 90255, covering parts of Huntington Park and Walnut Park, scored 3rd nationally with a crowding rate of 40.2%.

Even though the demand for more housing is evident, developers have largely looked elsewhere due to low property values and incomes in the area. Still, based on a report on home resale activity in August 2016, the weighted average of median values for homes sold stood at $345,300, and residential real estate values are on the rise for all included areas.

8 Emily Alpert Reyes, "Mapping the country's crowded homes," http://latimes.com (March 7, 2014)

Additionally, for three of 12 zip codes included in the Study Area, single-family home appreciation is outpacing the county rate of 6.3% year-over-year growth. Another indicator of rising property valuations is recent growth in the Study Area's assessed value tax base. Assessed values increased by 4.6% between 2014 and 2015. This increase is primarily reflective of growth in the assessed value of the existing stock, as there were few new additions to the housing stock during this period.

Age of Housing Stock, 2014

Location	Los Angeles County	Study Area
Total Housing Units	**3,462,075**	**188,639**
% Built 2010 or later	0.4	0.3
% Built 2000 to 2009	6.1	3.4
% Built 1990 to 1999	6.3	5.0
% Built 1980 to 1989	11.7	6.7
% Built 1970 to 1979	14.0	9.2
% Built 1960 to 1969	14.9	12.3
% Built 1950 to 1959	20.6	21.3
% Built 1940 to 1949	11.0	22.9
% Built 1930 to 1939	15.1	18.8

Source: The American Community Survey

Despite high rates of overcrowding, single-family homes account for 68.8% of occupied stock in the Study Area, reflecting the low level of high-density residential development in the region. For comparison, 55.5% of housing stock in Los Angeles County is single-family housing. The larger composition of single-family homes is in part due to historical building patterns; housing stock in the region is typically older than it is in the county and redevelopment has been minimal. In the Study Area, only 15.4% of housing was built after 1980, while 24.5% of the housing base in the county has been built since 1980. Another consequence of the low level of high-density residential construction in the Study Area is that

apartments in the Study Area tend to have fewer units than Los Angeles County apartments. In 2014, 80% of multifamily housing units in the Study Area existed in developments with fewer than 20 units. In comparison, 56.2% of multifamily housing existed in small to mid-sized structures in Los Angeles County. Low rental rates in the area have caused the area to be largely ignored by apartment developers, resulting in a very tight rental market with low vacancies.
While the apartment data that REIS provides does not perfectly align geographically with the Study Area, rents in all submarkets that cover the Study Area have been trending up, to varying degrees:

- South and Central Los Angeles submarket average rents increased 6.4% year-over-year to $1,385 as already low vacancy rates tightened still further to 2.5%.

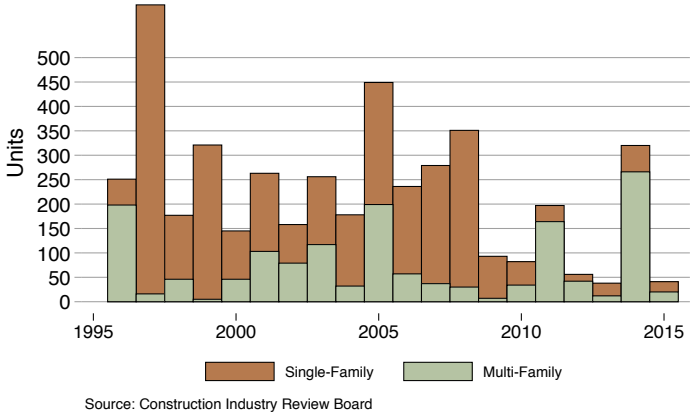
- Asking rents in the Paramount and Downey submarket have been gaining momentum, and following 3.8% growth last year (between the second quarter of 2014 and the second quarter of 2015), achieved 6.4% growth this year. Vacancy rates grew by 0.1 percentage point in response to strong rent increases.

- In the East Los Angeles and Alhambra submarket, apartment rents grew by 2.8% to $1,228. Vacancy rates fell to 2.4%, down from 2.8% the year prior.

Apartment Rental Submarket, Q2 '15 to Q2 '16

	Cost of Rent ($)		Vacancy Rate (%)	
Submarket	Q2 '16	Change (%, YTY)	Q2 '16	Change (%, YTY)
Paramount/Downey	1,385	6.4	1.8	0.1
South/Central LA	976	3.4	2.5	-0.4
East LA/Alhambra	1,228	2.8	2.4	-0.4
Source: Reis, Inc.				

Residential Permitting Activity, 1996 to 2015



Source: Construction Industry Review Board

As sustained rental increases boost profitability for developers, the Study Area will see more high-density constructions over the years. Construction activity since the start of the decade (2010 to 2015) already indicates that the Study Area has permitted 2.7 times the volume of multifamily housing units as single family housing units, demonstrating an ongoing shift away from single-family development. Two large affordable housing developments, Calden Court Apartments and Park Place, account for 315 of these new units as city governments increased tax incentives to build below market rate properties. Such projects are in dire need within the Study Area, as both households that rent and own struggle at high rates to pay housing costs. Despite relatively low rents and home values in the Study Area, a lower overall household income has resulted in housing that is slightly less affordable for households in the region than in the county. In 2014, 48.5% of owners and 63.4% of renters spent more than three-tenths of their incomes on housing costs in the Study Area—figures that were high even in Los Angeles County.

Business Assets



Industry Analysis

- Establishments in the Study Area are diverse, with no single industry making up more than one-fifth of all establishments in 2014.
- Approximately 94% of all establishments in the Study Area are small and medium sized, employing 50 workers or fewer.
- Some of the largest local employers are major manufacturers, card clubs, and grocers.
- Bell Gardens and Commerce governments derived a substantial share of revenues from card clubs in 2002 – 51% and 33%, respectively.



The distribution of business establishments in the Study Area is fairly diverse, with no single industry making up more than one-fifth of all establishments in 2014, the most recent data available. Businesses in the Manufacturing and Trade industries make up the bulk of establishments, as 18.9% fall in the Wholesale Trade industry, 14.9% in Retail, and 15.2% in the Manufacturing industry. Los Angeles County overall is quite different, in that nearly half of all establishments fall in one industry: Education and Health Services.

Establishments by Industry in the Central 710 Corridor, 2014

Industry	Establishments	Location Quotient*
Wholesale Trade	2,004	4.1
Manufacturing	1,611	5.4
Retail Trade	1,576	2.4
Leisure and Hospitality	969	1.3
Education and Health	951	0.2
Professional and Business	827	1.4
Other Services	781	0.8
Transportation, Warehousing, and Utilities	731	4.9
Financial Activities	613	1.1
Construction	411	1.3
Information	92	0.4
Government	15	0.1
Natural Resources and Mining	6	1

Source: U.S. Census Bureau County Business Patterns. *Quotient calculated as a comparison of the Study Area to Los Angeles County

The Manufacturing industry in the Study Area has always had a large share of total establishments, but it has declined over the years. In 2004, businesses in the Manufacturing industry made up 18.6% of all establishments, compared to 15.2% in 2014. This trend is present in Los Angeles County overall as well, though the Manufacturing industry does not have as high of a concentration, as its share fell from just 4.7% to 2.8% from 2004 to 2014 while establishments with more than 50 employees are a small minority, representing just 6% of all establishments, the Study Area's largest employers are a reflection of the dominant local industries.

Major manufacturers Farmer John and Paramount Petroleum Corporation are headquartered in the Study Area and account for thousands of jobs locally. The Farmer John meat packing facility is the largest of its kind in the West Coast. Paramount Petroleum Corporation is a leading manufacturer of asphalt in the West Coast, and its Paramount refinery has a capacity of 54,000 BPD (barrels per day). [9]

As noted in the "Human Assets" section, Retail and Leisure and Hospitality sectors have also had growing importance

9 Paramount Petroleum Company, http://www.ppcla.com, (Retrieved: November 30, 2016).

in the Study Area's economy. In 2014, retail establishments were 2.4 times as concentrated in the Study Area as in Los Angeles County. These are primarily local-serving, with some of the largest employers in the area including Ralphs Grocery Company, Home Depot, and North Market. Leisure and Hospitality, on the other hand, is 1.3 times as concentrated in the Study Area as in the county. Card clubs, in particular, have long had a strong presence in the Study Area, and the Bicycle Hotel and Casino and Commerce Casino each employ upwards of 1,000 workers, according to data from the California Employment Development Department (EDD).

Card clubs are highly taxed by all levels of government, and in a 2013 report, Beacon Economics estimated that the total impact (direct, indirect, and induced) of card club operations in California on state and local tax revenues was $100.8 million. Local card clubs in the Study Area are quite important to the finances of local government, and based on a 2006 report published by the California Research Bureau,[10] Bell Gardens and Commerce derived a substantial amount of revenues from card clubs. For Bell Gardens, where the Bicycle Hotel and Casino is located, revenues from card rooms made up 51% of local revenues in 2002. The city of Commerce, home to Commerce Casino, obtained 33% of its revenues from card clubs in the same year.

Top Employers in Retail and Leisure & Hospitality Industries

Company Name	Employment Range
Crowne Plaza	1,000 to 4,999
Bicylce Hotel & Casino	1,000 to 4,999
Commerce Casino	1,000 to 4,999
Crystal Park Hotel & Casino	500 to 999
Ralphs Grocery Co.	500 to 999
Home Depot	400 to 996
Northgate Market	400 to 996
Supercenter	300 to 598
Vons	250 to 597
Food 4 Less	270 to 595
El Super	250 to 546
Target	205 to 507
Smart and Final Stores Inc	250 to 499
Kmart	200 to 498
99 Cents Only Sotres	190 to 460

Source: America's Labor Market Information System (ALMIS)

Nonprofits

- Public charities in the Study Area serve approximately 2.6 times as many residents, compared to public charities in Los Angeles County.

- Most organizations in the Study Area fell into one of three major categories, based on NTEE (National Taxonomy of Exempt Entities) codes: religion (45.9%), human services (22.1%), or education (13.2%).

- Only 3.5% of organizations in the Study Area listed providing monetary support as a primary activity. [11]

Charitable organizations make up a small component of business activity in the area but play a role in improving communities and human capital. It is substantially more challenging to measure the activities of nonprofit establishments in the area, but based on zip code level data from the National Center for Charitable Statistics, approximately 980 public 501(c)(3) organizations are based in the Study Area.
This represents 2.8% of Los Angeles County's 34,674

10 Charlene Wear Simmons, "Gambling in the Golden State 1998 Forward," https://oag.ca.gov, (May 2006).
11 Based on National Center for Charitable Statistics classifications

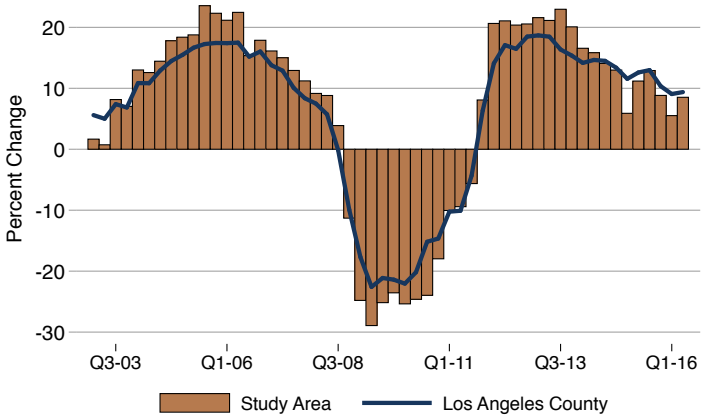
public charities, based on a 2010 report published by the Weingart Foundation. [12] By density, this works out to 764 residents per organization. Based on these metrics, charitable organizations have less of a presence in the Study Area than the county, where one non-profit exists for every 291 residents. As such, residents of the study area potentially face less accessibility to the services of non-profit organizations, a dilemma faced by many lower income communities in Los Angeles County.[13] Most organizations in the Study Area fell into one of three major categories, based on NTEE (National Taxonomy of Exempt Entities) codes: religion (45.9%), human services (22.1%), or education (13.2%). Only 3.5% of organizations in the Study Area listed providing monetary support as a primary activity. [14]

On the whole, business activity in the Study Area is on the rise, as reflected by the most recent taxable sales data from the Board of Equalization. Quarterly taxable sales in the Study Area's incorporated areas have been steadily climbing since the fourth quarter of 2011; year-to-date, taxable sales are up by 2.5%. The Study Area has historically experienced more dramatic economic cycles than the county, as reflected by taxable sales growth rates. Taxable sales in the Study Area are growing so far this year at a marginally faster rate than the county, where taxable sales grew by 2.3% over the same period. This is likely due to the sensitivity of trade and goods production (accounting for a significant component of the Study Area's business activity) to the strength of the United States economy as a whole.

Taxable Sales Analysis

- Since the Study Area's dominant sectors are highly cyclical and depend on the strength of the U.S. economy as a whole, the Study Area tends to experience deeper troughs and higher peaks, as compared to the county.
- Strong population growth has increased the overall purchasing power of the Study Area, which has resulted in an uptick in local spending with respect to income per capita.

Taxable Sales Growth, year-over-year



Source: Board of Equalization

While median household income fell by 1.0% between 2010 and 2014, growth in mean household income and the movement of more people into the area in this period has meant that the overall purchasing power of the Study Area's consumer base has increased. In 2014, estimated household purchasing power stood at $8.88 billion,[15] a 2.8% increase over 2010. While the Board of Equalization data only includes incorporated regions in the Study Area, on a per capita basis, taxable sales corresponded to 0.87 times mean income. For comparison, the ratio of per capita taxable sales to income in 2010 was just 0.66. This is a good indication that local businesses are not only capturing more of the local population's consumption but is also drawing in increasing expenditures from outside the region.

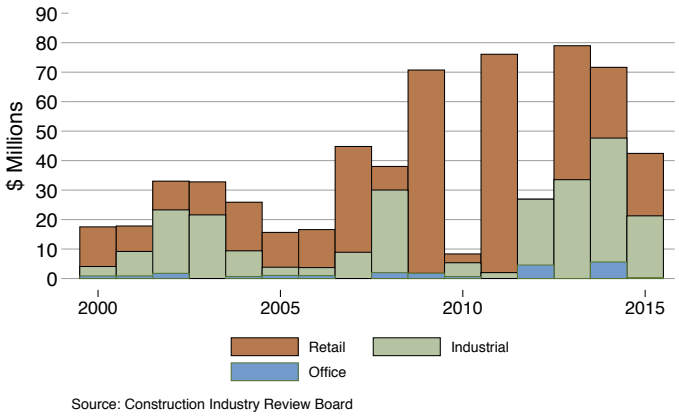
12 TCC Group, "Fortifying L.A.'s Nonprofit Organizations: Capacity Building Needs and Services in Los Angeles County," http://www.weingartfnd.org (September 2010).
13 Stan Paul, "Half of L.A. human-services nonprofits are struggling, new UCLA report shows," http://newsroom.ucla.edu (January 27, 2012
14 Based on National Center for Charitable Statistics classifications
15 This figure was derived based on the total number of households in the Study Area, multiplied by the population weighted average of mean household incomes of included cities and census designated places.

Local Purchasing Power and Spending, 2010 to 2014				
	2010		2014	
Metric	Study Area	Los Angeles County	Study Area	Los Angeles County
Total Taxable Sales ($ millions)	4,393.2	117,000.0	5,887.2	147,000.0
Per Capita Sales ($)	8,524	11,730	11,302	15,064
Taxable Sales to Income, Per Capita	0.66	0.43	0.87	0.54
Source: The American Community Survey, Board of Equalization, Beacon Economics, LLC * Includes figures for incorporated areas, only				

Commercial Real Estate

- Retail properties have seen rents increase at strong pace since late 2014, alongside historically high levels of permitting activity.
- While development of office properties comprises a small fraction of overall commercial development due to still high vacancy rates, rental rates picked up substantially in late 2015, in tandem with a 1.5 percentage point drop in vacancy rates.
- Warehousing and Distribution properties have seen strong stock growth and rent increases alongside growing port activity.

Commercial Permitting Activity 2000-2015



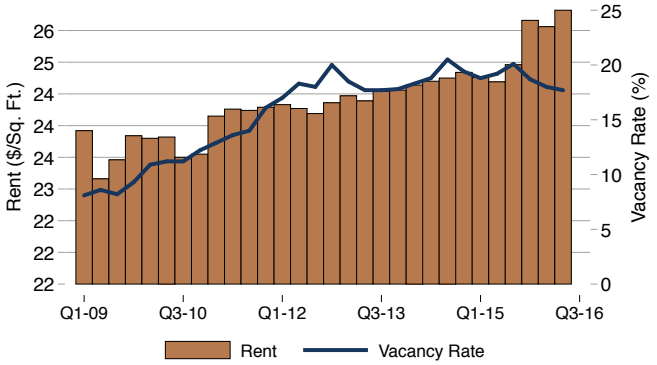
Source: Construction Industry Review Board

As the Study Area's businesses have seen increasing spending in recent years, demand for commercial real estate has gone up. This has been particularly the case for retail properties, which have comprised the largest share of commercial permitting activity since 2010. Retail properties in the Study Area have increased their rents over the course of the past year, but at slowing rates. Between the second quarter of 2015 and the second quarter of 2016, rental rates per square foot grew by approximately 1.4% to $28.55 per square foot. With 4.2% of retail stock available, vacancies are scarce, even by Los Angeles County standards. As scarcity has triggered gains in rental rates and profitability, construction permitting on retail projects increased by 137% in the most recent four-quarter period (Q3 2015 to Q2 2016).

Office construction has picked up recently, but at under $600,000 in total permit values in the last year (Q3 2015 to Q2 2016), overall growth has been negligible. However, rents have been picking up in recent quarters: in the second quarter of 2016, asking rents per square foot for office properties in the area increased by 4.6% year-over-year, as demand

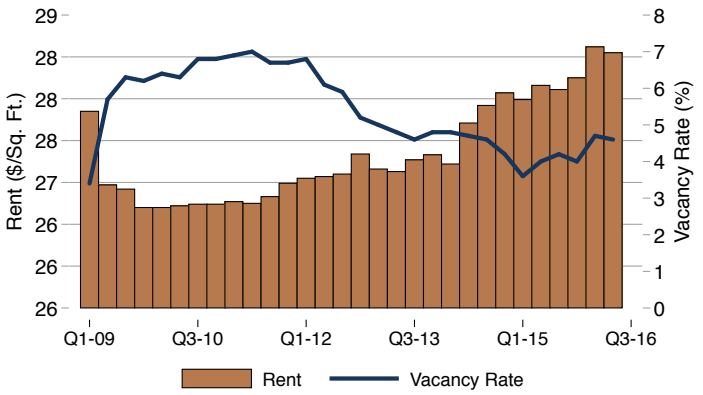
for office space has grown. This is a slightly slower rate of growth than the metro area achieved in the same period, at 5.6% growth year-over-year. While still high, vacancy rates tightened by 1.5 percentage points between the second quarter of 2015 and the second quarter of 2016, which has fueled higher rental rates.

Office Rental Market, Q1 '09 to Q2 '16



Source: Reis, Inc.

Retail Rental Market Q1 '09 to Q2 '16



Source: Reis, Inc.

Distribution and Warehouse Rental Submarkets, Q2 '15 to Q2 '16

	Cost of Rent ($/Sq. Ft)		Vacancy Rate (%)	
Submarket	Q2 '16	Change (%, YTY)	Q2 '16	Change (%, YTY)
Mid Cities	6.10	4.1	6.3	-0.7
South Bay	7.23	3.0	6.4	-0.6
Central Los Angeles	6.52	2.2	5.5	-0.1
Source: Reis, Inc.				

Total spending on industrial construction has been stronger in the first six years of the 2010s than in the 2000s, based on permitting data released by CIRB. While industrial construction has dropped off entirely in the last few quarters, permits in the incorporated portion of the Study Area accounted for $42.4 million in 2015. While Reis, Inc. divides the Study Area's Warehousing and Distribution property analysis into multiple broader submarkets, it is apparent that rental rates are increasing across all included submarkets, which will in turn trigger future development.

Transportation Assets



Commuter Patterns

- The Study Area is largely a bedroom community, where nine of 10 workers in the Study Area worked outside of the city or census designated place in which they resided.
- Study Area commuters carpooled and utilized public transportation at higher rates than commuters in the County.
- Even with extensive inter-city travel, the mean travel time to work for the study area was slightly lower than the county average at 29.1 minutes.

Facilitated by lower property values and numerous transit pathways linking the area to other parts of the county, the Study Area has evolved into a bedroom community that feeds into nearby jobs centers. Nine of 10 workers 16 and older in the Study Area worked outside of the city or census designated place in which they resided, based on 2014 data. In comparison, 60.8% of the Los Angeles County workforce commuted outside of their area of residence for work. However, even with extensive inter-city travel, the mean travel time to work for the Study Area was slightly lower than the county average at 29.1 minutes, reflecting robust access to freeways. Workers in the Study Area also utilized carpool and public transportation at significantly higher rates than commuters in the County. In 2014, 14.5% of Study Area commuters carpooled to work in 2014, compared to 9.0% in Los Angeles County. Another 8.9% rode public transportation to work – 2.8 percentage-points higher than the County rate.

Means of Transportation to Work, 2014

Method of Commute	Study Area (%)	Los Angeles County (%)
Car, truck, or van - drove alone	69.1	74.1
Car, truck, or van - carpooled	14.5	9.0
Public Transportation	8.9	6.1
Walked	3.1	2.8
Worked at home	2.5	5.4

Source: The American Community Survey

Roads

- The SR-91 is the most heavily trafficked freeway in the Study Area, followed by the I-710 and I-105.
- Motorists passing through the Study Area's main roadways spent less time in delay than the county as a whole.

While the I-710 is aging, the highly developed network of roads in the Study Area has and continued to play a strong role in the economic development of the Study Area. Based on Area Development's 2015 Corporate Survey, highway accessibility ranks as the second most important factor in site selection. [16] The I-710, which is intersected by the 91 Freeway and I-105, is the main artery bisecting the Study Area. In the yearlong period ending in August 2016, traffic on the sections of these freeways passing through the Study Area collectively accounted for 4.1% of overall vehicle miles traveled in the County of Los Angeles. By far, the most heavily traveled roadway in the region was the SR-91, which connects the Study Area to Riverside County and major distribution hubs there. Travel on the section of the SR-91 included in the Study Area accounted for more than half of all vehicular miles driven there for that period. The I-710, which runs from the I-10 to the Port of Long Beach, accounted for 26% of vehicular miles driven through the area in the year ending in August 2016.

Motorists spent an estimated 32.1 million VMH (vehicle-mile-hours) on freeways cutting through the Study Area in the fourth quarter of 2013,[17] based on the Caltrans Performance Measuring System (PEMS) causal breakdown of delay.

16 Geraldine Gambale, "30th Annual Survey of Corporate Executives: Cautious Optimism Reflected," http://www.areadevelopment.com, (Retrieved: November 30, 2016)

17 This reflects the most recent assessment of delay released on the Caltrans Performance Measuring System website.

Of these, 2.4 million, or 7.6%, were spent in delay. The report indicates that as much as 35% of hours spent in traffic within the Study Area could be cut down by the use of an ideal ramp-metering algorithm. Even so, the local roadways experienced less congestion in comparison to Los Angeles County overall, where motorists spent 13.7% of total vehicle hours in delay.

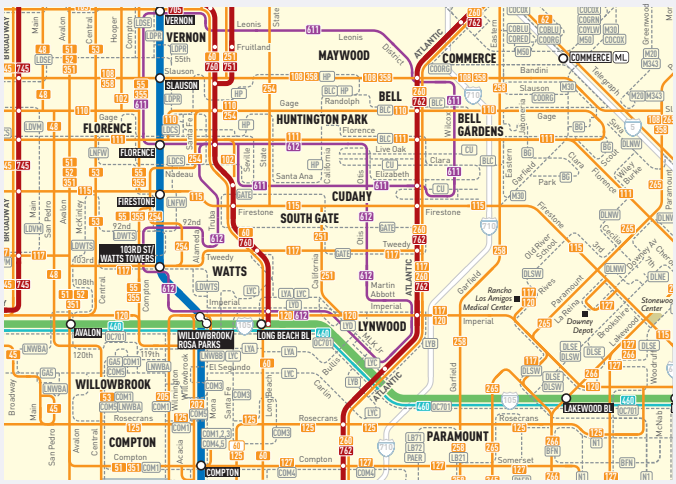
However, growth in port activity is expected to place increasing pressure on the I-710 and the railways servicing the San Pedro Ports are expected to reach capacity by 2035, according to an environmental impact report published in 2012.[18] The Los Angeles Metropolitan Transportation Authority (MTA) concludes that the I-710 will be unable to accommodate projected volumes of traffic, as both freight and resident usage swells. In recent years, the MTA has been exploring alternatives for improvements to the I-710 as part of the I-710 Corridor Project, incorporating community member and stakeholder input on how to best address growing traffic and air quality concerns.

The role of port-related activities in contributing to these concerns has come front and center in this discussion: truck-related accidents made up 32% of all accidents on the segment of the I-710 bounded by the I-405 and the I-105, based on Caltrans data covering October 1, 2004 to September 30, 2007. Diesel particulate matter, another consequence of high volumes of freight trucks, is the greatest contributor to cancer risk in the Study Area. However, emissions are substantially lower than they were 10 years ago, due to the introduction of new regulations and incentives at all levels of governance.

In particular, the San Pedro Ports introduced the Clean Air Action Plan in 2006, and have since banned entry to trucks that do not meet 2007 Federal Clean Truck Emission Standards. In the Port of Los Angeles Emissions Inventory Highlights report released for 2015, emissions across all documented pollutant categories have dropped dramatically since 2005.[19] The agency estimates that diesel particulate matter emissions fell by 85% in that time frame, placing it ahead of goals set for 2023. A 2013 assessment by Lee et al. validates that the agency likely exceeded its targets for 2008, 2010, and 2012, and finds that quantified social benefits from the Clean Truck Program exceeded costs in these years. Moreover, the authors claim that mortality from particulate matter exposure in examined populations fell by 96.9% between 2005 and 2012.[20]

Public Transportation

- Approximately 9% of the Study Area's workforce reported commuting by public transportation in 2014.
- Metro bus lines serving the Study Area have a substantially higher weekday ridership than the Blue and Green lines, suggesting that bus lines are essential to those who utilize public transportation in the Study Area.
- Based on an analysis released by the County of Los Angeles Public Health Department,[21] of the 17 sub-regions within the Study Area, 12 are rated as having "Very High" recreational park needs



18 Los Angeles Metropolitan Authority, "I-710 Corridor Project EIR/EIS," http://media.metro.net/projects_studies/I710, (Retrieved: November 30, 2016)

19 The Port of Los Angeles, "Port of Los Angeles Emissions Inventory Highlights – 2015," https://www.portoflosangeles.org, (Retrieved: November 30, 2016).

20 Lee et al., "Assessing air quality and health benefits of the Clean Truck Program in the Alameda corridor, CA," Transportation Research Part A: Policy and Practice 46, no. 8 (October 2012): 1177-1193.

21 Los Angeles County Department of Parks and Recreation, "Los Angeles Countywide Comprehensive Parks & Recreation Needs Assessment," http://lacountyparkneeds.org (Retrieved November 30, 2016).

While the vast majority of commuters travel by car, the Study Area's residents depend on public transit options in their commutes at a slightly higher rate than overall residents in the county. For the 8.9% of the workforce who commuted by public transportation in 2014, the Blue and Green Metro lines offered faster alternatives to congested roadways. The average trip along the Blue Line takes just 58% of travel time on the equivalent segment of the 710 Freeway at peak traffic. The Green Line, which runs along the 110 Freeway, provides an even faster alternative for commuters, with the average trip taking 37.8% of peak drive times.[22] Together, these two lines served an estimated 114,374 riders on the average weekday in the 2016 fiscal year, according to Metro estimated ridership statistics.[23] The stations within the Study Area performed slightly worse than the county's average raw score of 59, based on a recent report published by Next10,[24] where the average station within the Study Area scored 54. These ratings were determined on the basis of walkability, the percentage of residents and workers who use transit, and the sum of jobs and households per acre.

Public transportation resources in the Study Area also include an extensive network of Metro bus lines. The Rapid Bus System and Metro shuttle buses connect all cities in the Study Area, and a number of the cities have local bus systems, some of which are free to residents. Ridership on Metro bus lines in the area averages at 214,200 daily boardings on weekdays, based on Metro ridership statistics - 1.9 times the volumes experienced by the Blue and Green lines. [25]

It is worth noting that recently, the Los Angeles Metropolitan Transportation Authority has been considering the feasibility of converting railroad ROW (right of way) into a 10.6-mile long bike path connecting the future Crenshaw/LAX line to the Los Angeles River.[26] This would run alongside Slauson Avenue, which cuts through the cities of Vernon, Maywood, and Huntington Park. If implemented, this path would increase accessibility for residents of these regions to multiple modes of public transit. Additionally, Los Angeles River revitalization efforts have included making the full length of the 51-mile long river accessible to bikers and pedestrians and restoring natural ecosystems and green space along the banks. If implemented, this could also help address the Study Area's lack of green space – which is substantial. Based on an analysis released by the County of Los Angeles Public Health Department,[27] of 17 sub-regions within the Study Area, 12 are rated as having "Very High" recreational park needs, on the basis of park acre density, the percentage of residents who live within half a mile of a park, population density, and the quantity and quality of park amenities.

Heavy Rail

- Combined container volumes are projected to reach 43 million annual TEUs (twenty foot-equivalent units) by 2035—nearly tripling the 15.3 million TEUs handled by the ports in 2015, according to the California Department of Transportation.
- Based on the most recent cancer risk estimates released by the South Coast Air Quality Management District, cancer risk levels are higher in Compton and Huntington Park than the average of 10 monitored sites in the district

22 Los Angeles County Metropolitan Transportation Authority, "2008-2015 Quality of Life Report,"

https://media.metro.net (Retrieved November 30, 2016)
23 Los Angeles County Metropolitan Transportation Authority, "Interactive Estimated Ridership Statistics," http://isotp.metro.net/MetroRidership

(Retrieved November 30, 2016)
24 Next10, "Grading California's Rail Transit Station Areas," http://next10.

org (Retrieved November 30, 2016)
25 Los Angeles County Metropolitan Transportation Authority, "Interactive Estimated Ridership Statistics," http://isotp.metro.net/MetroRidership (Retrieved November 30, 2016)

26 Los Angeles County Metropolitan Transportation Authority, "Rail to Rail/River Active Transportation Corridor," http://metro.net/projects/r2r (Retrieved November 30, 2016)
27 Los Angeles County Department of Parks and Recreation, "Los Angeles Countywide Comprehensive Parks & Recreation Needs Assessment," http://lacountyparkneeds.org (Retrieved November 30, 2016).

The Alameda Corridor, which runs through much of the Study Area, has a capacity of 12.7 million containers a year and provides a direct route between the ports and transcontinental rail networks. Since its inception in 2002, the Alameda Corridor has accounted for an increasing share of container volumes traveling to and from the ports, and has enabled the San Pedro ports to accommodate larger volumes of container traffic. According to a 2012 report published by the California Department of Transportation, combined container volumes are projected to reach 43 million annual TEUs (twenty foot-equivalent units) by 2035—nearly tripling the 15.3 million TEUs handled by the ports in 2015. [28]

An early selling point for the project was its potential to reduce the volume of heavy trucks utilizing the I-710, which both increase pollution and pose safety hazards to other drivers. The South Coast Air Basin has been designated an extreme ozone non-attainment area and non-attainment area for small airborne particulate matter by the Environmental Protection Agency.[29] Based on the most recent cancer risk estimates released by the South Coast Air Quality Management District, cancer risk levels are higher in Compton and Huntington Park than the average of 10 monitored sites in the district. [30]

While traffic volumes along the I-710 have not decreased, a 2005 report published by the Alameda Corridor Transportation Authority indicates that the existence of the Alameda Corridor has resulted in emissions reductions, when compared to other modes of available transport.[31]

The authority estimated that the Alameda Corridor reduced major emission volumes by 3,900 tons between April 2002 and April 2004, based on pollution that would have been generated by transporting an equivalent volume of containers by truck or on existing rail lines.

28 State of California Department of Transportation and Los Angeles County Metropolitan Transportation Agency, "I-710 Corridor Project Draft Environmental Impact Report/Environmental Impact Statement, "http://media.metro.net (June 2012).
29 State of California Department of Transportation and Los Angeles County Metropolitan Transportation Agency, "I-710 Corridor Project Draft Environmental Impact Report/Environmental Impact Statement, "http://media.metro.net (June 2012).
30 South Coast Air Quality Management District, "Multiple Air Toxins Exposure Study in the South Coast Air Basin," http://www.aqmd.gov (May 2015).
31 Alameda Corridor Transportation Authority, "Alameda Corridor Air Quality Benefits Final Report," http://www.acta.org (June 10, 2005).



All photos courtesy of the Pat Brown Institute, Photographer David Ng.

Summary and Implications for Action

Information is valuable, and how that information is presented can have a substantial impact on residents' perceptions of various policies, initiatives, and the state of a region. Our analysis underscores the severity of many areas of challenge that have confronted the region, including low rates of homeownership, incomes that have not recovered alongside the economy, and low educational attainment, among others. However, it is important to also note that our analysis also reveals reasons for optimism:

- Although employment in Manufacturing is on the decline, those jobs are quickly being replaced by swift growth in the Retail, Leisure and Hospitality, Transportation and Warehousing industries, leading to greater economic diversification. Younger native-born residents are increasingly enrolling in higher educational programs and gradually filling the vacuum of management, business, science, and arts occupations in the region.

- Additionally, with younger, native-born generations likely to face fewer challenges in buying and selling homes, rates of homeownership are expected to increase in the Study Area in the long run. High rates of overcrowding in the area are driving an uptick in affordable multifamily development, and the fact that much of this has been city-led points to increasing public sector involvement in resolving problems.

- The area remains largely an industrial suburb and the substantial affordability advantage of local real estate is a contributing factor to the high rates of work related commuting between cities. While this speaks to the lack of jobs and development locally, growing taxable sales and demand for commercial real estate within the Study Area indicates that the situation may be shifting.

- While stakeholders have different opinions about how to best address stress on the aging I-710 freeway, the discussion itself evidences the increasing weight of regional input, which has not been historically apparent. Additionally, motorists spend less time in both transit and traffic in the Study Area than in Los Angeles County overall, and commuters have access to a diverse array of public transportation alternatives. This has strong implications for both goods and labor pathways moving forward.

The intent behind this report has been to provide a comprehensive inventory of the assets in the Central 710 Corridor, an area that is both culturally and economically distinct, yet also politically divided. By expanding the focus beyond specific municipalities and communities, the report hopes to offer a fresh perspective that can be leveraged in local efforts toward collective initiatives.

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