



San Fernando Valley INDICATORS



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SAN FERNANDO VALLEY INDICATORS 2000

COMMUNITY INDICATORS FOR THE SAN FERNANDO VALLEY, CALIFORNIA

Topics in order of priority	Score
1. Education, Graduation & Test Scores	104
2. Transportation & Commuting	101
3. Employment & Jobs	89
4. Crime & Public Safety	82
5. Population & Density	82
6. Housing Affordability	77
7. Air Quality	65
8. Water Quality & Availability	59
9. Residential Real Estate Trends	57
10. Commercial Real Estate Trends	53
11. Health Care Availability & Disease	52
12. Income Distribution / Equity	47

These scores are a numerical presentation of the relative importance that the community places on various issues. Participants assign a degree of importance, which is weighted and translated to develop an overall result. A higher score indicates greater concern. Additional source: *San Fernando Valley Almanac 2000*

The residents and business community of the San Fernando Valley wish to thank



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This *San Fernando Valley Indicators 2000* publication is a working document. It includes discussion and assessment of 12 important Community Indicators for the geographic San Fernando Valley. Dialogue material has been derived from numerous meetings and forums - including the *Summit 2000* held in February of 2000 at Universal City, California. A cross-section of several hundred community leaders were engaged for input on topics and issues originally raised in the course of five smaller Community Indicator Forums.

Community Indicators are based upon shared values, and track the overall "Quality of Life" in a given region. They also relate to the sustainability of that quality of life. The James Irvine Foundation sponsors this and other such projects throughout California, which look beyond traditional political boundaries in dealing with community issues.

Economic development and quality of life concerns converge in the process of developing Community Indicators. In today's business climate, employers are increasingly more aware of the need for livable communities, quality resources, and access to amenities.

Each Community Indicator tells a story about an important local issue. To be useful, indicators need to be credible, understandable and measurable. Most importantly, indicators have to be actionable based upon identified controlling forces.



Education, Graduation & Test Scores

Community Issue Ranking: 1 of 12
Score: 104

Education is repeatedly identified as one of the most important issues and one of the greatest challenges to the area. A healthy economy, and broad-based prosperity depend upon a competent and educated workforce. Generally test scores in the Las Virgenes school district are higher than any of the surrounding jurisdictions. Shown on the charts are the Limited English Proficiency test takers in yellow – the non-LEP group in burgundy – with the combined scores in blue. The chart depicts the percent of test takers scoring at above the 50th percentile – based upon the national average

In the third grade, combined reading scores in Burbank Unified hovered just under 50% – trailed by Glendale Unified at 45%. Las Virgenes was well above the national average at 81%, with Los Angeles Unified 10 points below the county-wide average of 21%.

By the eleventh grade, Burbank's combined reading scores were down 9 points to 40%, Glendale's scores were down 10 points to 35%, with Las Virgenes dropping by 11 points to 70%. The LAUSD increased four points from 21% to 25%, but was still well below the county-wide average of 36%.

Math scores in the third and eleventh grade were a slightly different story. Burbank scored 57% in 3rd grade and 54% in the 11th – Glendale scored 58% in 3rd and 54% in the 11th – Las Virgenes scored 85% in 3rd and 79% in the 11th – with LAUSD reaching 32% in 3rd and 37% in the 11th. County-wide scores were 48% in 3rd and 40% in the 11th.

Given the high immigrant population, it is understandable that language test scores show the most consistent improvement over time. Burbank scored 54% in 3rd and 56% in the 11th

– Glendale showed 53% in 3rd and 53% in the 11th – Las Virgenes reached 82% in 3rd and 80% in the 11th. – LAUSD scored 27% in 3rd and 37% in the 11th – with the county-wide totals reaching 36% in 3rd and 41% in the 11th.

Community Opinions

There is consensus as to the pressing need for higher education in the "New Economy." Many believe that schools need to be governed on a local level to be responsive to the communities they serve – that school boards that are too far-removed from schools tend to be self-serving – and tend to disenfranchise parents. The business community needs to become more involved. Some suggest that teachers have too many protections and privileges, and not enough incentives to excel. Teachers' unions are seen as not acting in the best interests of students and communities much of the time. Generally, the Los Angeles Unified School District is seen as too large, poorly managed, unaccountable and out of control.

Poverty was also cited as a major cause for educational challenges. Most agree that low test scores are a result of low literacy rates in poorer neighborhoods, and within immigrant populations. Further problems are created when poor performance is compounded by high dropout rates. There are great disparities in home study environments; with some having computers and Internet access, and others unable to even find a quiet place to study. There are some fears

that limited English proficiency, and related programs, such as bilingual education, detract from the overall quality of general education.

Motivation is cited as a key to involvement and performance. Students don't always perceive the benefits of education, particularly those with no well-educated role models. Under-educated parents often lack information or are apathetic toward learning. Some believe that there is a lack of commitment by educators to set educational standards – as opposed to being primarily driven by social goals. Resource shortages are often given as a major cause for substandard performance.

Overall, there is a concern that poor schools drive families out of the San Fernando Valley – but also, that the media tends to exaggerate a lot of the problems.

Community Recommendations

Schools need to have meaningful objectives and goals, and identify a clear mission. The implementation of the mission relies on involvement by educators, parents and businesses. Many believe governance should be on a local level – and there is a strong sentiment that the Los Angeles Unified School District should be reorganized into two or more smaller districts. Many urge the development of teacher and administrator incentives – with stronger guidelines and greater discipline.

A need is seen for more flexibility in higher education and for more emphasis in developing marketable vocational and career skills. Business-education partnerships should be broadened, along with internships and job placement programs. Economic development services should be marketed at community colleges.

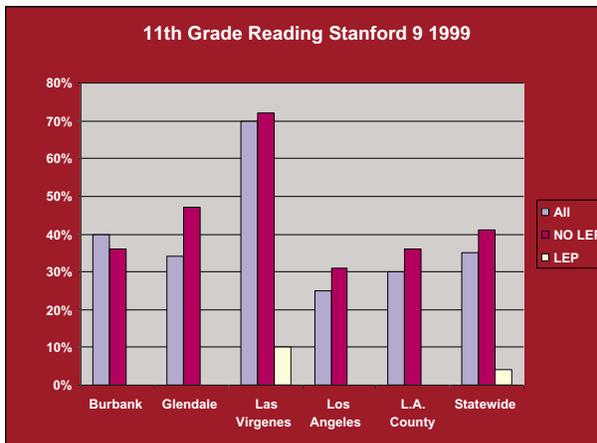
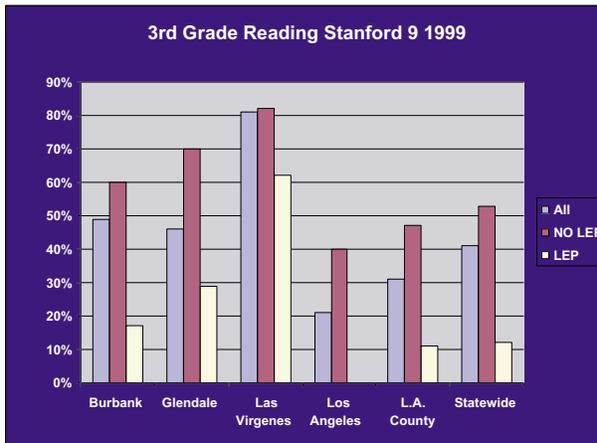
The rise in new-immigrant school population is seen as a great challenge. But, some suggest that the current immigration surge is temporary and will subside. Non-native second language instruction is seen as useful – with emphasis on life skills.

Better public school teachers and more discipline are recommended. Priorities should be reviewed, and resources reprogrammed with added compensation for teacher excellence. Some suggest that funds are adequate but are improperly deployed – with others arguing the need for greater teacher compensation as the critical factor for educational success.

Better Internet access is recommended, along with better equipment – especially at the community college level. Creative alternatives are urged, such as recycling of computers and other assets from donor companies – since computers and the Internet are considered very important to equalizing modern educational opportunities.

Agents for Change

Those with the power and jurisdiction to make a difference include: local school boards, State Department of Education, teachers associations and unions, PTAs, students, parents, business interests who need quality workers, local residents, city officials, county officials, state officials, federal government, and the people of the San Fernando Valley.



Transportation & Commuting

Community Issue Ranking: 2 of 12
Score: 101

With its ever-growing population, transportation has been identified as one of the most challenging issues facing the San Fernando Valley. Because most areas of the Valley are built-out, the practical options for transit corridor upgrades and expansion are limited. Residents tend to be resistant to such projects due to fears of major long-term disruptions, and the accompanying displacement of existing homes and businesses.

The City of Los Angeles Department of Transportation is tracking the level of service in 17 key intersections in the Valley using grades A through F.

In 1997, morning traffic in the Valley was marginally improved from 1992 when about 90% of the sample group intersections were at Level D or below. However, 1999 saw the worst conditions since 1993 in the sample group, with no A or B levels, and an increasing trend toward D and F levels.

The P.M. statistics are even less encouraging with 1999 showing about two-thirds of the intersections functioning at unsatisfactory levels.

Community Opinions

Transportation problems are primarily products of poor planning, both in infrastructure and land use. This is compounded by significant population growth and the overloading of an aging infrastructure. A massive freeway system was developed in Southern California between the end of World War II and the 1960s. This replaced a fixed-rail public transportation system that once boasted over 1100 miles of track and routes.

Because of the populations' new-found mobility, between 1950 and 2000 Southern California's development has tended to sprawl. Beginning in the 1960s, some areas ran out of vacant land and became "built-out." This began the cycle of in-fill development, which continues to make such areas more and more dense. This, in turn, increases traffic volumes and transportation demand.

Fixed workday hours have tended to lead to rush hour jams, with "rush hour" growing from one to as many as four hours in both the morning and afternoon periods. Southern California is one of the most automobile-oriented societies in the world, with people believing "you are what you drive." Cars are used for business, shopping, and for access to jobs, schools, and entertainment. Unlike other cities such as New York and Chicago, which grew up around public transportation, Southern California grew up primarily in the post-war era of the freeway and the car. Attitudes toward public transportation range from indifferent to negative.

Local government has difficulty keeping up with the challenge of maintaining the highway infrastructure.

The promise of efficient mass public transit in the area has failed to materialize. What transit exists is not practical for regular use by the average commuter. Its usefulness is almost entirely confined to the transit-dependent population – those entirely lacking in other options.

There is an absence of support or understanding of the public transit system. Given the decades of promises, and lack of mass transit with practical use for Valley commuters, residents tend to be pessimistic.

Resources are extremely limited, and it has been difficult trying to reach consensus on either routes or technologies. Leaders have been criticized for failing to provide the community with a vision. And politics, perceived as anathema to the interests of transit patrons, are seen as playing too big a role. Most believe that inefficiency is rampant at the Metropolitan Transportation Authority, as well as at Caltrans.

Community Recommendations

Mass transportation needs to be given higher priority. Although many do not believe the situation can be resolved, activists still hold out hope that the area can be competently served by a multi-modal system of buses, light rail, subways and shuttles. Adequate parking would be essential to making use easy and convenient. Bus routes and timetables need to be effectively integrated into rail systems.

System lines need to go where people want or need to go – with short headways and convenient schedules. Transit decisions should be based on reality, rather than theory. Some think that light rail is the only economically feasible solution for long distance lines. Although currently not under active consideration, freeway aligned monorail systems historically have had great support among voters in the area.

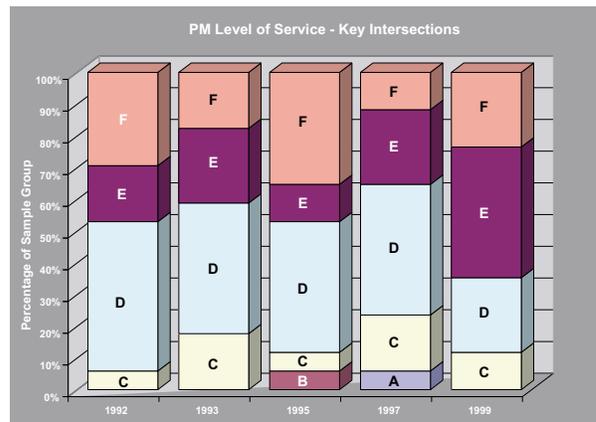
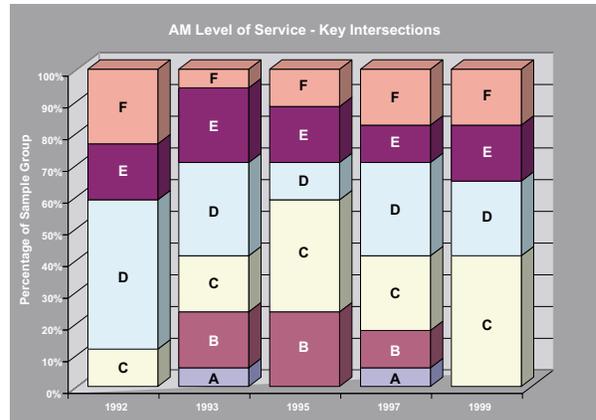
It is felt that drivers need more incentives to use public transit. There should also be more encouragement for the use of carpools. Buses need to be cleaner in order to help attract ridership. Bus and carpool lanes should be a priority in the Sepulveda Pass portion of the San Diego freeway, and eventually the Cahuenga Pass portion of the Hollywood Freeway.

Highway and freeway systems need to be expanded and extended, with better planning and design. Because of public resistance, many highways planned over the last 50 years have been shelved. More toll roads should be built

to pay for themselves and contribute to environmental mitigation.

Incentives should be offered to encourage flexible working hours. It is important to trend away from the 9 to 5 workday and one-site commutes. Public transportation needs to be promoted and the public educated in its use and benefit.

Affordable housing should be clustered closer to the employment base, with ready access to transportation. Zoning laws and community plans should be revisited to accommodate new infrastructure models. Older planning theories



should be reconsidered based on today's realities.

It is argued that the Valley should be allowed to have its own transit authority – that more funds need to be dedicated to transportation, and that those responsible for expenditures need to be held accountable. Residents are anxious to have the Metropolitan Transportation Authority complete the Valley portion of the existing transit plan.

Agents for Change

Those with the power and jurisdiction to make a difference include: Metropolitan Transportation Authority, county officials, city officials, state officials, Caltrans, federal officials, and the voters. Some believe that the problem stems from nobody taking the lead and that those who have the jurisdiction and power do not use it well.

Employment & Jobs

Community Issue Ranking: 3 of 12
Score: 99

Jobs and employment are critical to the vitality of any community. The Valley is currently following a national trend of low unemployment. Having lost a number of aerospace and scientific positions through the decade - the area has been fortunate in that new jobs have developed to replace them. Many of the new jobs are high-quality positions in growth industries such as technology and entertainment.

The number of unemployed in the Valley actually increased slightly, by about 1500 from 1998 to 1999 but the unemployment rate decreased due to the overall increase in jobs and an increase in the labor force.

Community Opinions

The economy is always a major factor in employment. A sagging economy generally results in high unemployment rates. On a local basis, a favorable business climate, optimism, and community development have had a major effect on employment growth.

As with other issues, immigration is seen as having a significant impact on employment statistics. There are a great number of new residents who are unskilled or minimally skilled. Most are qualified only for low-paying, entry level jobs in the area - with still more engaged in day labor or domestic services. The service and restaurant sectors tend to provide entry-level opportunities for those seeking full-time, documented positions.

Proper education and development of the workforce is critical to healthy employment matchups. Companies moving into the area or expanding, want to know where their employees will come from.

Colleges and public schools have a need to excel, to provide job training and discipline, and to help develop solid work ethics.

Quality of life is one of the most important elements for attracting good jobs and employees.

The Valley is host to an extraordinary number of entrepreneurs and self-employed individuals. These people provide products and services that strengthen the economy. Industries and employees tend to cluster in areas where there are labor, vendor and technology pools. Chief among Valley clusters are the high-tech and entertainment categories, which offer relatively high-paying jobs.

Community Recommendations

Sufficient development opportunities are necessary to retain and attract businesses. Small businesses need to be encouraged, and allowed to grow without unnecessary governmental interference.

seen as a useful forum for employers and employees to meet.

The school system has to be effective for residents and employers. Business education partnerships need expanding to help develop workforce readiness. School to career business education programs need to be expanded.

The educational system needs to synchronize with employers to develop job skills and career tracks for needs projected five to ten years in the future.

There is a sense that some governing jurisdictions are too large to develop local consensus - and that local bodies would better provide community empowerment and accountability.

Left unchecked, suburban sprawl will continue to generate an ever-increasing demand for jobs, for expanded infrastructure and for community amenities. Adequate political will and support is necessary for development and for long-term redevelopment of communities.

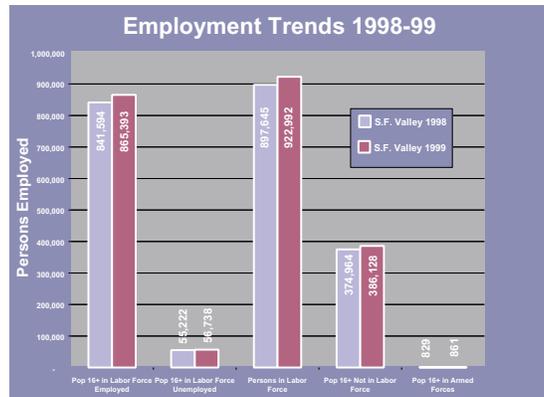
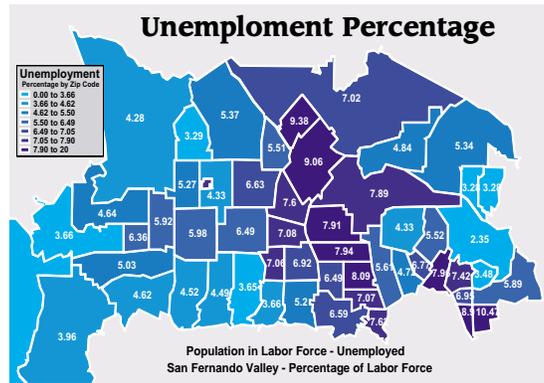
It would be useful to take a fresh look at zoning and planning. Some urge discouraging apartment-type development, while others believe there is a need for more high-density, low-income housing. Most agree that improved transit will benefit employees, giving access to a broader range of job options.

Realizing that some sectors, such as aerospace, are in attrition for the foreseeable future, more efforts should be made to attract or develop a broader group of mid-pay to high-pay jobs. Resources should be dedicated to specific areas of strength and synergy for the future - and not trying to recapture lost industries and opportunities from the past.

Governance needs to be close to the community - with strategies and policies being developed through informed consensus. Public opinion polls can be very useful in establishing more broadly-based consensus, and developing community buy-in. Public forums are often seen as catering to vocal minorities, rather than gauging the broader population.

Agents for Change

Those with the power and jurisdiction to make a difference include: businesses, parents, residents, city, county state, and federal officials. Some believe that community development departments of cities, urban planners, planning commissions and neighborhood councils can also perform key functions.



It is recommended that local municipalities lower the cost of doing business, reduce taxes, ease government restrictions, and adopt business-friendly policies. This includes expediting the development process.

Some suggest that, to the extent possible, free-market policies be followed, and that government regulations be continually reduced. Others believe in more tax incentives and credits for businesses that create quality jobs - and that there should be more governmental incentives for employers to stay in the Valley. One-stop centers should be developed and aggressively marketed. Small business loan programs should be expanded. Job fairs are



Crime & Public Safety

Community Issue Ranking: 4 of 12
Score: 82

Crime in the Valley has followed a national trend, decreasing consistently over the last 5 years – and in equal measures among the jurisdictions. There has been a steady drop in Part One crimes per 100,000 population. These Part One Offenses include: Homicide, Forcible Rape, Robbery, Larceny, Auto Theft, Arson, Aggravated Assault, and Burglary. Overall criminal activity decreased by a full 40% in the Valley between 1993 and 1999. In major crimes per 100,000 residents, areas compare as follows: Los Angeles City 5,178 – Los Angeles City, Valley Portion 4,579 – Los Angeles County 4,399 – San Fernando Valley 3,949 – City of San Fernando 3,041 – City of Burbank 3,024 – City of Glendale 2,624 – City of Calabasas 1,876 and City of Hidden Hills 944.

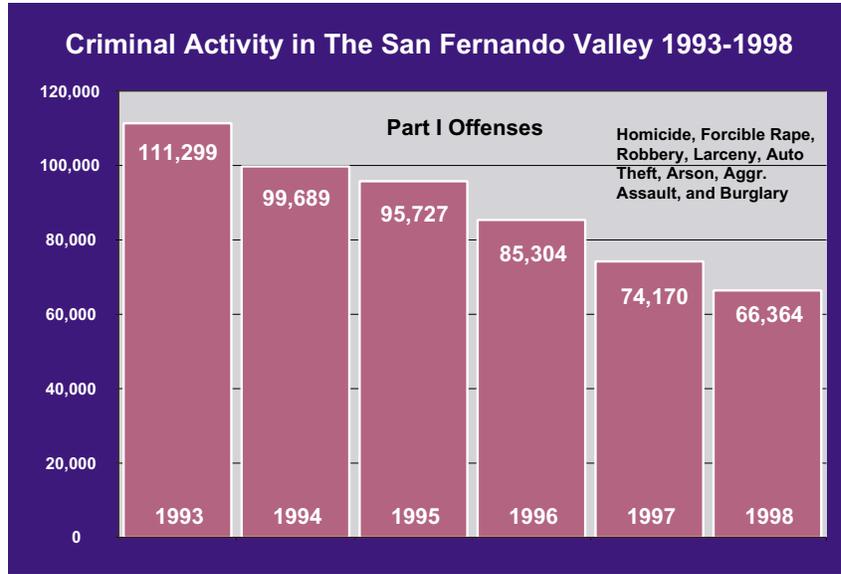
Fire Class Ratings

The purpose of fire class ratings is to determine a community's ability to control damage, based on facilities, training, equipment, distances, procedures, and other factors. This is done on a scale of one to ten – one being best. Only a handful of cities nationwide receive a rating of one. Glendale and Los Angeles rate 1. Los Angeles also serves the City of San Fernando.

Burbank rates a 2 – and the three Los Angeles County stations in the Calabasas area rate 4, 4 and 9 – in part because they service more difficult terrain.

Community Opinions

Crime statistics are improving. The Valley is perceived as a safe place to live, and crimewise, the area is headed in the right direction. Older people often have a greater sense and fear of



crime. This is fed, in part, by a media tendency to sensationalize criminal activity.

Economic conditions and cycles have important impacts on crime levels. There is believed to be a shortage of affordable housing. Some suggest encouraging developers and upscale buyers to invest in depressed areas to encourage rehabilitation and revitalization.

It is believed that a direct correlation can be made between crime and socio-economic conditions. Population density, joblessness and poor economics are all core influences. In teens, idleness can often result from a lack of after-school activities or other meaningful pastimes. Criminals tend to attract other criminals, and the problems are compounded by a proliferation of drugs in certain areas.



Community Recommendations

Stiffer laws, more enforcement and more police have been suggested – along with better training, screening and improved police oversight.

The focus needs to be placed on preventive measures, even in times when crime is on the decrease. Constant vigilance is required to prevent increases in crime.

More support is needed for community-based policing, education, and crime prevention programs. Neighborhood Watch and Business Watch programs should also be supported.

Parents should be more involved with their children, especially teenagers. Many

believe there is a need to upgrade programs for youth, sports programs, music programs, and after-school care.

By increasing commerce, more jobs are created, and youth can be kept busy. Youth job opportunities may be enhanced through the reinstatement of apprentice-style systems with appropriate educational programs and tie-ins.

More emphasis is needed on the positive contributions of the police. Communities can make it happen by constantly improving public awareness.

Agents for Change

Those with the power and jurisdiction to make a difference include: City, county, and state officials as well as police commissions. The media can make a difference by not distorting the news or needlessly sensationalizing crime. School districts have a direct hand in preventing campus crimes, and can indirectly reduce crime through improved education. Citizens can fight back, and not be willing to accept crime and graffiti.



Housing Affordability

Community Issue Ranking: 6 of 12
Score: 77

Housing affordability in the purest sense refers to buyers having sufficient income to purchase housing at market prices. However, affordable housing is generally thought of as residential units priced under market in order to provide housing opportunities for the poor – families who would not otherwise be able to purchase or rent homes. Such opportunities are usually subsidized by the government, or privately as a result of government incentives or restrictions.

Comparing the ratio of median income to housing value between 1990 and 1999 virtually every area in the Valley became more affordable. Housing in Pacoima became 41% more affordable – Porter Ranch 35% – east Encino 33% – Sylmar 32% – Sun Valley 31% – Granada Hills 31% – and portions of Burbank 30%. The areas with the least change were in Van Nuys, Sherman Oaks and Studio City, in the range of 10%-18%. The county-wide change was 25%.

Community Opinions

With a rapidly growing population, a high ratio of new immigrants and a sizable population living in poverty, there is a substantial unmet need for affordable housing in the San Fernando Valley. Zoning and restrictions on density tend to be major factors in the affordability of housing. Where multi-family zones are scarce or non-existent, it is virtually impossible to site inexpensive housing. Under current plans, large tracts of Valley land are reserved for single family housing, commercial or industrial uses. In some areas opportunities for multi-family projects are non-existent.

Housing costs also tend to reflect the quality of public schools in the area. The West Valley, the Ventura Boulevard corridor, and areas served by the Las Virgenes School District tend to draw residents who have more choices since they can afford higher-priced homes.

The Valley has a wide range of housing styles and pricing, but there is a general shortage of affordable inventory. Single parents, and low-income families, often have difficulty finding housing.

There is general community opposition to

low-income housing. It is less so when new projects are designated as senior facilities. Where rent control or incentives such as density bonuses exist, affordable housing units can find themselves included in high-end complexes and projects.

Entertainment and multi-media have in some cases over-inflated housing costs in the southeast Valley. As jobs improve in the area, housing demand and prices naturally increase with the market.

Community Recommendations

Planning and zoning should be reviewed with the affordable housing question in mind. Developers and real estate brokers need to participate in the planning process, and cooperate with one another in establishing a vision. It would be helpful for municipalities to expedite processes and encourage developers to build more housing units. Mixed-uses, combining residential and commercial space, are becoming a popular way of moving people closer to activities – avoiding some demands on the transportation system.

Improved loan programs would allow more people to enjoy the pride of home ownership, and the sense of community it brings. Qualified, low-income families could benefit from

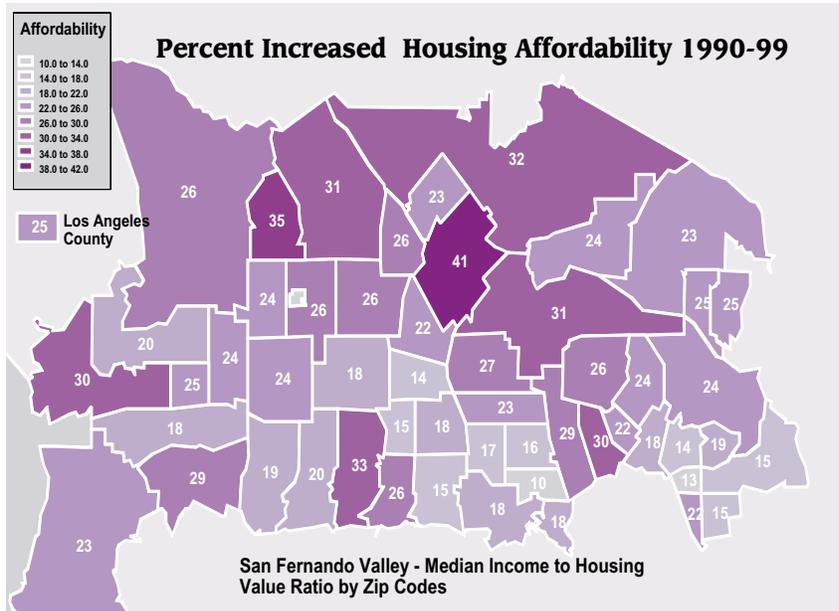
increased housing assistance. Poor areas should be recycled through redevelopment. The government could provide tax breaks to builders to encourage the establishment of more affordable housing.

Others dislike too much government intervention, believing that free market supply and demand will ultimately provide the greatest accommodation for the most people. It is argued that rent controls should be eliminated, as there is doubt of their value as a trade-off against the free market.

Agents for Change

Those with the power and jurisdiction to make a difference include: city and county planning commissions, and city councils. The state regulates planning to some extent, and federal policies and loan programs also come into play.

Banks and financial institutions play an important part, with loan programs coordination of government subsidies.



Air Quality

Community Issue Ranking: 7 of 12
Score: 65

In the 1950s and 1960s, the Los Angeles area was ridiculed in the national media for its poor air quality. But things have changed dramatically since 1976.

For the first time in recent history, 1999 saw no days where the ozone levels at either the North or West Valley stations exceeded federal standards.

Community Opinions

Air quality can be affected by stationary and mobile sources of pollution. Businesses and government regulators have been at odds over remedies for several decades - especially over stationary sources such as factories. While the air has been improving, most believe there is still more to be done.

Stationary sources, such as factories, have come a long way over the last several decades, with "clean industry" becoming the new community standard. Even heavy industry has had to make concessions, and rethink the way that business is done. In some cases, manufacturers - unable to comply with environmental regulations - have decommissioned plants or moved entirely out of the area. As a result, environmental impacts are reduced - but jobs and capital are lost in the bargain.

Mobile sources such as cars trucks and buses present another vexing problem. Southern California is a vehicle-oriented society. The demand for automobiles is expected to continue to grow, in spite of the challenge to the local highway system. Growth and over-concentration of population further contributes to diminished air quality.

Health concerns still remain, and those with allergies, asthma and other sensitivities still seek relief. Most believe continuing and meaningful progress is being made, but there is hope that significant additional regulation can be avoided.

Community Recommendations

Rail transportation, dedicated transit right-of-ways, electric cars, and alternative natural fuels are some of the options being developed to decrease the number of individual cars on the



road. Emphasis on ridesharing and carpools is still a favored solution where practical. Public transportation has not received the support or capital necessary for its wide acceptance.

It is suggested that the number of cars on the freeways be restricted, possibly through tolls or some form of odd-even license plate plan. Older cars, and cars in poor condition should be removed from the highways entirely.

There is great concern in the business community that there not be more regulation which might have the effect of chasing commerce and jobs out of the area. Regulation should be managed and sensible, with the costs carefully weighed against the benefits. The enforcement of existing laws is thought more important than the creation of new ones.

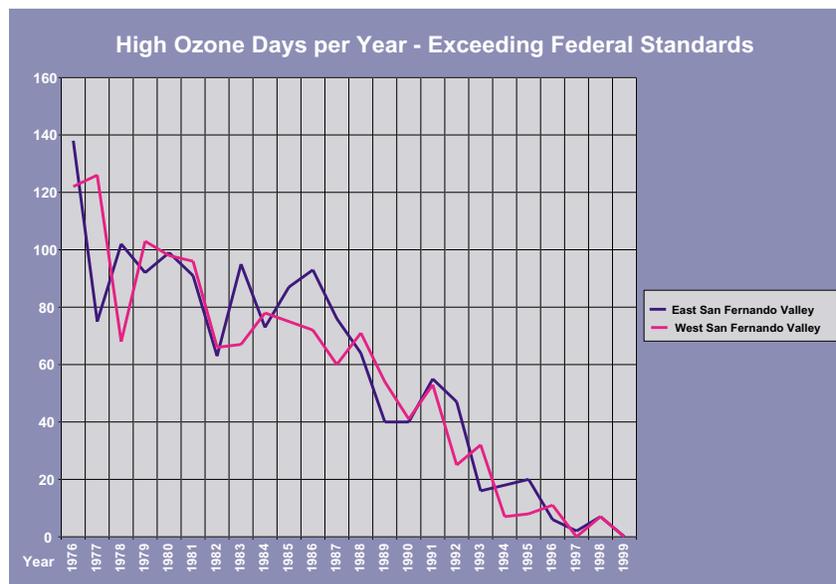
Planning should be improved to reduce burdens

on infrastructure and environment. Increasing mixed uses, with residential closer to commercial, could help do this. Improved highways and more efficient traffic systems would also help cut down on mobile source emissions.

Looking forward, the view is optimistic. There is a perception that a new generation is taking it place in leadership - a generation that has grown up sensitive to environmental issues.

Agents for Change

Those with the power and jurisdiction to make a difference include: the Air Quality Management District, federal Environmental Protection Agency, California Air Resources Board, federal, state, county, and city government, as well as local agencies. Business groups, residents, and environmental groups also have important roles.





Water Quality & Availability

Community Issue Ranking: 8 of 12
Score: 59

In Southern California, naturally occurring water supplies are scarce, and would not have supported the current population without the development of alternate sources and import delivery systems. The Los Angeles (California) Aqueduct was built in 1911 to provide water from the Owens Valley to the City of Los Angeles, fulfilling a major portion of the area's demand.

Los Angeles and other cities also use alternate services such as the Metropolitan Water District and water pumped from wells. The MWD was created in 1928 to build the Colorado River Aqueduct, a facility it still owns and operates. In addition, MWD imports water from Northern California through the State Water Project.

Past droughts have led to sometimes-drastic conservation measures. Although comparatively slight – per capita water usage has increased over the years from 1995 to 1998. Of Valley cities, Burbank has the highest per capita annual usage at 68,532 gallons. The Los Angeles portion of the Valley is next with 60,649 followed by Glendale at 43,504 and San Fernando reporting 9,294. Much of the usage can be attributed to industry, and to heavy landscaping demand during the Valley's hot summers.

Community Opinions

When it comes to water supplies, the area is not considered naturally self-sustaining, given its current population. Periodic droughts have drawn down supplies, and necessitated conservation measures. Commercial growth and the dramatic growth of the population have combined to increase water demand. Other jurisdictions and neighboring states have increased the competition for water supplies.

Most residents think the area's water quality is relatively good, but believe there is still some room for improvement. Some water sources have been contaminated through industrial pollution, and environmental ignorance. Programs for recycling have not generally been well received by the public.

Community Recommendations

Better long-range planning is needed. Additional water import systems and resources should be identified and developed. Desalination technologies should be explored and more reservoirs constructed.

Work on ground water cleanup should continue. The political will must be developed to fund capital expansion of the utility infrastructure, including water delivery systems.

Excellent progress is being made with additional storage facilities and improved strategies. The costs of future programs ought to be carefully balanced against benefits. The Valley cities need to work with neighboring jurisdictions and states to develop a long-term comprehensive vision, including strategic water transfers.

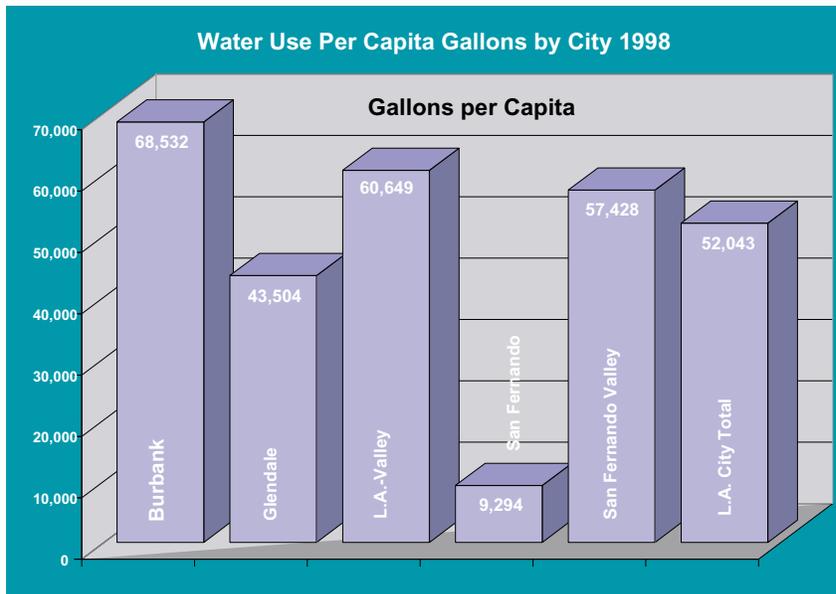
Conservation has to be a priority at all times. Innovative recycling programs need to be developed, such as using recycled water for agricultural and landscaping needs. Public information and communication programs should be expanded.



regional government agencies can provide a broader perspective. Federal, state, and local agencies also have an interest. Homeowners, businesses, and the media can take leadership positions in the public process.

Agents for Change

Those with the power and jurisdiction to make a difference include: Metropolitan Water District, Department of Water & Power, Public Service Departments, Water Districts and larger business customers. In addition,



Residential Real Estate Trends

Community Issue Ranking: 9 of 12
Score: 57

One of the biggest investment most families ever make is in their home. The Valley has, from time to time, found itself in frenzies of housing investment speculation. This occurred in the late 1970s and again in the late 1980s. There have been times when the market drove housing prices up at inflationary double-digit annual rates.

The decade of the 1990s began with the average home value at approximately \$235,000. Values dropped to \$194,000 between 1993 and 1996. Surprisingly, at the end of the decade, some areas had risen slightly, but for the most part the market ended near where it started at about \$236,000.

Some of the most expensive homes are located south of Ventura Blvd. – in Northridge, Calabasas and northern Glendale. This map shows the areas where prices increased – those in green – and where prices went down – in red. The largest gains were posted in Calabasas at 5.3% and a portion of Glendale with 8.3%.

Those with downward trends were mostly in the central and central east with 3.2% losses in portions of Northridge and Sunland. The county averaged a gain of 1.4% over the period.

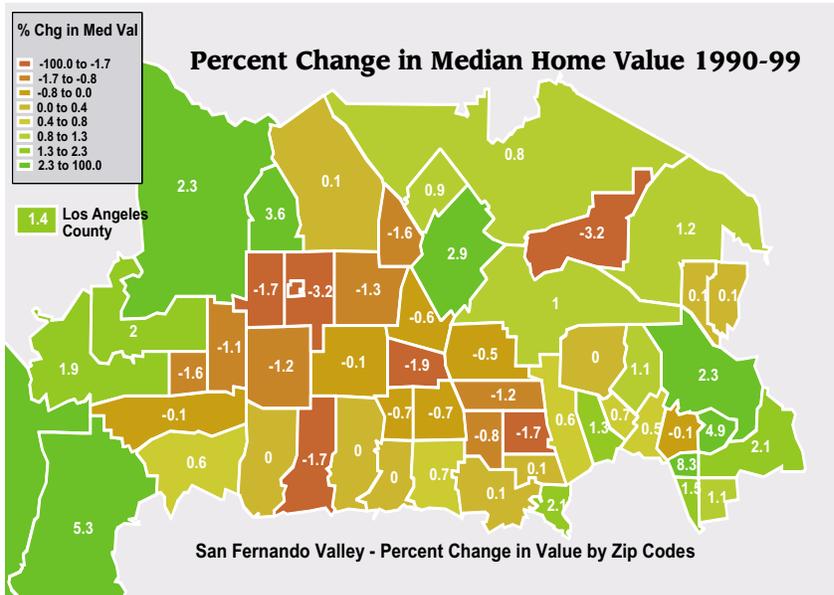
Community Opinions

There are those who believe that the cost of housing is too high – although others suggest that cost is a relative indicator – that in a full employment economy more people are able to afford housing, even at market rates.

Through proper land use and planning, additional development of housing can be encouraged. Strong anti-development groups, environmentalists and homeowners have a history of opposing housing – particularly low income and high-density housing.

Ultimately the market determines most issues of pricing and availability. When there is sufficient demand, private developers usually fill the void.

Housing demand and prices are also dependent



on the quality of schools, the availability of jobs and the abundance of business opportunities. People are drawn to areas where their families can grow and prosper.

Existing homeowners are generally benefited by increases in housing prices. They are vested in the market, and their home is usually their most significant asset. Increased value means an increase in their borrowing power, and an increase in the value of their estate. While the Valley housing market remained relatively stable through the 1990s, there were declines in some areas.

Community Recommendations

Growth should be carefully managed. The government is encouraged to cooperate with housing developers, providing adequate zoning, offering incentives, and pursuing policies that will result in more housing inventory.

Residential and commercial properties need to be properly balanced and carefully mixed. Some suggest encouraging upscale buyers and developers into depressed areas to foster private rehabilitation efforts. It is best to let the free market forces control, not to over-regulate or overtax, and to abolish restrictions such as rent control.

The government may want to consider more subsidies, tax credits and other incentives to help develop housing. Leadership has to work with developers, businesses,

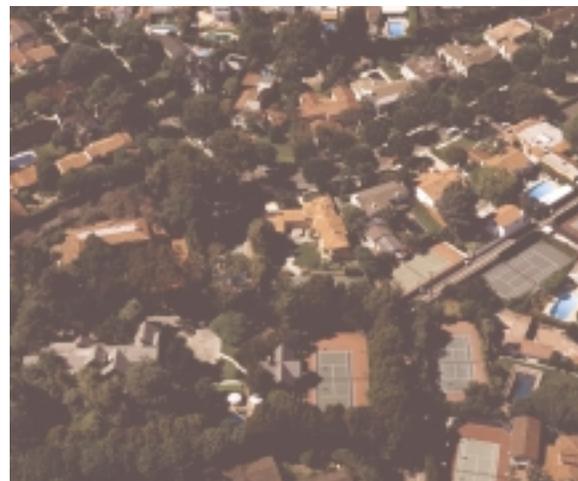
and business organizations.

Better loan programs need to be created to encourage purchase and rehabilitation of aging housing stock. Affordable housing needs to be clustered near jobs, not intruding into other outlying developments.

Agents for Change

Those with the power and jurisdiction to make a difference include: Developers, the home buying public, apartment owners, real estate brokers, cities, counties and planning commissions.

Planning and zoning influence much of the housing market. Businesses and homeowners also have the power affect the outcome through the public process. Federal loan programs play a big part in many first time purchases.



Commercial Real Estate Trends

Community Issue Ranking: 10 of 12
Score: 53

Commercial real estate has done well over the last five years, with vacancies going down dramatically in virtually all areas of the Valley. Vacancies in the west and central Valley have seen sharp declines since 1993. The east Valley's 5.7% 1999 rate is primarily attributed to growth in the entertainment industry. West Valley space demand has improved also with vacancies dropping from 20% in 1993 – to 8.8% in 1999.

In industrial real estate, vacancy rates were climbing through 1994, and began a steady decline after the 1994 Northridge Earthquake. The east Valley dropped to 2% in 1998, and rose to 3.8% in 1999. The central Valley dropped to 3.3% in 1998 and rose to 6.3% in 1999. The west Valley continues to drop, and ended 1999 at 5.2%.

This news is good for property owners, or as a momentum indicator. But, exceedingly low vacancy rates can also signal a short supply. This can discourage the development of new industry and jobs, and cause dislocation growing companies.

Community Opinions

Planning and zoning determine the density and availability of development opportunities. Since they also affect important quality-of-life issues, it is important to consider the needs and concerns of surrounding communities.

The cost of doing business in the area, especially the City of Los Angeles, is seen as a negative factor. It is argued that there is too much government regulation of development.

The most important challenge is the reconciliation of the disparate priorities of business and residential communities. This is possible with an aggressive program of outreach and communication.

Generally, it is believed that deference should be given to free-market solutions in order to increase the availability of suitable space. This is important as new companies and growing companies weigh the decision of whether to grow or locate in the Valley. Extensive business, industrial, and manufacturing needs will continue to drive the commercial market.

Community Recommendations

Cities should develop managed growth plans, with long term planning horizons.

The permit processes need further streamlining. The Valley should control its own planning and zoning. Controlled, planned growth projects should be encouraged. Older sites need to be recycled to accommodate the demands of *new economy* offices and industries.

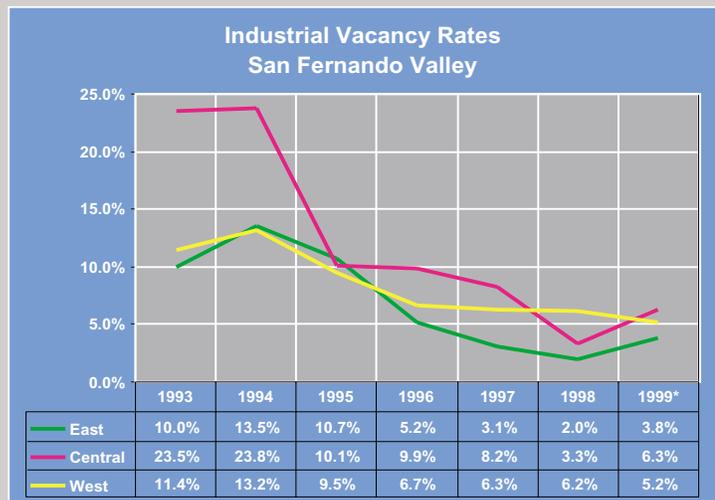
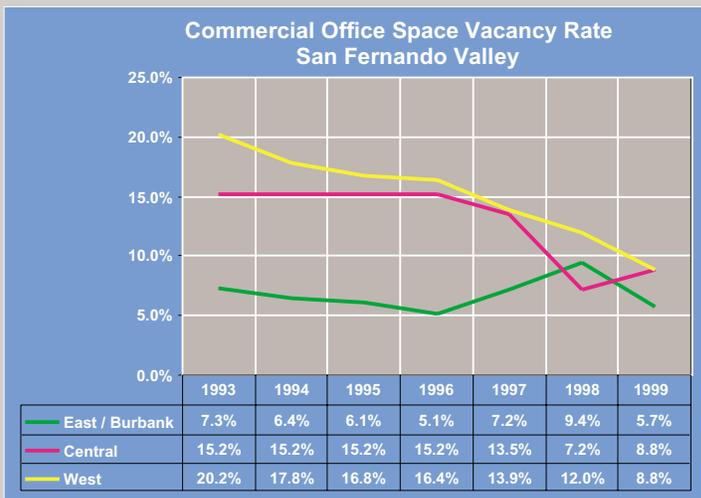
Industrial parks should be located and expanded in Chatsworth and the Antelope Valley, where there is room to grow. Commercial/Manufacturing CM zoned properties should be protected, and consideration given to rezoning blighted residential to CM as a means of encouraging private initiative. Many question the efficacy of government-sponsored Community Redevelopment Agencies and believe that private redevelopment should be encouraged as an alternative.

Leaders need to work with community organizations, realtors, builders, and developers. It would be beneficial to increase marketing of the existing support agencies such as the Economic Alliance, the Valley Industry & Commerce Association, and the Valley Economic Development Center.

The Valley should focus on sustainable development, and recycling Brownfield (contaminated) sites. A survey of significant "signature" buildings should be performed with selected properties being nominated for protection.

Agents for Change

Those with the power and jurisdiction to make a difference include: Real estate brokers, builders, developers, and financial institutions, as well as all levels of government and business. Primary responsibility lies with city planning departments. Cultural heritage commissions and groups who would need to be involved in protecting historical or signature structures.



Health Care Availability & Disease

Community Issue Ranking: 11 of 12
Score: 52

Health and wellness is an important indicator of quality of life. The San Fernando Valley has a ratio of 5.9 deaths per 1,000 births. This is slightly higher than the county rate of 5.8 per 1,000. The lowest rate in the area is in San Fernando with 2.6 per 1,000 and the highest is Burbank with 6.8 per 1,000.

The percentage of low birthweight babies is a popular health indicator. The highest percentage of low birthweight babies – 9.8% – is in Calabasas and the lowest percent – 5.5% – is in San Fernando. The county total is 8% compared to the Valley-wide average of 6.8%.

Deaths from heart disease can be a useful indicator relating to the health of mature residents. In this array, Calabasas again leads the cities with a rate of 270.8 per 100,000 residents followed by Glendale, Burbank and the Valley portion of L.A. The lowest rate 170.5 per 100,000 is in San Fernando. The overall average Valley rate is 213 per 100,000, slightly higher than the county rate of 208.7.

The deaths-from-homicide indicator brings the crime issue into the healthcare arena. Calabasas has only a trace of such activity, while San Fernando has the highest rate at 17.9 per 100,000. The combined San Fernando Valley rate of 7.4 is less than half the county rate of 15.6 per 100,000. In deaths from accidents, Calabasas is triple the other cities at 67.7 per 100,000, followed by San Fernando at 26.9. The combined Valley totals are slightly below county-wide totals.

In deaths from suicide, Calabasas has a rate of 50.8 per

100,000 – more than two and one-half times the rate for second place Burbank with 17.2. The lowest suicide rate is in San Fernando with 3 per 100,000

Community Opinions

The Valley has access to a world-class health care system. But the population of the Valley is growing and aging. There is a significant increase in communicable diseases. The close quarters of crowded housing and transit vehicles only serve to aggravate the problem.

The quality and availability of doctors, hospitals and insurance providers determines the overall quality of healthcare. There are still large segments of the population lacking in health care or adequate health insurance. Health insurance rates are beyond the reach of many – and new immigrants have difficulty understanding the process.

It is strongly felt that there is a need for more and better health insurance. Indigent care is thought to be poor, and many believe that there is a lack of enforcement of abuses and fraud. Too many employers still don't provide health insurance. Some suggest that the healthcare industry is focused on revenues rather than providing quality medical service.

Community Recommendations

Better health insurance policies should be made available. Some suggest a system of national health insurance, while others insist such approaches will not work in this country. It is suggested that more competition and less regulation will result in more choices for an informed public. Leadership should work with the insurance industry for meaningful reform.

Businesses need to have access to affordable health care coverage for their employees – especially small business owners. Government should help to ensure better rates, and encourage programs through tax credits and other incentives to business.

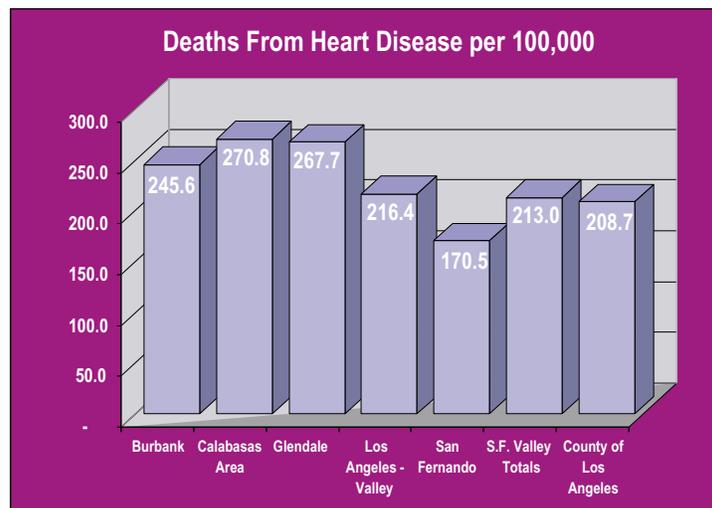
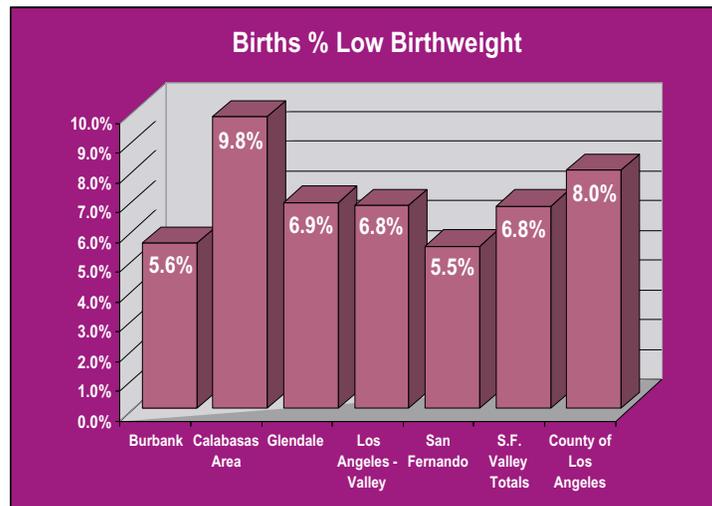
There is a need to create more urgent care facilities, and to identify low cost contractors. More community clinics are also needed, and living densities have to be reduced.

Local enforcement efforts need to be improved to avoid the increased costs that result from fraud and abuse in the healthcare system.

Agents for Change

Those with the power and jurisdiction to make a difference include: Federal, state and local government, insurance companies, health maintenance organizations and hospitals. Federal regulations play a large role in health care, and there has been a trend toward seeking more and more federal solutions.

Doctors have diminished influence at this point. The insurance and HMO industry is large and well funded – and is often seen as resistant to meaningful reform. Pharmaceutical companies take a large share of the healthcare dollar as well.



Income Distribution & Equity

Community Issue Ranking: 12 of 12
Score: 47

Strong incomes are essential to a healthy economy, and they are a major factor in any quality-of-life analysis. But healthy incomes don't always make for healthy communities – particularly where income gaps develop. Such gaps have the effect of creating two worlds – the rich and the poor. A rich community may be seen as one with a large *average* income – but with this comes no assurance that the prosperity is broadly based.

On the other hand *median* income increases generally signify that more and more residents are participating in economic growth. In 1989 incomes were highest along the northern and southern edges of the Valley, with strength in northern Glendale. The Valley-wide median was \$40,499 compared to a county-wide median of 39,095.

By 1999 the median income in the Valley had increased from \$40,499 to \$50,418 – an increase of 24.5%. By 1999 median income comprised 71% of average income. This can be compared, for example, to the Silicon Valley area, where this ratio dropped from 70% to 60% between 1987 and 1997.

Overall growth in median incomes was strongest in parts of Encino, West Hills and Burbank at roughly 33%. The northeast Valley also enjoyed increases of 33% – up to as high as 45% in Pacoima. The weakest income growth showings – in the 10% to 15% range – were in portions of Van Nuys, Studio City and Glendale.

Community Opinions

If real quality of life is analyzed, there is relatively little chronic homelessness or hunger in the area. Job opportunities abound and technical, creative and professional incomes are quite high. These high incomes stand in sharp contrast to the entry-level jobs available to the unskilled. There is a large pool of people who are limited by experience, education or language, to minimum wage occupations.

Population growth and immigration, result in a sizeable cross-section of the community living at a poverty level. This includes many older adults who have inadequate retirement provisions.

True equity is difficult to address due to varying definitions. There is concern that government meddling and social engineering can often make problems worse.

An undeniable correlation exists between education and income. Education and experience are the two qualities most prized by prospective employers. The area's economy is becoming less dependent on low-end production jobs, and more dependent on information and technology-based occupations.

Welfare-to-work programs have helped many gain access to employment. However, many new immigrants have threshold problems with culture and language barriers. This limits their employment options, and hampers education efforts. Access to education in the area is quite good, but there is need to cultivate literacy through the system.

Generally there is a feeling that the free market economy should be allowed to run its course – as in the long run it will provide the greatest number of job opportunities.

Minimum wage laws are not seen as effective in eliminating poverty. Unions have encouraged higher wages and better benefits for workers, but are believed to also promote mediocrity, and increase the cost of goods and services to consumers and taxpayers.

Community Recommendations

Change can be created through engagement and better links between communities.

More quality employers can be attracted by cities becoming more business friendly – by eliminating regulations, providing tax credits, reducing taxes, and creating other incentives. Some believe more programs are needed to encourage the development of higher income jobs.

Some believe that incomes should never be guaranteed, such as minimum wage, and living wage – and that people should be encouraged to make money by working harder. Small businesses should be allowed to grow, thus increasing employment opportunities. Deference should always be given to free-market solutions.

Education reform is essential for broad-based prosperity. Those who are better-educated are have more to offer employers and are consequently more likely to succeed.

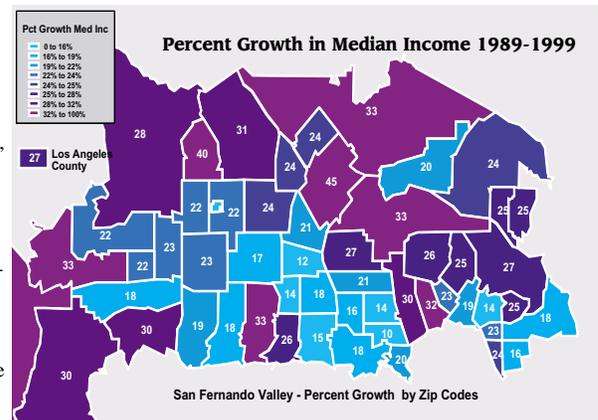
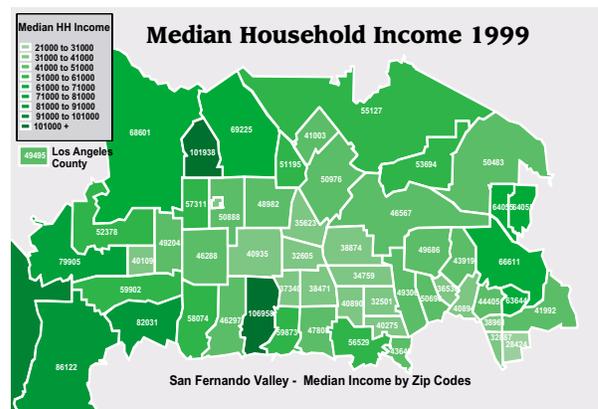
Education and teacher training should be constantly updated and improved. Education of the poor needs more of a college-prep focus. Better access to technology is needed in low-income areas.

Forums are recommended to improve the skills of citizens in preparation for higher paying jobs. Some argue for the breakup of the Los Angeles Unified School District.

It is suggested that new immigrants be better educated on economic and educational issues.

Agents for Change

Those with the power and jurisdiction to make a difference include: All levels of government. Schools and colleges play a tremendous part. Residents should be more sensitive to the needs and concerns of the poor, since it is they who staff service industries, and who provide essential household and domestic services. Developers, realtors, and financial institutions need to recognize this underserved market. Business, political, and community leaders have the ability to address many of the challenges.





Economic Alliance of the San Fernando Valley, California

