

## "Why is LAUSD's Enrollment Declining if the Los Angeles Region's Population is Growing?"

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### ABSTRACT

***In this paper we look into possible explanations for the Los Angeles Unified School District's 'trend-bucking' behavior by examining and contrasting LAUSD student population dynamics relative to the populations of LA City, LA County and the greater Southern California region. Our working hypothesis is that the population growth being observed in these areas is not being fueled by increases in households with school-aged children who would be candidates for attending LAUSD, but rather by increases in households with few or no children.***

***Further, although we had been expecting a decline in LAUSD enrollment due to a decrease in LA County births since 1990, the decline seems to be coming later, and more steeply, than would have been expected if it were being driven by the decreasing number of births alone. Preliminary evidence suggests that out-migration is taking place among households whose children would have historically attended LAUSD. Those patterns, in conjunction with declining births, while being offset in the aggregate by continued County growth, may be affecting both the timing and the rate of decline we are observing in LAUSD's annual enrollments.***

California has been experiencing steady population growth for decades. Most recently, the State's population grew from approximately 34 million in 2000 to over 36.8 million in 2005, and this trend is expected to continue, with planners forecasting that the State will grow to almost 44 million by the year 2020 (5).

Overall, Southern California, which includes Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties, has grown from 16.37 million in 2000 to 17.92 million in 2005, an increase of 9.4% (5). There is regional variation to this growth, with a clear contrast between coastal and inland county population dynamics, with the Inland Empire (San Bernardino and Riverside counties) experiencing the greatest growth in population. Since 2000, Riverside County has grown over 21% and its neighbor, San Bernardino County has grown almost 14%. Los Angeles County grew 7% within the same time period. A net positive flow of domestic migrants appears to have been the main reason for growth in the Inland Empire, while Los Angeles County has experienced a net *negative* flow from domestic migration. It's growth continues to be based mainly on natural increase and a net positive flow of international migrants from Latin America and Asia.

Los Angeles County has grown approximately 15.3% since 1990, gaining approximately 1.36 million people to bring its population to an estimated total of 10.22 million in 2005 (5). Much of the growth within LA County has been driven by growth in the Santa Clarita, San Fernando, and San Gabriel Valley areas (2). Approximately 27.8% of California's total population now resides in Los Angeles County (5). It is important to note that, while growth in LA County continues, not all of the County's growth is occurring within the boundary of the Los Angeles Unified School District.

Overwhelmingly, the largest source of LAUSD population resides within the City of Los Angeles. Between the years of 2000-2005, the City of Los Angeles experienced an approximate growth of 7%, still one of the largest absolute population increases of any major U.S. city during that time period. Approximately 10.7% of the total population of the State of California currently reside in the City of Los Angeles (2,5). During the decade spanning 1990-2000 much of the City's growth was concentrated in the San Fernando Valley, and to a lesser extent, the Westwood and Palms areas of West Los Angeles (1).

Mirroring this growth has been a huge rise in the demand for, and cost of, housing. Over 51,000 new units have been built in Los Angeles City since 1998, and, by late 2005, planners were estimating that another 9,000 units would be needed to meet year-end demand (2). The current patterns of housing construction do not appear to be meeting the demand for affordable housing, either for would-be homeowners or renters. This disconnect between the supply and demand of affordable housing has led to some of the lowest home ownership rates in the state, and a city population that has one of the largest proportions of its residents spending more than 30% of household income on housing (8).

The Los Angeles Unified School District (LAUSD), the nation's second-largest public school system, serves almost the entire City of Los Angeles, as well as part or all of more than 27 other incorporated and unincorporated areas, enrolling approximately 43% of the entire K-12 student population of Los Angeles County. Up until the 2003-2004 school year, student enrollment trends were generally matching surrounding population trends, growing from 625,461 students in 1990 to a peak of 746,831 students in 2002. In 2003, however, enrollments decreased slightly to 746,610, then more sharply in 2004 to 742,090, and are currently expected to continue to decline steeply through at least 2008, despite continuing projected population growth for the surrounding County and City populations (7,4).

LAUSD is not the only large California school district experiencing enrollment decline while its surrounding County population continues to grow. Enrollments within LAUSD's four major neighboring unified school districts, San Diego, Long Beach, Fresno and Santa Ana, also declined within the last two years while simultaneously experiencing population growth within their city and county boundaries.

Demographic planners at LAUSD had been expecting to see some decline in LAUSD enrollment, because the number of children being born in LA County --- the children who would, five years later, become LAUSD's next kindergarten cohorts -- had been dropping since 1990. What has been observed, however, is that the decline seems to be coming later, and more steeply, than would have been expected if it were being driven by the decreasing number of births alone.

One possible reason for the divergence in direction between LAUSD's student enrollment decline and the population growth being observed in the greater Los Angeles region may be that the growth being observed is not being fueled by increases in households with school-aged children who would be candidates for attending LAUSD, but rather by increases in households with fewer or no children. These households may be better positioned to adapt to a rapidly changing housing market, where the median housing price in California escalated from \$211,500 in 2000 to \$498,800 in 2005 (3), and has been projected to increase to \$523,150 by the end of 2005 and another 10% to \$575,500 in 2006 (6). A similar trend has impacted California's rental market as well.

Of particular importance to the LAUSD is the decline of affordable housing within LAUSD's boundaries. Communities such as Jefferson Park and North Hollywood are two examples of areas that are becoming unaffordable for middle and lower income residents, putting home ownership and rental opportunities out of the reach of the households that would have historically been able to afford them. In North Hollywood, median household income was \$33,215 in 2000 but the median housing price for a single family detached home outpaced household income and currently stands at \$643,044, a price that would require an annual family income of \$147,826 to afford (6). Los Angeles' rental market has also seen a steep rise in prices. Since 2001, median rents for 1-bedroom units have increased 42.5%, and now stand at \$945 within the Los Angeles-Long Beach Metropolitan Area (10).

Partly due to the heated regional housing market, there has been an a positive net domestic out-migration from LA County, with many migrants "flowing" to other counties within Southern California, mainly eastward to the Inland Empire, but some also to Orange, Ventura and to Kern Counties (9). Riverside County, eastward in the Inland Empire, grew by 21.5% between 2000 and

2005, making it the fastest growing within the state of California and one of the fastest growing counties nation-wide (4,5). Migrants are also flowing out of California to states such as Nevada and Arizona.

Overall, these patterns suggest that, in conjunction with declining births, migration out of Los Angeles County, and out of California altogether, while being offset in the aggregate by continued County growth, may be affecting both the timing and the rate of decline we are observing in LAUSD's annual enrollments. In this paper we will look more closely into migration and other possible explanations for LAUSD's 'trend-bucking' behavior by examining and contrasting LAUSD student demographic dynamics relative to the populations of LA City, LA County and the larger Southern California region.

References:

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- 3) Data Quick Real Estate News ([www.dqnews.com](http://www.dqnews.com) )
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- 5) California Department of Finance ([www.dof.ca.gov](http://www.dof.ca.gov))
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