

Employment in Park Mesa Heights

Theresa Firestine

This analytical brief is part of a series on the status of Park Mesa Heights, a neighborhood located in South Los Angeles, a 70 square block area anchored by Crenshaw Senior High School. The Los Angeles Urban League (LAUL) has established a 5-year strategic plan to improve the quality of life in this area through advocacy, leadership and neighborhood change. UCLA Department of Urban Planning, with support from UCLA's Center for Community Partnerships, provided technical support for this effort by assembling, analyzing and publishing information related to the state of housing, employment, education and public safety in the immediate neighborhood and surrounding areas. By using the most current and geographic detailed available data, UCLA assembled information that can help inform the 5-year plan by providing insights into the magnitude and nature of the challenges and issues facing Park Mesa Heights stakeholders. Moreover, UCLA's efforts includes preparing technical memos to provide guidance on how to access and analyze the data, so LAUL staff will have greater capacity to monitor changes and empirically evaluate progress.

BACKGROUND

Inner-city minority neighborhoods face serious barriers in the labor market due to: (1) poorer skills related to lower educational achievement, (2) fewer employment opportunities, and (3) discrimination. At one extreme, existing studies suggest that racial residential segregation is responsible for the creation and perpetuation of an urban underclass – a concept referring to poor urban minorities mired in an endless cycle of unemployment, poverty, etc. (see Massey and Denton 1993). Discrimination often feeds into class related arguments that suggest persistent urban poverty stems from urban economic restructuring (see Wilson 1987). Specifically, the decline of manufacturing, the suburbanization of employment, and the rise of the low-wage service sector reduced the number of gainful employment opportunities in the central city. These changes increased joblessness and hence economic hardship among those without adequate transportation or skills to acquire economically rewarding employment in the rapidly decentralizing economy. Other research reveals that minorities often suffer from: a spatial mismatch between jobs and place of residence (living a great distance from employment opportunities), which is compounded by a transportation mismatch (not having access to affordable and efficient transportation to overcome distance) (see Ong and Miller 2004).¹ Not all inner-city minority neighborhoods are as dramatically affected; nonetheless, they do face the same barriers.

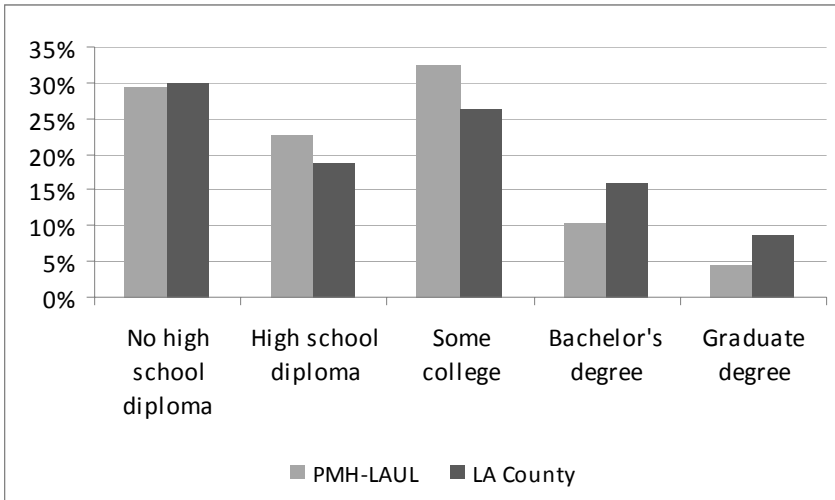
This brief explores the extent to which low educational attainment, the lack of nearby job opportunities, and discrimination preclude full and meaningful employment for residents in Los Angeles Urban League's Park Mesa Heights project area (PMH-LAUL) relative to Los Angeles County (LA County).² An understanding of employment opportunities in PMH plays a crucial role in the Los Angeles Urban League's five year strategic plan to reduce unemployment and poverty rates in the neighborhood.

EDUCATIONAL ATTAINMENT

Less human capital, measured through lower educational attainment, is the first of the three major causes of poor labor market outcomes in inner-city neighborhoods. Figure 1 (next page) depicts the educational achievements of persons 25 years or older who live in PMH-LAUL. Relative to LA County, PMH-LAUL shows lower educational attainment at higher education levels, with 10% achieving a bachelor's degree compared to 16% countywide and only 4% obtaining a graduate degree relative to 9% across the county in 2000. On the other hand, a slightly higher percent possess a high school diploma (23% versus 19% countywide in 2000) and a larger percent attended college for a few years (32% versus 26% countywide in 2000).³

The authors are solely responsible for the content and interpretations in the brief. Organizational affiliations are listed only for informational purposes.

Figure 1. Educational Attainment, Park Mesa Heights and LA County 2000



Source: Census 2000

While 2006 data is not available for the PMH-LAUL neighborhood, other 2006 data⁴ for the area in and around PMH-LAUL shows that educational achievements of persons 25 years or older has improved somewhat, with a slightly higher percent obtaining a high school (21% in 2000 versus 26% in 2006) and bachelor's degree (9% in 2000 versus 11% in 2006). However, the data suggests that PMH-LAUL residents still face a significant barrier to completing higher education.

EMPLOYMENT OPPORTUNITIES

The lack of job access is the second of the three major causes of poor labor market outcomes in inner-city neighborhoods. The following examines job access by considering the ratio of jobs to worker (a measure of the relative number of employment opportunities per worker) in PMH-LAUL and LA County as a whole.

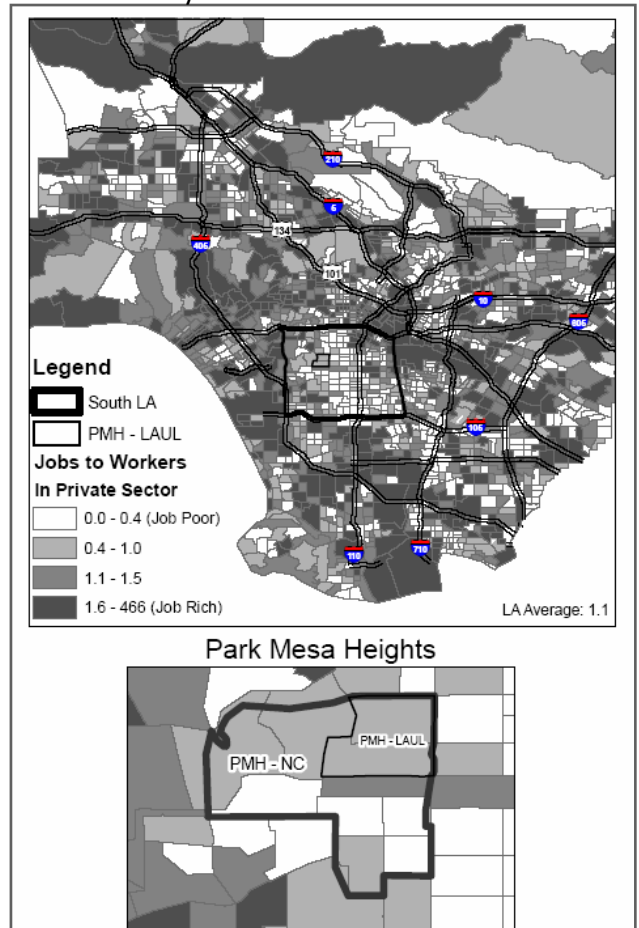
Figure 2 depicts the ratio of jobs to workers by Census tract. The map shows that PMH is a highly job-poor neighborhood, with 0.3 jobs per worker, and is surrounded by equally job-poor neighborhoods with fewer opportunities than in LA County as a whole, which averages about one job per worker.⁵

A low jobs to worker ratio for a single neighborhood is not problematic by nature, as it often results from zoning that physically separates places of residence from industrial, commercial, and employment centers. However, low jobs to worker ratios are worrisome when they cover a large geographic area, because they are indicative of low employment opportunities in a reasonable commute shed.

DISCRIMINATION

Discrimination defines the final major cause of poor labor market outcomes. Both national studies and Los Angeles metropolitan area specific studies reveal that African American males earn 9-11% less and are less likely to be employed than white males after accounting for age, education and skills, and African American females suffer from the same gender inequality as white females. The racial gap for Latino workers is lower and slightly less clear but nonetheless shows that Latino workers face some discrimination in part due to additional employment barriers (lack of English language ability, non-transferability of skills acquired prior to immigration to the U.S. labor market, lack of legal status). (See Ong and Miller 2004; Valenzuela 2006)

Figure 2. Job to Worker Ratios, Park Mesa Heights and LA County 2004



Source: LEHD 2004

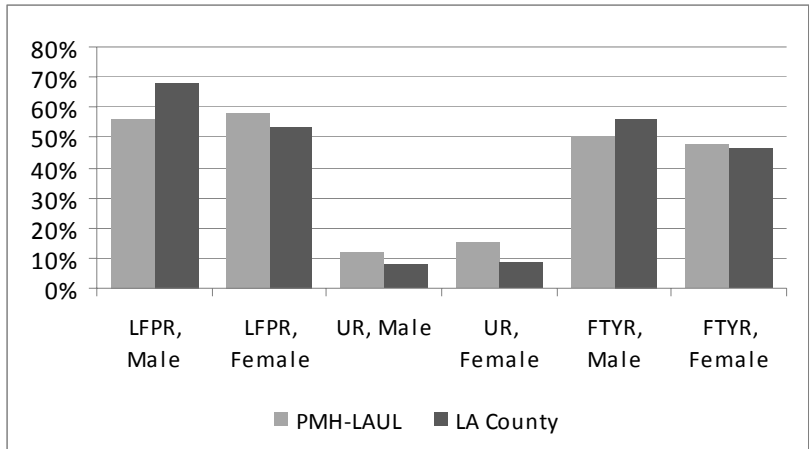
LABOR MARKET CONSEQUENCES OF LOW EDUCATION ATTAINMENT, POOR JOB OPPORTUNITIES, AND DISCRIMINATION

Labor force participation rates in PMH-LAUL are only slightly lower than the overall county rate (57% versus 60% countywide in 2000). However, labor force participation rates show only 60% males in PMH-LAUL compared to nearly 70% of males countywide participating in the labor force. See Figure 3. On the other hand, a higher percent of females in PMH-LAUL participate in the labor force.

In PMH-LAUL, unemployment rates exceed those in the county as a whole (14% versus 8% countywide in 2000). Unemployment rates also vary by sex, with females showing somewhat higher unemployment rates (15%) than males (9%) in PMH-LAUL in 2000.

Higher unemployment rates translate into a lower percent of persons working full-time, year-round (35 hours or more per week for 50 to 52 weeks per year) in PMH-LAUL. In 2000, 49% of PMH-LAUL workers worked full-time, year-round, compared to 52% of LA County workers. Males fare worse than females, with a smaller percent of males working full-time year-round in PMH-LAUL than in the county.

Figure 3. Labor Force Participation, Unemployment, and Percent Full Time Year Round by Gender, PMH and LA County 2000

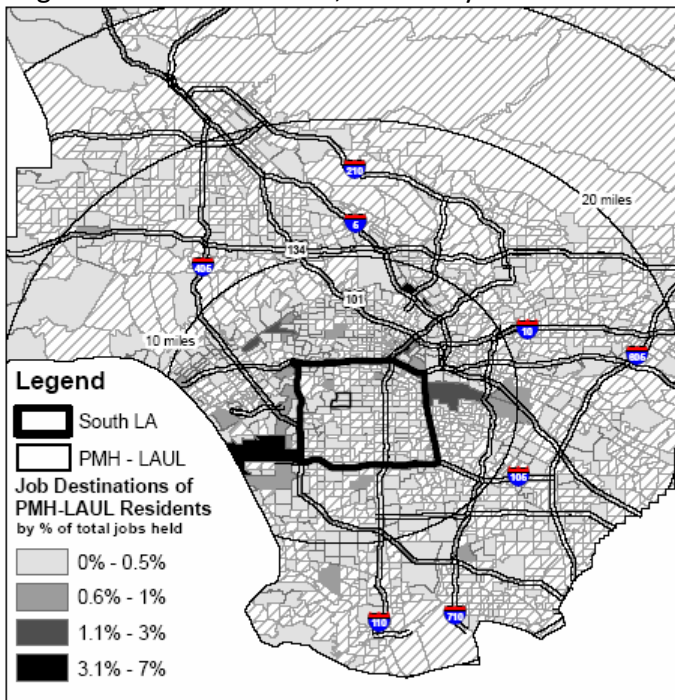


Source: Census 2000

COMMUTE CONSEQUENCES

Because of a relative lack of nearby jobs, few work in South LA. Many of PMH residents work in the area around the Los Angeles Airport (LAX), with the next largest percent working (about 2%) in the area just outside LAX or in downtown LA (See Figure 4).⁶

Figure 4. Job Destinations, LA County 2004

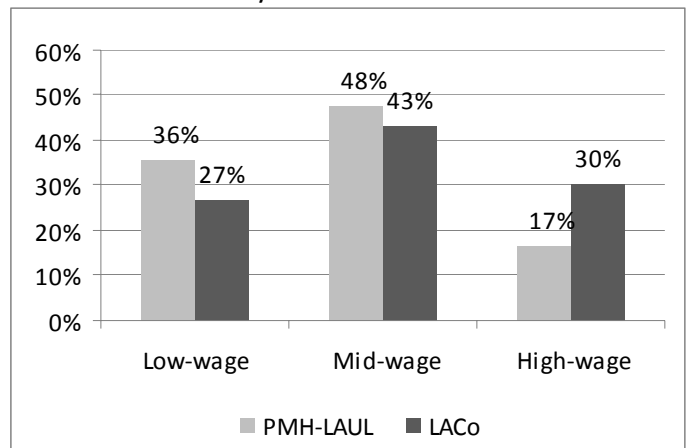


Source: LEHD 2004

EARNINGS CONSEQUENCES

Employment opportunities and commute distances both affect the likelihood of economic hardship faced by low-wage earners. In PMH, 36% of private sector workers earned less than \$1,200 per month in 2004 (second quarter), or about \$14,400 annually whereas 27% earned this amount county-wide (See Figure 5). A comparison of Census tracts with a high percentage of low-wage workers reveals that these same tracts also have low jobs to worker ratios.

Figure 5. Earnings Distribution in Private Sector, PMH and LA County 2004



Source: LEHD 2004

TECHNICAL NOTES

- 1 There is also a skills mismatch between workers' skills and those required for available job positions.
- 2 PMH-LAUL refers to the two Census tracts identified by the Los Angeles Urban League as PMH (2345 and 2346).
- 3 Some college includes those with an associate's degree and those who attended college for one or more years but did not receive a degree.
- 4 Data from the 2006 American Community Survey aggregated to Service Planning Area (SPA) sub-districts. PMH-LAUL is contained by SPA sub-district 45 and 47, which also include a few neighborhoods beyond PMH-LAUL.
- 5 Jobs to worker ratio = # of primary jobs in the private sector / # of workers holding primary jobs in the private sector. Primary job = highest paying position held by a worker.
- 6 Observed commute destinations reveal possible data problems related. In particular, the data suggests that a few PMH residents work in the northernmost tracts of LA County. Most likely, PMH residents do not commute to these remote destinations, but rather, report PMH as their home while living in a location closer to their primary job.

Thanks to Matt Holte and Gerald Phillips for their preliminary work.

PARTNER ORGANIZATIONS

The Los Angeles Urban League (LAUL) traces its roots to 1921 when the Tuskegee Industrial Welfare League merged with the National Urban League, with Katherine Barr as the first LAUL President. Today, the LAUL has a staff of over 300 and a budget in excess of \$26 million, making the 86-year-old Los Angeles Urban League is one of America's largest civil rights entities. Its current mission is to enable African Americans and other minorities to secure economic self-reliance, parity, power and civil rights through advocacy activities and the provision of programs and services in our uniquely diversified city and region. The effort in Park Mesa Heights (an area roughly bounded by the W. Vernon Avenue on the north, S. Van Ness Avenue on the east, W. Slauson Blvd. on the south, and Hillcrest Drive and Crenshaw Blvd. on the west) utilizes a strategy of concentrating efforts on a selected neighborhood to develop and refine approaches that maximizes the chances for success in the area of public safety, employment, education, housing, and health. Charles Boyd, Deputy Neighborhood Officer for Safety and Systems, served as the main liaison for the UCLA-LAUL collaboration.

Established in 1969, **UCLA's Department of Urban Planning** has consistently been ranked among the nation's top programs in the field of urban planning. It contains one of the largest clusters of policy specialists on campus, and faculty research has had a major impact on planning and public policy on every level, from local community development to the problems of rural development and environmental degradation in the Third World. The Department's faculty and alumni are recognized intellectual and professional leaders in the provision of public services, transportation, housing and community development, environmental regulation and resource management, and regional and international development.

The UCLA Center for Community Partnerships works to nurture and develop partnerships between community groups and UCLA in order to improve the quality of life for area residents. The Center provides funding to partnerships between UCLA and the community; supports research to help tackle regional and local issues; sponsors forums and events; and convenes meetings of forward thinkers and practitioners. Dr. Franklin D. Gilliam, Jr. is the Associate Vice Chancellor for Community Partnerships, and Margaret Leal-Sotelo is the Director of the Center for Community Partnerships.

UCLA

UCLA School of Public Affairs
3250 Public Policy Building, Box 951656
Los Angeles, California 90095-1656

Name _____
Street: _____
City: _____ State: _____ Zip Code: _____