



Orange County

2007

COMMUNITY INDICATORS

2007

The transformation of Orange County from rural farmland, to suburban bedroom community, to thriving urban metropolis has taken place. The future has arrived with a diverse population and a diversified economy - reflected in our student bodies, our governing bodies, and our growing service and technology industries.

The service sector forms the foundation of this economy: business and professional services, tourism, health services and construction are our largest employers. Combined with this strong service sector, Orange County has the highest concentration of high-tech industries in the nation. Technology-related degrees account for as many as 20% of degrees granted from Orange County universities.

With the benefits of urbanization and a strong job market come challenges: high housing prices and cost of living, traffic congestion, and an exodus of young adults out of the county to name a few. Understanding where we are headed is important in order to take advantage of emerging opportunities and to take action to correct undesirable trends. The Community Indicators Project highlights trends to show how Orange County has changed and is changing, and how we compare with our peers in the areas of our economy, education, health and wellbeing, safety, environment and civic life.

This year's special features highlight Orange County's increasing income polarization and a dramatic decline in middle class neighborhoods. Also featured is an analysis of the capacity of our nonprofit sector to meet growing and changing needs. Finally, the report takes a closer look at a disturbing phenomenon: Orange County's young adults are leaving in record numbers. This trend can be expected to have repercussions on our population, workforce, and family support systems.

We hope the report continues to be a useful tool, offering insight to our community as we embrace and continue to form a new and ever-changing Orange County.



Michael M. Ruane
Project Director

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■ New Indicator or New Data

♦ Data for at least one element of this indicator is updated every two years.

Introduction

What is a Good Indicator?

Good indicators are objective measurements that reflect how a community is doing. They reveal whether key community attributes are going up or down; forward or backward; getting better, worse, or staying the same. Effective indicators meet the following criteria:

- Reflect the fundamental factors which determine long-term regional health
- Can be easily understood and accepted by the community
- Are statistically measurable on a frequent basis
- Measure outcomes, rather than inputs

Why are Community Indicators Important?

The value of community indicators is to provide balanced measurements of the factors which contribute to sustaining community vitality and a healthy economy, including economic, social, quality of life, and environmental measurements. They also provide a picture of the county's overall social and economic health over time. The narrative for each community indicator defines why the indicator is important to the community and measures community progress.

Selection Criteria

The indicators selected for inclusion in the Orange County Community Indicators report represent broad interests and trends in Orange County and are comparable to indicator efforts in similar communities throughout the nation. The indicators that were selected also meet the following specific criteria:

- Illustrate countywide interests and impacts as defined by impacting a significant percentage of the population
- Include the categories of economic development, technology, education, community health and prosperity, public safety, environment, and civic engagement
- Reflect data that is both reliable and available over the long-term

Peer Counties

To gain a better understanding of the state of the county in relation to other metropolitan areas, Orange County is compared to neighboring and/or certain peer counties or regions in many of the indicators presented in this report. Neighboring counties include: Los Angeles, San Bernardino, Riverside, and San Diego Counties. Peer regions are metropolitan areas that have similar economic or demographic characteristics as Orange County and thus are considered economic competitors. They include: Atlanta, Austin, Boston, Minneapolis (or Twin Cities), Research Triangle (North Carolina), San Francisco Bay Area (or Santa Clara County or the San Jose Metropolitan Area), and Seattle.

County Profile

Orange County is located in the heart of Southern California, with Los Angeles County to the north, San Diego County to the south, and Riverside and San Bernardino Counties to the east. There are currently 34 cities within the county and several unincorporated areas.

POPULATION

Growth

In January 2006, Orange County's population was 3,072,336.¹ Orange County is the second largest county in California, trailing only Los Angeles and just surpassing San Diego, and the fifth largest county in the nation. In fact, Orange County has more residents than 22 of the country's states, including Iowa, Utah, Nevada, and Idaho.²

In the 1950s the county grew an average of 22% per year and 10% per year in the 60s but the rate has slowed considerably since then. Between 1990 and 2000, the average annual rate of increase was 1.8% and from 2000 to 2005, the average annual rate of change was 1.5%.³ While the county is still growing, Orange County's rate of growth slows each year. Between 2005 and 2006 the county grew a record low of 0.8%.⁴ Down from 13th last year, Orange County ranked 40th out of over 3,000 U.S. counties in terms of numeric population growth between 2004 and 2005, adding about 6,000 people. Orange County's already large base population contributes to a high numeric rank. However, Orange County's slowing growth rate puts it at 1,807th in the nation in terms of percent change between 2004 and 2005.⁵ The county's population growth is projected to continue until 2040 when the county's population is expected to stabilize at 3.7 million.⁶

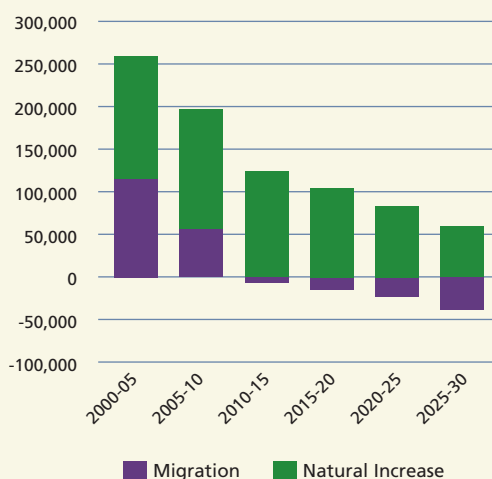
Between January 2005 and 2006, Irvine accounted for the largest numeric and percent population growth in Orange County, adding 10,300 residents and growing 5.6%. Placentia and Yorba Linda tied for the second fastest rate of growth (2.2%). Costa Mesa, Dana Point and Rancho Santa Margarita witnessed the slowest percent growth (0.1%).⁷

Numeric Population Growth Selected Counties, 2004-2005

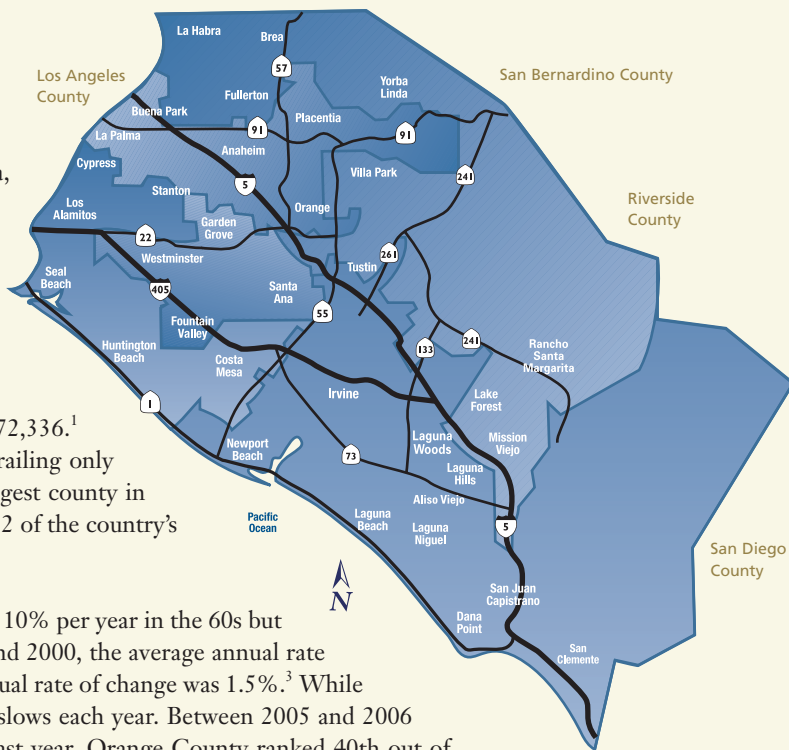
County (Major City)	State	Rank
Maricopa (Phoenix)	AZ	1
Riverside (Riverside)	CA	2
Clark (Las Vegas)	NV	3
Harris (Houston)	TX	4
San Bernardino (San Bernardino)	CA	5
Wake (Raleigh)	NC	10
Travis (Austin)	TX	19
Los Angeles (Los Angeles)	CA	21
Santa Clara (San Jose)	CA	23
King (Seattle)	WA	24
Sacramento (Sacramento)	CA	28
Fulton (Atlanta)	GA	33
Orange (Santa Ana)	CA	40

Source: U.S. Census Bureau

Components of Population Growth, 2000-2030



Source: Center for Demographic Research, California State University, Fullerton, Orange County Projections 2004



Migration Versus Natural Increase

Now (and even more so in the future) Orange County's population growth is generated internally through natural increase (births minus deaths) rather than through migration. This was not always the case. From the 1950s through the early 70s, much of the county's growth came from migration into the county from within the state and from other states. Now Orange County is no longer a major destination for the 49 states and more people are moving out of Orange County to other California counties than moving in. Still, in-migrants have outnumbered out-migrants due to immigration, mostly from Asia and Central America, shifting the county's proportion of foreign born from 6% in 1970 to 30% in 2005. However, as immigration levels taper off, out-migration will exceed in-migration.⁸

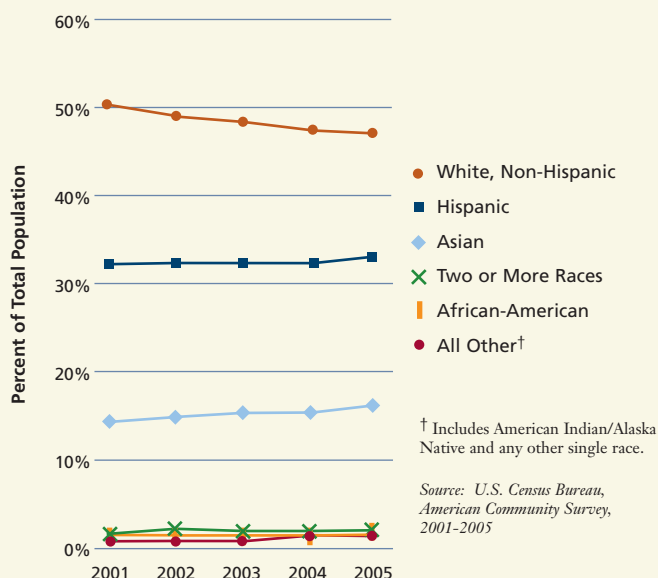
Ethnicity and Age

The trend toward greater ethnic diversity continues. Fully 44% of Orange County residents over age five speak a language other than English at home and, as of 2002, no single racial or ethnic group comprises more than 50% of the total population.⁹

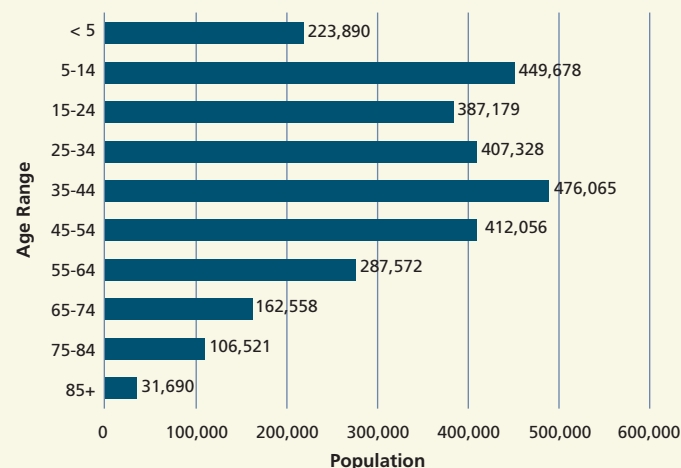
The county's median age is projected to rise from the 2005 median of 35, but growth differs by ethnicity. Orange County's Hispanic population will see moderate increases among child and young adult populations over the next 25 years but older adult and senior populations will increase dramatically. For this reason, Orange County's Hispanic population will witness the largest rise in median age, from 26 in 2005 to 35 in 2030. The Asian population will also see dramatic increases in older adults and seniors but little change in children and young adults, driving a smaller but still substantial rise in median age, from 39 to 47 during the same period. The White pop-

ulation will see a considerable drop off in the child population and a moderate increase in older adults and seniors resulting in the least significant median age change, from 41 to 46.¹⁰

Population by Ethnicity Orange County, 2001-2005



Population by Age Orange County, 2005



Density

As of January 2006, Orange County's population density was estimated at 3,892 persons per square mile, an average increase of about 1.7% annually since 2000.¹¹ Census 2000 data show Orange County is one of the most densely populated areas in the United States, falling 18th among all counties.¹² However, unlike Orange County, many otherwise urbanized peer counties (such as San Diego and Los Angeles) have large amounts of undeveloped, rural land which reduce their overall density. When comparing Orange County to the cities within our peer counties, Orange County is the 9th densest area. When comparing Orange County to large urban areas (cities, townships, boroughs, and other county subdivisions over 50,000) across the country, we fall to 299th. Within the county, densities vary by location, from a low of 412 persons per square mile in unincorporated areas to highs of 12,869 in Santa Ana, 12,504 in Stanton, and 9,596 in Garden Grove.¹³

Population Density Ranking Selected Cities, 2000

Rank out of all U.S. Urban Areas	Rank out of Selected Peers	City	Persons per Square Mile of Land Area
5	1	New York City, NY	26,403
16	2	San Francisco, CA	16,634
32	3	Boston, MA	12,166
82	4	Los Angeles, CA	7,877
103	5	Minneapolis, MN	6,970
110	6	Seattle, WA	6,717
168	7	San Jose, CA	5,118
279	8	San Diego, CA	3,772
299	9	Orange County, CA	3,606
313	10	Dallas, TX	3,470
340	11	Riverside, CA	3,267
360	12	Atlanta, GA	3,161
363	13	San Bernardino, CA	3,152
465	14	Austin, TX	2,610
497	15	Raleigh, NC	2,409

Note: U.S. rank includes cities, boroughs, townships, and other county subdivisions with population over 50,000.

Source: U.S. Census Bureau, GCT-PH1-R: Population, Housing Units, Area, and Density, Census 2000

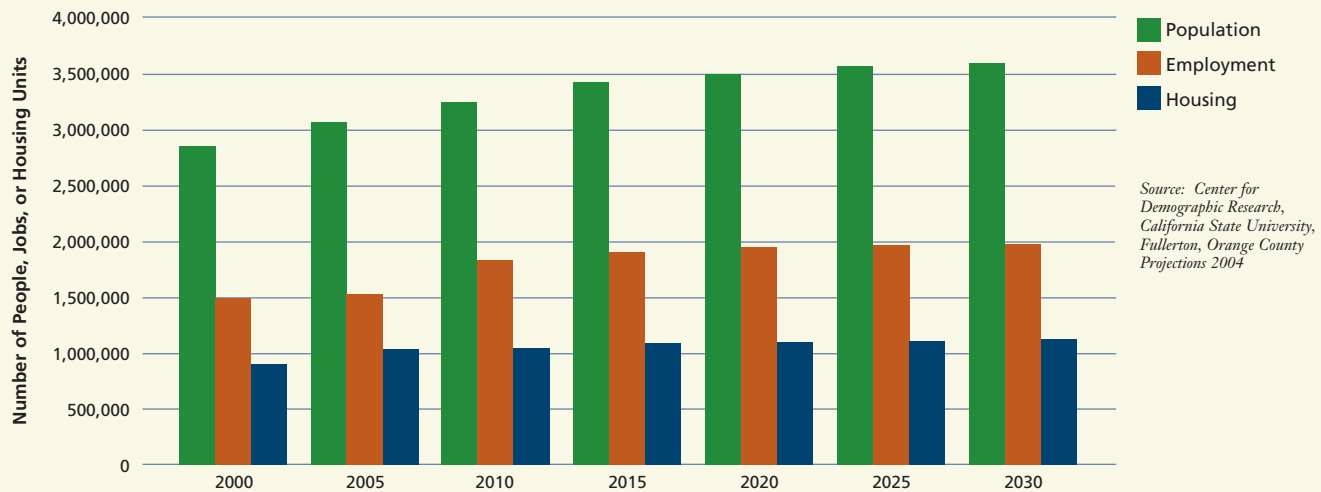
HOUSING

As of 2005 there were 1,017,209 housing units available to county residents. About half of the existing housing units in Orange County are single-family detached units. Building permits issued in 2005 for single-family homes fell 5% from the previous year and permits for multiple-family dwellings fell 36%. A majority of occupied units are owner-occupied (62%) compared to renter-occupied (38%).¹⁴ Between 2005 and 2010 housing projections for the county anticipate over 35,000 housing units to be added. This equates to 40% of the total housing units expected to be added over the next 25 years.¹⁵

Average Household Size

As of 2005, the average household size in Orange County was 3.0 persons. In 2004 Orange County had the 19th highest average household size in the nation, higher than California (2.9) and the U.S. (2.6).¹⁶ Not only does Santa Ana have the highest household size in the county it has the highest in the nation when compared to other large cities (4.7).¹⁷ Garden Grove (3.7), Stanton (3.5), and Anaheim and Buena Park (3.4) all have higher than average household sizes.¹⁸ In Orange County, Latinos tend to have the highest household size (4.3), followed by Asians (3.3) and Whites (2.5).¹⁹

Population, Employment and Housing Orange County, 2000-2030



EMPLOYMENT

Orange County enjoys a diverse economy, with economic output and employment well-distributed among sectors. The employed labor force in 2005 was over 1.6 million, a gain of 1.2% from the previous year. The largest labor markets are trade, transportation and utilities (18%), business and professional services (18%), and manufacturing (12%).²⁰

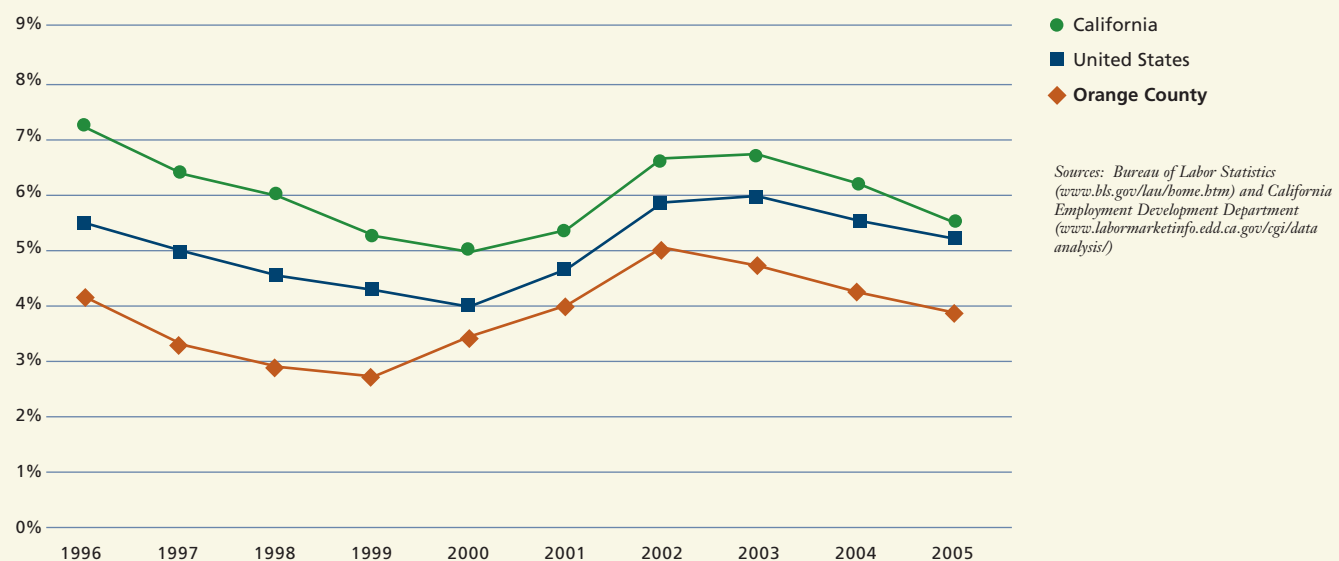
Industry projections for 2002 to 2012 indicate that Orange County's fastest growing sectors will be construction (+40%), leisure and hospitality (+34%), educational and health services (+26%) and business and professional services (+25%). The projected fastest growing occupations fall into the categories of educational services (e.g. teachers, aides), specialty trade contractors (e.g. electricians, masons) and wireless telecommunications carriers. The slowest growing sectors are manufacturing (+5%) and transportation, warehousing and utilities (+9%).²¹

Small businesses flourish in Orange County's entrepreneurial climate, with fewer residents working in large firms (500+ employees) than the statewide average (19% vs. 21% in 2005). The number of small firms (with fewer than 50 employees) and large firms (with more than 500) grew the most since 2001 (11% and 10%, respectively). Mid-size firms (50 to 499 employees) grew comparatively slower (4%).²²

Unemployment

In 2005, Orange County posted the state's lowest unemployment rate at 3.8%. This is also the lowest rate among counties with a labor force over one million and the 7th lowest among counties with a labor force over 500,000.

Unemployment Average Annual Rate, 1996-2005



LAND USE

Orange County covers 798 square miles of land, including 42 miles of coastline. Substantial portions of the county are devoted to residential housing of various types (28%). Almost a fifth of the county is classified as uncommitted, meaning it is either vacant or there is no data available for that land. Another quarter of the county's land is classified governmental or public, including open space and parks.

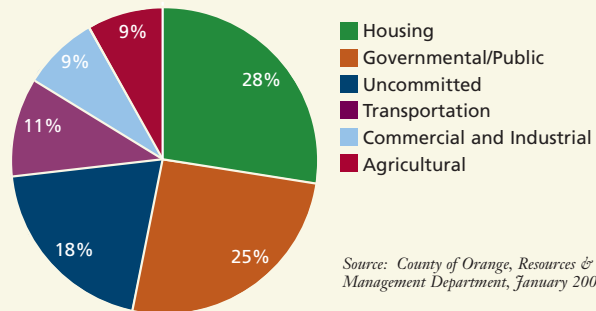
GROSS METRO PRODUCT

If Orange County were a country, its gross metro product (GMP) in 2004 would rank 37th in the world – ahead of such nations as Israel, Singapore, and the Czech Republic. When looking internally, Orange County is the 14th top producing economy in the nation.²³

STATE AND LOCAL FINANCES

Orange County is a “donor county” – the county government receives from the state the least amount of property taxes per capita among peer counties in California. The same is true for several of Orange County's large cities, many of which have per capita property tax allocations below the statewide average. The smaller allocations suggest that Orange County and many of its large cities, in comparison to other large counties and cities in California, did not receive a large share of countywide property taxes before the passage of Proposition 13 in 1978.²⁴

Orange County Land Uses, 2005



Source: County of Orange, Resources & Development Management Department, January 2006

Per Capita Property Tax Allocation from the State
County and City Comparison, 2004/05

Peer Counties	Per Capita Property Taxes	Orange County Large Cities	Per Capita Property Taxes
Los Angeles	\$191	Huntington Beach	\$168
Statewide County Average	167	Statewide City Average	119
Santa Clara	165	Irvine	102
San Diego	128	Anaheim	78
Inland Empire	79	Santa Ana	66
Orange	67	Garden Grove	64

Sources: California State Controller's Office, Local Government Annual Financial Reports (www.sco.ca.gov/pubs/index.shtml) and California Department of Finance, Table E-1 (www.dof.ca.gov/HTML/DEMOGRAP/ReportsPapers/ReportsPapers.asp)

¹ California Department of Finance, Table E-1

² California Department of Finance, Demographic Research Unit, Table E-1 (www.dof.ca.gov/HTML/DEMOGRAP/ReportsPapers/ReportsPapers.asp) and U.S. Census Bureau, Population Estimates Program, GCT-T1, 2005 Population Estimates (www.census.gov/popest/datasets.html)

³ U.S. Census Bureau and California Department of Finance as reported by Center for Demographic Research, California State University, Fullerton, Orange County Progress Report 2006 (www.fullerton.edu/cdr)

⁴ California Department of Finance, Table E-1

⁵ U.S. Census Bureau (www.census.gov/popest/counties/)

⁶ California Department of Finance, Table P-3: Population Projections by Race/Ethnicity, Gender and Age for California and Its Counties 2000–2050

⁷ California Department of Finance, Table E-1

⁸ Center for Demographic Research, California State University, Fullerton, Orange County Projections 2004 and U.S. Census Bureau, 2005 American Community Survey

⁹ U.S. Census Bureau, 2005 American Community Survey

¹⁰ U.S. Census Bureau, 2005 American Community Survey and Center for Demographic Research, California State University, Fullerton, Orange County Projections 2004

¹¹ Calculated using 2000 land area from U.S. Census Bureau (www.census.gov/prod/cen2000/phc-1-6.pdf) and 2006 population data from California Department of Finance, Table E-1

¹² U.S. Census Bureau, Census 2000, Table GCT-PH1-R. Population, Housing Units, Area, and Density

¹³ Calculated from land area data presented in the Orange County Progress Report 2006 by the Center for Demographic Research, California State University, Fullerton and California Department of Finance, Table E-1, January 1, 2006 population figures.

¹⁴ U.S. Census Bureau, 2004 American Community Survey Summary Tables (www.census.gov/acs/www/index.html) and Center for Demographic Research, California State University, Fullerton, Orange County Progress Report, 2006

¹⁵ Center for Demographic Research, California State University, Fullerton, Orange County Projections 2004

¹⁶ U.S. Census Bureau, 2004 American Community Survey (2005 ACS data was not available at time of publication)

¹⁷ U.S. Census Bureau, 2004 American Community Survey Ranking Tables. Note: only selected cities over 65,000 are included in the ranking.

¹⁸ Center for Demographic Research, California State University, Fullerton, Orange County Progress Report, 2006

¹⁹ Household size by ethnicity is 2003 data from the U.S. Census Bureau, American Community Survey.

²⁰ Employment Development Department, Labor Market Information, County Snapshots (www.calmis.ca.gov/file/cosnaps/oranSnap.pdf)

²¹ California Employment Development Department, Labor Market Information, Projections of Employment by Industry and Occupation (www.labormarketinfo.edd.ca.gov/cgi/data-browsing/?PageID=145)

²² Employment Development Department, Size of Business Data, 2001–Present (www.labormarketinfo.edd.ca.gov/cgi/data-browsing/?PageID=67&SubID=138)

²³ U.S. Conference of Mayors, U.S. Metro Economies, January 2006 (www.usmayors.org/metroeconomies/)

²⁴ California State Controller's Office, Local Government Annual Financial Reports (www.sco.ca.gov/pubs/index.shtml) and California Department of Finance, Table E-1 (www.dof.ca.gov/HTML/DEMOGRAP/ReportsPapers/ReportsPapers.asp)



Special Features

Middle Income Neighborhoods Disappearing Faster in Orange County

Description of Indicator

This feature shows the change over 30 years in the proportion of Orange County families and neighborhoods that are lower, middle, and higher income compared to the nation and peers. It also shows how Orange County ranks relative to peers in the proportion of families and neighborhoods that are middle income. The lower income category includes families earning incomes that are less than 80% of their metro area's median family income for a given year. The middle income category includes incomes between 80% and 120% of median and the higher income category includes incomes over 120% of median. This method of calculation controls for changes in cost of living over time and for metropolitan area differences in income levels.

Why is it Important?

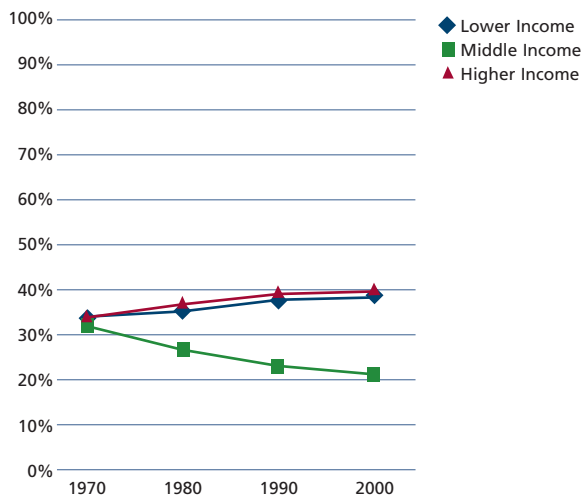
Rising income inequality – when the gap between the rich and the poor widens, resulting in more high and low income families and fewer middle income families – may contribute to increased economic and geographic segregation. A declining “middle class” and decreasing proportion of middle income neighborhoods constrains the ability of lower-income individuals to move up to middle-income neighborhoods, as well as limiting opportunities for moderate-income earners to move up the property ladder, if the house-price differential between lower- and higher-income neighborhoods is too high.

How is Orange County Doing?

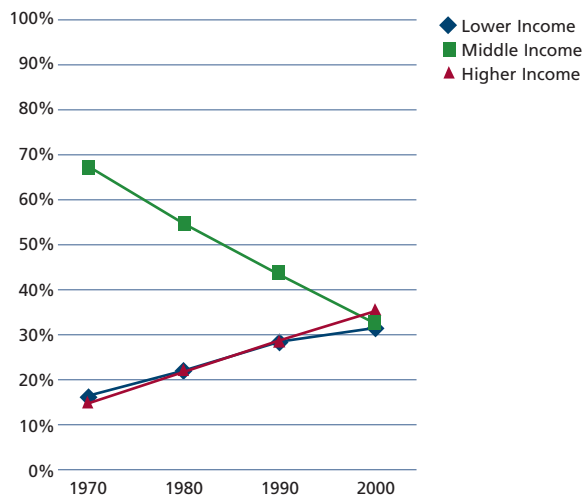
Between 1970 and 2000, there has been a shift in family income across the largest 100 metro areas in the nation: the proportions of families with lower incomes and higher incomes have risen, while the proportion with middle incomes has fallen. In Orange County this trend is accelerated. Our rate of change outpaces the nation and all our peers. Between 1970 and 2000, the proportion of families with moderate incomes fell 10% in Orange County compared to a fall of 7% nationwide.

Similar trends are occurring in neighborhoods across the nation, with middle-income neighborhoods losing ground to lower and higher income neighborhoods. Again in Orange County, there is even more rapid polarization with respect to neighborhoods with a greater decrease in middle income neighborhoods in Orange County (-32%) than the nation (-17%).

Share of Families by Income
Orange County, 1970-2000



Share of Neighborhoods by Income Category
Orange County, 1970-2000



In 2000, Orange County ranked 78th out of the 100 largest metro areas in the nation for the proportion of families with middle incomes. Orange County fell in the bottom 10 for the proportion of neighborhoods that are middle-income (92nd). This data suggests that families appear to group together by income within neighborhoods in Orange County more so than in other regions. It is increasingly common to find more high and low income neighborhoods in Orange County and fewer middle income neighborhoods, suggesting that higher and lower income neighborhoods are replacing middle income neighborhoods.

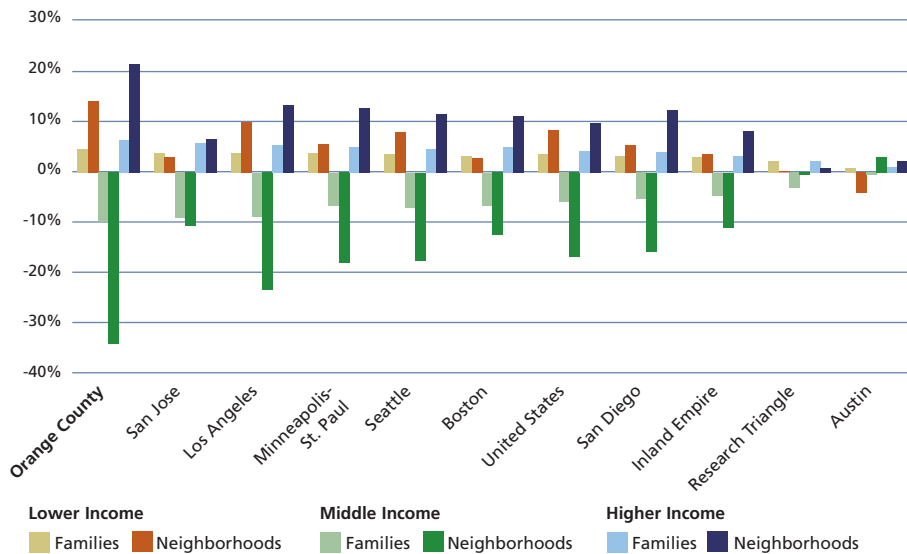
Share of Families by Income Category
Selected from 100 Largest Metro Areas, 2000

Rank (by Middle Income Share)	Metro Area	Lower Income	Middle Income	Higher Income
1	Minneapolis	35.7%	26.4%	37.9%
4	Seattle	36.7%	24.6%	38.6%
37	Austin	38.0%	22.7%	39.3%
44	Research Triangle	38.0%	22.5%	39.5%
61	Boston	37.9%	21.9%	40.2%
67	San Jose	38.2%	21.6%	40.2%
78	Orange County	38.7%	20.7%	40.7%
85	Inland Empire	39.0%	20.2%	40.8%
86	San Diego	38.9%	20.1%	41.0%
100	Los Angeles	40.4%	17.4%	42.2%

Share of Neighborhoods by Income Category
Selected from 100 Largest Metro Areas, 2000

Rank (by Middle Income Share)	Metro Area	Lower Income	Middle Income	Higher Income
10	Seattle	22.6%	53.9%	23.5%
21	Minneapolis	26.8%	50.1%	23.1%
29	San Jose	26.4%	47.5%	26.1%
43	Boston	28.8%	44.5%	26.7%
53	Research Triangle	32.7%	42.0%	25.4%
57	Inland Empire	33.2%	41.6%	25.2%
75	Austin	35.3%	38.9%	25.8%
76	San Diego	29.9%	38.4%	31.6%
92	Orange County	30.9%	32.7%	36.4%
100	Los Angeles	37.3%	28.3%	34.4%

Share of Families and Neighborhoods by Income Category
Regional Comparison, Change from 1970 to 2000



Source: Booza JC, Cutsinger J, and Galster G. (2006) *Where Did They Go? The Decline of Middle-Income Neighborhoods in Metropolitan America*. The Brookings Institution (www.brookings.edu/metro/pubs/20060622_middleclass.pdf)

More Nonprofits Compete for Fewer Resources

Description of Indicator

This special feature summarizes the major findings of the report titled “The Nonprofit Sector, Philanthropy, and Civic Engagement in Orange County: A Baseline Study” by the Center for Civil Society in the School of Public Affairs at University of California, Los Angeles (UCLA).

Why is it important?

Nonprofit organizations are increasingly responding to social, cultural, economic, environmental, and health-related community service needs as Orange County adjusts to the reality of smaller government and greater social and economic diversity. For this reason, it is important to understand the characteristics of the county’s nonprofit community and its capacity to fulfill those needs.

How is Orange County Doing?

A number of indicators suggest that Orange County nonprofits may struggle to meet needs now and in the future.

Capacity to Meet Needs

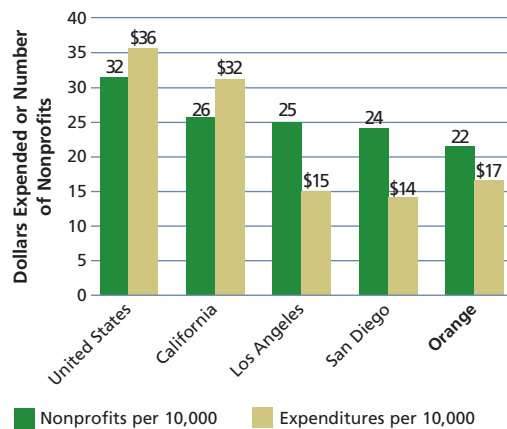
In 2004, the relative size of the Orange County nonprofit sector was smaller than the California and national averages, both in terms of the number of nonprofits per capita and the expenditures per capita. There were approximately 22 nonprofit organizations for every 10,000 people in Orange County compared to 26 per 10,000 Californians and 32 per 10,000 Americans. The county’s nonprofit expenditures of \$17 per every 10,000 people trailed state and national averages roughly by half (\$32 and \$36 per 10,000, respectively).

Orange County more than doubled the number of nonprofits between 1995 and 2004 but this was not enough to raise the size of Orange County’s nonprofit sector above state and national averages. Revenues have continued to grow, yet due to the increase in the number of nonprofits, average revenues and expenditures per organization have declined over this period. Between 1995 and 2004, the median expenditure per nonprofit decreased from \$111,000 per year to \$95,000.

Since hospitals account for 53% of nonprofit expenditures in Orange County their numbers can mask trends going on elsewhere in the nonprofit community. While average expenditures per nonprofit increased substantially in 2003 and 2004 – nearly making up four years of declines – this trend is erased when hospitals are excluded from the calculation. In effect, more organizations are operating with fewer resources.

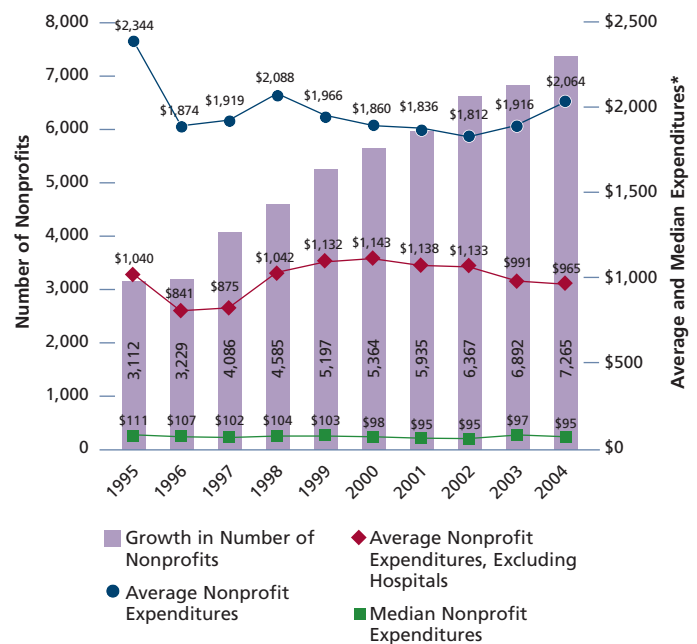
Over half (52%) of Orange County’s nonprofits are small (\$100,000 in expenditures or less) compared to 42% in Los Angeles and 49% in San Diego. And 40% of Orange County nonprofits have between zero and four paid staff members. While smaller organizations can offer advantages such as strong community connections and the flexibility to respond to evolving needs, they are also more inclined to have organizational and service capacity issues. Thus, a sector with mostly smaller organizations can pose a challenge for coordinated countywide service delivery as well as overall service stability.

Number of Nonprofits per 10,000 Residents and Nonprofit Expenditures per 10,000 Residents
County Comparison, 2004



Sources: National Center for Charitable Statistics and U.S. Census Bureau

Nonprofit Growth and Expenditure Trends
Orange County, 1995-2004



* In thousands and adjusted to 2004 dollars.

Source: National Center for Charitable Statistics

Orange County nonprofit employees tend to earn less than their Los Angeles counterparts and about the same as the state average (although parity with the state may be less meaningful in light of Orange County's higher relative cost of living). Orange County nonprofit employees make an average of \$9,000 less than for-profit and public employees in Orange County and nonprofit wages are not showing enough growth to catch up any time soon. In contrast, Los Angeles nonprofit wages have nearly caught up with for-profit wages. Orange County nonprofit leaders expressed in recent focus groups conducted by UCLA that the wage gap makes it hard to attract and retain staff which in turn has the potential to undermine capacity and sustainability. That said, nonprofit employment in Orange County nearly doubled in the past 10 years while total employment grew half as fast.

Foundation Support of Nonprofits

In 2004 there were 635 foundations located in Orange County with collectively over \$2 billion in assets. Coordinated and consistent support from Orange County foundations – an important source of revenue and leadership for local nonprofits – can lend significant capacity and stability to the nonprofit sector.

Orange County foundation assets have grown substantially since 1995. However, owing in large part to the recession earlier this decade, Orange County foundation giving per \$1,000 of gross national product remained stagnant between 2000 and 2003. At the same time, the nonprofit sector as a whole expanded, perhaps responding to government budget cuts. As more recent data becomes available, it will be important to track whether the slowdowns in foundation giving witnessed early in the decade persist.

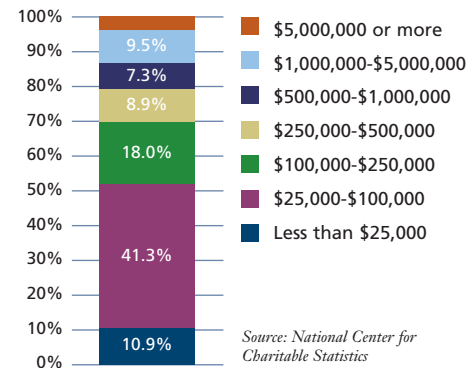
While total foundation giving in Orange County is among the highest of all California counties, the picture is different when dollars granted is calculated per capita. Statewide, foundation giving in 2003 was \$102 per person. This is compared to approximately \$35 in Orange County, \$63 in San Diego County, \$108 in Los Angeles County, and \$389 in Santa Clara County. The Inland Empire posted the lowest figures (\$16 foundation dollars per capita).¹

In addition to having lower than average per capita foundation giving, Orange County nonprofits rely more heavily on non-local giving (58% of all foundation giving) than Los Angeles County (44%) and the California average (32%), but less heavily than San Diego County (63%).

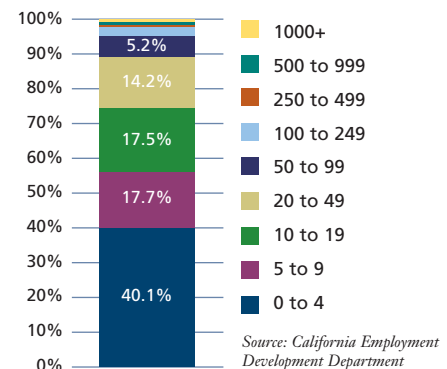
County Government Contracting

County government also plays an important role in support of the nonprofit community both through policy and direct financial support when services are outsourced. County appropriations to nonprofits have grown alongside nonprofit expenditures but at a slower rate. On average, nonprofits with contracts through four core agencies tend to be larger and maintain a contractual relationship with the county for 3.65 years, offering a moderate degree of financial and programmatic stability.²

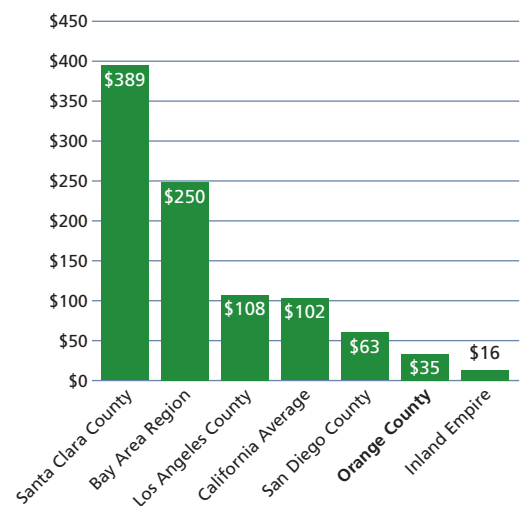
Distribution of Nonprofits by Expenditures
Orange County, 2005



Distribution of Nonprofits by Number of Employees in the Organization
Orange County, 2005



Foundation Grant Dollars Given per Capita
Regional Comparison, 2003



Source: James Irvine Foundation, Foundation Giving in California

¹ Foundation Giving in California, November 2006, by the James Irvine Foundation.

² Core agencies included in the analysis are Social Services Agency, Housing and Community Development, Health Care Agency, and Children and Families Commission of Orange County.

Housing Prices Cause Many Young Adults to Leave; Median Age Rises

Description of Indicator

This indicator tracks migration and age patterns in Orange County, along with housing production and homeownership among young college graduates.

Why is it Important?

Migration of a significant number of young adults out of Orange County can have profound repercussions on local businesses and the stability and quality of our labor force. Population shifts from young families to aging adults impacts service and infrastructure needs ranging from schools to health care, support services, and transportation (see Wellbeing of Older Adults). High housing costs may be one of the most significant reasons why young adults are leaving Orange County.

How is Orange County Doing?

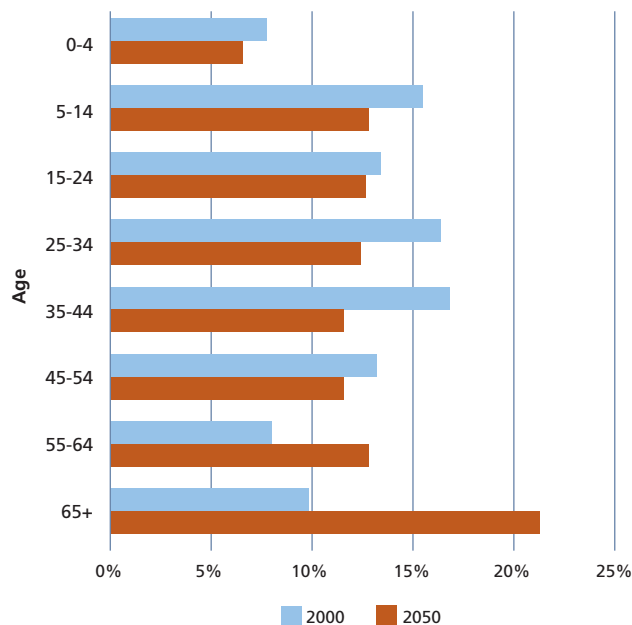
Migration and Age

Orange County's population is becoming significantly older as a result of young adults migrating out of the county and the simultaneous aging of Baby Boomer residents. Recent Census data shows the number of residents between the ages of 25 and 34 dropped by nearly 12.7% between 2000 and 2005, or nearly 59,000 people in five years. This rate of loss is nearly four times the state average. As expected, the number of children ages five to nine (associated with younger families) also decreased, with corresponding decreases in elementary school enrollment.

In contrast to the decrease in young adults, the number of older adults ages 55 to 64 increased by 28% or almost 63,000 people during this same time period. These trends, which led to the median age rising from 33 years old in 2000 to 35 years old in 2005, are projected to continue. By the year 2050, the proportion of older adults over age 65 is expected to double, making up 21% of the county's population. Over the same period the proportion of residents between 25 and 54 years of age will shrink by 11% to 35% of the population. These statistics suggest that many of Orange County's children grow up and move away, leaving their aging parents behind.

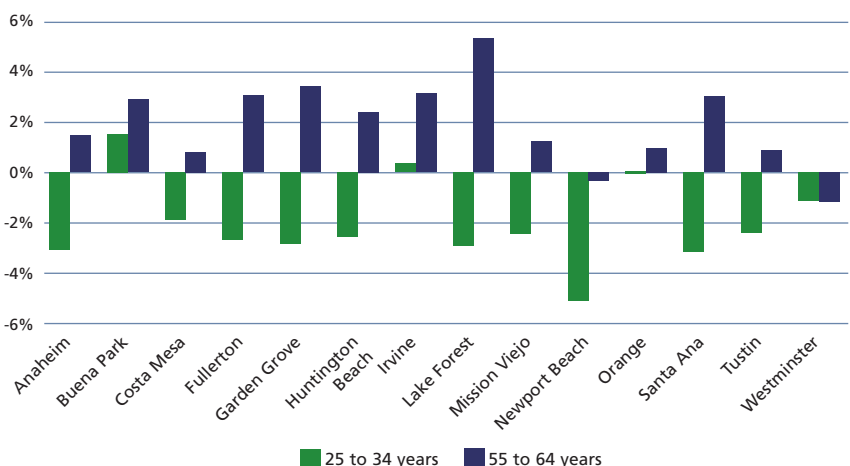
This pattern is consistent within major cities across the county. Between 2000 and 2005, only Buena Park and Irvine saw increases in the percentage of their young adult populations.

Projected Population by Age
Orange County, 2000-2050



Source: California Department of Finance

Age Change by City (Population 65,000 or More)
2000-2005



Source: U.S. Census Bureau

Housing Production and Inventory

Due in part to the increasing cost of housing permits and a diminishing supply of available land, Orange County's housing market is becoming increasingly exclusive. Current projections of housing unit production show that the county is not producing enough homes to keep up with anticipated job growth (see Housing Demand and Housing Affordability). Orange County is expected to add 530,179 new residents by 2030 but only 104,587 new housing units. The housing gap is so significant that even the county's slowing population growth rate and recent high-rise construction will be insufficient to fully mitigate these trends, with the result that already high housing prices are projected to appreciate further.

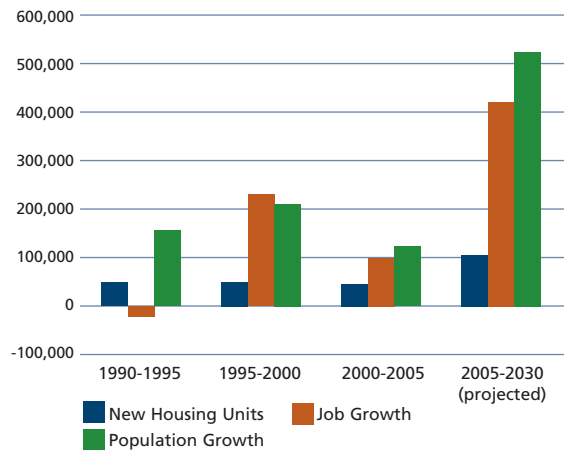
The current inventory of real estate on the market indicates the recent rapid appreciation in housing prices has abated. Between October 2005 and October 2006, the inventory of single-family homes and condos for sale in Orange County more than doubled from about 8,500 units to over 17,000 units. However, housing prices have yet to register a significant decrease. The era of the half million dollar, two bedroom home is here to stay. The real estate market in Orange County is leveling off at a plateau that remains out of reach for many. A half million dollar mortgage is affordable only to a limited share of the population, even in an era of historically low mortgage interest rates. When interest rates increase, those who cannot purchase even a lower cost home now will not be able to purchase a home in Orange County in the future without a dramatic increase in their income. While per capita income has been increasing more rapidly in recent years, the rate of increase can simply not catch up with real estate appreciation (see Per Capita Income).

Homeownership for Today's Young College Graduates

In 2001, a two income household of college graduates could make the payments on a median priced single-family home meeting recommended guidelines for affordability. A median priced \$361,000 home cost approximately \$2,162 per month (7% interest rate with 10% down payment) while 29% of the combined salaries was approximately \$2,156 per month.

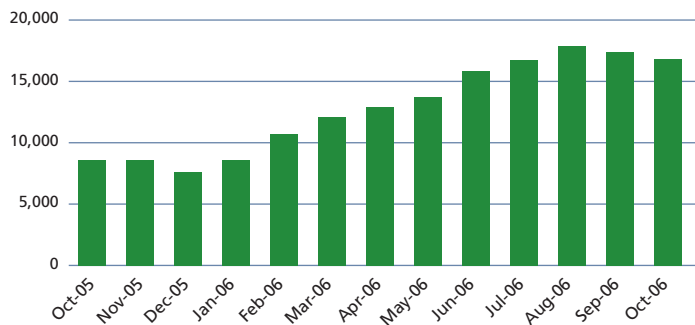
Only five years later, typical entry level wages for occupations requiring only a bachelor's degree result in an average annual salary of approximately \$52,000 per year or \$4,350 per month. According to the United States Housing and Urban Development (HUD) agency guidelines, a single-earner household with this income should not buy a house worth more than \$211,000. Even if the household has two college graduates earning similar salaries and they could double the purchase price to \$422,000, the median price for a single-family home in Orange County is approximately \$700,000.

Job, Population, and Housing Growth
Orange County, 1990-2030



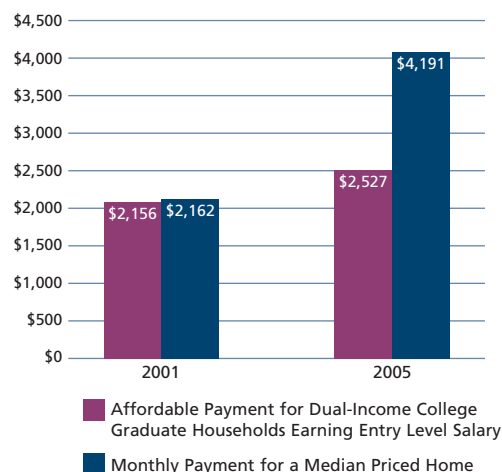
Sources: California Department of Finance and Employment Development Department

Inventory of Single Family Homes and Condos for Sale
Orange County, October 2005-2006



Source: Housingtracker.net

Change in Mortgage Affordability for Dual-Income College Graduates
Orange County, 2001 to 2005



Source: Orange County Business Council analysis of California Association of Realtors and California Employment Development Department data

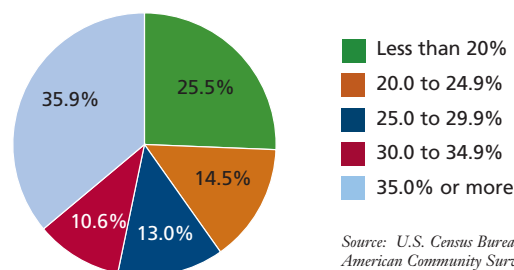
Clearly, owning a home for young families in Orange County is a major stretch. Even allowing for relaxed debt-to-income guidelines and purchasing a condo instead of a single-family home, young college graduate families are finding that they can get more home for their money by buying elsewhere. While many may choose to buy a home in nearby counties and commute to Orange County - exacerbating traffic congestion and air pollution problems - many more may leave the region entirely. If young college graduate families cannot make it in Orange County, then other young families without a college degree will face an even tougher housing market situation.

Repercussions

Losing young families results in a less diverse labor force now and in the future. And if businesses supporting middle- and low- wage jobs follow their labor force out of the county, Orange County residents will be left with an economy that is less resilient in recessionary periods. While high-wage jobs are desirable, an economy built largely around them may be more susceptible to boom and bust.

The migration trends will also adversely affect social networks, as well as the provision of social services. Many older residents traditionally rely on family members residing nearby to care for them as they age. Without these networks older residents will be increasingly reliant on public services to fulfill such needs as transportation, daily care, or meals.


Monthly Owner Costs as a Percentage of Household Income Among Homes with a Mortgage
Orange County, 2005




These trends are not unique to Orange County. A recent article in the San Jose Mercury News titled, "Droves Say Goodbye to Golden State" chronicled the migration of Bay Area residents, as well as other Californians, fed up with long commutes and high mortgages to more affordable states. Nearly half of Californians spend more than 30% of their income on housing, significantly higher than in any other state, 2005 Census data shows. 'Families just can't make it in the housing market,' says Dowell Myers, a professor of urban planning and demography at the University of Southern California. 'Low-income families are being priced out of rentals, and middle-income families are being priced out of homeownership.'

Excerpted from San Jose Mercury News, December 10, 2006, article by Mike Swift.

Economic and Business Climate



The four largest employment clusters - Business and Professional Services, Tourism, Health Services and Construction - posted **solid** employment **growth** and salary increases. Per capita income is strong and growing, and world exports increased to the highest level in 10 years. Yet **housing** remains a stubborn problem. We are now the third most **expensive** place to live among peers, with the lowest ratio of new housing permits to new jobs.



Traffic, Cost of Housing Dampen Optimism About County

Description of Indicator

This indicator measures Orange County's business climate through two sets of information: the 2006 Orange County Executive Survey of local business executives on their perceptions about doing business in Orange County; and *Forbes Magazine* 2006 Best Places for Business regional rankings. The Forbes ranking compares metropolitan regions by business costs, colleges, cost of living, crime rate, culture and leisure, educational attainment, income growth, job growth and net migration.

Why is it Important?

A region's business climate reflects its attractiveness as a location, the availability of business support and resources, opportunities for growth, and barriers to doing business. Since businesses provide jobs, sales tax revenue, economic growth and entrepreneurship opportunities, a strong business climate is important for maintaining Orange County's economic health and quality of life.

How is Orange County Doing?

Orange County Executive Survey

The share of Orange County executives asserting that Orange County is becoming a more attractive place to do business has fallen significantly from a high of 44% in 2000 to 19% in 2006. While most executives stated in 2006 that the county's business climate stayed the same (57%), 32% felt the county is becoming a less attractive place to do business. The county's most popular attribute is its central location, closely followed by its desirability as a place to live. On the other hand, the county's high cost of housing tops the list of factors detracting from Orange County as a business location, followed by traffic congestion.

Forbes

Forbes' 2006 national rankings of the country's best places to do business placed Orange County 58th out of the 200 metro areas ranked – a decline of 31 places from the previous year. Orange County compared favorably in the Forbes rankings in the categories of crime, colleges, job growth, and culture and leisure activities but scored close to last on the cost of doing business and the cost of living. Within California, Forbes ranked Orange County as the best place to do business.

Best Places for Business

Orange County Ranking by Component, 2006

	Rank
Culture & Leisure ¹	15
Crime Rate ²	26
Colleges ³	29
Educational Attainment ⁴	29
Job Growth	41
Income Growth	92
Net Migration	140
Cost of Doing Business ⁵	194
Cost of Living ⁶	197
Overall	58

Source: Forbes Magazine, May 4, 2006 (www.forbes.com/lists/2006/05/03/06bestplaces_best-places-for-business_land.html)

¹ Index based on museums, theatres, golf courses, sports teams and other activities.

² Crimes per 100,000 residents.

³ Measure of 4-year colleges in area with extra credit for highly rated schools.

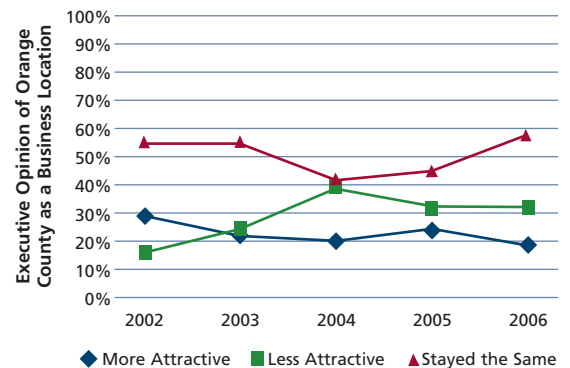
⁴ Share of population over age 25 with a bachelor's degree or higher.

⁵ Index based on cost of labor, energy, taxes and office space.

⁶ Index based on cost of housing, utilities, transportation and other expenditures.

Business Sentiment

Orange County, 2002-2006



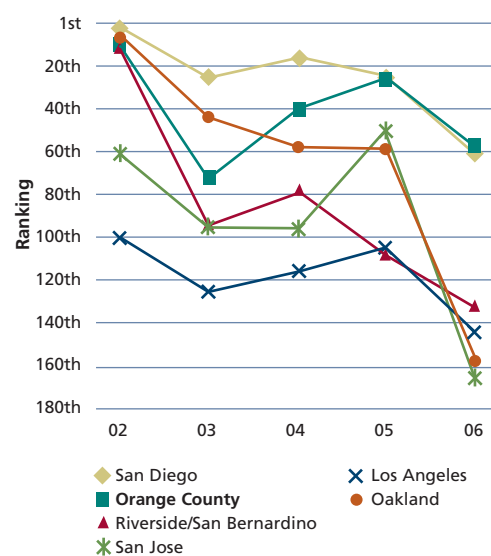
Factors Contributing to or Detracting from Orange County as a Business Location, 2006

Major Positive Factors	
Centrally located relative to markets	28%
Desirable place to live	26%
Major Negative Factors	
Cost of housing	25%
Traffic	23%

Source: Orange County Executive Survey, 2006

Best Places for Business

Regional Comparison, 2002-2006



Source: Forbes Magazine, May 4, 2006 (www.forbes.com/lists/2006/05/03/06bestplaces_best-places-for-business_land.html)

Visitor Spending Remains Strong

Description of Indicator

This indicator measures visitor spending on accommodations, food, recreation, retail products and travel arrangements, as well as tax revenue generated within the county by visitor spending. This indicator also tracks travel industry employment trends.

Why is it Important?

Visitors traveling to Orange County for recreation and business generate revenue and jobs for the local economy. Tourism is one of the leading industries in Orange County, accounting for 10% of the county's employment in 2004 (see Employment by Industry Cluster). Hotels, shops, restaurants, and entertainment venues rely on the tourism market for a significant percentage of their business. Moreover, the county benefits from tax revenue generated by visitor spending.

How is Orange County Doing?

Visitor Spending

After a jump in 2004, the county's average visitor spending fell from \$107.70 per day in 2004 to \$103.50 per day in 2005. Among California's top counties for tourism, Orange County's total visitor spending grew the fastest at an average of 2.9% per year between 2000 and 2004.

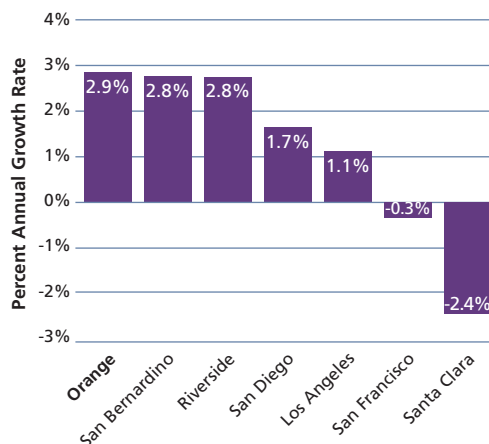
Tax Receipts

In 2004, Orange County tourism generated \$462 million in tax receipts compared with \$463 million in 2003.¹ The cities generating the most in tax receipts for 2004 were Anaheim, Newport Beach, Garden Grove, Dana Point and Irvine. These cities tend to have or be near major tourist attractions, John Wayne Airport, coastal locations, or have a high occupancy tax rate.

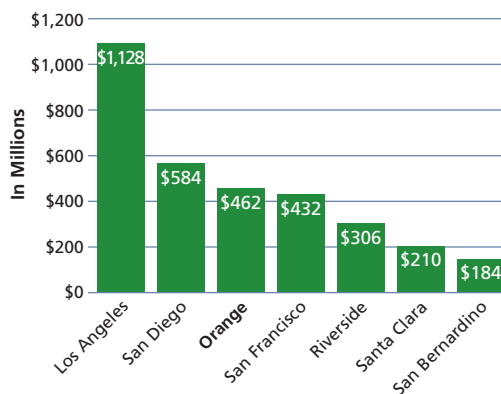
Employment

According to the California Division of Tourism's definition, the average number of tourism-related jobs in Orange County rose to 82,900 in 2004, making Orange County the third largest market for tourism-related employment in the state behind Los Angeles and San Diego Counties. Amusement parks such as Disneyland and Knott's Berry Farm, as well as the county's 42 miles of beaches continue to be among the most popular tourist attractions in California. Even as tourism-related employment grows, these workers remain among the lowest paid workers in Orange County (see Employment by Industry Cluster).

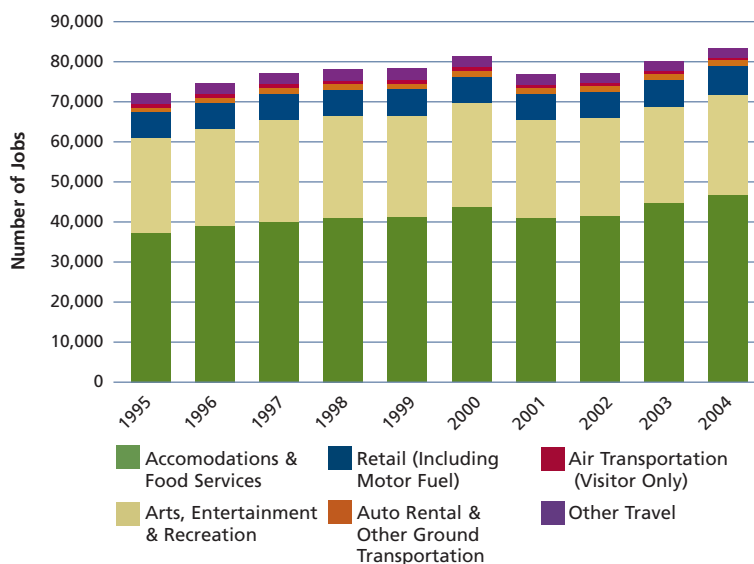
Total Visitor Spending by County
Average Annual Growth Rate, 2000-2004



Tourism-Related Total Tax Receipts, 2004



Tourism-Related Employment by Industry
Orange County, 1995-2004



Source: California Division of Tourism, California Travel Impacts by County, Dean Runyan Associates (www.deanrunyan.com or www.visitcalifornia.com)

¹ Total tax receipts for 2003 are revised from the 2006 Community Indicators report based on updated data from the California Division of Tourism.

One-third of all Exports go to Mexico and Canada

Description of Indicator

This indicator measures the trend in total and manufacturing exports produced by Orange County companies and identifies the county's top export markets.

Why is it Important?

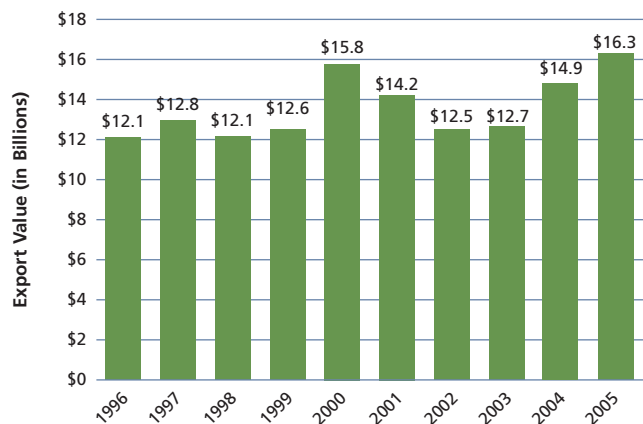
The ability to access foreign markets is important for a strong and growing local economy. Trade agreements like the North American Free Trade Agreement (NAFTA) and subsequent bilateral agreements continue to open new markets for Orange County businesses. The county's location on the Pacific Rim, proximity to the Long Beach and San Pedro ports, and our large population of Spanish and Asian language speakers makes us well positioned for international trade.

How is Orange County Doing?

In 2005, total exports (comprised of manufacturing and service exports) were \$16.3 billion – an increase of \$1.4 billion from the previous year. Manufacturing, the largest component of total exports, increased from \$10.5 billion to \$11.4 billion. Computers and electronics were Orange County's top exports in 2005, accounting for over \$5 billion worth of trade. Service exports totaled almost \$4.9 billion.

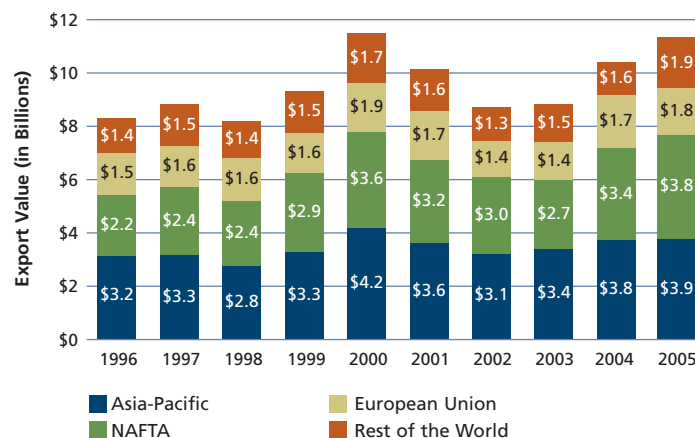
Mexico continues to be the top destination for Orange County exports (manufacturing and services), followed by Japan and Canada. Whereas NAFTA countries (Mexico and Canada) imported one-quarter of all Orange County manufactured goods a decade ago; these countries now absorb one-third of all Orange County manufacturing exports.

Total Orange County Exports Worldwide, 1996-2005

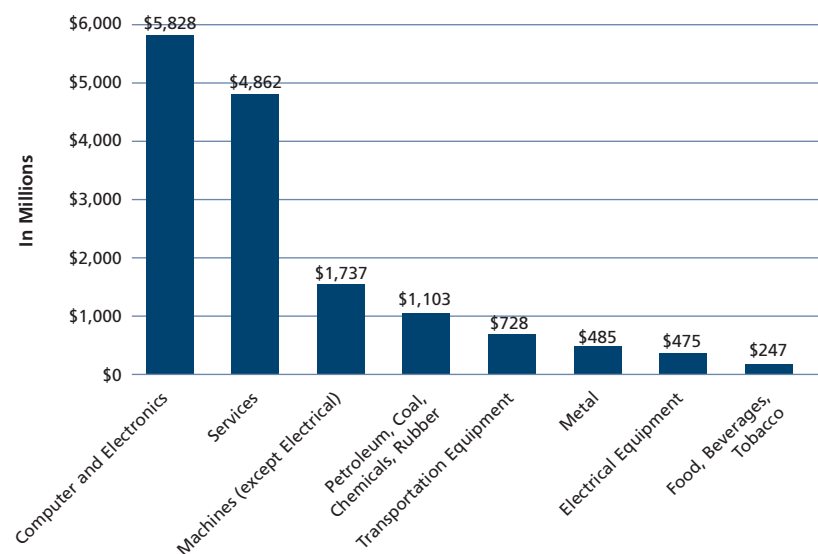


Note: The values from the year 2000 onward have been revised and differ somewhat from figures published previously in Community Indicators reports.

Manufacturing Export Value by Destination
Orange County, 1996-2005



Exports From Orange County by Sector, 2005



Source: California State University, Fullerton, Center for Economic and Environmental Studies

County is Among the Most Expensive Places to Live

Description of Indicator

This indicator uses a cost of living index to compare prices of housing, consumer goods, and services for Orange County and peer metropolitan regions. The weighted index compares local market prices in the following areas:

- housing (29%)
- groceries (14%)
- transportation (10%)
- utilities (10%)
- health care costs (4%)
- miscellaneous items (33%)

The average for all 300 metro areas indexed equals 100 and each area's individual index is read as a percentage of the average for all metro areas.

Why is it Important?

A high cost of living relative to peer markets can make Orange County less attractive as a destination for businesses and workers. In addition, businesses already operating in Orange County may opt to relocate or expand elsewhere. Current residents - particularly young workers - may decide to move to more affordable areas.

How is Orange County Doing?

In the second quarter of 2006, Orange County's cost of living was the 3rd highest among our peer regions. The only peer markets that were more expensive were San Francisco and the Los Angeles-Long Beach region. The index measured 153.2 for Orange County and most of our peer regions are above the average as well. Orange County's cost of living measures for groceries, utilities, transportation and miscellaneous items tended to rank in the middle among peers. However, Orange County's high housing costs significantly affected the index, making it among the highest scores.

Cost of Living Index

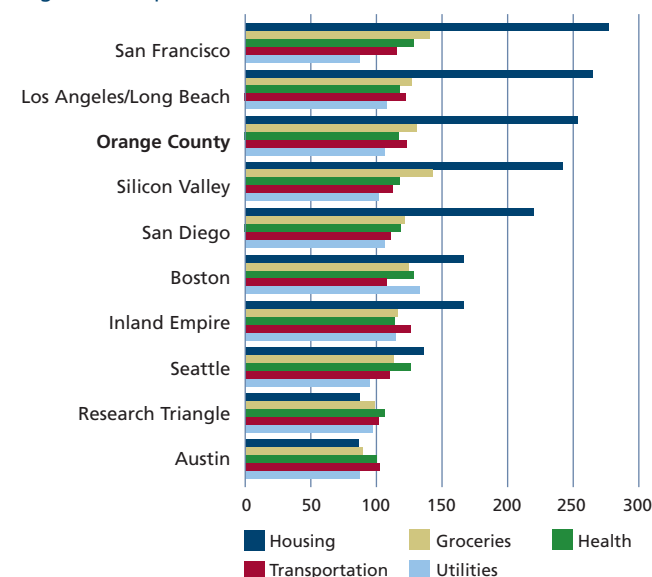
Regional Comparison, 2nd Quarter 2006

Location	Total Index Value
San Francisco	169.4
Los Angeles-Long Beach	156.1
Orange County	153.2
Silicon Valley	151.6
San Diego	142.8
Boston	136.4
Inland Empire	123.5
Seattle	115.3
Research Triangle	96.1
Austin	95.3

Source: ACCRA/Council for Community and Economic Research (www.acpra.org)

Cost of Living Index

Regional Comparison, 2nd Quarter 2006



Source: ACCRA/Council for Community and Economic Research (www.acpra.org)

Income Growth Still Strong

Description of Indicator

This indicator measures per capita income levels and income growth. Total personal income includes wages and salaries, proprietor income, property income and transfer payments, such as pensions and unemployment insurance. Figures are not adjusted for inflation.

Why is it Important?

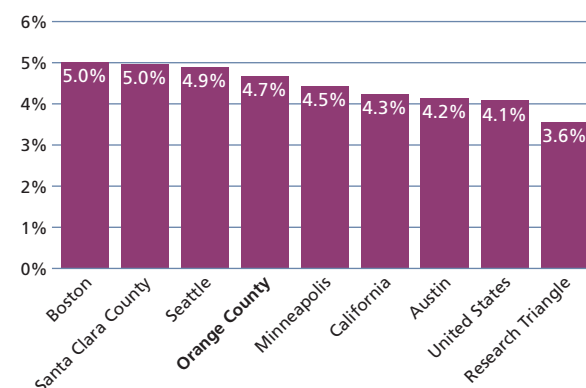
A high per capita income for county residents is crucial in the context of the county's high housing costs. In addition, a higher relative per capita income signals greater discretionary income for the purchase of goods and services.

How is Orange County Doing?

In 2004, Orange County's per capita income of \$41,868 was higher than the state and national averages. When compared to peer markets, it was higher than all other areas except for Boston and Santa Clara County. Between 2001 and 2004, Orange County posted a per capita income growth of 3.6% - faster than all other peer markets. Over the span of 10 years, Orange County ranks in the middle of peer markets in terms of average annual percent change (4.7%).

Per Capita Income

Average Annual Percent Change, 1995-2004



Source: U.S. Bureau of Economic Analysis (www.bea.gov)

Technology Clusters Rebound; Service Clusters Expand

Description of Indicator

This indicator shows employment and salaries in 10 major Orange County industry clusters. The clusters were chosen to reflect the diversity of Orange County employment, major economic drivers within the county, and important industry sectors for workforce development. Approximately 40% of all Orange County jobs can be found in the 10 clusters described in this indicator.

Why is it Important?

Employment change within specific clusters illuminates how Orange County's economy is evolving. Tracking salary levels in these clusters shows whether these jobs can provide a wage high enough for workers to afford living in Orange County.

How is Orange County Doing?

Employment Growth

The four largest clusters – Business and Professional Services, Tourism, Construction, and Health Services – reflect the importance of the service sector and the construction industry in the Orange County economy. These four large clusters posted solid employment growth during the 1990s with an average annual growth rate of 3.2%, 2.0%, 3.0%, and 1.3% respectively. Although the county experienced significant downsizing in Defense and Aerospace employment in the 1990s, the impact was mitigated by strong annual growth in Computer Software (13.2%) and Communications (7.1%).

The 2001-2004 technology downturn resulted in significant job losses in several sectors, namely: Communications, Biomedical, Computer Hardware, Defense and Aerospace, Energy and Environment, and Computer Software. Fortunately, between 2004 and 2005 all of these clusters except Defense and Aerospace experienced employment growth:

- Communications (23.4%)
- Biomedical (6.1%)
- Energy and Environment (5.3%)
- Computer Software (3.4%)
- Computer Hardware (3.1%)

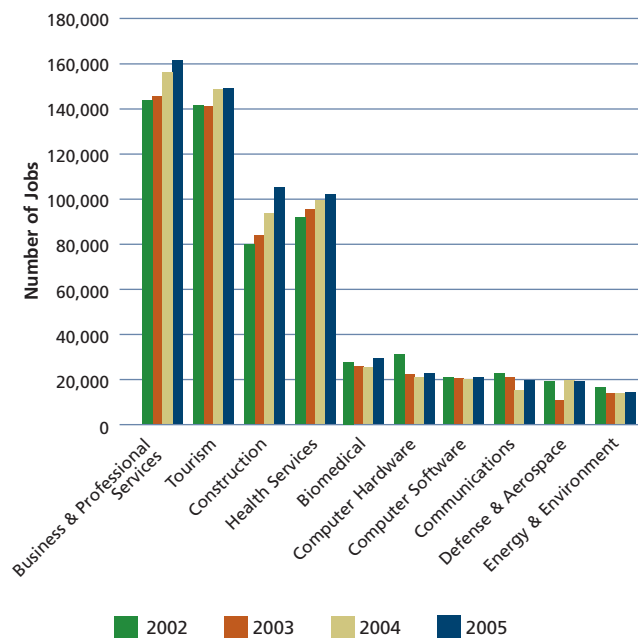
Employment in the county's four largest clusters expanded further between 2004 and 2005. Construction employment expanded by 10.7%, followed by more modest growth in Business and Professional Services (3%), Health Services (1.3%) and Tourism (0.8%).

Salary Growth

Eight out of the county's top 10 clusters saw an increase in salaries between 2004 and 2005. The largest salary increases were seen in the Communications (13.2%) and Defense and Aerospace sectors (12.2%). The Biomedical and Computer Software clusters saw average salaries decrease by 5%.

Business and Professional Services, Tourism, Health Services, and Construction are increasingly becoming the economic heart of Orange County, with sustained growth over long periods of time and through a variety of economic conditions. That these are among the lowest paying clusters does not bode well for workers in Orange County. A larger percentage of service employees are making wages that trail the rates made by the shrinking technology-oriented clusters which formerly defined Orange County's economy but are doing so less and less. Recognizing this trend and making efforts to address it is essential for a prosperous future for Orange County.

Employment in Selected Clusters
Orange County, 2002-2005



Average Annual Salaries in Orange County Clusters
Orange County, 2005

	2005	Change 2004-05
Defense and Aerospace	\$81,781	12.2%
Computer Software	\$78,887	-4.6%
Computer Hardware	\$63,873	0.6%
Communications	\$61,800	13.2%
Biomedical	\$61,300	-4.8%
Energy and Environment	\$50,742	1.8%
Construction	\$47,425	4.8%
Business and Professional Services	\$44,533	5.5%
Health Services	\$43,740	4.6%
Tourism	\$18,377	4.4%

Source: Orange County Business Council analysis of data from the California Employment Development Department

Persistent Gap between Job Growth and New Units Widens

Description of Indicator

This indicator shows the ratio of new housing permits to new jobs for Orange County compared with peer metropolitan areas, the state, and the nation.

Why is it Important?

When an economy is growing, new housing must be created for the additional workers employed. Not meeting housing demand makes housing unaffordable to workers by driving up housing prices and apartment rents. As local business executives have observed (see Business Climate) an expensive housing market affects Orange County's desirability as a business location. The county's housing deficit is the result of a long-term chasm between housing built relative to jobs created. Even when the economy contracts, the gap is so wide that demand for new housing doesn't disappear. To begin to close a gap of this size, housing construction must increase and remain high in times of economic growth as well as contraction.

How is Orange County Doing?

In 2005, 34,200 jobs were created and 7,143 new housing permits were granted. The resulting ratio of 4.79 new jobs for every new housing permit places Orange County as the location with the highest deficit of new housing permits per jobs compared to peers, the state and the nation.

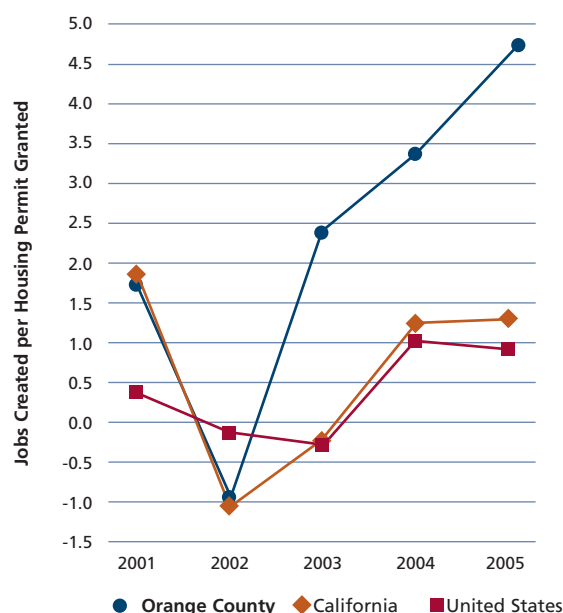
The combination of strong job growth and weak housing development exacerbates the persistent housing shortage that has existed since the late 1990s. There was a small respite at the peak of the economic downturn in 2002, when the county generated 670 fewer jobs than housing permits. Yet since 1999, a total of approximately 172,900 new jobs were created (including losses in 2002) compared with 70,349 housing units permitted. In other words, for every two jobs created less than one housing unit has been permitted. The standard "healthy" ratio of jobs to permits is 1.5 jobs per housing unit. These extra jobs per housing unit generate pent up demand for housing that remains unmet.

Housing Demand Regional Comparison, 2005

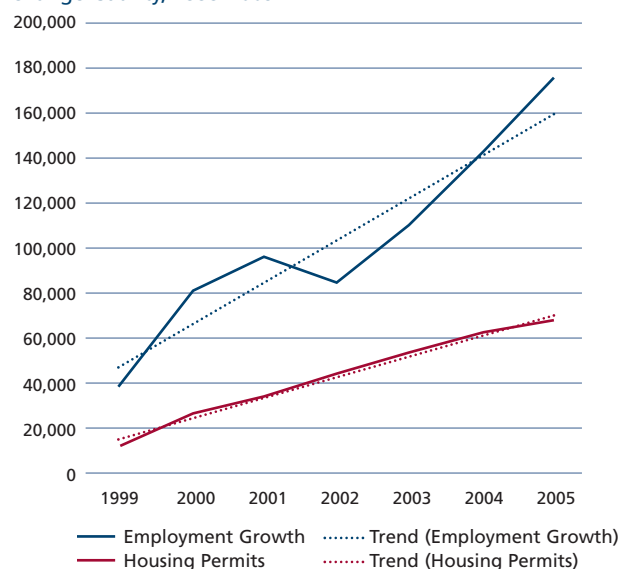
	Housing Permits	Employment Change (Jobs)	Ratio Employment Change to Permits
Orange County	7,143	34,200	4.79
Seattle	24,247	39,400	1.62
San Diego	14,306	21,500	1.50
Phoenix	69,230	103,700	1.50
California	190,731	254,800	1.34
Research Triangle	14,614	17,100	1.17
Inland Empire	51,008	57,100	1.12
Austin	23,241	26,000	1.12
Boston	17,442	18,200	1.04
United States	2,140,236	2,028,000	0.95
Atlanta	72,861	69,100	0.95
Los Angeles	23,498	20,100	0.86
Minneapolis	22,069	16,900	0.77
San Francisco Bay Area	27,313	6,500	0.24

Sources: Hanley Wood Market Intelligence (www.hanleywood.com/bwmi) and United States Bureau of Labor Statistics

New Jobs Created per Housing Permit Granted, 2001-2005



Cumulative Growth in Employment and Housing Permits (1999 Baseline)
Orange County, 1999-2005



Homeownership Remains Unaffordable for Many Residents

Description of Indicator

This indicator measures the value and change in value of the median priced existing single-family detached home. It uses the California Association of Realtors Housing Affordability Index to measure the percentage of Orange County households that can afford the existing median priced single-family detached home in the county. It also compares homeownership rates.

Why is it Important?

High relative housing prices – the top concern of Orange County executives this year (see Business Climate) – adversely impacts businesses' ability to attract and retain workers. A shortage of affordable housing, particularly for first-time buyers, discourages young workers from moving to or remaining in Orange County. This migration of young families out of Orange County is documented in this year's Special Features. In addition, a lack of affordable housing results in longer commutes, leading to increased traffic congestion and pollution, decreased productivity and diminished quality of life. Homeownership increases stability for families and communities and is a significant means of personal wealth creation.

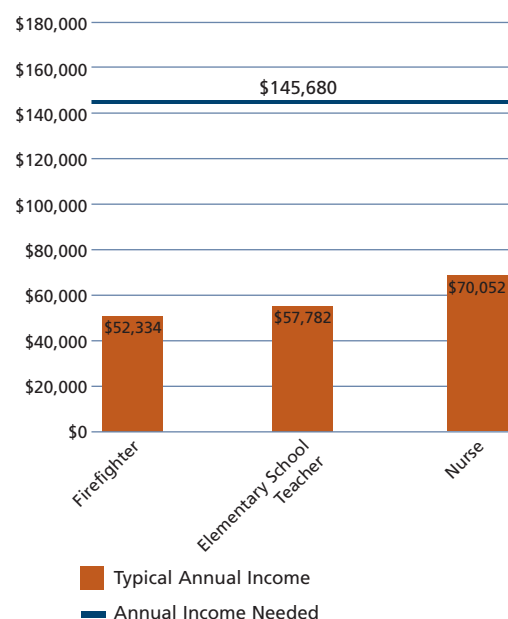
How is Orange County Doing?

Single-Family Home Sale Price

According to the California Association of Realtors, the median sale price of an existing single-family detached home in Orange County was \$710,920 in July 2006, nearly \$150,000 more than the state median price for a comparable home. Nevertheless, this reflects an increase of only 0.6%. This is far lower than the statewide average annual increase of 5.1% and the county's 9% increase from 2004 to 2005.

The minimum household income needed to purchase a median priced single-family home in Orange County is approximately \$145,680 assuming a 10% down payment and an adjustable interest rate of 6.48%. To put this into context, the annual income for a nurse in Orange County is approximately \$70,000; a firefighter is \$52,000; and an elementary school teacher is \$58,000. Despite recent innovations in mortgage financing and more lenient credit standards, the enormous divide between middle class incomes and housing prices continues to widen.

**Income Needed to Afford Median Priced Home (\$710,920)
Compared to Typical Salaries
Orange County, 2006**



Sources: Orange County Business Council analysis of California Association of Realtors data, and California Employment Development Department

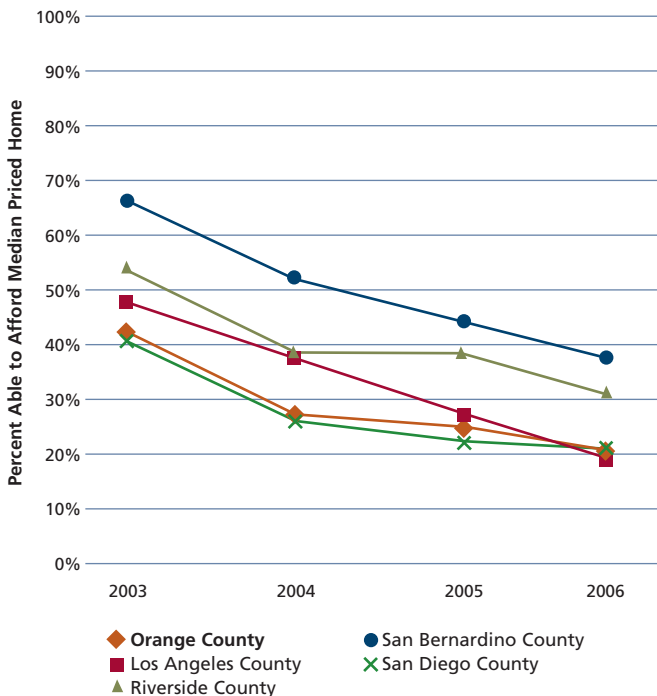
Housing Affordability

According to the newly modified Affordability Index, 21% of households in Orange County can afford the median priced existing single-family detached home as of the second quarter of 2006. This represents a decrease in affordability since last year – when 25% could afford such a home (based on revised calculations). The county's lack of affordability is roughly equal to that of Los Angeles and San Diego Counties. Neighboring Riverside and San Bernardino counties remain more affordable at 32% and 38% of households able to afford the median priced home.

Homeownership

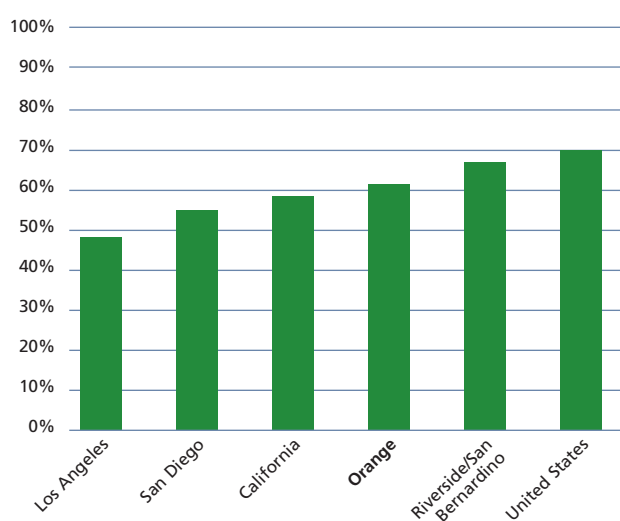
In the past, Orange County and California were on par with national homeownership rates at about 55% in 1950 and 60% in 1960. Over the last several years homeownership rates throughout the U.S. have risen due in part to mortgage innovations and policy choices by government to promote homeownership (mortgage interest tax deduction, first time home buyer programs). Despite these efforts, Orange County homeownership rates have remained stagnant at 61% in 2005. Orange County has better levels of homeownership than Los Angeles County, San Diego County and California, but still lags the national rate by almost 10%.

Housing Affordability Index
County Comparison, 2003-2006



Source: California Association of Realtors

Homeownership Rates
County Comparison, 2005



Source: California Building Industry Association (www.cbia.org)

The Housing Affordability Index previously used conservative parameters of affordability, such as a 20% down payment and spending no more than 30% of a household's income on a mortgage. Due to the growth in less stringent mortgage products and lending standards, the index was revised in 2006 to use the parameters of 10% down payment and an assumption that the first-time home buyer buys a home that is only 85% of the prevailing median home price. This chart uses data based on the revised index and is recalculated back to 2003.

County's Rents are Higher than Peers

Description of Indicator

This indicator measures the Housing Wage – the hourly wage a resident would need to afford Fair Market Rent. Affordability is defined as 30% or less of household income going toward rent. For Orange County, Fair Market Rent is the 50th percentile (or median) rent in the market.

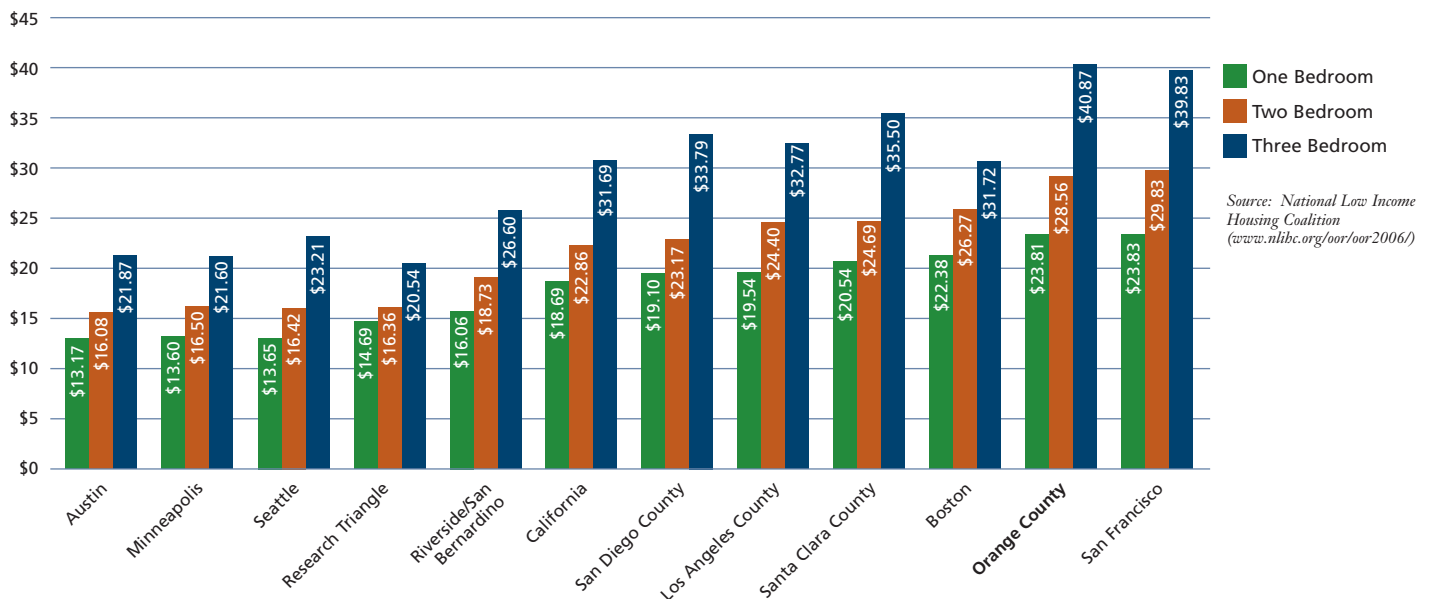
Why is it Important?

A shortage of affordable housing and high rental housing costs can lead to crowding and homelessness if residents cannot afford the monthly payments, let alone the significant upfront costs of renting. Less affordable rental housing also restricts the ability of renters to save for a down payment on a home, limiting their ability to eventually become homeowners and build personal wealth through housing appreciation. Ultimately, a shortage of affordable housing for renters can instigate a cycle of poverty.

How is Orange County Doing?

Orange County's Housing Wage rates increased in 2006. The hourly wage needed for a one-bedroom apartment (\$23.81) is equivalent to an annual income of \$49,525. Recent trends show the county's core growth industries have annual salaries that are, on average, well below the Housing Wage (see Employment by Industry Cluster). Among state and national peer metropolitan areas, only San Francisco has a slightly higher Housing Wage (less affordable rental housing) for one- and two-bedroom housing and Orange County is the most expensive for three-bedroom housing.

Hourly Wage Needed to Afford Fair Market Rent, 2006

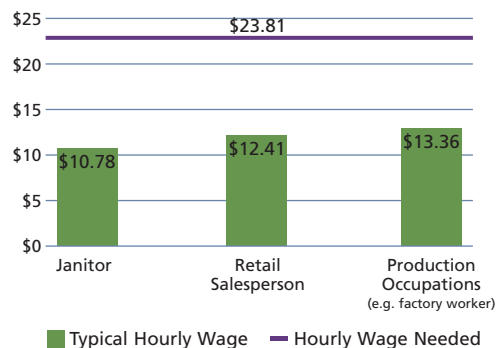


Renting in Orange County

	2005	2006
Fair Market Rent (Monthly)		
One Bedroom	\$1,098	\$1,161
Two Bedroom	\$1,317	\$1,392
Three Bedroom	\$1,885	\$1,992
Estimated Orange County Median Family Income (Annual)	\$75,700	\$78,300
Amount a Household Earning Minimum Wage Can Afford to Pay in Rent (Monthly)	\$351	\$351
Amount a Household Earning 30% of Median Family Income Can Afford to Pay in Rent (Monthly)	\$568	\$587
Number of Hours per Week a Minimum Wage Earner Must Work to Afford a One-Bedroom Apartment	132	141

Source: National Low Income Housing Coalition (www.nlihc.org/oor/oor2006/)

Hourly Wage Needed to Afford a One-Bedroom Unit Compared to Typical Hourly Wages Orange County, 2006



Sources: National Low Income Housing Coalition (www.nlihc.org/oor/oor2006/) and California Employment Development Department (www.calmis.ca.gov/file/occup/oeswages/OranSoes.xls)

Rail Use Surges

Description of Indicator

This indicator includes several transportation-related measures including freeway use and congestion, average commute times, bus and rail use, mode of travel, and local transportation funding.

Why is it Important?

Assessing commuter trends and demand for transportation services helps address future mobility needs. The ability of residents, workers, and goods to move efficiently within the county is an integral component to the county's quality of life and business climate. Long commutes affect personal lives and worker productivity due to the time lost in transit. Traffic congestion adversely affects the efficient movement of goods, adds to the expense of owning and operating a car, and increases air pollution. An effective public transit system is essential for individuals who cannot afford, are unable, or choose not to drive a car.

How is Orange County Doing?

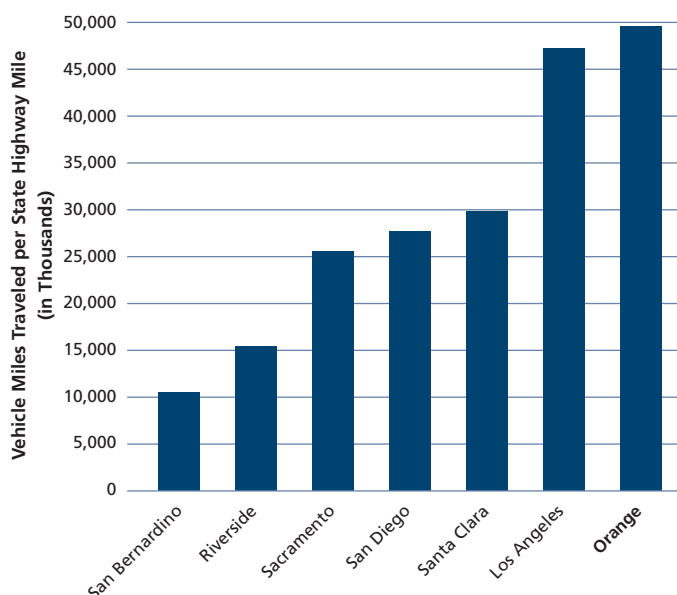
Use of Orange County's Freeways

According to Caltrans, in 2004 Orange County had the greatest level of state highway utilization of all areas compared including Los Angeles, Santa Clara and San Diego Counties. A greater number of Vehicle Miles Traveled per highway mile suggests greater congestion on the system, as well as more wear and tear on the roadways and therefore, higher maintenance and preservation costs.¹ In 2004/05, a majority of Orange County freeways were congested during weekday evening peak hours.

Average Commute Times

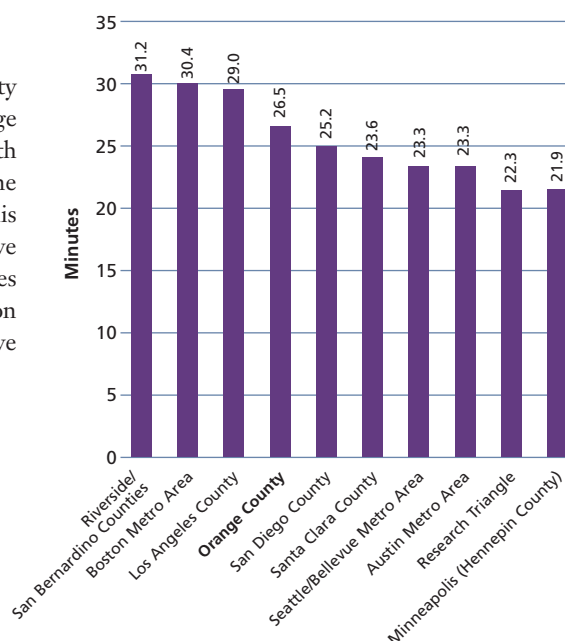
In 2005, the average commute time to work in Orange County was 26.5 minutes, the same as the prior year. This places Orange County in the upper third of the comparison regions, with Riverside/San Bernardino County commuters spending the longest time commuting to work (31.2 minutes) and Minneapolis commuters spending the least (21.9 minutes). Over the last five years, Orange County commutes have ranged from 25.5 minutes (2002) to 27.0 minutes (2004). Despite a growing population with more cars on the road, Orange County commute times have remained relatively constant.

**State Highway Utilization
County Comparison, 2004**



Source: Caltrans, 2002 Collision Data on California State Highways

**Average Commute Times to Work in Minutes
Regional Comparison, 2005**



Source: U.S. Census Bureau, 2005 American Community Survey (www.census.gov)

¹ Vehicle miles traveled (VMT) measures the total number of miles traveled by automobiles on specified roads during a specified period of time.

Congestion on Orange County Freeways
P.M. Peak Hours, 2004/05

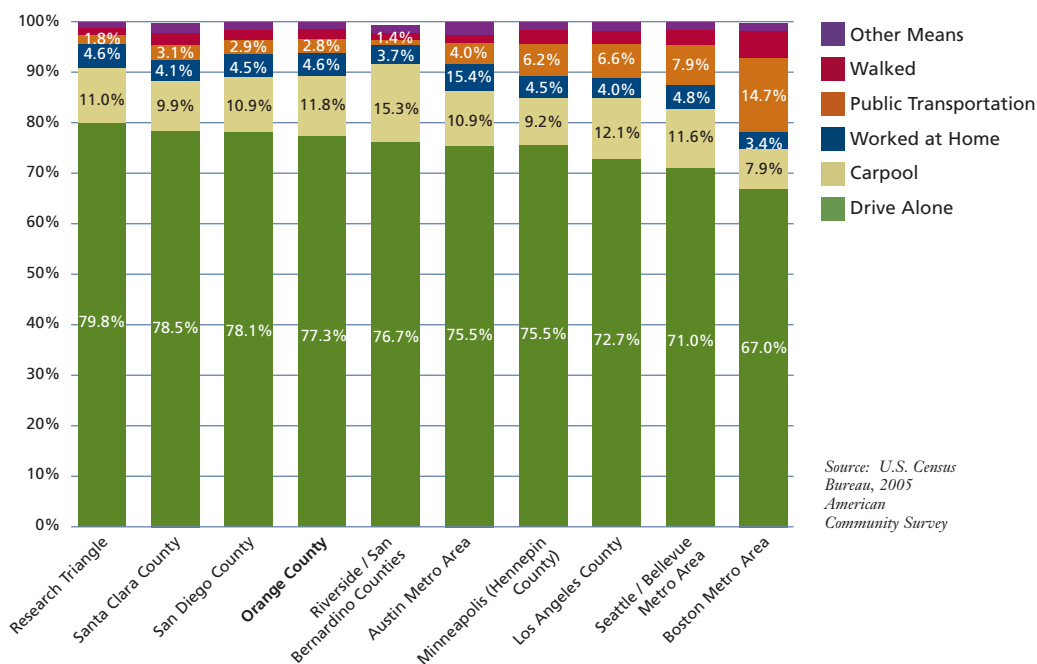


Alternative Modes of Travel

The percentage of Orange County residents driving alone remains high. In 2005, 77% of county commuters drove alone, up from 75% in 2000. The second most common mode of travel, carpools, rose slightly in 2005 after decreasing in previous years.

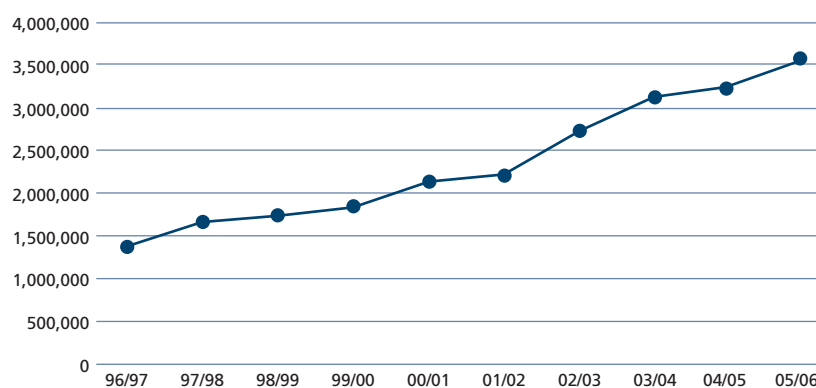
Compared to peer markets, the percentage of Orange County commuters driving alone is slightly higher than the average. The county has the third highest proportion of commuters working from home (4.6%), while the percentage of commuters using public transportation is low (2.8%).

Primary Mode of Commuting to Work Regional Comparison, 2005



While public transit use is low overall, ridership on the three commuter rail lines that serve Orange County continues to increase and reached a high of 3.5 million riders on all lines in 2005/06, an increase of 10% in one year. Over the past 10 years ridership has grown an average of 13% per year. The Orange County line - which runs between Oceanside and downtown Los Angeles - grew to approximately 1.95 million riders in 2005/06 while the Inland Empire Line - running between San Bernardino and San Juan Capistrano - grew to 1,066,558 riders.² The newest service - the 91 Line - began operating in 2002, linking downtown Riverside with Fullerton and downtown Los Angeles. This line, which parallels the congested State Route 91 Freeway, increased to 531,930 riders in 2005/06.

Number of Commuter Rail Riders Orange County Line, Inland Empire/Orange County Line and 91 Line, 1997-2006



Source: Orange County Transportation Authority

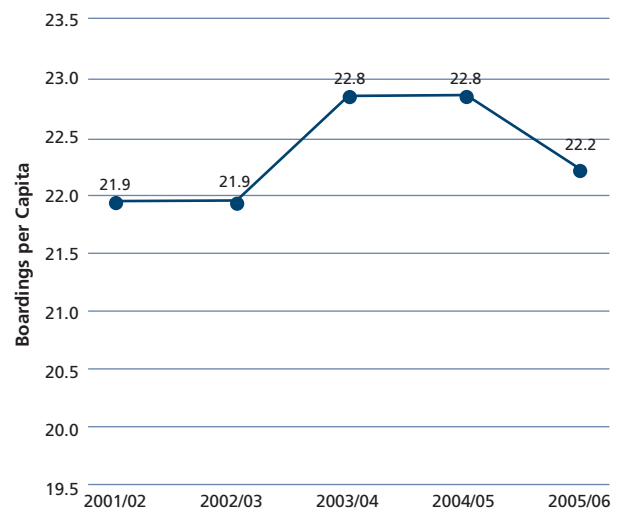
² In 2002/03 OCTA began "Rail to Rail," a program that allows Metrolink monthly pass holders to ride Amtrak for free. Amtrak provides similar service to the Orange County line, and the 1.95 million number includes Metrolink riders on Amtrak's trains.

Transit Performance

Orange County Transportation Authority (OCTA) bus passenger boardings in 2005/06 totaled 67,779,946. Although the overall number of boardings increased in 2005/06, per capita use did not keep up with the county's rising population. Compared with other regions, the county's bus ridership per capita is lower than all peer areas with the exception of Riverside and San Bernardino counties. In contrast, compared to similar markets, Orange County has among the lowest operating costs per boarding according to 2004 data. At \$1.44 per boarding, Orange County's operating costs are higher than Los Angeles (\$1.14) and Boston (\$1.31), but lower than Santa Clara County (\$3.36), Riverside (\$2.08), San Diego (\$1.79) and San Bernardino (\$1.61).³

The Orange County Transportation Authority (OCTA) was named the top transportation system in America in 2005 by the American Public Transportation Association. The OCTA was recognized for its fast-growing bus system, improved Metrolink commuter trains, enhancements to the freeway system, and coordinated taxicab operations.

**OCTA Bus Passenger Boardings
2002-2006**



Source: Orange County Transportation Authority

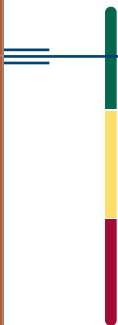
Transportation Funds

Orange County receives funds for transportation improvements from a variety of federal, state and local sources. For many years, state and federal taxes on gasoline were the main revenues for regional transportation projects. Because gas taxes have not kept up with the costs of transportation infrastructure and services, and inflation has eroded this traditional funding source, many counties have turned to local sales tax measures specifically designated for transportation projects.


In 1990, Orange County voters approved Measure M, a 20-year program (to 2011) for transportation improvements funded by a one half-cent sales tax. In November 2006, by a two-thirds majority, voters approved an extension of Measure M from 2011 to 2041. This renewed sales tax will generate \$11.862 billion of local funds (2005 dollars) allocated to Orange County freeway, street and road, public transit, and environmental cleanup projects. With the extension of Measure M, total transportation revenues will increase to about \$40.7 billion (2005 dollars) over the next 36 years, from a mixture of federal, state, and local sources.

³ Federal Transit Administration, National Transit Database (www.ntdprogram.com)

Technology and Innovation



Orange County moved from the **most diversified** high-tech economy in Southern California to most diversified in the nation. Complementary trends in schools and workforce preparation: computer and Internet use in K-12 schools is **growing**; more high schoolers are taking upper-level **math and science** courses; and local universities are granting more technology-related degrees.



Orange County: The Most Diversified High-Tech Economy in the Nation

Description of Indicator

This indicator measures how diversified our high-tech economy is relative to other metropolitan areas in the country by tallying all of the technology sectors for which employment is more concentrated at the local level compared to the national average. A diversified technology sector will include concentrations in many high-tech employment clusters, so a larger number shows a more diversified technology employment base.

In 2003, the overall number of high-tech industries measured was changed from 14 to 25 due to a change in the method of identifying industries from the Standard Industrial Code (SIC) to the North American Industrial Code System (NAICS). The trend in cluster diversity for Orange County between 1998 and 2002 can be viewed in the 2006 Community Indicators report.

Why is it Important?

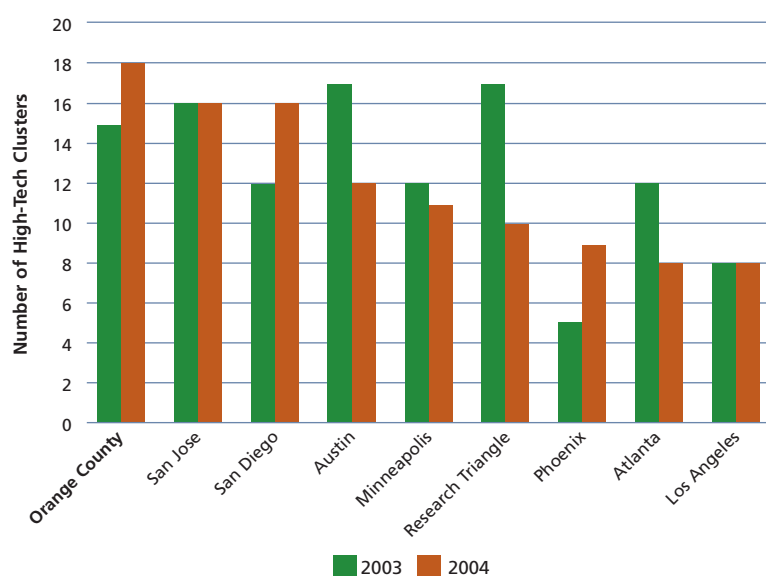
High-technology industries such as computer software programming, pharmaceuticals, or communications equipment development use a high degree of advanced technology, science and research in the creation or implementation of their primary goods and services. They provide strong economic growth potential and higher than average wages. A diverse high-tech economy attracts a broad range of skilled workers and professional services and may help foster dynamic new ventures. A diverse high-tech sector also will be more resilient during unanticipated downturns than economies that are more reliant on a particular industry.

How is Orange County Doing?

In 2004, as many peer markets became less diverse, Orange County increased its share of high-tech industries with employment above the national average from 15 industries in 2003 to 18 industries in 2004. This effectively moved Orange County from a middle ranking among peers to the most diverse high-tech economy in the country.

Since 1998 when tracking for this indicator began, Orange County has consistently been one of the most diverse high-tech economies in the United States. This diversity has buffered the county from the fallout of the technology sector slowdown that took place between 2001 and 2003. As recently as 2003, however, the county trailed regions such as Austin, Research Triangle, and San Jose in technology sector diversity.

High-Tech Cluster Diversification
Metro Area Comparison, 2003 and 2004



Source: The Milken Institute

Internet Access for Adults Surpasses the National Average but Trails Peer Markets

Description of Indicator

This indicator measures the percentage of adults who have access to the Internet either at home or work.

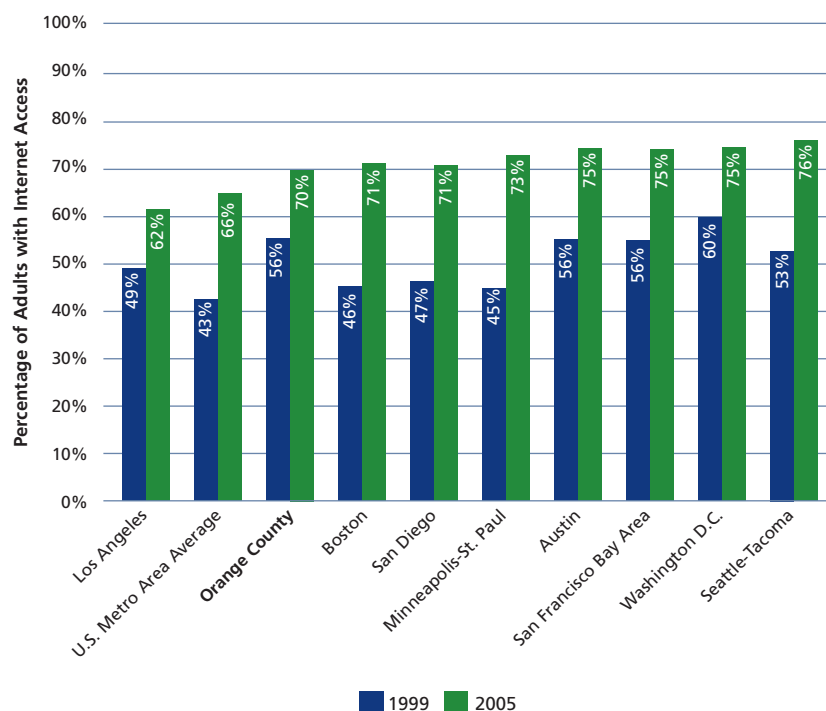
Why is it Important?

The Internet has emerged as a dynamic and effective communications platform for work, education, social interaction and government-related communication and services. Internet access connects residents to a wealth of information, resources, products, and services. At the same time, a larger online audience here or elsewhere creates a larger marketplace for the sale of goods and services of local businesses. For these reasons, and because the Internet has become a central platform for conducting business and commerce, metropolitan areas across the country are investing in efforts to expand access to the Internet. By measuring Internet penetration in Orange County, we can assess the effectiveness of local efforts to encourage access to the Internet compared with other metropolitan areas.

How is Orange County Doing?

Orange County's Internet access rate for adults is approximately 4% higher than the national average of 66% (across 75 large metropolitan areas) but trails many comparable markets. After rising rapidly from 56% in 1999 to 70%, the growth of Internet penetration in the county has leveled off and trails markets like Austin, Washington D.C. and San Francisco by five percentage points. Internet penetration in Orange County may have leveled off due to an inability to afford the cost of obtaining access and poor communications infrastructure in certain areas. Three cities in Orange County are currently conducting larger scale Wi-Fi (wireless networking) initiatives: Anaheim, Fullerton, and Mission Viejo. Anaheim plans to have full citywide coverage, while Fullerton and Mission Viejo are implementing coverage in their downtown areas.

Internet Access Among Adults, 1999 and 2005



Source: Scarborough Research

Venture Capital Investment Steadies After a Strong 2005 Rebound

Description of Indicator

This indicator measures Orange County businesses' access to venture capital - financing for early stage companies - by tracking investment by metropolitan area. It also measures the number of patent grants awarded to inventors.

Why is it Important?

The development of new technology and innovations is critical for a regional economy's long-term viability. Venture capital facilitates the growth of new business and the exploitation of new technologies. The number of patent grants awarded for county businesses and residents is a good barometer of both the ingenuity of the local workforce and businesses' commitment to research and development.

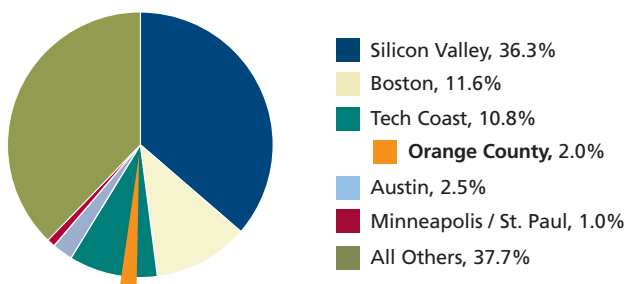
How is Orange County Doing?

In 2005, venture capital funding in Orange County more than doubled to \$605.6 million in comparison to \$269.6 million in 2004. Investments for the first half of 2006 totaled \$254.9 million - slightly behind the pace of 2005 and well below the 2000 high of \$1.5 billion. The top sectors receiving funding in the first half of 2006 were medical devices (\$77.5 million), computer software (\$63.8 million), and industrial/energy (\$33.3 million).

While Orange County's share of national venture capital is only about 2%, the larger Tech Coast region - comprised of Orange, Los Angeles, and San Diego Counties - received 10.8% of all national venture capital dollars in the first half of 2006. The Tech Coast region is the third largest source of venture capital funding behind Silicon Valley and Boston.

In 2005, 1,837 patents were granted for county inventors. While this figure is somewhat below the 2004 level of 1,957 patents, overall, patent grants to Orange County inventors grew by 1.7% between 2001 and 2005 - better than peer markets like Austin, San Diego, San Francisco, Los Angeles and Boston. Orange County receives similar numbers of patent grants as our peers except for Silicon Valley which consistently garners four times the patents of its peers.

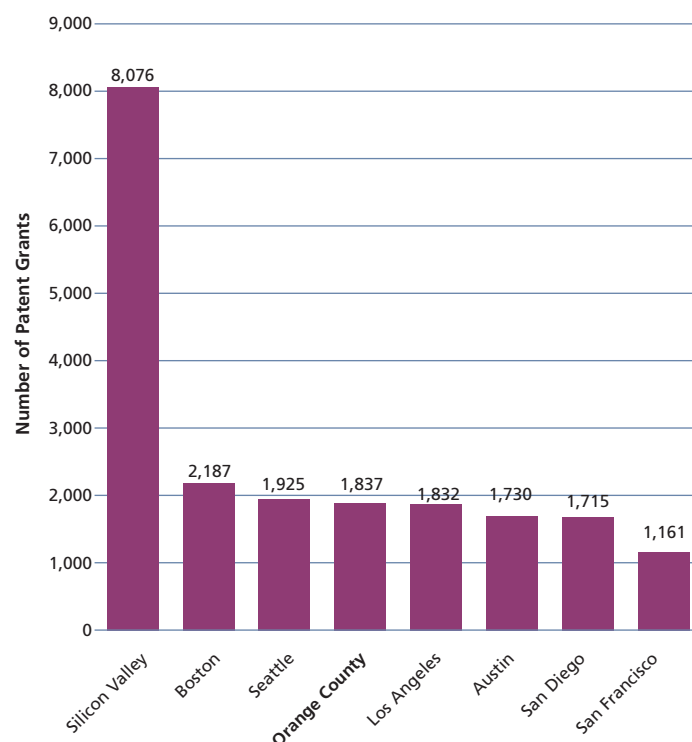
Metropolitan Region Share of National Venture Capital Investments, 2006 (January through June)



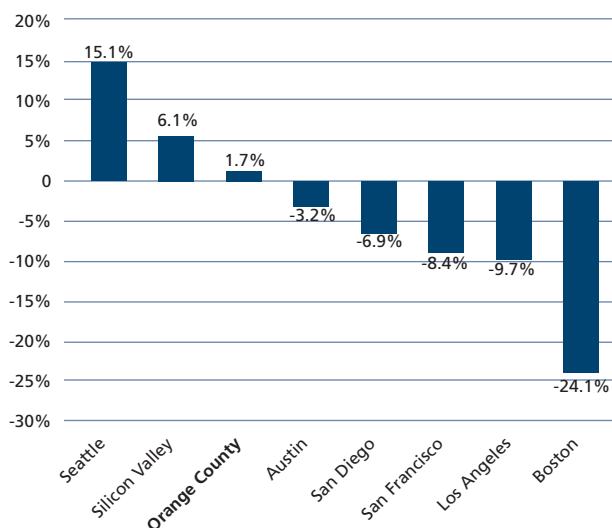
Note: Tech Coast is Los Angeles, Orange, and San Diego Counties.

Source: PricewaterhouseCoopers/Thomson Venture Economics/NVCA Moneytree Venture Capital Profiles (www.ventureeconomics.com/vcc/stats/2006q2/0MAINMENU.html)

Comparison of Patent Grants by Region, 2005



Patent Grants Awarded Percent Change, 2001-2005



Source: United States Patent Office (www.uspto.gov)

Latino Math and Science Course Enrollment Improving

Description of Indicator

This indicator measures the technological know-how of the future workforce by tracking the number of K-12 students per computer, the number of students per classroom with Internet access, and the percent of high school students enrolled in an upper level math and/or science course in Orange County public school districts.¹

Why is it Important?

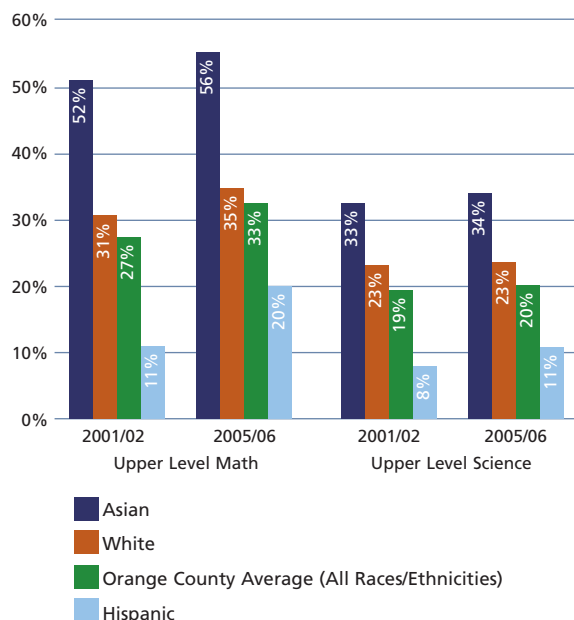
Computer, math and science competency are some of the most important technical skills a student can possess in our knowledge- and computer-driven economy. Many experts agree that a low ratio of four to five students per computer represents a reasonable level for the effective use of computers in schools. The Internet is a major research tool for students and an instructional device for teachers. Upper level math and science courses are required for UC/CSU entry. These courses provide the background needed for many college level courses and many technology-related jobs.

How is Orange County Doing?

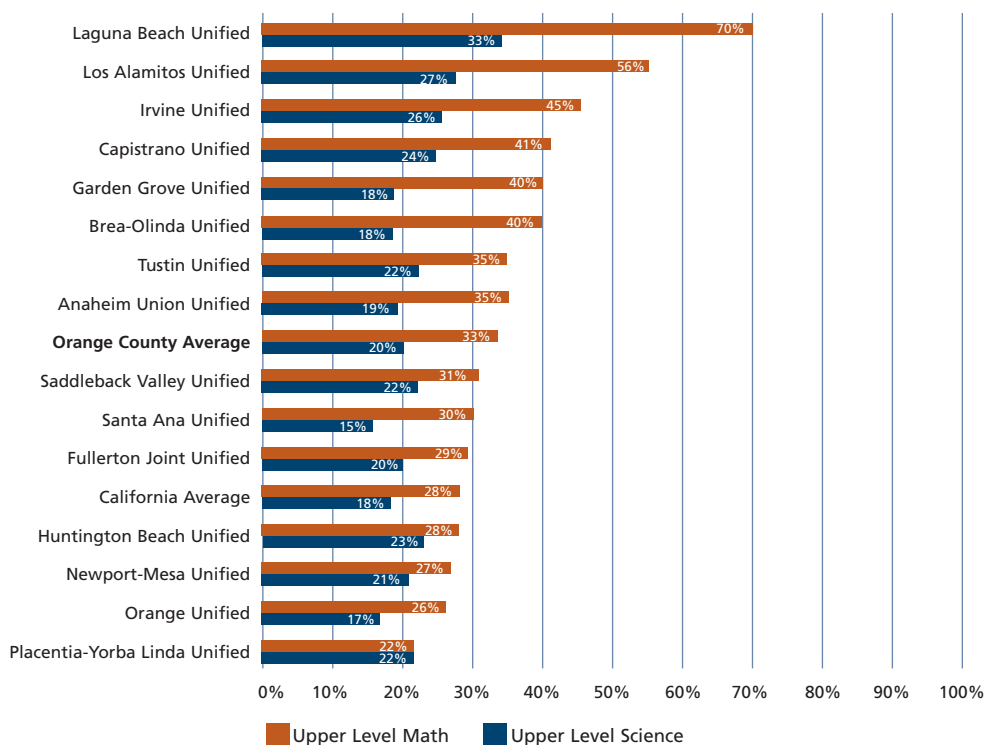
Between 2001/02 and 2005/06, the number of students per computer in Orange County improved 24%. At 4.7 students per computer, Orange County has nearly caught up to the California average (currently 4.5). The number of students per classroom with Internet access has improved in Orange County (now 22.3). But Orange County has improved at a slower rate (18%) than the state (23%).

Upper level math-taking by Orange County high school students has steadily increased until 2005/06 when the level remained the same as the previous year (33%). The average number of high school students taking upper level science has remained steady at approximately 20% of enrollment. Hispanic high school students showed the greatest improvement over the past five years, nearly doubling enrollment in upper level math classes (from 11% to 20%) and significantly increasing enrollment in upper level science courses (from 8% to 11%). Upper level course enrollment varies by school district, typically with higher levels of enrollment in districts with higher API scores (see Academic Performance).

Upper Level Math and Science Course Enrollment as Percent of 9-12 Enrollment, by Race/Ethnicity
Orange County, 2002 and 2006



Upper Level Math and Science Course Enrollment as a Percent of Grade 9-12 Enrollment, by School District
Orange County, 2005/06



Source: California Department of Education (<http://data1.cde.ca.gov/dataquest>)

¹ Upper Level Math includes classes identified as Intermediate Algebra and Advanced Math. Upper Level Science includes classes identified as Chemistry (1st Year) and Physics (1st Year). Due to changes in calculation methodology, these figures should not be compared to figures in previous Community Indicators reports.

Tech-Related Degrees Continue to Rise

Description of Indicator

This indicator measures the number of technology-related degrees conferred by local universities.¹

Why is it Important?

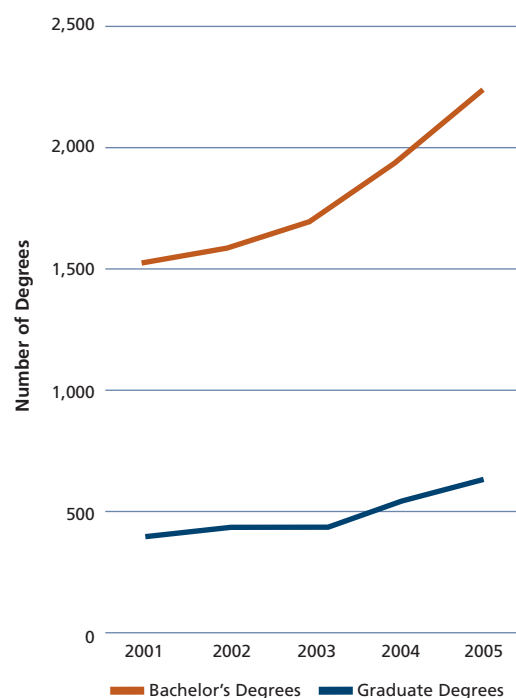
Effective workforce development and training is vital to Orange County's economic wellbeing in three key ways. First, increasing the number of graduates with technical skills is critical to sustain the growth of the county's high-tech sector and its innovation economy. Second, high-tech jobs provide good wages for employees. Finally, if local high-tech businesses cannot find skilled graduates locally they must recruit workers from outside the county.

How is Orange County Doing?

The number of undergraduate degrees earned in the county has increased steadily since 2000 culminating in a 15% increase in 2005 on top of another 15% gain in 2004. Over the last five years, the disciplines that have seen the greatest growth in graduating students were information and computer sciences (141% gain) and engineering (53% gain). Roughly 20% of total undergraduate degrees granted in 2005 were technology related.

The number of tech-related graduate degrees awarded increased by 13% in 2005 and 22% in 2004. On average, the county awarded 400 technology-related graduate degrees between 1994 and 2003. In 2004, the number of degrees increased to 572 and in 2005 the number jumped to 654. Graduate degrees in biological science increased by 82% between 2001 and 2005 and engineering degrees conferred increased by 62%. About 27% of total graduate degrees conferred in 2005 were technology-related.

Tech-Related Degrees Granted, 2001-2005



Sources: California State University, Fullerton, Chapman University, and University of California, Irvine

Number of Tech-Related Bachelor's Degrees Conferred at Orange County Universities

	2001	2002	2003	2004	2005
Biological Sciences	505	516	524	610	710
Biology	121	113	122	92	125
Engineering	330	313	359	437	504
Information and Computer Sciences	198	230	331	388	478
Computer Sciences	119	138	124	157	114
Physical Sciences	222	224	181	222	273
Other Sciences	13	37	31	22	4
Total	1,508	1,571	1,672	1,928	2,208

Note: Other Sciences includes environmental science, kinesiology, movement and exercise science.

Number of Tech-Related Graduate Degrees Conferred at Orange County Universities


	2001	2002	2003	2004	2005
Biological Sciences	33	42	42	19	60
Biology	13	12	18	19	10
Engineering	148	154	177	256	240
Information and Computer Sciences	55	67	70	71	73
Computer Sciences	28	41	41	60	85
Physical Sciences	111	93	62	125	150
Other Sciences	42	36	38	22	36
Total	430	445	448	572	654

Note: Other Sciences includes physical therapy, food science and nutrition.


Sources: California State University, Fullerton, Chapman University, and University of California, Irvine

¹ Orange County universities that offer technology-related graduate and undergraduate degrees include California State University, Fullerton, Chapman University, and University of California, Irvine.

Education



Across the county, academic performance and SAT **scores increased** along with the number of students taking tests required for college entrance. High school **dropouts declined** for the fifth year. Nearly one-third of public school students are **bilingual** and this number is rising.



Job Placement Rates Remain High

Description of Indicator

This indicator uses data from Orange County Regional Occupational Programs (ROP) and community colleges to assess the status of career training and workforce development in Orange County.

Why is it Important?

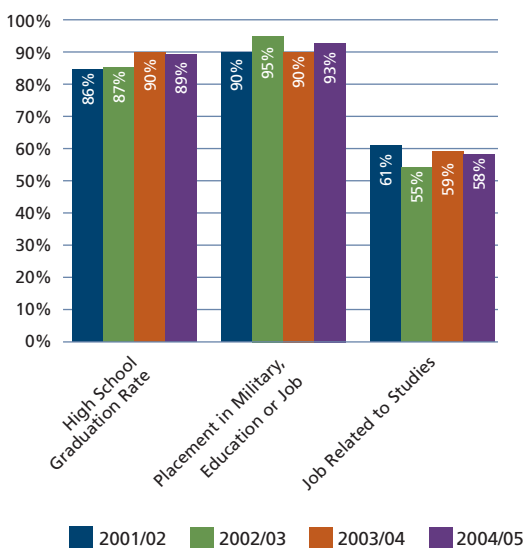
Career technical education is a critical component of an education and workforce development system that aims to be truly comprehensive, meeting the varied educational and career needs of all residents. Career technical education allows residents to acquire skills for technical jobs that do not require a two- or four-year degree. For college-bound high school students and graduates it provides important supplemental skills. For adults it provides opportunities for those reentering the workforce, changing careers, or needing on-the-job skill upgrades for their current job. Ultimately, career education supplies the local economy with a diverse and well-trained labor force.

How is Orange County Doing?

Enrollment

Due to enrollment caps placed on ROPs because of funding limitations, annual enrollment in Orange County ROP courses at high schools, worksites, or local training centers has remained steady at approximately 31,000 high school students and 26,000 adults. At Orange County's nine community colleges, since 1999/00 enrollment has increased about 3%, reaching a level of approximately 205,000 students enrolled in any given fall or spring semester.

Regional Occupational Programs Performance
Orange County, 2002-2005



Sources: Capistrano-Laguna, Coastline, Central County, and North County Regional Occupational Programs

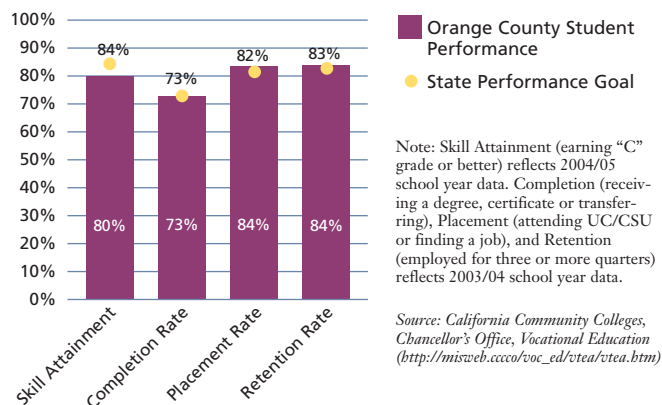
Graduation Rates and Degrees Granted

ROPs encourage high school students enrolled in their programs to get their high school diplomas and 89% of 12th graders did so in 2004/05. Orange County community colleges granted a total of 8,293 Associate degrees and 2,409 certificates in 2005/06. Over the past five years, Associate degrees granted increased 28% or an average of 6% annually. The most popular career-technical majors are Business & Management, Engineering & Industrial Technologies, and Health.

Placement

Tracking students after they complete their course of study provides an indication of the value of career education for the student personally and for the local economy. The most recent data available reveals 93% of ROP students and 84% of community college students were placed. Showing a respectable match between the skills taught and the demands of the local economy, 58% of ROP students employed six months after completing the program in June of 2004/05 were employed in a field related to their course of study. Among community college students in career education, those getting degrees or certificates in Health and Public & Protective Services had the highest placement rate (both 90%) followed by Business & Management and Education (both 86%). On average, Orange County community college students met or exceeded the state performance goals for completion, placement, and retention.

Community College Career Technical Curriculum Performance
Orange County, 2004



Dropouts Continue Downward Trend; More College Grads

Description of Indicator

This indicator measures by ethnicity the percentage of Orange County public high school students who drop out annually. It also measures the educational attainment of Orange County residents over 25 years of age, compared to neighboring and peer regions.

Why is it Important?

A high school diploma or college degree opens many career opportunities that are closed to those without these achievements. Additionally, the education level of residents is evidence of the quality and diversity of our labor pool – an important factor for businesses looking to locate or expand in the region.

How is Orange County Doing?

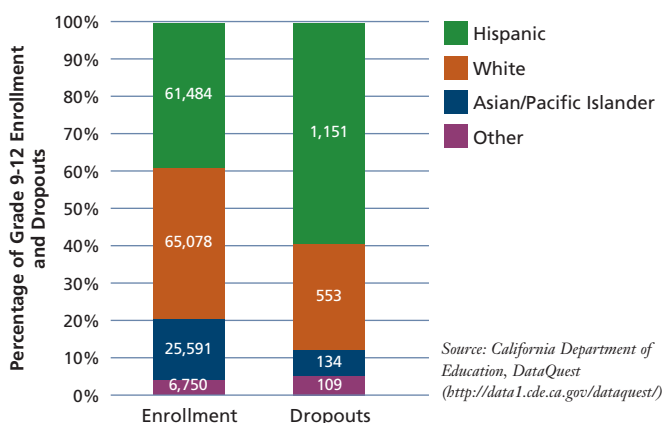
Dropout Rates

The Orange County annual dropout rate declined for the fifth year in a row to 1.3%. Over the course of four years of high school it is estimated that at least 5% of the student-body drops out. While there is debate that common tracking methodologies undercount the number of dropouts, the 10-year trend in Orange County has been toward fewer dropouts. The decline can be attributed in part to the Orange County Department of Education's alternative education program which offers untraditional schooling options for students who would otherwise drop out. Among the total number of dropouts in 2005, Hispanic and White students were the two largest groups (59% and 28%, respectively). With Hispanic students comprising 39% of total high school student enrollment, and 59% of the total dropout population, their dropout rate is disproportionately high.

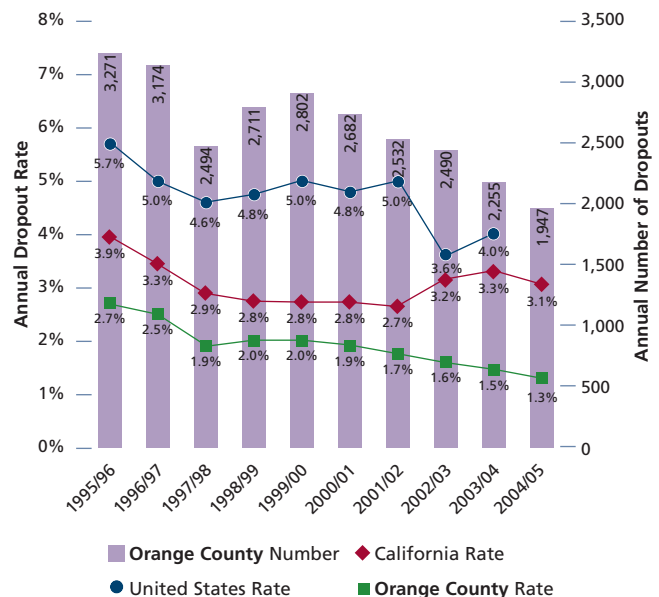
Educational Attainment of Residents Over 25

In 2005, the percentage of Orange County residents over 25 with a high school diploma remained roughly the same at 82.6%, slightly below the national average. The percentage of Orange County residents over 25 with a bachelor's degree rose a statistically significant 1.6 percentage points to 34.9%, well above the national average of 27.2%.

Comparison of Racial/Ethnic Composition of Grade 9-12 Enrollment and Dropout Population Orange County, 2004/05



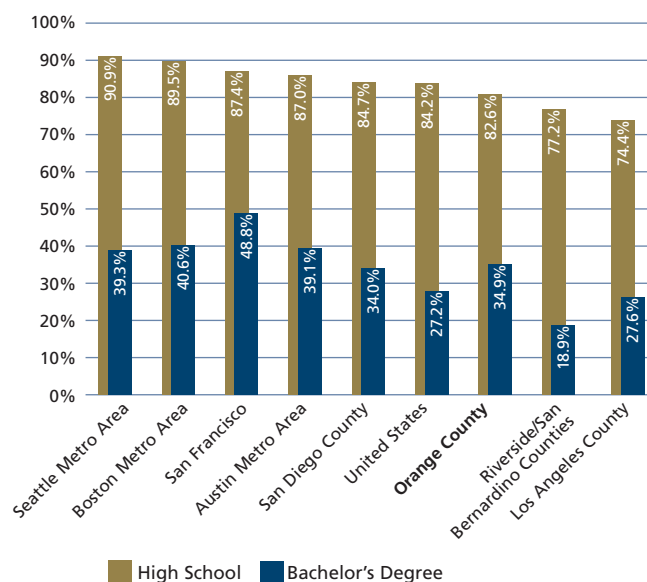
Annual Grade 9-12 Dropouts Orange County, California and United States, 1996-2005



Counting Orange County's Dropouts: New System of Tracking in Place

As of the 2006/07 school year, students in California are now given a unique identifying number so that they can be tracked more accurately. This will enable schools, districts and the state to begin to calculate dropout rates that more reliably reflect reality as soon as 2007/08.

Percent Over 25 Who Completed High School or Bachelor's Degree Regional Comparison, 2005



UC/CSU Eligibility Trends Upward for Three Largest Ethnic Groups

Description of Indicator

This indicator measures the number of public high school graduates who have fulfilled minimum course requirements to be eligible for admission to University of California (UC) or California State University (CSU) campuses, the percentage of high school graduates taking the Scholastic Aptitude Test (SAT), and SAT scores.

Why is it Important?

A college education or related skilled certification is important for many jobs in Orange County. To gain entry to most four-year universities, high school students must complete the necessary coursework and perform well on standardized tests.

How is Orange County Doing?

UC/CSU Eligibility

The percentage of Orange County high school graduates in 2005 who took the coursework necessary to be eligible for a UC or CSU campus increased for the second year in a row to 39%, higher than the statewide average of 35%. A study by the California Post Secondary Education Commission showed an increase in a school's Academic Performance Index (API) plays a significant role in the probability that a student will become UC and CSU eligible. Recent local data seems to support this finding. The average Orange County API score has been on an upward trend in recent years (an average annual increase of about 2% since 2002) and the growth in eligibility follows this upward trend (up 3% since 2002). Due to a number of years when Orange County posted lower eligibility rates, the overall 10-year trend is an average increase of about 1% annually.

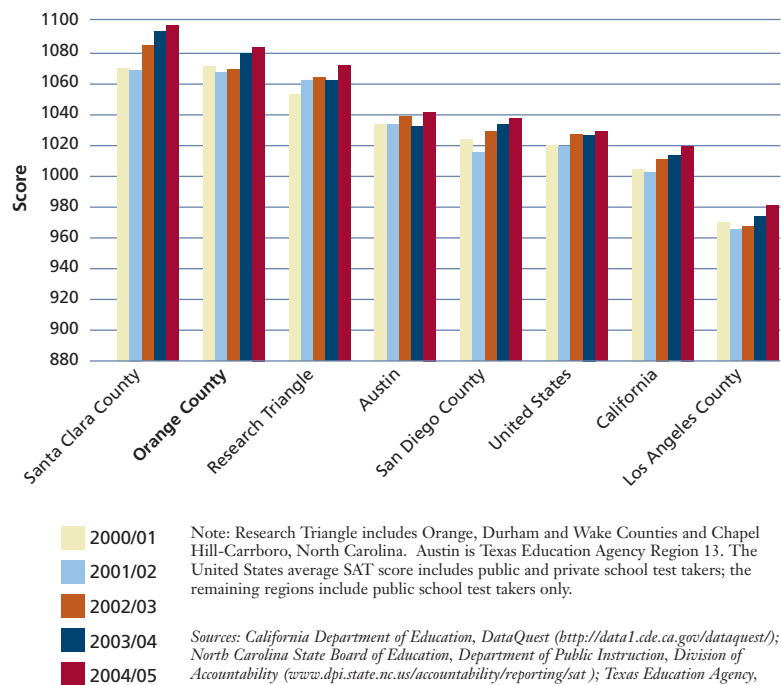
SAT Scores and Test Taking

The county's average SAT score increased five points to 1085 keeping Orange County close to the top compared to the nation, state, and peer regions. The percentage of Orange County students taking the test rose to 42%, slightly above the average of the previous five years (41%).

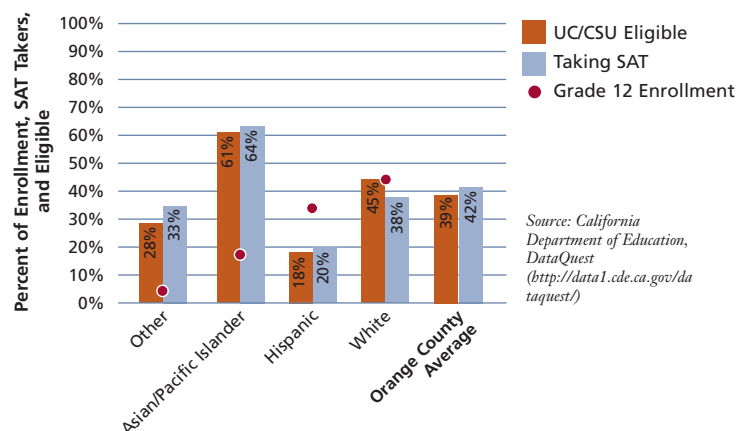
Variations by Race and Ethnicity

Within Orange County, college readiness varies significantly by ethnicity. For example, more than half of all Asian students take the required UC/CSU courses and sit for the SAT, compared to about one-fifth of all Hispanic students. Hispanic students make up 34% of grade 12 enrollment and that proportion is increasing each year. If more Hispanic students (and to a lesser extent, White students who currently make up 44% of grade 12 enrollment) do not start taking steps to be college ready, the county can expect overall college readiness to decline over time. The good news is that for the top three ethnic groups in Orange County, the 10-year trend has been toward increased eligibility with Hispanic students leading the way with an average growth of 3% annually.

SAT Scores
Regional Comparison, 2001-2005



Percent of High School Graduates Eligible for UC/CSU and Percent of 12th Grade Students Taking the SAT Compared to 12th Grade Enrollment by Race/Ethnicity
Orange County, 2004/05



26 of 27 School Districts Improve Scores

Description of Indicator

This indicator summarizes academic performance as determined by the California Department of Education (CDE) and the federal No Child Left Behind Act of 2001.

Why is it Important?

Tracking academic performance enables school administrators, parents, and the public to evaluate how well Orange County schools are meeting state and national standards. If a school does not meet its state-identified Academic Performance Index growth targets and is ranked in the bottom half of the statewide distribution, it may be required to participate in an intervention program. The national Adequate Yearly Progress (AYP) targets provide another tool for stakeholders to track progress and develop improvement plans when necessary. A Title I school district that fails the same element of AYP for two consecutive years must develop or revise a plan to improve performance and also reserve funds for professional development of its staff.¹

How is Orange County Doing?

California Department of Education Target Performance

In 2006, with one exception, all Orange County school districts saw improvement in their Academic Performance Index (API) scores. Orange County's average API score of 782 is a five point improvement from last year, compared to a 16 point improvement the year before, and is now 18 points away from the statewide goal of 800. Twelve districts had scores exceeding the statewide goal with Tustin Unified newly achieving this status.

No Child Left Behind Target Performance

A school district is said to have achieved Adequate Yearly Progress (AYP) if the four No Child Left Behind targets have been met. Fully 79% of school districts met all four AYP targets in 2006, and all Orange County school districts met their 2006 AYP Academic Performance Index target of 590 (one of the four targets). Of the districts that did not achieve AYP in 2006, most fell short on the testing participation target of 95% for certain subgroups. Only four of 27 districts have been identified for Program Improvement.

Performance Targets

California Department of Education

The CDE uses the Academic Performance Index (API) score to measure performance. The API – ranging from a low of 200 to a high of 1000 – is calculated for each school based on the performance of individual pupils on several standardized tests.

No Child Left Behind

"Adequate Yearly Progress" for No Child Left Behind is determined by performance on four statistics: API Growth score, testing participation rate of 95% or better, the percentage of students performing at the proficient level or above in English-language arts and mathematics, and graduation rate targets for districts with high school students.

Program Improvement

A Title I school district that fails to make AYP for two consecutive years on the same criteria is identified for Program Improvement (PI) and must develop or revise a plan to improve performance.¹ To exit PI status a school must achieve Adequate Yearly Progress for two consecutive years. If after two years of PI status a school has not achieved AYP, it is subject to corrective action from the state Department of Education.

Average Academic Performance Index Scores
Orange County, 2005 and 2006

	School District	2005 API	2006 API	Adequate Yearly Progress Orange County, 2006	
				Achieved AYP	Program Improvement Status
Above State API Target	Irvine Unified	882	891	•	
	Los Alamitos Unified	858	868	•	
	Fountain Valley Elementary	856	865	•	
	Cypress Elementary	848	853	•	
	Huntington Beach City Elementary	836	852	•	
	Laguna Beach Unified	836	849	•	
	Brea-Olinda Unified	830	838	•	
	Saddleback Valley Unified	826	832	•	
	Ocean View Elementary	815	826	•	
	Capistrano Unified	813	823	•	
	Tustin Unified	790	810	•	
	Placentia-Yorba Linda Unified	801	805	•	
Below State API Target	Fullerton Elementary	766	790	•	
	Fullerton Joint Union High	758	790	•	Year 1
	Orange County Average	777	782	N/A	N/A
	Newport-Mesa Unified	760	778	•	
	Orange Unified	765	777	•	
	Centralia Elementary	774	773	•	
	Westminster Elementary	753	769	•	
	Huntington Beach Union High	757	767	•	
	Savanna Elementary	760	764	•	
	Garden Grove Unified	740	756	•	
	Buena Park Elementary	734	745	•	
	La Habra City Elementary	713	734	•	Year 1
	Magnolia Elementary	705	727	•	
	Anaheim Union High	681	691	•	
	Anaheim City Elementary	672	682		Year 1
	Santa Ana Unified	656	657		Year 2

Note: Savanna Elementary, Tustin Unified, Saddleback Valley Unified, and Laguna Beach Unified have not been identified for Program Improvement since they have not failed AYP for two consecutive years.

Source: California Department of Education, DataQuest (www.data1.cde.ca.gov/dataquest/)

¹ Schools with a high percentage of children from low income families receive federal "Title I" funding.

Nearly a Third of Students are Bilingual

Description of Indicator

This indicator measures the number and percent of students who are English language learners in Orange County public schools, and compares English Learner enrollment among peer California counties.

Why is it Important?

Students who have limited English speaking skills often face academic, employment and financial challenges. An educated workforce with good communication skills is important for a strong economy. A large number of bilingual students can provide a rich employment resource for companies seeking to expand internationally (see World Trade).

How is Orange County Doing?

In 2005/06 the percent of total public school enrollment in Orange County made up of English Learners declined for the third year in a row dropping from 29.1% to 28.3%. This brings the overall number of English Learners to 144,118. The number of students initially designated as bilingual (Fluent-English-Proficient) when they entered school continues its upward trend from 18% to 19% of total enrollment in 2005/06. The percent of English Learner students redesignated Fluent-English-Proficient rose to 9.7% of total enrollment. About half of enrollment is made up of native English speakers.

Orange County continues to have the second largest proportion of English Learners compared to neighboring and peer counties. The proportion of enrollment made up of English Learners increased in the Inland Empire but decreased or stayed the same in all other counties between 2004/05 and 2005/06.

Language Assessment Explained

When students enter school their language skills are assessed and they are given a designation. Then each spring English Learners are assessed to determine whether their designation should be changed.

Designations

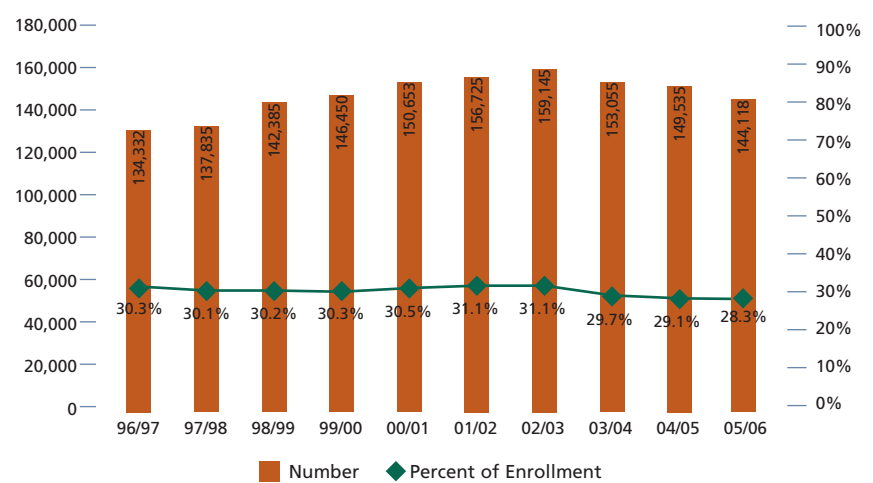
English Learner: A student who does not speak English fluently.

Fluent-English-Proficient (FEP): A student who speaks a foreign language at home but is also fluent in English (bilingual).

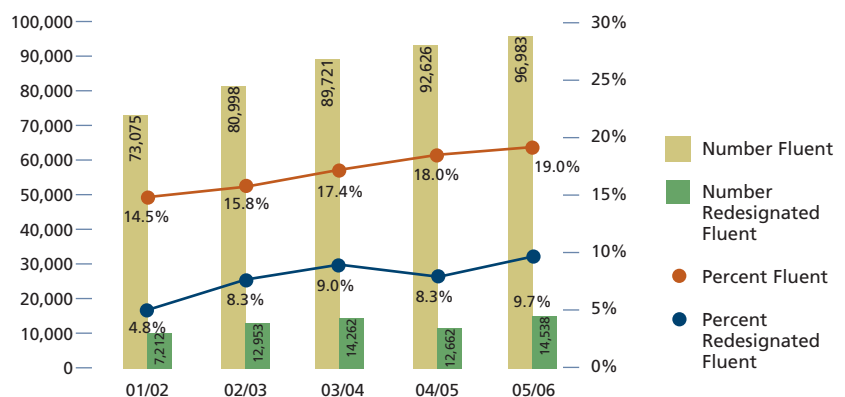
Redesignated Fluent-English-Proficient: A student initially designated as an English Learner who has become fluent in English.

English Only: Native English speakers.

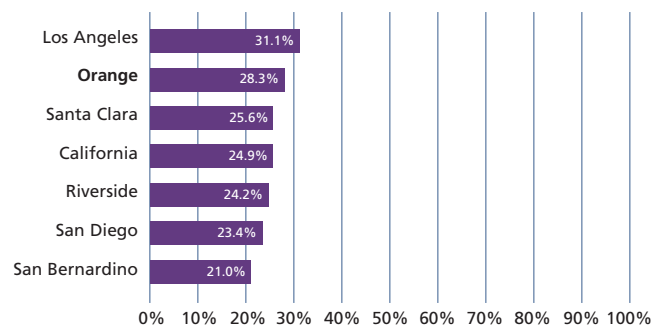
English Language Learners
Orange County, 1997-2006



Bilingual Students: Fluent-English-Proficient
Redesignated Fluent-English-Proficient
Orange County, 2002-2006




English Learners as a Percent of Total Enrollment
County Comparison, 2005/06



Source: Department of Education, DataQuest (<http://data1.cde.ca.gov/dataquest/>)

Community Health and Prosperity



The county is making great strides in **immunizing more** children by age two. Increasing numbers of Orange County women **survive** breast cancer, leading to the achievement of the 2010 national goal for this disease. In contrast, indicators of **drug abuse** signal a growing problem. AIDS cases increased 3% in 2005. And one in seven children have had an **asthma** diagnosis.

Early Prenatal Care Rate Stabilizes at High Level

Description of Indicator

This indicator measures the percentage of live births to Orange County women who began prenatal care during the first three months of pregnancy, with racial and ethnic detail. Rates of early prenatal care in Orange County are also compared to peer counties and California overall.

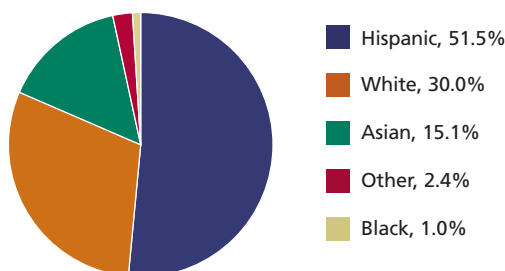
Why is it Important?

Early prenatal care provides an effective and cost-efficient way to prevent, detect and treat maternal and fetal medical problems. It provides an excellent opportunity for health care providers to offer counseling on healthy habits and lifestyles to lead to an optimal birth outcome. Higher levels of low birth weight and infant mortality are associated with late or no prenatal care. Showing birth rates by ethnicity provides a glimpse into the future in terms of the coming school age population and overall demographic shifts in the county.

How is Orange County Doing?

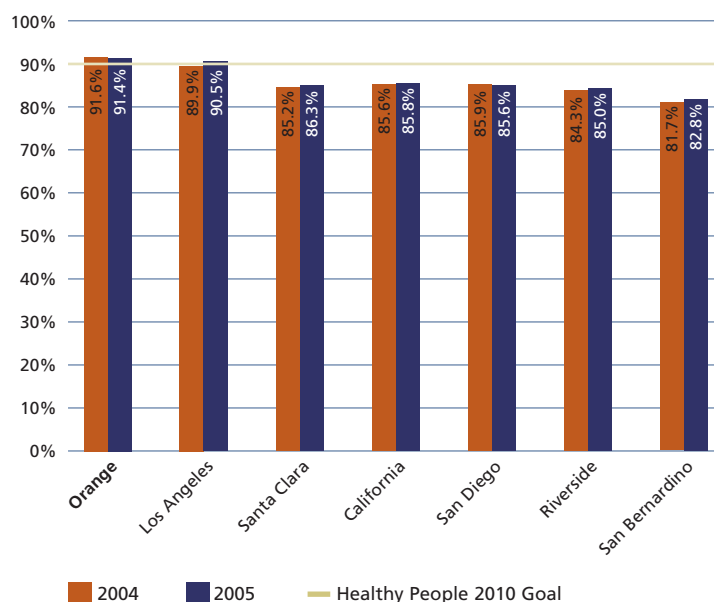
The overall level of Orange County mothers receiving early prenatal care remained relatively steady at 91.4% in 2005. This rate maintains achievement of the Healthy People 2010 early prenatal care goal of 90%. Levels within racial and ethnic groups changed very little, from a maximum increase of 0.8% among mothers in the “other” category to a maximum decrease of 0.6% among Asian mothers. Statewide, the average prenatal care rate increased slightly in 2005. Orange County’s rate of early prenatal care is higher than the state and all counties compared. Births in Orange County are increasingly to Hispanic mothers, now comprising over 50% of all births as of 2005. The proportion of births to White mothers is decreasing while the proportion of births to Asian mothers is remaining steady.

Live Births by Race and Ethnicity Orange County, 2005

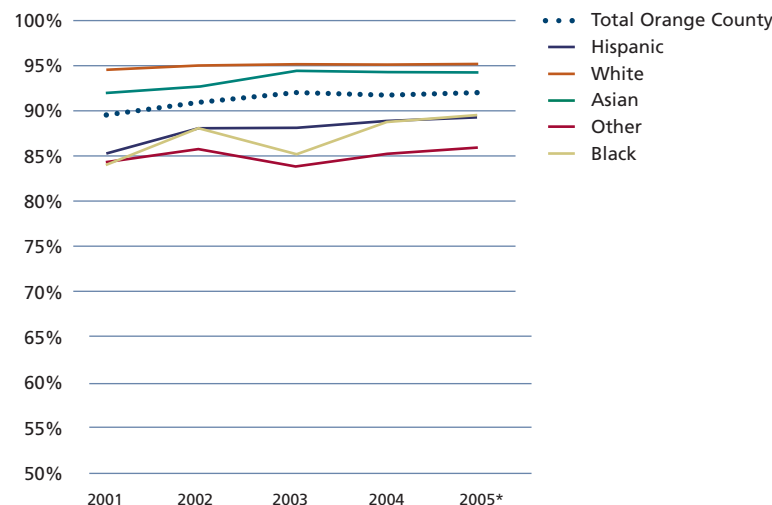


Sources: County of Orange Health Care Agency, Epidemiology and Assessment and California Department of Health Services

Percent of Mothers Receiving Early Prenatal Care County Comparison, 2004 and 2005



Percent of Mothers Receiving Early Prenatal Care by Race and Ethnicity Orange County, 2001-2005



* 2005 data is considered preliminary.

Note: The ethnic category Hispanic includes any race; the racial categories White, Asian, and Black are all non-Hispanic. “Other” includes the categories of two or more races, Pacific Islander, American Indian/Native Alaskan, and unknown/other/withheld.

Sources: County of Orange Health Care Agency, Epidemiology and Assessment and California Department of Health Services

What is Healthy People 2010?

Healthy People 2010 is a national health promotion and disease prevention initiative which establishes national health objectives to improve the health of all Americans, eliminate disparities in health, and improve years and quality of healthy life.

Death Rate Trends Downward

Description of Indicator

This indicator measures the five leading causes of death for infants (under one year) and children ages one through four years in Orange County (shown as raw number of deaths) and deaths for children ages birth through four years due to all causes compared to peer California counties (shown as number of deaths per 100,000 children).

Why is it Important?

Awareness of the leading causes of death for children can lead to intervention strategies that can help prevent mortality. Many of these deaths are preventable through improved prenatal care and education.

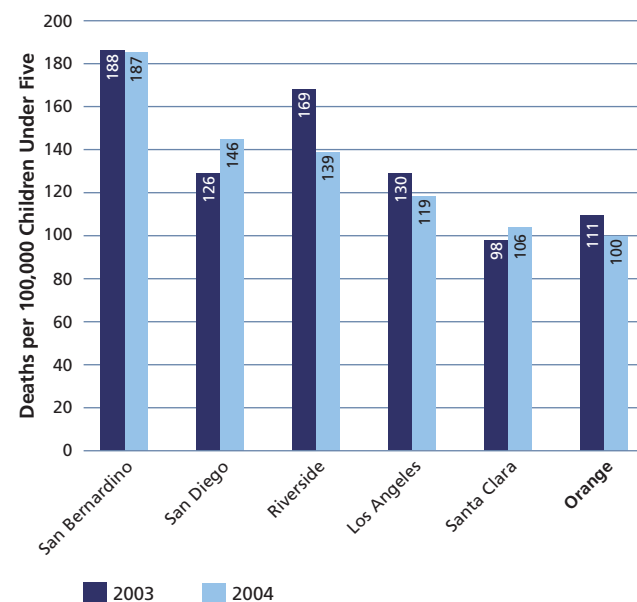
How is Orange County Doing?

The death rate for children under five is on a downward trend in Orange County. In 2004, this downward trend continued with a 10-year low of 100 deaths per 100,000 children under five. Orange County now has the lowest rate of death among peers, a position not seen since 1999.

In 2004, there was approximately one death for every 246 infants. Congenital defects (such as spina bifida) and chromosomal abnormalities (such as Down's syndrome) continue to top the list of leading causes of death for infants. The 2nd leading cause of infant death, prematurity and low birth weight, is slightly above the five-year average of 22 deaths annually. Accidents, tied for the 7th leading cause of death, accounted for only three infant deaths in 2004 compared to four in 2003 and 10 in 2002.

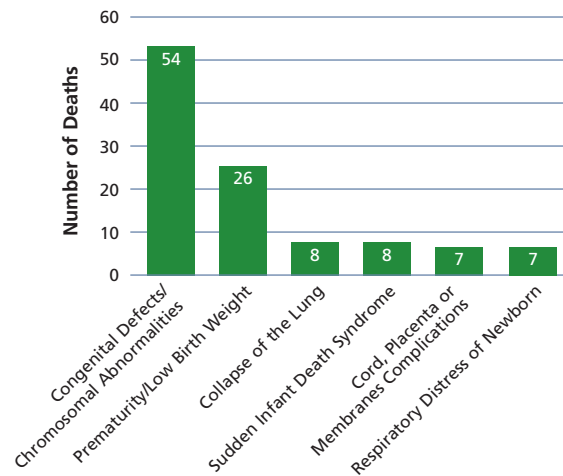
In contrast, accidents remain the leading cause of death for toddlers and preschoolers with drowning making up the majority. There were 12 accidental deaths in 2004, about the average number for the past five years. In 2004, there was one death for every 4,469 children ages one through four.

Death Rate Due to All Causes for Children Under Five County Comparison, 2003 and 2004



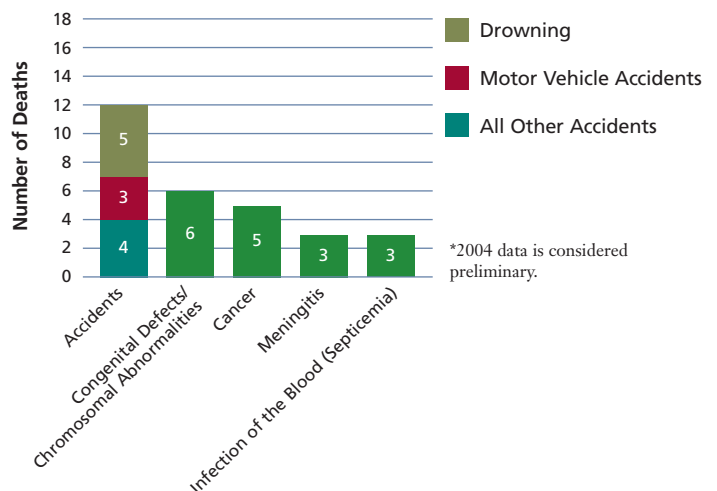
Sources: California Department of Health Services, Death Records (www.applications.dhs.ca.gov/vsq/default.asp) and State of California, Department of Finance, Race/Ethnic Population with Age and Sex Detail, 2000-2050

Leading Causes of Death for Infants (Under One) Orange County, 2004*



*2004 data is considered preliminary.

Leading Causes of Death for Children Ages One Through Four Orange County, 2004*



*2004 data is considered preliminary.

Source: County of Orange Health Care Agency, Epidemiology and Assessment

Immunization Rate Takes Significant Leap

Description of Indicator

This indicator measures immunization rates for children at two years of age and reported cases of vaccine-preventable diseases among children under six years of age.

Why is it Important?

Immunization is one of the most important interventions available for preventing serious diseases among infants and children. The Healthy People 2010 immunization objective is for 90% of young children (age 1½ to 2¾) to be protected by universally recommended vaccines.

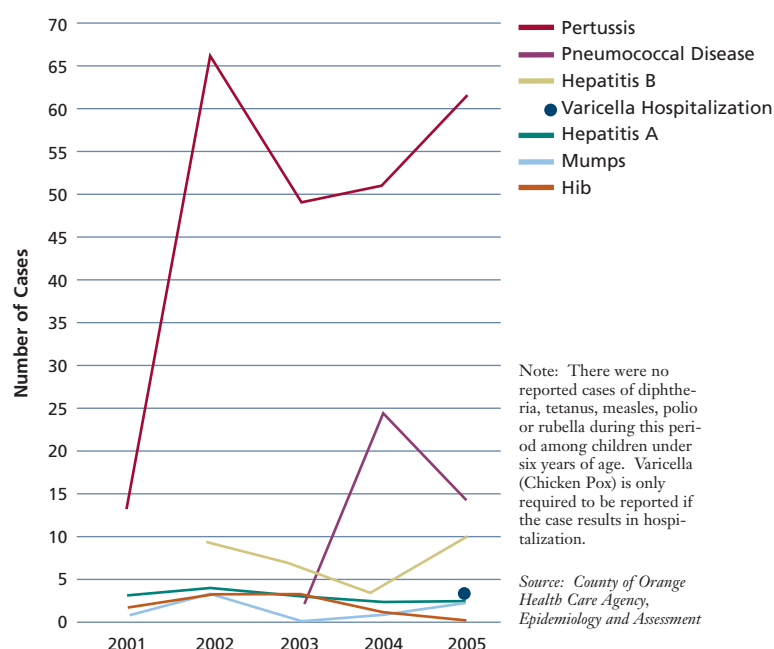
How is Orange County Doing?

There were 62 pertussis (whooping cough) cases among children under six years of age in 2005. The majority of the cases (44) were among children under one year of age, when children may not be fully protected from the disease because the fourth dose of vaccine isn't given until 15 to 18 months of age. The next most common vaccine-preventable disease for children under six was pneumococcal disease at 14 cases in 2005. Pneumococcal disease and hemophilus influenza type B (Hib) are the most common causes of serious bacterial infections such as meningitis (infection of the lining of the brain and spinal cord) and pneumonia (infection of the lungs). There were no Hib cases reported in 2005.

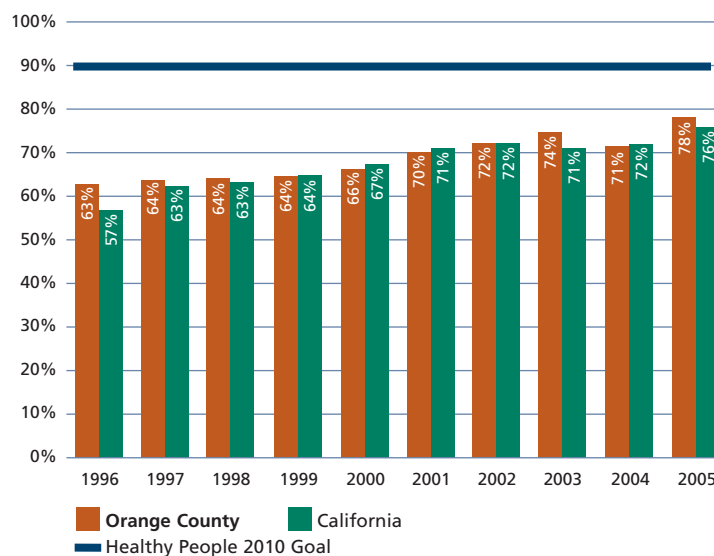
In 2005, the percentage of Orange County kindergarteners adequately immunized when they were two years old rose to 78%. Over the past 10 years there has been a 23% increase overall, with an average annual increase of 2%. In the past year, the rate rose 9%. This data reflects the immunization rates of children who were born, for the most part, in 2000. This coincides with the advent of Children and Families Commission of Orange County immunization support programs, the start of the Healthy Families health insurance coverage program for low-income families, and the beginning of child immunization vouchers for clients of the Woman, Infants and Children (WIC) program.

The 2005 immunization levels by age two for other recommended vaccines vary: hepatitis B (89%) and varicella (79% in 2004). These levels are slightly higher than the statewide averages.

Vaccine-Preventable Diseases Among Children Under Six Years of Age Orange County, 2001-2005



Percent of Children Adequately Immunized at Two Years of Age Orange County and California, 1996-2005



Note: To be considered "adequately immunized" at age two a child must have the following vaccinations: four doses of diphtheria/tetanus/pertussis (DTaP), three doses of polio, and one dose of measles/mumps/rubella (MMR). Other vaccines recommended by age two include: hemophilus influenza type B (Hib), hepatitis A, hepatitis B, pneumococcal disease, varicella (Chicken Pox), and annual flu shots.

Sources: California Department of Health Services, Immunization Branch, Kindergarten Retrospective Survey (www.dhs.ca.gov); 12th Annual Report on the Conditions of Children in Orange County 2005; and County of Orange Health Care Agency

Immunization Registry Launched

In 2005-06, the Children and Families Commission of Orange County brought together the experts and key service providers necessary to launch an immunization registry in Orange County. The Immunization Registry was successfully implemented at eight private and five public health clinics, with expansion to more clinics planned for next year. Over 72,000 records were entered into the Registry during the first year, creating an electronic record that helps to prevent under- and over-immunizations and may also lead to increased immunization rates.

One in Seven Orange County Youth Have Asthma

Description of Indicator

This indicator compares asthma diagnoses among Orange County children ages one through 17 to peer counties, the state, and nation. Asthma is characterized by recurrent episodes of breathlessness, wheezing, coughing, and chest tightness triggered by respiratory infections, house dust mites, cockroaches, animal dander, mold, pollen, cold air, exercise, stress, tobacco smoke and indoor and outdoor air pollutants.

Why is it Important?

Asthma prevalence has grown over the past two decades, especially among children. Nationwide, in 2005, 12.7% of children under 18 years old (over 9 million) had a lifetime asthma diagnosis compared to 10.7% of adults. A similarly disproportionate number of children had an asthma attack in the previous year (5.2% compared to 3.9% for adults). Nearly three million school days were missed in a single year by the nation's children on account of asthma. The personal and societal costs of asthma are high, and growing.¹

How is Orange County Doing?

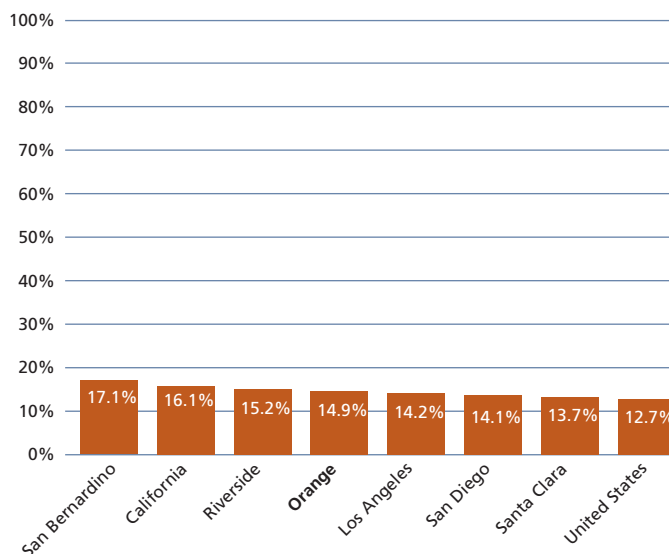
As of 2005, approximately one out of seven children in Orange County has been diagnosed with asthma at some point, up from one in 10 in 2001. Orange County's rate of children diagnosed with asthma (14.9%) is in the middle among peers. Our rate is lower than the California average (16.1%) but higher than the national average (12.7%).

Similar to national patterns, boys in Orange County are more likely to have an asthma diagnosis than girls. Yet, contrary to national patterns, White children in Orange County are more likely to have a lifetime asthma diagnosis than Latino children. This may be linked to better access to health care among White residents (see Health Insurance Coverage).

Both genetic and environmental factors are known to play a role in asthma development. Ongoing research is uncovering the genes that may make one child more susceptible to developing asthma than another. Environmental factors like living within 500 meters of a freeway have been shown to be related to increased rates of asthma and decreased lung function, and furthermore, that these effects can be life-long. Many other studies of environmental factors have confirmed the correlation between the development of asthma and indoor air pollutants caused by pets, pests, mildew and water damage or cigarette smoke.

Sources: Gauderman WJ, et. al. (2007) Effect of exposure to traffic on lung development from 10 to 18 years of age: a cohort study. *Lancet*. Vol. 368, and Centers for Disease Control and Prevention (www.cdc.gov/genomics/training/perspectives/asthma.htm)

**Children Ever Diagnosed with Asthma
County Comparison, 2005**



Sources: University of California, Los Angeles, Center for Health Policy Research, California Health Interview Survey (www.chis.ucla.edu), Centers for Disease Control and Prevention, National Center for Health Statistics, Summary Health Statistics for U.S. Children: National Health Interview Survey (www.cdc.gov/nchs/)

**Children Ever Diagnosed with Asthma (Age, Ethnic, Sex, and Income Detail)
Orange County, 2005**



* Data is statistically unstable and should be interpreted with caution.

Source: University of California, Los Angeles, Center for Health Policy Research, California Health Interview Survey (www.chis.ucla.edu)

¹ School days missed statistic reflects 2003 data. Centers for Disease Control and Prevention, National Center for Health Statistics, Asthma Prevalence, Health Care Use and Mortality: United States, 2003-2005 (www.cdc.gov/nchs/products/pubs/pubd/hestats/ashtma03-05/ashtma03-05.htm)

Proportion of Overweight Youth Continues to Climb

Description of Indicator

This indicator measures physical fitness of children by performance in six areas: aerobic capacity, body composition (percent of body fat), abdominal strength, trunk extension strength, upper body strength, and flexibility. Also measured is the percentage of children from low-income families who are considered overweight (body mass index equal to or greater than the 95th percentile).

Why is it Important?

A sedentary lifestyle and being overweight are among the primary risk factors for many health problems. Building a commitment to fitness and having a healthy body weight can have a positive impact on children's health now and in adulthood.

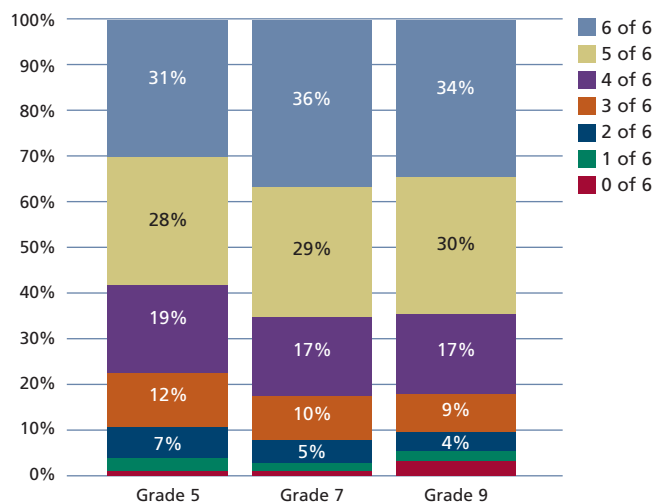
How is Orange County Doing?

In 2006, improvement in the proportion of Orange County students considered fit leveled off for all grades except 9th grade where fitness levels dropped slightly. On average, Orange County students performed between 5% and 7% better than their California peers. Still, the percentage of unfit students remains high. About two-thirds of 5th, 7th, and 9th graders could not meet the six minimum fitness standards. In terms of aerobic capacity, the overall five-year trends show improvement for all grades. Youth in 9th grade consistently have poorer aerobic capacity than 5th and 7th grade youth. Among all grades, 39% of Latino students have poor aerobic capacity compared to 29% of Asian students and 28% of White students.

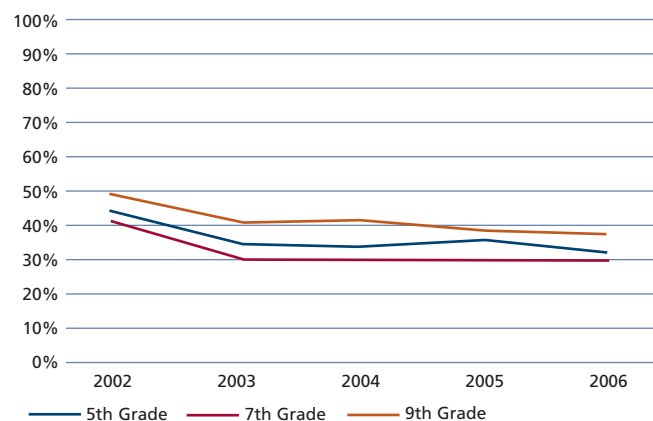
The proportion of overweight low-income youth continues to climb in Orange County. Orange County has the highest proportion of overweight youth among peers. Out of 61 regions in California, Orange County youth ranked 42nd (ages 2 to <5) and 58th (ages 5 to <20), with 61 having the greatest percentage of overweight youth.¹

¹ While there are 58 counties in California, the ranking of 61 regions results from a combination of including five Los Angeles County sub-regions and groupings of smaller counties.

Percent of Students Achieving Six Fitness Standards
Orange County, 2006

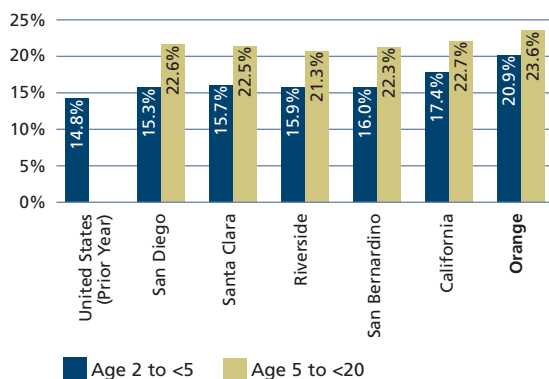


Percent of Students Unable to Achieve Aerobic Capacity Standards
Orange County, 2002-2006



Source: California Department of Education (<http://data1.cde.ca.gov/dataquest>)

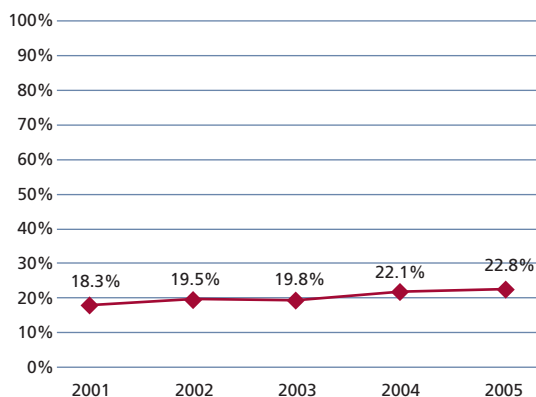
Percent Overweight Among Low-Income Youth
County Comparison, 2005



Note: U.S. data for ages five to 20 is not available. Data for Los Angeles County is divided into five sub-regions and thus not included.

Source: Centers for Disease Control and Prevention, Pediatric Nutrition Surveillance System (www.dhs.ca.gov/pfcb/cms/onlinearchive/cbpin.htm)

Percent Overweight Among Low-Income Youth Ages 2 through 19
Orange County, 2001-2005



Quality Accreditation Rises; Demand Exceeds Supply

Description of Indicator

This indicator measures child care quality and affordability including cost, supply and demand, and accreditation of child care programs.

Why is it Important?

Research on children's brain development and school readiness demonstrates the importance of high quality early education and care programs for young children. Affordable child care is essential to enable working families to maintain economic self-sufficiency. High child care costs and the gap between supply and demand of licensed slots places a significant burden on working parents.

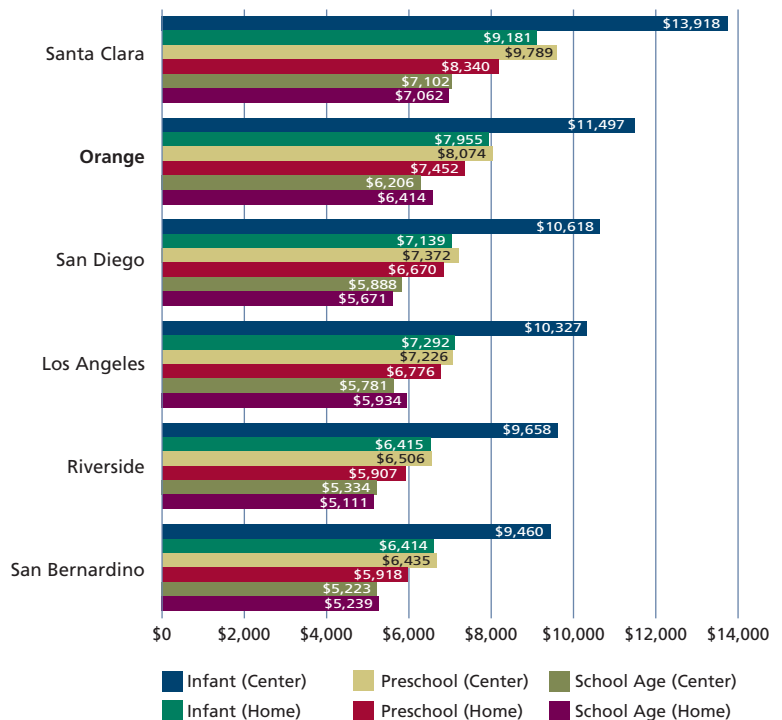
How is Orange County Doing?

Orange County child care costs are above average, ranking 2nd highest among the counties compared. Between 2002 and 2004, center-based child care costs rose about 10 times as fast as the median family income and over twice as fast as average annual child care worker pay. One factor affecting cost of care is the rapidly rising cost of Workers' Compensation insurance for center-based programs. However, the rise in cost is largely a function of the gap between child care supply and demand.

In 2006, there were 85,006 licensed child care slots and more than three times that many children potentially needing child care. The gap between the supply of licensed child care slots and the estimated need places Orange County among the worst of California's 58 counties. There is a similar gap for subsidized care. Since July 2006, more than 10,000 income-eligible children have applied to be placed on the Centralized Eligibility List for state or federally subsidized child care. Only 9% of Orange County children who qualify for subsidized child care are receiving those services. Either by choice or due to the scarcity of licensed or subsidized spots, many parents turn to informal care such as family members, babysitters, nannies, or other "license-exempt" care providers.

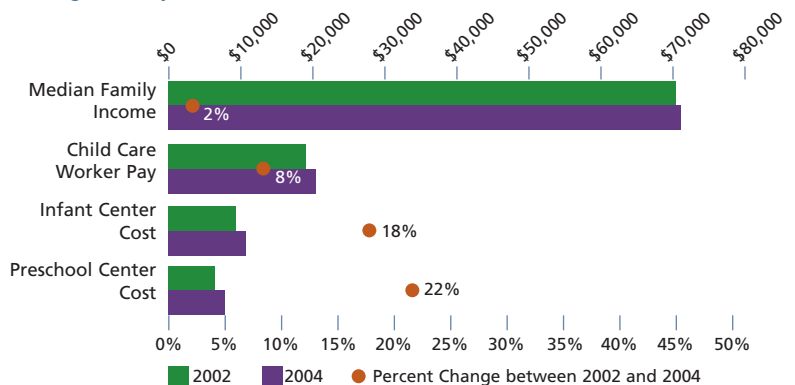
Accreditation by one of four accrediting bodies (National Association for the Education of Young Children, National Association for Family Child Care, Association of Christian Schools International, or National School Age Consortium) has grown dramatically in the past year. As of September 2006, there were 136 accredited centers, up 40% from the total of 97 last year. Still, the proportion of all licensed facilities that are quality accredited is slim (5%).

Average Annual Full Time Child Care Costs
County Comparison, 2004/05



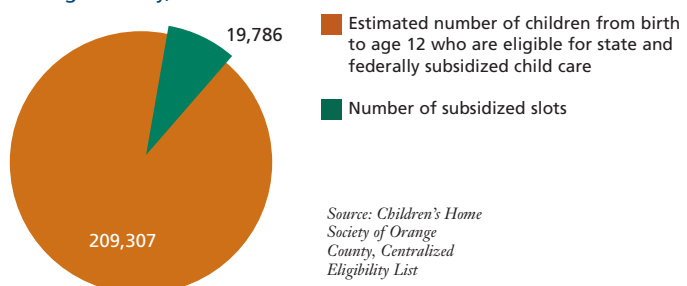
Source: 2004-2005 Regional Market Rate Survey of California Child Care Providers by ORC Macro for California Department of Education

Child Care Cost, Family Income, and Child Care Provider Wages
Orange County, 2002 and 2004



Sources: California Child Care Resource and Referral Network; U.S. Bureau of Labor Statistics, State and County Employment and Wages from Covered Employment and Wages (www.bls.gov/data/home.htm); U.S. Census Bureau, American Community Survey; and ORC Macro for California Department of Education.

Subsidized Child Care Eligibility Compared to Subsidized Slots
Orange County, 2006



Source: Children's Home Society of Orange County, Centralized Eligibility List

Many Children Face Low Income, Overcrowded Conditions, and Homelessness

Description of Indicator

This indicator measures Orange County families' progress toward self-sufficiency and economic stability by tracking the enrollment in core public assistance programs, children living in poverty, and housing insecurity including residential overcrowding, homelessness, and the scarcity of rental assistance.

Why is it Important?

Most families in Orange County do well. The families struggling to get by are the focus of this indicator. They are susceptible to stress, unstable family relationships, overcrowded housing, and homelessness. These and other challenges associated with poverty make it difficult for the working poor to obtain and maintain employment. Having access to basic needs and achieving self-sufficiency and economic stability can have lasting and measurable benefits for both parents and children.

How is Orange County Doing?

Income Insecurity

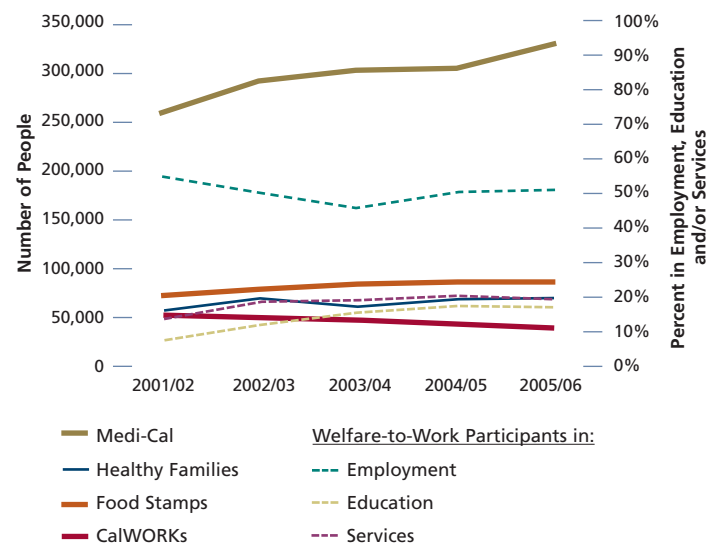
CalWORKs and Welfare-to-Work

The number of people receiving CalWORKs cash assistance continues to decline in part due to time limits established in 1996. The percentage of Welfare-to-Work (WTW) participants (required of most recipients) in employment activities has remained approximately 50% over the past five years. Over this same period, WTW participants in education and/or services increased until this year when there was no change (both approximately 20%). These stabilizing trends are partly because many "employment-ready" recipients found jobs and left the program, while the remaining population has an ongoing need for education, training, and other services.

Food Insecurity and Publicly Funded Health Insurance Programs

After increasing an average of 5% annually for many years, the number of people receiving Food Stamps showed little change from the previous year (currently 79,487, or 2.6% of the total county population).¹ The slowdown in growth is primarily because fewer people receive both CalWORKs and Food Stamps; the number of Food Stamps-only recipients continues to grow. Medi-Cal and Healthy Families enrollment also continue to increase. The high or increasing enrollments for these programs, which do not have time limits, reflect expanded eligibility and increased efforts to enroll income-eligible people. They also signal that many families continue to struggle to meet basic needs.

Major Public Assistance Program Enrollment and Welfare-to-Work Participants Involved in Employment, Education and/or Services
Orange County, 2002-2006



Notes: Food Stamps and Medi-Cal counts include all persons who receive Medi-Cal and Food Stamps, both those who receive CalWORKs and those who do not. Welfare-to-Work participants may be enrolled in more than one employment, education or service activity per month. "Employment" indicates the participant either has a job or is involved in unpaid employment activities such as training, job search, work-study, or internships. "Education" means the participant is enrolled in school. "Services" refers to participants enrolled in services such as mental health counseling, substance abuse treatment, or domestic abuse services.

Sources: County of Orange Social Services Agency and State of California, Managed Risk Medical Insurance Board, Healthy Families

Program Descriptions

The **CalWORKs** program provides cash benefits for the care of needy children when one or both parents are absent, disabled, deceased or unemployed.

The **Healthy Families** program is low cost insurance that provides health, dental and vision coverage to children who do not have insurance and do not qualify for no-cost Medi-Cal.

The **Food Stamp** program is a Federal nutrition program to help eligible low-income households obtain more food.

Medi-Cal is a health care program that pays for a variety of medical services for children, families, people over 65, and people with disabilities.

Primary Eligibility Factors

Most programs require income and asset limitations, and citizenship or permanent legal resident status. Other eligibility factors may apply such as county or state residency, age, or time in the program (time-limits).

¹ State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2005 and 2006.

Children Living in Poverty

The number of children living in families with incomes low enough to be eligible for free or reduced price school lunches is a commonly used proxy for child poverty. If family income is below 185% of the Federal Poverty Guidelines a child is eligible for the program. The percentage of Orange County children eligible to participate in this program has hovered between 37% and 40% over the past seven years with this year falling at 39%. Wide disparities within the county are evident.

Housing Insecurity

Rental Assistance

In 2005, when the Section 8 waiting list was opened for the first time since 2001, 18,600 families applied for rental assistance (vouchers) to help defray high housing costs. But given the small number of vouchers available, an applicant put on the 2005 waiting list might have to wait as long as seven years for a voucher unless conditions or funding levels change. Ten percent (10%) of applicants indicated they were homeless, earning a median annual income of under \$10,000. Among these homeless applicants, earned wages are the primary source of income for 43%, and 38% have children.

Overcrowding and Homelessness

Some families must share housing to cope with the county's high housing costs. The result is overcrowded conditions that place strain on personal relationships, housing stock, and city and county infrastructure and services. When sharing housing is not an option, or other factors like foreclosure, financial loss or domestic violence come into play, the next step can be homelessness.

In response to No Child Left Behind, school districts now report the number of children identified as homeless. According to the definition used in the law, 11,642 Orange County children were identified as homeless in 2005/06. Using the same data source but applying the Housing and Urban Development definition of homelessness, 1,891 were homeless and 9,747 children were identified as living doubled- or tripled-up (defined as two or more families living at one address).

For most families, homelessness resulted not from substance abuse or mental illness but from financial loss, family problems, eviction or from simply not having a job that pays enough to afford monthly rent or mortgage or the prohibitive upfront costs of renting and buying. The inability to save for a deposit was the main reason cited by families and individuals living in Anaheim motels for why they are homeless.² (For countywide housing trends see Housing Demand, Housing Affordability, and Rental Affordability.)

Percent of Children Eligible for Free or Reduced Price School Meals Highest and Lowest Five Orange County School Districts, 2005/06

	School District	Percent
Highest	Anaheim Elementary	82%
	Magnolia Elementary	77%
	Santa Ana Unified	74%
	La Habra City Elementary	72%
	Buena Park Elementary	67%
	California Average	51%
	Orange County Average	39%
Lowest	Capistrano Unified	14%
	Huntington Beach City Elementary	13%
	Los Alamitos Unified	10%
	Irvine Unified	6%
	Laguna Beach Unified	5%

Note: Elementary and unified school districts only.

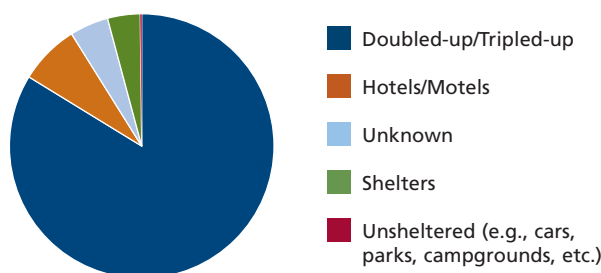
Source: California Department of Education, DataQuest
(<http://data1.cde.ca.gov/dataquest/>)

Federal Poverty Guidelines (FPG) and 185% of FPG, 2006

Family Size	FPG	185%
1	\$9,800	\$18,130
2	\$13,200	\$24,420
3	\$16,600	\$30,710
4	\$20,000	\$37,000
5	\$23,400	\$43,290
6	\$26,800	\$49,580
7	\$30,200	\$55,870
8	\$33,600	\$62,160

Source: U.S. Department of Health & Human Services

Primary Nighttime Residence of Children and Youth Identified as Homeless or Living in Overcrowded Conditions Orange County, 2005/06



Source: Information provided by school districts on their Local Education Agency Reporting Form Title I, Part A and Homeless Education Consolidated Application submitted to California Department of Education

² OC Partnership/Research Support Services, A Strategic Plan for Assisting Individuals and Families Residing in Motels to Reach and Sustain Stable Housing, January 2005

445,000 Residents are Uninsured

Description of Indicator

This indicator measures health insurance coverage including regional comparisons and shows detail by age, race and ethnicity, and income. The types of coverage are also provided.

Why is it Important?

Access to quality health care is heavily influenced by health insurance coverage. Because health care is expensive, individuals who have health insurance are more likely to seek routine medical care and to take advantage of preventive health screening services than those without such coverage – resulting in a healthier population and more cost-effective health care.

How is Orange County Doing?

Current Lack of Coverage

An estimated 15.1% of Orange County residents of all ages indicated they lacked health insurance when the California Health Interview Survey was fielded in 2005. This is equivalent to approximately 445,000 uninsured.¹ This rate of uninsured was higher than California and national averages and all our peers except Los Angeles County. Rates of uninsured in Orange County have fluctuated from a low of 14.7% in 2001 to a high of 16.5% in 2003.

Intermittent and Long-Term Lack of Coverage

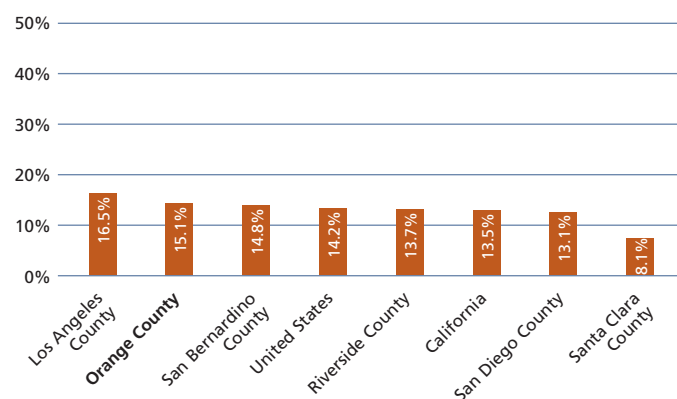
When respondents were asked if they had insurance the entire past year, 79% of Orange County residents ages zero through 64 said they did. The remaining 21% either had no insurance in the past year (13%) or they were insured for only part of the year (9%). The stability of insurance coverage varies by ethnicity. Among Orange County's three largest racial and ethnic groups, Latino residents were least likely to have had consistent coverage (60%) compared to 76% of Asian residents and 90% of White residents. Lower income residents were less likely to have consistent coverage than higher income residents. Children and youth were more likely to have consistent coverage (89%) than young adults (57%) and adults between 25 and 64 years of age (78%).

Types of Coverage

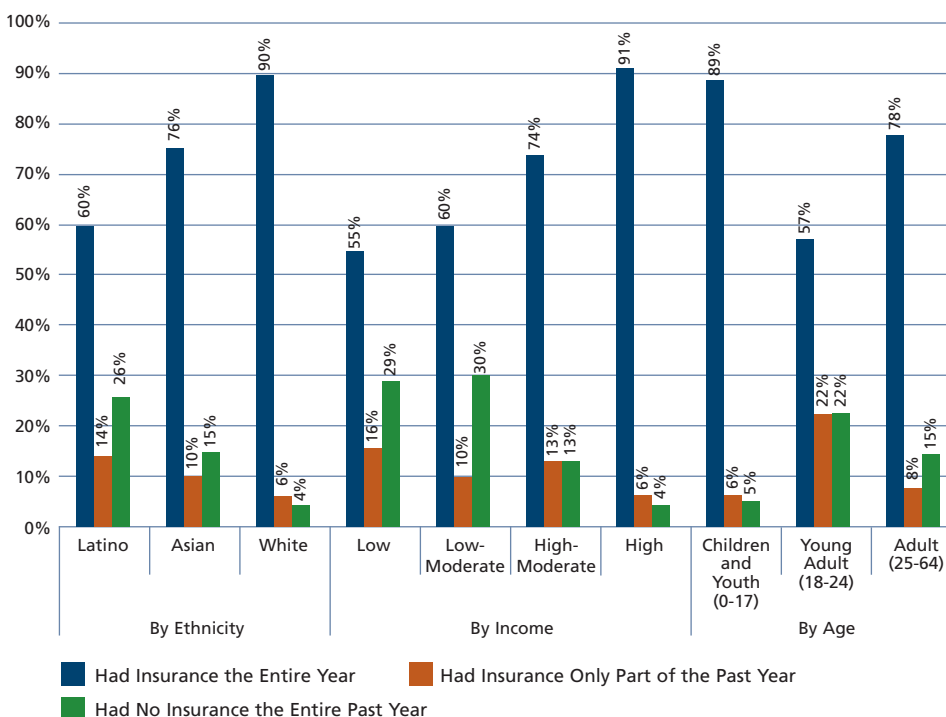
A majority of Orange County residents with health insurance are covered through their employer (55%). The next largest group is the uninsured (15%), followed by residents who obtain insurance through Medicaid (10%) and privately purchased (7%). A variety of public programs make up the remaining 13% insured.

¹ Based on U.S. Census Bureau 2005 American Community Survey population estimates for Orange County.

Uninsured (All Ages)
County Comparison, 2005



Consistency of Coverage in the Past Year by Ethnicity, Income, and Age (Ages 0-64)
Orange County, 2005



Sources: California Health Interview Survey, University of California, Los Angeles (www.chis.ucla.edu) and National Health Interview Survey, Centers for Disease Control and Prevention (www.cdc.gov/nchs)

1.2 Million In-home Meals Served to Seniors Annually

Description of Indicator

This indicator measures the status of Orange County older adults (60 or 65 years of age and over) through a variety of measures.¹

Why is it Important?

Orange County's older population is growing nearly twice as fast as the California rate. This trend is expected to accelerate, placing greater demand on health, transportation and support services.

How is Orange County Doing?

Demographics

Between 2005 and 2025, Orange County can expect a 92% increase in the over 65 population and a shift in our racial and ethnic make up, with triple-digit growth rates among Hispanic and Asian/Pacific Islander populations (225% and 181% respectively). The White 65+ population is expected to increase by 47%.

Income and Homeownership

Orange County older adults' income is about \$26,000 less than the 2005 county median household income. Approximately 6.8% of Orange County older adults had incomes below the poverty thresholds in 2005 (an increase over the past two years). While these estimates do not include non-liquid assets like owning a home, many older residents live on fixed incomes that have reduced in purchasing power over the span of their retirement.

Crime and Abuse

Violent crime against older adults in Orange County is low, however, compared to peers, the county now has the highest five-year average growth in crime (6%). Aggravated assault and robbery were the most common crimes. Elder abuse reported to the County of Orange Social Services Agency (SSA) fell slightly in 2005/06 from an average of 316 to 312 incidents per month, remaining above the five-year average of 304 incidents per month. Adult abuse includes self-neglect (the most common form of abuse) and abuse by others such as neglect or financial, physical, or emotional abuse.

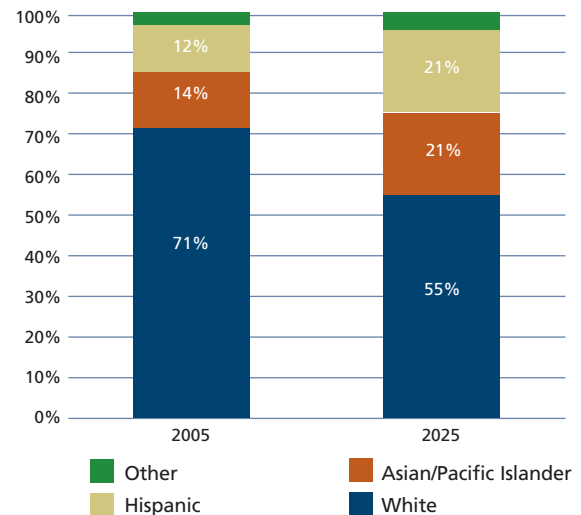
Health

Most Orange County older adults rate their health as excellent, very good, or good (71%), while 12% rate their health as poor. Among those 65-74 years old, 42% percent reported a physical, mental or emotional disability. Among those 75 and over, 63% reported a disability.² Home-based programs help older adults with daily living. Over 1.19 million in-home meals were served to older adults in 2005/06 by the County of Orange Office on Aging. Demand for SSA's In-Home Supportive Services (IHSS) program - including domestic assistance (cleaning, shopping, and cooking), personal and nursing care, and protective supervision to prevent activities such as wandering - increased 7% from June 2005 to June 2006 (from 7,708 people to 8,228).

Transportation

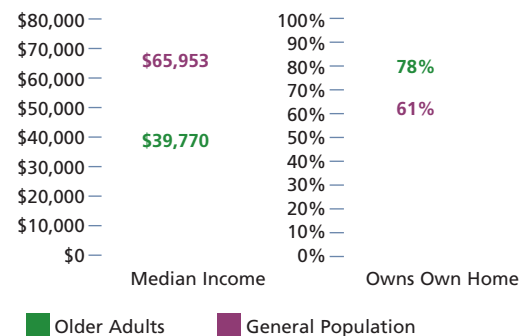
The car accounts for 90% of trips made by those 65 and older. Even so, approximately two in 10 Orange County people over 60 are likely to have specialized transportation needs. ACCESS, OCTA's service for the disabled, provided over 1.1 million rides in 2005/06, the majority for older adult riders. New Measure M funds include the expansion of such services to meet growing demand.

Projected Change in 65+ Population by Race/Ethnicity
Orange County, 2005-2025



Source: California Department of Finance, Race/Ethnic Population with Age and Sex Detail, 2000-2050

Older Adult Median Household Income and Homeownership Rate Compared to General Population
Orange County, 2005



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

Violent Crime Against Older Adults
County Comparison, 2005 and 2000-2005

Rate per 100,000 Persons Over 65 (2005)		Five-Year Average Annual Percent Change (2000-2005)	
Los Angeles	368	Orange	6%
California	202	California	4%
San Diego	156	San Bernardino	3%
San Bernardino	151	Los Angeles	3%
Riverside	150	Riverside	2%
Orange	78	San Diego	1%
Santa Clara	62	Santa Clara	-7%

Sources: California Department of Justice, Criminal Justice Statistics Center and U.S. Census Bureau, 2005 American Community Survey

¹ Data is from the U.S. Census Bureau, 2005 American Community Survey unless otherwise noted.

² California Health Interview Survey, 2005

Asian Residents Report Least Amount of Social Support

Description of Indicator

This indicator measures the availability of social support in Orange County compared to peers and by ethnicity. Also measured are whether Orange County adults have ever been diagnosed with a mental condition and whether they have seen a mental health professional.

Why is it Important?

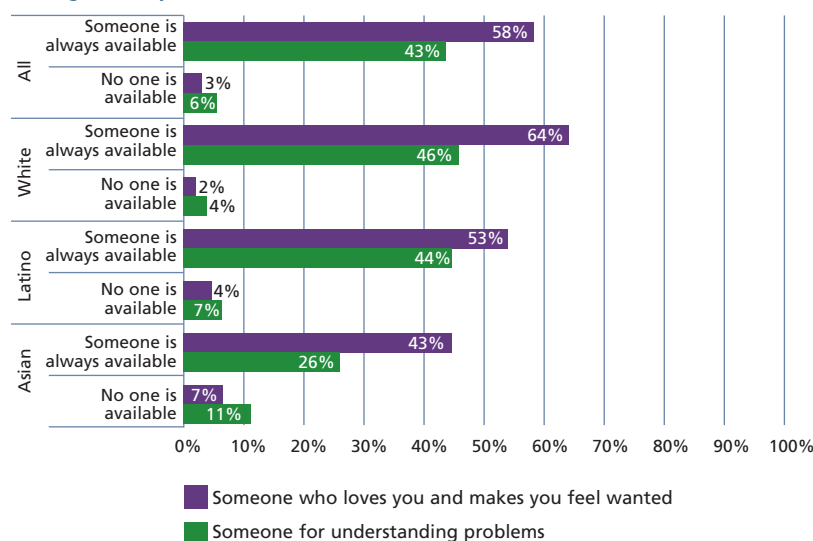
Since mental health disorders often go unreported and untreated, measuring social support is another way to gauge informal mental health resources available to prevent or relieve disorders like depression. Professional diagnosis and treatment is also important. Untreated, mental health disorders can worsen, leading to difficulties in the home and workplace, and in severe cases, suicide.

How is Orange County Doing?

According to the 2003 California Health Interview Survey, slightly more than half of Orange County adults have social support in terms of always having someone available that loves them or makes them feel wanted (58%). Fewer indicate they have someone who understands problems (43%). While a small percentage of residents report no one is available to provide social support (between 3% and 6%), these percentages equate to between 68,000 and 120,000 individuals. Orange County has about the same levels of social support as the state and most peers. Social support varies by ethnicity, with Asians reporting the least social support and Whites reporting the most.

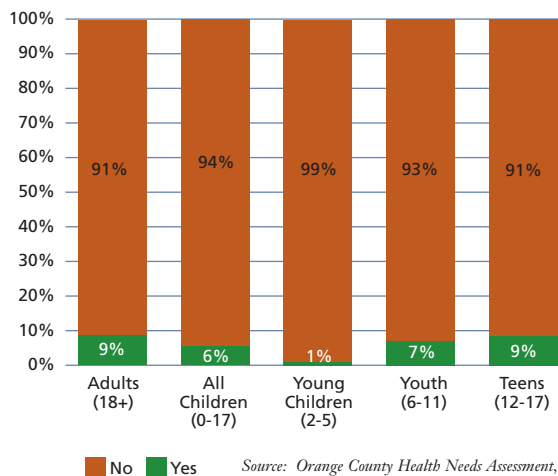
According to the Orange County Health Needs Assessment, the percentage of residents diagnosed with depression or bipolar disorder rose from 5.1% in 1998 to 7.3% in 2004. Among adults, 9% have visited a mental health professional in the past 12 months. Teens show a similar level of visiting a mental health professional. Most residents have mental health insurance coverage (70%) but 4% of residents indicated they needed mental health services but could not get it.

Availability of Social Support Orange County, 2003



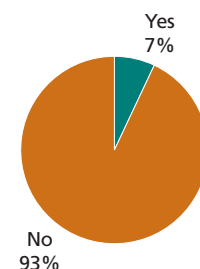
Source: University of California, Los Angeles, Center for Health Policy Research, 2003 California Health Interview Survey (www.chis.ucla.edu/index.html)

Visited a Mental Health Professional in the Past 12 Months by Age Orange County, 2004



Source: Orange County Health Needs Assessment, Spring Report 2005 (www.ocabna.org/)

Ever Diagnosed with Depression or Bipolar Disorder Orange County, 2004



Source: Orange County Health Needs Assessment, Spring Report 2005 (www.ocabna.org/)

The Mental Health/Drug Abuse Connection

Among adults with serious mental illness, 20% nationwide were dependent on or abused alcohol or illicit drugs; the rate among adults without serious mental illness was 6%. Depressed individuals are more inclined to drink, smoke or use drugs, and more than half of individuals reporting a substance abuse problem in their lifetimes have also had mental disorders.

Source: Substance Abuse and Mental Health Services Administration (www.samhsa.gov)

Indicators of Drug Abuse Suggest Negative Trends

Description of Indicator

A variety of commonly used proxy indicators are shown to help gauge the extent of alcohol and other drug (AOD) abuse.

Why is it Important?

Many public health and safety problems are directly linked with substance abuse including addiction, traffic accidents, domestic violence and other crime, unintended pregnancy, and diseases such as cancer, HIV/AIDS, and birth defects.

How is Orange County Doing?

Most drug abuse proxy indicators are worsening. Alcohol abuse indicators are improving.

Youth Indicators

Measures of alcohol use among Orange County youth are similar to state averages. Levels of marijuana and inhalant use are slightly below California averages.¹ By 11th grade, 35% of youth report having had a full drink in the past 30 days, 20% report binge drinking, and 15% have used marijuana. While the perceived harm of AOD use goes down between 7th and 11th grade, overall, a strong majority consider frequent drug and alcohol use harmful.

Health Indicators

Orange County has fewer drug-induced deaths than the state and all counties compared except Santa Clara. However, drug-induced deaths in Orange County have increased 8% in the past two years.

Criminal Justice Indicators

In Orange County and California, alcohol-related arrests are trending downward while drug-related arrests are trending upward.²

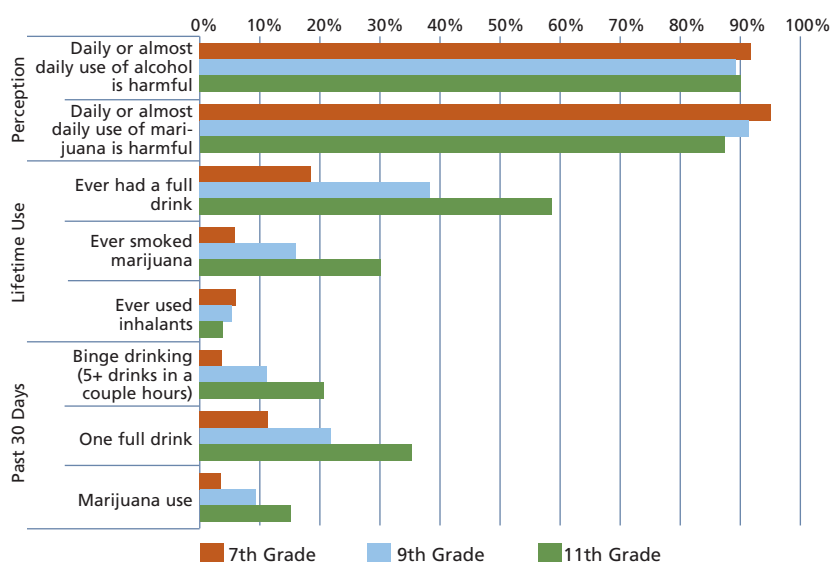
Treatment Indicators

Between 2001 and 2004, Orange County admissions for AOD recovery or treatment services at publicly funded or state licensed programs have increased significantly for drug-abuse and decreased somewhat for alcohol-abuse. Methamphetamine addiction was the most frequently cited reason for admission.

Accident Indicators

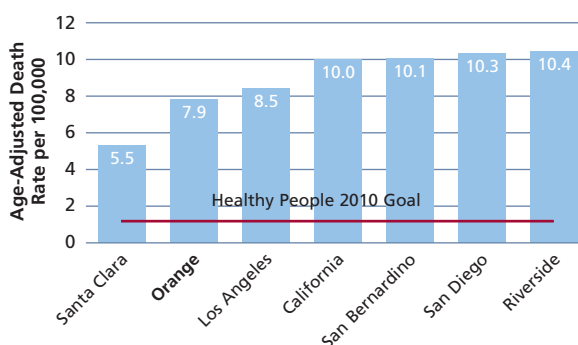
While the overall number of alcohol-involved accidents is rising in Orange County, on a per capita basis, the 7-year trend is toward fewer alcohol-involved accidents.³

Drug and Alcohol Measures for Youth
Orange County, 2005/06



Sources: WestEd, California Healthy Kids Survey, Orange County Technical Report, 2005/06 (www.wested.org) and County of Orange Health Care Agency, Behavioral Health Services

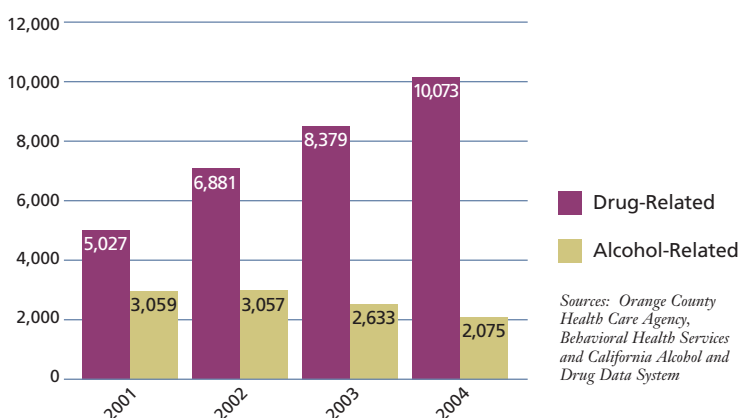
Drug-Induced Deaths
County Comparison, 2002-2004 Average



Source: California Department of Health Services, Center for Health Statistics (www.dhs.ca.gov)

Note: See Prenatal Care for a description of Healthy People 2010 goals. Counties with varying age compositions can have widely disparate death rates since the risk of dying is mostly a function of age. To enable county comparisons, age-adjusted death rates, which control for this variability, are used rather than crude death rates.

Alcohol- and Drug-Related Admissions to Publicly Funded or State Licensed Recovery and Treatment Services
Orange County, 2001-2004



Sources: Orange County Health Care Agency, Behavioral Health Services and California Alcohol and Drug Data System

¹ Inhalants are the second most commonly used class of drugs behind marijuana and include glue, paint, gasoline, poppers, or gases. California Student Survey, 2005/06 (www.SafeState.org/css)

² Orange County Community Indicators Project analysis of data from the California Department of Justice, Office of the Attorney General, Criminal Justice Statistics Center

³ California Highway Patrol (www.chp.ca.gov/swttrs/)

Breast Cancer Achieves Healthy People 2010 Goal

Description of Indicator

This indicator reports mortality rates (age-adjusted deaths per 100,000 people), morbidity rates (cases per 100,000 people) and progress toward Healthy People 2010 National Objectives for commonly measured health status indicators.¹ AIDS and HIV data is also presented.

Why is it Important?

Viewing the county in relation to statewide averages and national health objectives identifies public health issues that are comparatively more or less pronounced in Orange County, informing public health initiatives designed to address problems.

How is Orange County Doing?

Rates of death due to lung cancer, breast cancer and all cancers improved the most in the past year, with Orange County's statewide rank in breast cancer jumping up 10 places to 19th and achieving the Healthy People 2010 goal for the first time. Deaths due to all cancers also achieved the Healthy People 2010 goal for the first time, joining homicide, motor vehicle accidents and lung cancer. Despite Orange County's low rankings and worse than average death rates for heart disease and stroke, these causes of death are the next closest to achieving their Healthy People 2010 goals.

As of December 2005, there were approximately 3,278 people living with AIDS in Orange County, an increase of 3%, with 165 of the cases newly diagnosed in 2005. Orange County's 2005 AIDS case rate is seven per 100,000 people age 13 and over newly diagnosed with AIDS; the Healthy People 2010 goal is one per 100,000.² Latinos and African Americans are increasingly and disproportionately impacted by AIDS. Cases among Asian/Pacific Islanders are also on the rise, up 150% between cases prior to 2000 and new cases in 2005. Since the implementation of HIV reporting in July of 2002, there have been 2,066 HIV cases reported and it is estimated that an additional 558 people have HIV infection and are unaware.

Orange County Age-Adjusted Death Rate Ranking and Comparison to California Average, 2004

Rank	Cause of Death	
5	Unintentional Injuries	Better than California Average
6	Motor Vehicle Accidents	Better than California Average
6	Lung Cancer	Better than California Average
8	Firearms Injury	Better than California Average
9	Suicide	Better than California Average
12	Drug-Induced	Better than California Average
12	All Cancers	Better than California Average
19	Breast Cancer	Better than California Average
21	Diabetes	Better than California Average
25	Homicide	Better than California Average
33	Stroke	Worse than California Average
45	Heart Disease	Worse than California Average

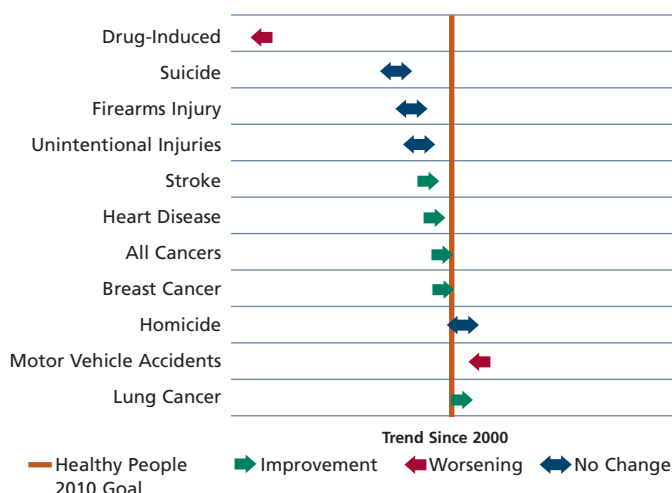
Note: Ordered by Orange County's rank among California counties (one is best, 58 is worst).

Source: California Department of Health Services, County Health Status Profiles (www.dhs.ca.gov/bisp/chs/OHIR/)

¹ See Substance Abuse for an explanation of age-adjusted death rates. See Prenatal Care for an explanation of Healthy People 2010.

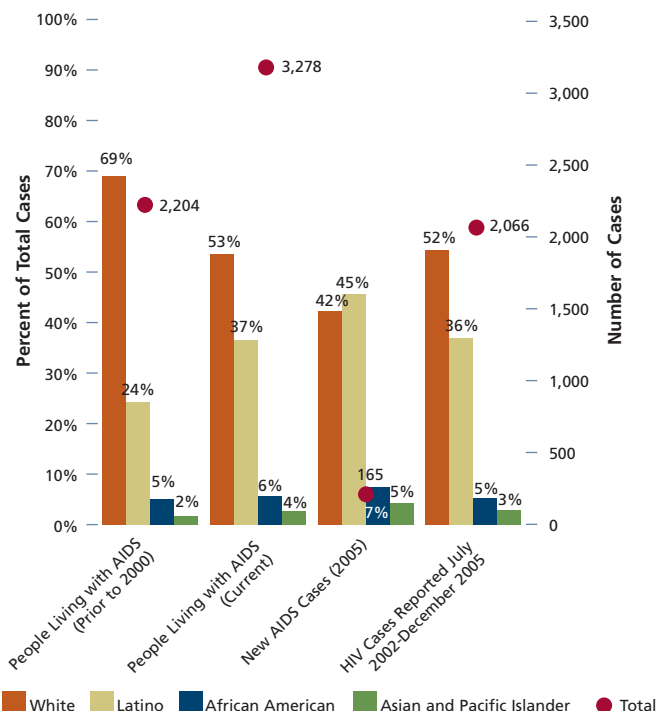
² Calculated using California Department of Finance population by age data for 2005.

Age-Adjusted Death Rates: Progress Towards 2010 Goals Orange County, 2004



Source: California Department of Health Services, County Health Status Profiles (www.dhs.ca.gov/bisp/chs/OHIR/)

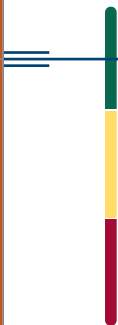
People Living with AIDS or HIV by Ethnicity Orange County, through 2005



Note: Some percentages do not add up to 100% due to the omission of the "other/multiple race" category.

Source: County of Orange Health Care Agency, HIV/AIDS Surveillance & Monitoring Program (www.ochealthinfo.com/docs/public/hiv/fact-sheet-english.pdf)

Public Safety



Orange County has **low** rates of **crime** no matter the indicator: crime rate, juvenile crime, hate crime, gang-related crime, and domestic or child abuse.

Domestic Violence Calls Remain Steady While Arrests Drop

Description of Indicator

This indicator tracks child abuse by measuring confirmed child abuse reports (substantiated referrals), the number of children entering foster care for the first time, and the percent of children reentering care within 12 months of a prior out-of-home care episode. Domestic violence is tracked by measuring domestic violence calls for assistance and spousal abuse arrests.

Why is it Important?

Foster care placement is often the final act to protect children from dangerous circumstances after repeated attempts to stabilize their families. Tracking reentries into foster care shows whether children are being prematurely returned to abusive family situations. Domestic violence threatens the physical and emotional wellbeing of children and women in particular and can have lasting negative impacts. It can also lead to homelessness if the abused flees the dangerous environment.

How is Orange County Doing?

Child Abuse and Neglect

Among peers, Orange County has a slightly below average rate of substantiated referrals and the lowest rate of children removed from their homes. This suggests the County is successful at providing services to families that allow children to remain safely at home with their families. The number of Orange County children entering foster care remained at the low level of 1.7 per 1,000 children in 2005. About 7.5% of Orange County children reenter foster care within a year of their first out-of-home care placement, down from 8.3% last year and less than the national standard set by the federal Administration for Children and Families of 8.6% or less. This reentry rate is the second lowest level among peers, suggesting that in addition to ending out-of-home placement for children as quickly as possible through family reunification with support services, guardianship, or adoption, the County is adept at preventing re-abuse among these families.

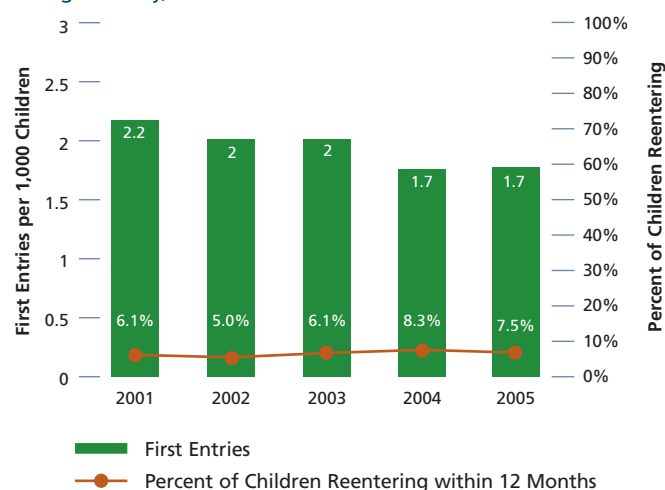
Domestic Violence

Domestic violence calls for assistance have remained relatively steady over the past five years while spousal abuse arrests fell by 17% in one year. Among California peers, Orange County falls in the midrange for calls for assistance and the lowest level of spousal abuse arrests. The gap between domestic violence-related calls for assistance and actual spousal abuse arrests shows the challenge law enforcement faces prosecuting these crimes, as victims recant, evidence for an arrest is lacking, or there are insufficient resources to support victims trying to leave an abusive situation. A number of agencies are collaborating to create the Domestic Violence Court in Orange County to more comprehensively address the complex issues of domestic violence.

† Calls for assistance per 100,000 are calculated using the total population. Spousal abuse arrests per 100,000 are calculated using the total population at risk, 10-69 years of age.

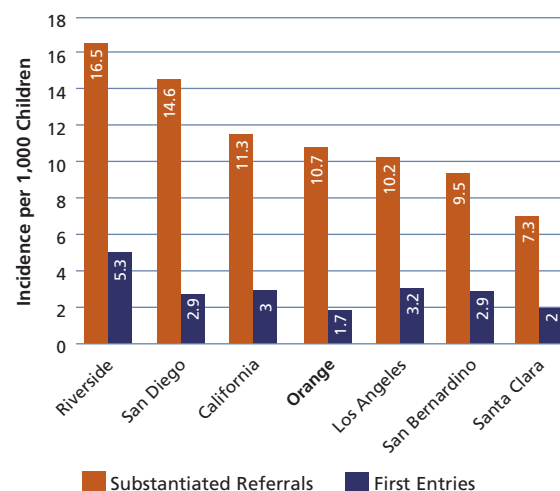
Source: California Department of Justice, Criminal Justice Statistics Center, Special Request Unit

Foster Care Entries and Reentries
Orange County, 2001-2005



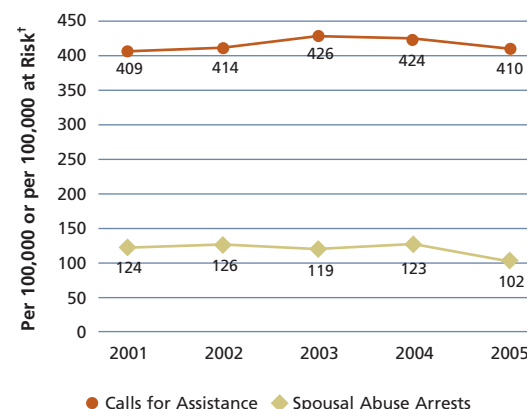
Note: Reentries are not a subset of first entries; they are the percent of children who reentered after a prior out-of-home care episode.

Child Abuse Referrals and First Entries to Foster Care
County Comparison, 2005



Sources: University of California Berkeley, Center for Social Services Research, Child Welfare Research Center; (<http://cssr.berkeley.edu/childwelfare/>) and County of Orange Social Services Agency

Domestic Violence-Related Calls for Assistance and
Spousal Abuse Arrests
Orange County, 2001-2005



Trend Toward Lower Rates of Juvenile Crime Slows

Description of Indicator

This indicator uses arrests as a means of measuring juveniles' participation in felony and misdemeanor crimes, compared to adults and peer counties. Juveniles are persons under 18 years of age. Felonies include crimes such as murder, assault, rape, robbery, burglary, and serious drug offenses. Misdemeanors include crimes such as assault and battery, prostitution, petty theft, vandalism, driving while intoxicated, and less serious drug offenses.

Why is it Important?

Tracking juvenile arrests helps the community understand the level of major and minor crime in Orange County and the extent to which youth contribute to that crime. While youths make up a small portion of overall arrests, criminal justice experts argue that intervening early with at-risk youth can help reduce criminal activity in their adult lives.

How is Orange County Doing?

Following statewide trends, between 2004 and 2005 Orange County witnessed an increase in the rate of juvenile felony arrests and a decrease in the rate of juvenile misdemeanor arrests. The result was a lower arrest rate overall. While the rate of juvenile arrests per 100,000 youth continues to fall (down 1% between 2004 and 2005), the decline is slower than the double-digit drops earlier in the current decade.

Juveniles made up 12% of all arrests in 2005. Out of those 11,597 juvenile arrests, most (70%) were misdemeanors. Orange County has the lowest rate of juvenile felony crime among the counties compared and only Los Angeles and Riverside Counties have lower rates of misdemeanor crime than Orange County.

School Crime

Students are mandatorily expelled from school for bringing a firearm, brandishing a knife, selling a controlled substance, committing sexual assault, or possessing an explosive on campus or at a school activity. Compared to peers and the state, Orange County typically has a lower rate of mandatory expulsions.

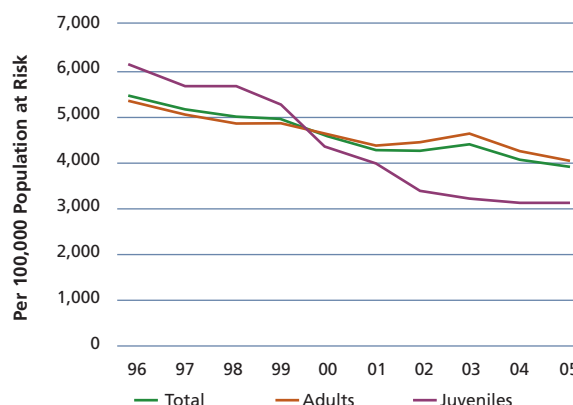
Mandatory Expulsions

Orange County, 2001-2004

2000/01	2001/02	2002/03	2003/04
80	95	75	109

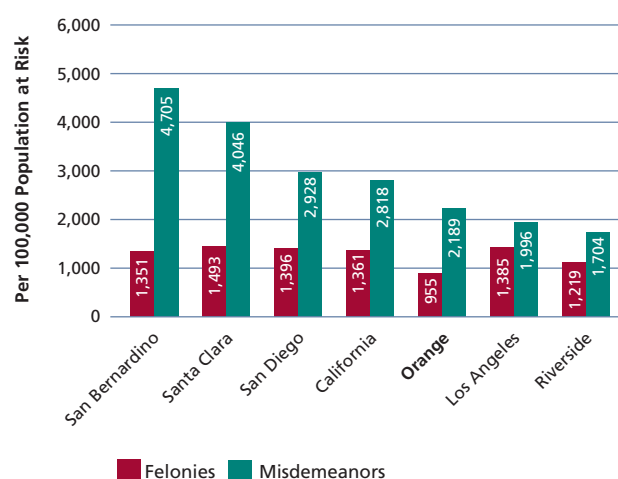
Source: California Department of Education, DataQuest (<http://data1.cde.ca.gov/Dataquest/>)

Felony and Misdemeanor Arrests, Adults and Juveniles
Orange County, 1996-2005



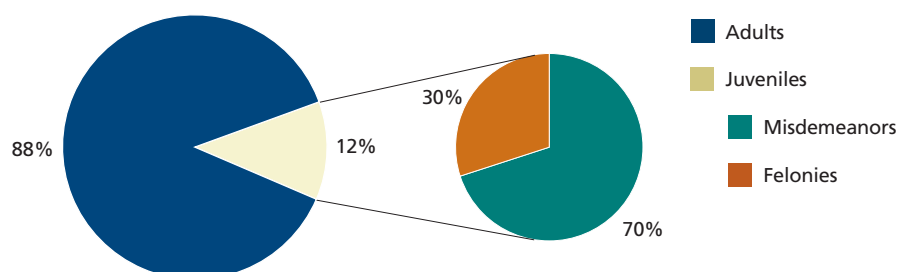
Note: The juvenile population at risk is 10-17 years of age, the adult population at risk is 18-69 years of age, and the total population at risk is 10-69 years of age.

Juvenile Felony and Misdemeanor Arrests
County Comparison, 2005



Note: The juvenile population at risk is 10-17 years of age.

Total Adult and Juvenile Arrests and Proportion of Juvenile Arrests that are Felonies or Misdemeanors
Orange County, 2005



Source: California Department of Justice, Criminal Justice Statistics Center (<http://caag.state.ca.us/cjisc/>)

After Big Drops in the Late 1990s, Crime Rate Stabilizes

Description of Indicator

This indicator uses the FBI Crime Index to compare crime rates among counties and to track crime rate trends. Included in the FBI Crime Index are violent felonies (homicide, forcible rape, robbery, and aggravated assault), property felonies (burglary, motor vehicle theft, and larceny-theft over \$400), arson, and larceny-theft \$400 and under.¹

Why is it Important?

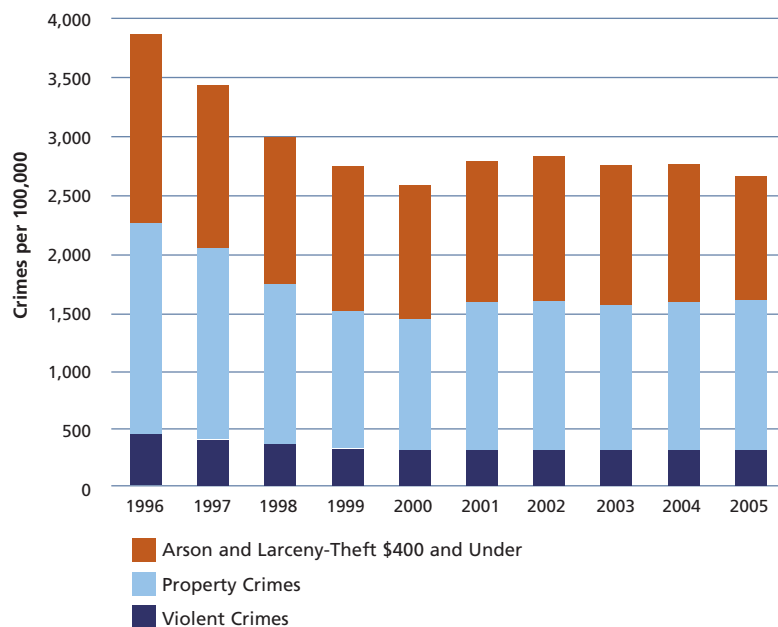
Crime impacts both real and perceived safety in a community. It can also negatively affect investment in a community if a neighborhood is considered unsafe.

How is Orange County Doing?

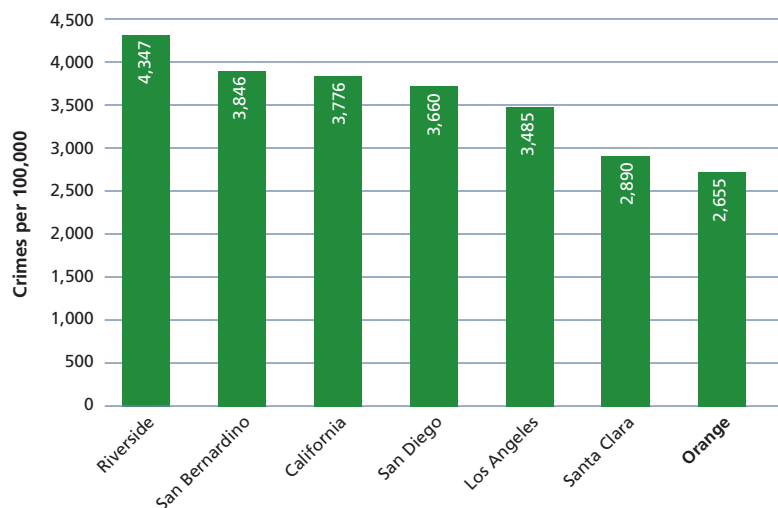
Over the past 10 years the FBI Crime Index for Orange County dropped 32%, or an average of 4% each year. Between 2004 and 2005 Orange County's FBI Crime Index fell 3% owing to fewer arson and larceny-theft \$400 and under crimes. When looking at property and violent crime categories that do not include these crimes, there was a slight rise between 2004 and 2005 (1% and 2%, respectively). Compared to California peers Orange County has the lowest overall crime rate.

The perception and reality of crime varies among racial and ethnic groups. When asked if their neighbors were afraid to go out at night, 29% of Latino Orange County residents in 2003 said "yes" compared to 20% of Asians and 10% of Whites.² Of the 77 homicides in Orange County in 2005, 52% of the victims were Latino, compared to 23% White and 19% Asian.³

FBI Crime Index
Orange County, 1996-2005



FBI Crime Index
County Comparison, 2005



Source: California Department of Justice, Office of the Attorney General, Criminal Justice Statistics Center (<http://caag.state.ca.us/cjsc/>)

¹ In 2003, the California Department of Justice began including larceny-theft over \$400 in the property crime category. The property crime rates prior to 2003 have been adjusted to include larceny-theft over \$400.

² University of California Los Angeles, California Health Interview Survey, 2003

³ California Department of Justice, Office of the Attorney General, Criminal Justice Statistics Center (<http://caag.state.ca.us/cjsc/>)

Filings Against Gang Members Rise 18%

Description of Indicator

This indicator measures gang-related crime filings and homicides. Also measured are the number of identified gang members and the number of identified gangs in Orange County.

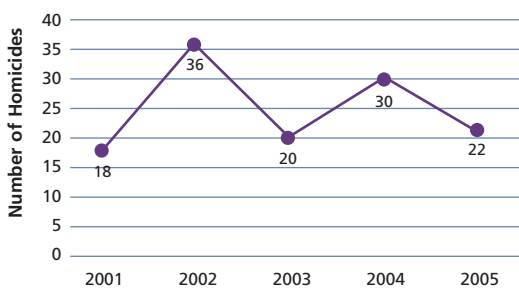
Why is it Important?

Over the last few years priorities in law enforcement shifted and tactics used to combat gang crime evolved. Also decreased budgets have diminished resources for anti-gang units in some areas of the county. This indicator can help the community gauge the impact of recent funding limitations, the effectiveness of program shifts, and future needs.

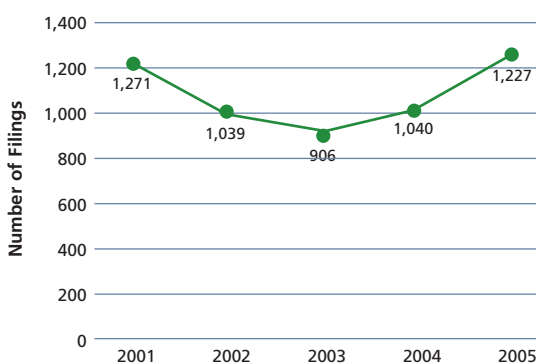
How is Orange County Doing?

Gang-related homicides fell from 30 in 2004 to 22 in 2005, below the 10-year average of 28. The number of gang members dropped significantly, falling 13% in one year. The number of gangs overall dropped 1% last year. This is most likely due to the fact that gang members are removed from the state database if they have not had contact with law enforcement for more than five years. The fact that new gang members have not replaced them in the database may suggest there are fewer gang members but it also may reflect the problem of overburdened police agencies unable to record new members. Filings by gang units against gang-affiliated defendants rose again in 2005 to 1,227, nearing the 2001 level. This is an 18% rise in one year in cases against gang-affiliated suspects.

Victims of Gang-Related Homicides
Orange County, 2001-2005

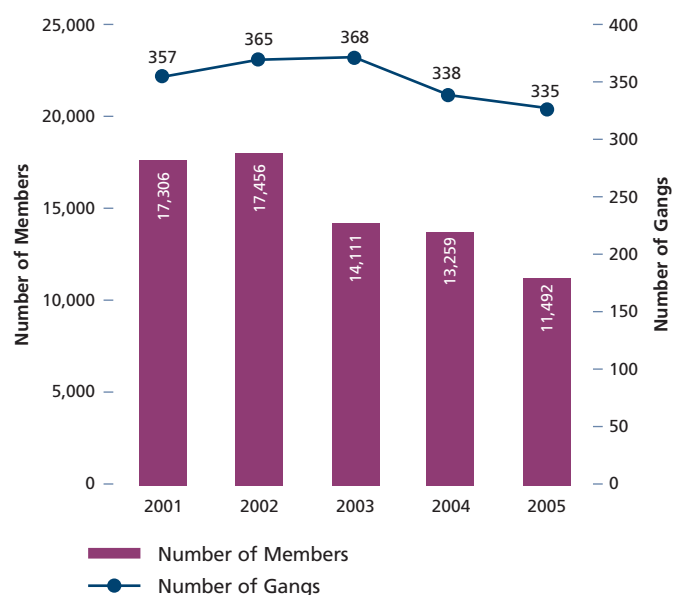


Filings by Gang Units Against Gang Defendants
Orange County, 2001-2005



Source: County of Orange Office of the District Attorney

Gangs and Gang Membership
Orange County, 2001-2005



Source: County of Orange Office of the District Attorney

What is a Filing?

A filing is a document filed with the superior court clerk or county clerk by a prosecuting attorney alleging that a person committed or attempted to commit a crime.

Source: California Department of Justice, Office of the Attorney General

Gang Membership

Using a detailed set of criteria, law enforcement agencies submit information on gang members to the CalGangs database.

Source: County of Orange Office of the District Attorney

Hate Crime Increases; Overall 10-Year Trend Still Downward

Description of Indicator

This indicator measures reported hate crime incidents and the number of hate crime-related cases filed in court in Orange County. When bias against another person's race, religion, disability, sexual orientation or ethnicity drives a criminal act, the offense is classified as a hate crime.

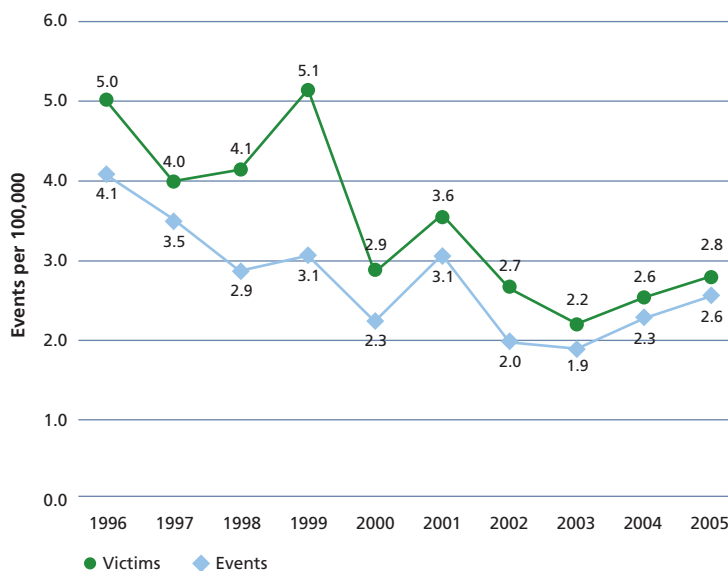
Why is it Important?

Hate crimes are among the most threatening crimes because the perpetrator views his or her victim as lacking full human worth due to their skin color, language, religion, sexual orientation, or disability. In addition, a hate crime impacts the entire group to which the victim belongs, spreading concern throughout the community.

How is Orange County Doing?

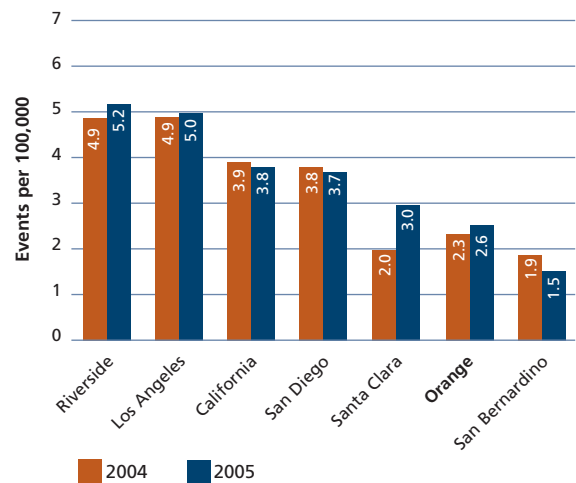
The number of hate crime events (79) and victims (98) in 2005 roughly matched the 10-year averages (79 and 100 respectively). While the last two years have seen some growth in hate crime events and victims per 100,000, the overall 10-year trend is downward. Furthermore, Orange County's hate crime event rate of 2.6 per 100,000 is lower than the statewide average and all counties compared except San Bernardino. Eighteen hate crime-related cases were filed in criminal court in 2005.¹

Reported Hate Crime Events Orange County, 1996-2005

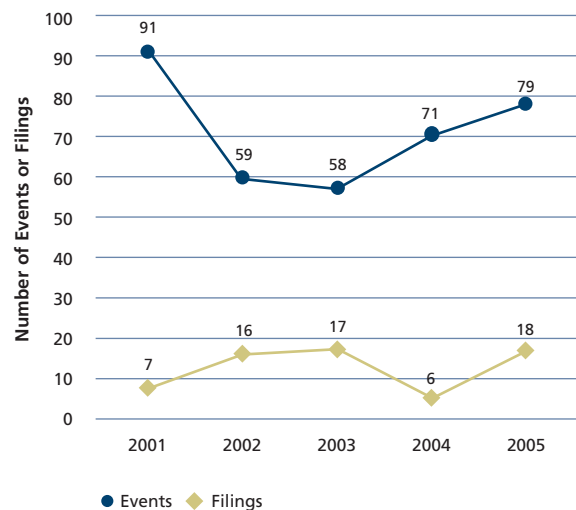


Sources: California Department of Justice, Criminal Justice Statistics Center, *Hate Crime in California Reports* (<http://caag.state.ca.us/cjssc/>) and California Department of Finance, Table E-2 (www.dof.ca.gov/)

Reported Hate Crime Events County Comparison, 2004 and 2005




Reported Hate Crime Events and Hate Crime-Related Filings Orange County, 2001-2005



¹ For a description of a filing, please see Gang-Related Crime.

Environment

A decorative graphic consisting of a vertical bar with three colored segments: green at the top, yellow in the middle, and maroon at the bottom. To the left of the bar are three horizontal blue lines of varying lengths.

Beach closures and ocean water quality warnings **increased** due to pipeline blockages and breaks and storm-related sewage spills. While more residents are properly disposing household hazardous **waste**, solid waste generation is **growing** faster than population, and recycling is slipping.

Storms Lead to More Beach Closures

Description of Indicator

This indicator tracks the number of Beach Mile Days of postings and ocean and bay water closures. Beach Mile Days are calculated by multiplying the number of days of closure or posting by the number of miles of beach closed or posted thus taking into account the amount of beach affected. It also measures the causes for closures and the number of unauthorized sewage discharges (sewage spills). For additional information, visit www.ocbeachinfo.com.

Why is it Important?

By state law, recreational ocean or bay waters must be closed when they have been directly contaminated by sewage or when the streams, creeks and rivers that discharge into them have been contaminated. Ocean and bay water closures have a serious impact on one of Orange County's key economic sectors – tourism. When ocean or bay waters are closed, tourists and local beachgoers are discouraged from visiting Orange County beaches. This results in less consumer traffic in the beach communities and diminishes our overall sense of quality of life. Furthermore, pollutants that enter the ocean or bays through urban runoff, sewage spills and dumping have the potential to compromise public health and endanger marine life.

How is Orange County Doing?

Closures

Unusually high rainstorm intensity in 2005 led to eight sewage spills resulting in 59 of the 74 Beach Mile Days of closures this year. These storm-related spills plus nine other sewage spills - all occurring in January or February - accounted for 90% of the total number of Beach Mile Days of ocean and bay water closures. The 2005 increase in closures is the first increase since tracking began in 1999, but the closures are still less than half of the record of 156 Beach Mile Days of closure in 1999. The most frequent cause of closures in 2005 was when sewage was spilled due to pipeline blockages (18 occurrences) and pipeline breaks (13 occurrences). In typical rain years, smaller blockages or breaks may not cause a spill, but intense rain overwhelms already compromised pipe capacity.

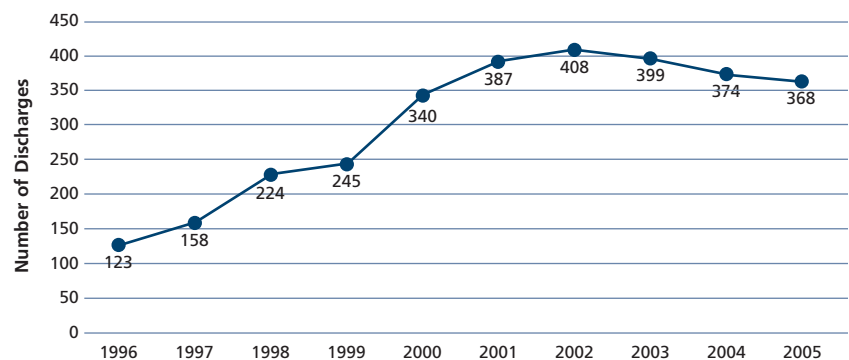
Sewage Spills and Infrastructure

The total number of sewage spills reported to the County of Orange Health Care Agency dropped for the third year in a row. However, over the past 10 years the number of reported sewage spills increased 199%. A combination of infrastructure failures and increased reporting are commonly cited causes for the increase. The 2005 Infrastructure Report Card – developed by an extensive team of local experts and stakeholders – gave Orange County a C- for Urban Runoff/Flood Control (up from a D in 2002) and a C+ for Wastewater (no change from 2002).¹

Postings

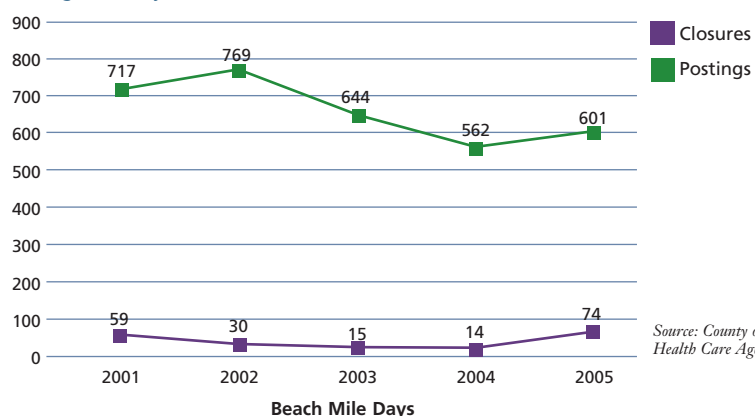
In addition to closures, the Health Care Agency is required by state law to post warning signs (referred to as a "posting") when the water quality exceeds state bacteriological standards. The number of Beach Mile Days of postings rose from 562 in 2004 to 601 in 2005. Poor water quality leading to postings is largely attributed to urban runoff.

Unauthorized Sewage Discharges
Orange County, 1996-2005



Note: Unauthorized waste discharges exclude tertiary recycled water discharges.

Beach Mile Days of Ocean Water Postings and Closures
Orange County, 2001-2005



Source: County of Orange Health Care Agency

¹ American Society of Civil Engineers (www.ascecareportcard.org)

Trail Construction Slower than Needed to Meet Goals

Description of Indicator

This indicator measures the change in acres of regional parks and regional hiking, biking, and riding trails managed by the County of Orange.

Why is it Important?

Orange County's parks, trails and beaches contribute to a high quality of life. They provide a variety of recreational opportunities and offer relief from the urban environment. They also contribute to public health by providing outdoor areas where children and adults can play, ride or hike. Measuring acreage and mileage change enables residents to track the County's progress in preserving open space and providing regional trail linkages. As Orange County becomes increasingly dense and built out these resources may become even more valuable to residents.

How is Orange County Doing?

Parks

As of October 2006, there was no change in the number of acres of County regional parkland (38,684 acres). Given population increases, this led to a slight decrease in the number of regional park acres per resident from 12.7 per 1,000 residents in 2005 to 12.6 per 1,000 residents in 2006. In addition to County parklands, federal, state and city parks further add to recreational options for residents. The Orange County portion of the Cleveland National Forest alone provides nearly 55,000 acres of open space. Orange County also offers residents 42 miles of state, county and city beach.

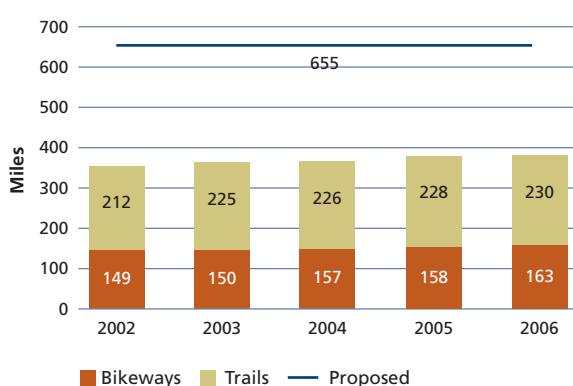
Trails

The stated goal of the County of Orange General Plan, which guides planning decisions for the County, is to build 80% of the planned bikeway and trail miles by 2010. As of October 2006, the County has developed over half of the bikeways and trails proposed in their General Plan (393 miles out of 655 miles of bikeways and trails). However, the annual rate of development over the past seven years has been significantly less than would be needed to achieve the 80% goal. Between October 2005 and 2006, 5.25 miles of off-road paved bikeway and 1.25 miles of unpaved regional trail were added to the County's system of trails. To reach the General Plan goal, an average of 13 miles of trails and 20 miles of bikeways need to be added each year between now and 2010.

National Natural Landmark Status

In October 2006, the U.S. Department of the Interior designated 37,000 acres of parks and open space in Orange County as a National Natural Landmark. This open space is part of the 50,000-acre Irvine Ranch Land Reserve, and is owned by the County of Orange, the City of Irvine, The Irvine Company, The Nature Conservancy and California State Parks. While this designation did not create new open space, it shows that Orange County has significant natural heritage, alongside national parks, recreation areas and monuments. Approximately 600 sites nationwide have received this special designation.

Miles of County Regional Bikeways and Trails, 2002-2006

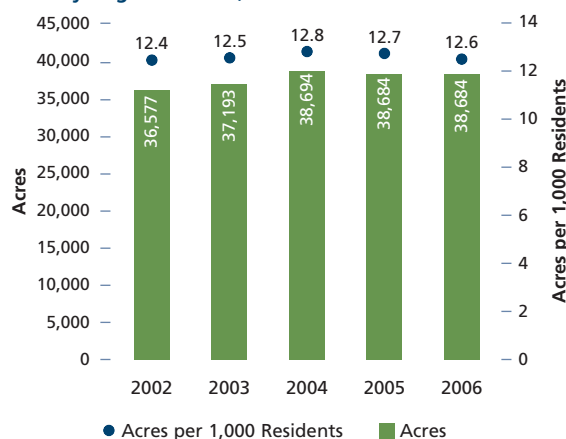


Source: County of Orange Resources & Development Management Department/Harbors Beaches and Parks

City Parks

In the future, new data will allow this indicator to include an estimate of all city-controlled open space resources. Parts of the Orange County Great Park (City of Irvine) are expected to open to the public in late 2009, offering 1,347 acres dedicated to park uses at completion.

County Regional Parks, 2002-2006



Note: Includes wilderness and nature preserves and properties that have been irrevocably offered (but not currently owned by the County).

Sources: County of Orange Resources & Development Management Department/Harbors, Beaches and Parks and California Department of Finance

Waste Disposal Growing Faster than Population

Description of Indicator

This indicator measures commercial and residential solid waste deposited in Orange County landfills, diversion rates, and disposal rates.

Why is it Important?

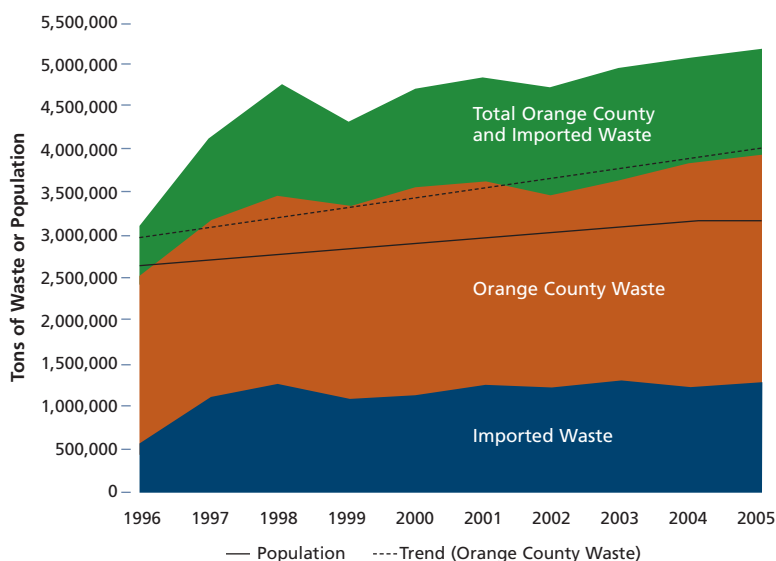
Reducing waste production and diverting recyclables and green wastes extends the life of landfills, decreases the need for costly alternatives, and reduces environmental impact. As of 2000, all jurisdictions are required by law to divert 50% of waste from landfills.

How is Orange County Doing?

Over the past 10 years waste disposal has grown an average of 5.4% per year. Between 2004 and 2005, solid waste generated and disposed of in Orange County rose 1.6%. While the 1.6% growth rate is less than the average annual growth of 5.4% it is greater than population growth between 2004 and 2005 (0.9%). Slower than average growth rates beginning in 2001 likely reflect the economic recession earlier in the decade and the passage of the 50% diversion law in 2000. In 2004, Orange County's average rate of waste diverted from landfills was 47%, just under the California average of 48% and three percentage points short of the 50% target.¹ Diversion rate data showed a fairly steady increase from 1995 until 2003 when the Orange County average diversion rate started to slip from its high of 49%. Among peer counties, Orange County's residential and commercial daily disposal rates are around the midrange.

¹ The average diversion rates for Orange County jurisdictions include both preliminary and approved rates. California Integrated Waste Management Board (www.ciwm.ca.gov).

Solid Waste Disposal in Orange County Landfills Compared to Population Growth, 1996-2005



HHW Collection Rises

Description of Indicator

This indicator measures the pounds of household hazardous waste (HHW) collected - such as oil, paint, batteries, and most electronics - and the number of annual participants.

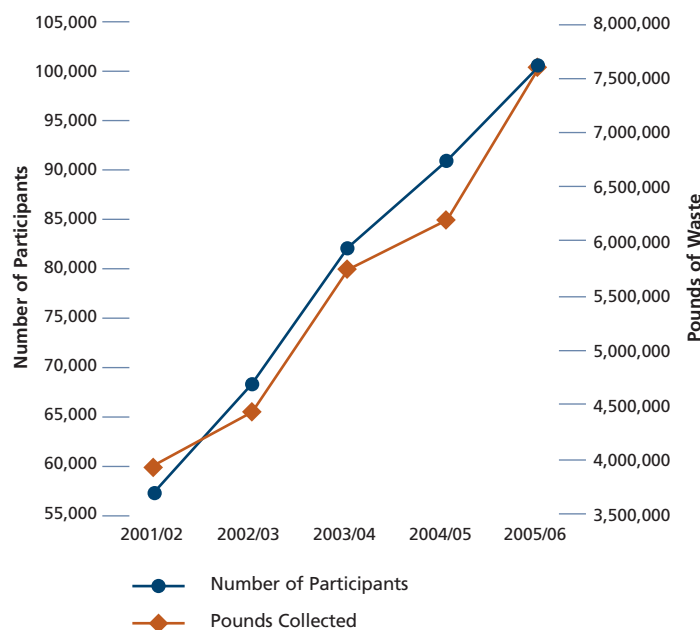
Why is it Important?

Collection of HHW helps protect the environment and public health by reducing illegal and improper hazardous waste disposal. "E-waste," the common term for devices such as cell phones, computers and monitors that now must be recycled, contributes increasingly to the amount of HHW collected and to the cost of the program.

How is Orange County Doing?

HHW collection and the number of participants bringing the waste to regional collection centers continued its strong upward trend in 2005/06 with a 21% increase in the number of pounds collected and a 12% increase in the number of participants.

**Household Hazardous Waste
Orange County, 2002-2006**



Sources: County of Orange Integrated Waste Management Department and California Department of Finance (Tables E-4)

Good Year for Air Quality

Description of Indicator

This indicator measures air quality, including specific pollutants, in Orange County and peer regions using the Air Quality Index (AQI).

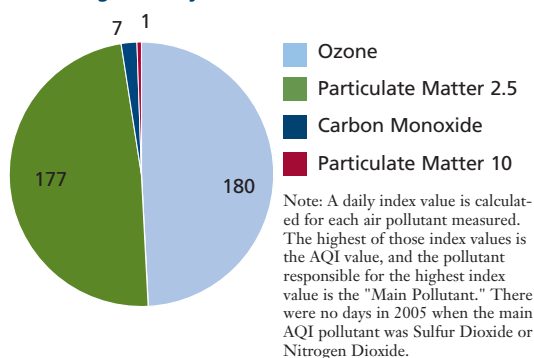
Why is it Important?

Poor air quality can aggravate the symptoms of heart or lung ailments, including asthma. It can also cause irritation and illness in the healthy population. Research suggests that children with severe asthma start suffering symptoms when air quality is in the "moderate" range. Long-term exposure increases risks for many health conditions including lung cancer and cardiovascular disease. High levels of airborne particulate matter smaller than 2.5 micrometers (PM 2.5) can have adverse effects on children's lung development.¹

How is Orange County Doing?

Orange County's 2005 median AQI value was 44, on the high side of the "good" range and three points below the 10-year average median value of 47. Over the past 10 years, the median AQI value has fluctuated between a low of 38 and a high of 52. During 2005 most days were in the "good" range (241). There were nine days considered "unhealthy for sensitive groups" such as asthmatics (see Pediatric Asthma) and 115 days in the "moderate" range, which can also affect asthmatics. There were no days in the "unhealthy" range. Compared to peers, these values place Orange County in the middle. In Orange County, ozone was the main pollutant followed by PM 2.5. For the first time in many years, Orange County did not exceed ozone or PM 2.5 standards. While air quality improved in Orange County in 2005 and did not exceed standards, the leading peer had 58 more days of good air than Orange County, suggesting there is still room for improvement.

Number of Days in 2005 when the Main Pollutant in Orange County was...



Source: U.S. Environmental Protection Agency, AirData (www.epa.gov/air/data/index.html)

Air Quality Index

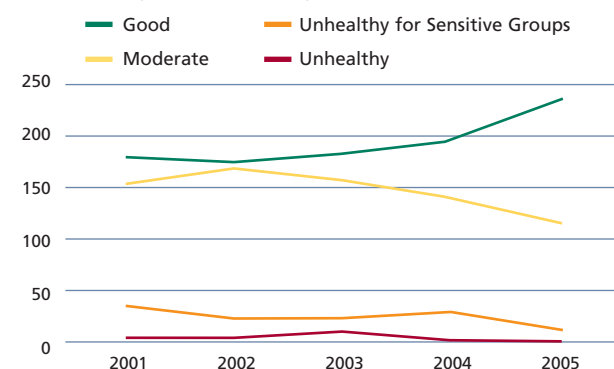
The Air Quality Index is calculated for ground-level ozone, particulate matter, carbon monoxide, sulfur dioxide, and nitrogen dioxide. The number 100 corresponds to the national air quality standard for the pollutant.

AQI Values	Health Categories
0 - 50	Good
51 - 100	Moderate
101 - 150	Unhealthy for Sensitive Groups
151 - 200	Unhealthy
201 - 300	Very Unhealthy
301 - 500	Hazardous

Source: U.S. Environmental Protection Agency (<http://airnow.gov/>)

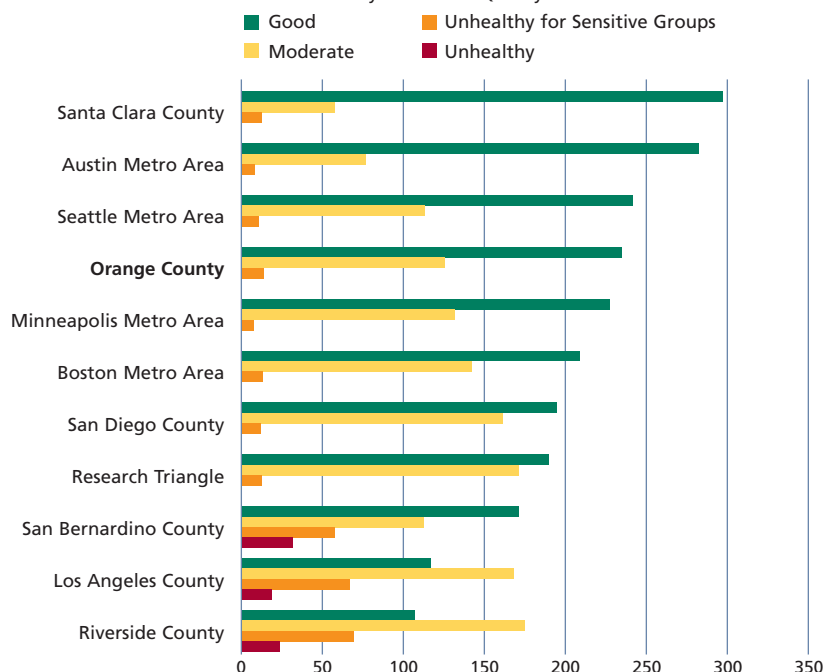
Air Quality Index Orange County, 2001-2005

Number of Days When Air Quality Was...



Air Quality Index Regional Comparison, 2005

Number of Days When Air Quality Was...



Source: U.S. Environmental Protection Agency, AirData (www.epa.gov/air/data/index.html)

¹ Journal of the American Medical Association, October 8, 2003; New England Journal of Medicine, September 9, 2004.

Population Growth Drives Increase in Water Use

Description of Indicator

This indicator measures Orange County's annual urban (residential and commercial) water usage in gallons per capita per day. It also shows projected water use and supplies through 2020.

Why is it Important?

Given our arid climate, effective water management is essential to ensure that the county has an ample water supply now and in the future. As population and business growth drives water demand, reliance on imported water will continue. The county's long-term sustainability will also rely on increased conservation and investments in additional water supplies, such as groundwater basin replenishment.

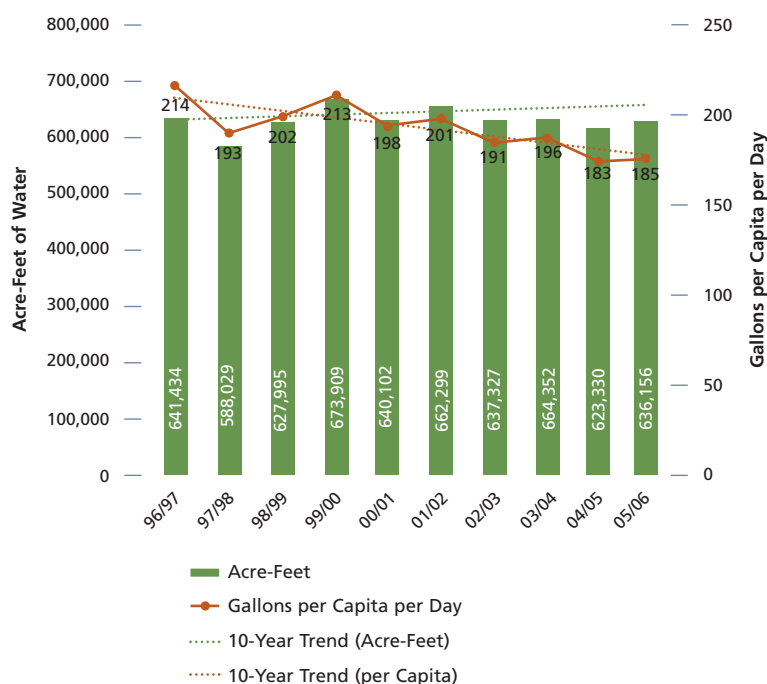
How is Orange County Doing?

Per capita water usage in 2005/06 was 185 gallons per person per day, less than the 10-year average of 197 gallons. Over the past 10 years, per capita water usage has declined an average of 1.5% per year. However, due to population increases, overall water use is rising and is projected to continue to rise in step with population growth.

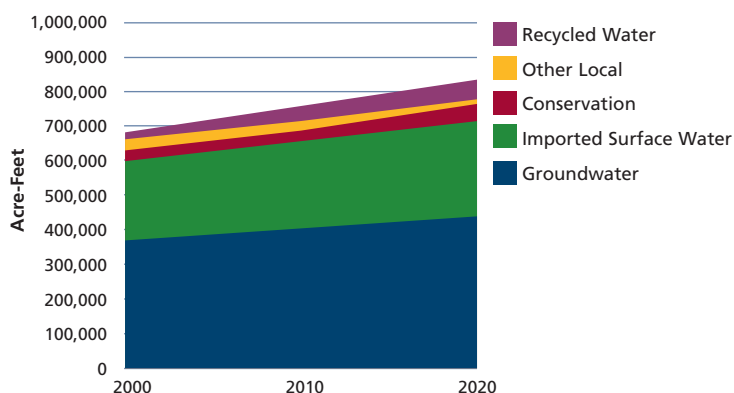
To meet projected increasing demand in 2020, Orange County will continue to need imported water and groundwater but will also continue to expand conservation programs, which can be one of the most cost-effective alternatives for increasing supply. The county will also depend on alternatives such as desalinization and the Orange County Water District's Groundwater Replenishment System, the largest water purification project of its kind, which takes highly-treated sewer water that is currently released into the ocean and purifies it using the same technologies that purify bottled water.

Water cost data, which can be viewed in the 2006 Community Indicators report at www.oc.ca.gov/ceocommunity.asp, were unchanged from the previous year.

Urban Water Usage
Orange County, 1997-2006



Water Use and Supply Projection by Source
Orange County, 2000-2020



Note: Projection estimates have been revised since last reported.


Sources: Municipal Water District of Orange County, Orange County Water District, and California Department of Finance (Tables E-4)

Civic Engagement



Almost 80% of Orange County
residents contribute
financially to nonprofits and nearly
this many volunteer their time.

Arts organizations are thriving and
growing. Yet **fewer** Orange County
residents **participated**
in the 2006 midterm elections,
compared to the state and our peers.



Midterm Election Participation Lower than State

Description of Indicator

This indicator measures election participation among Orange County registered voters. It also contains voter participation rates among the voting age population (18+) for presidential elections for Orange County, California, and the nation. The most recent measure is the participation rate of registered voters in the 2006 midterm election.

Why is it Important?

Voter participation measures civic interest and the public's optimism regarding their impact on decision-making. A high level of citizen involvement improves the accountability of government and increases personal investment in community issues.

How is Orange County Doing?

Participation Among Registered Voters

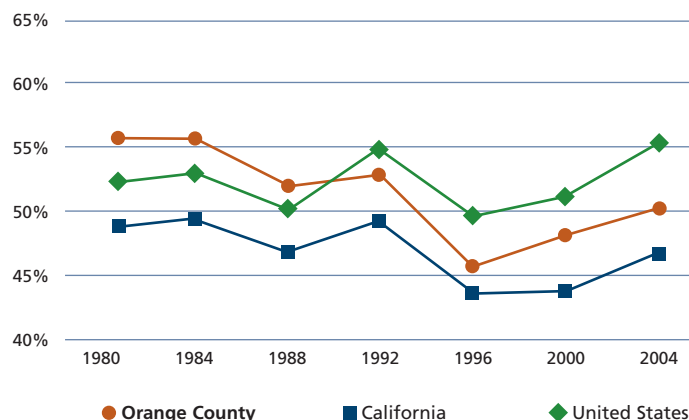
Voter participation among Orange County registered voters in the 2006 midterm election was 51%. This is higher than the 43% rate in the 2005 special election and the same rate as the 2002 midterm election.

Orange County's registered voter participation in presidential and midterm elections were stable in the late 1980s and early 1990s but waned in the mid-1990s. It is a positive sign that midterm participation rates did not continue to decrease in 2006. However, Orange County voter participation in the 2006 midterm election was below the state participation rate of 56% and all peers compared except San Bernardino County.

Participation Among Residents of Voting Age

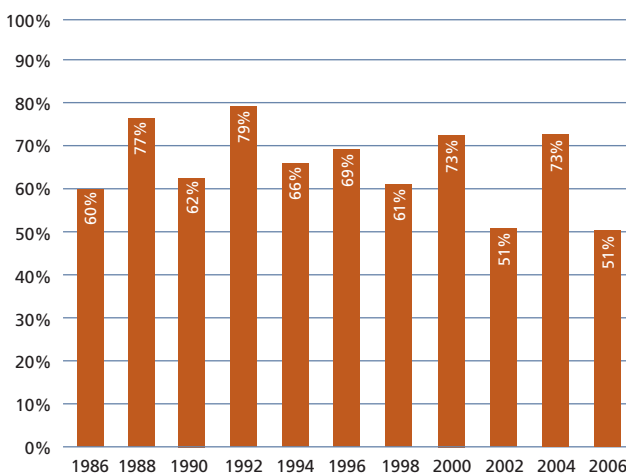
In 2006, out of a voting population of over 2.1 million, nearly 1.5 million Orange County residents were registered to vote. When the entire voting age population is considered, not just registered voters, only 35% of Orange County residents who were old enough to vote did so in the 2006 midterm election. Since 1980, Orange County's overall participation rate has declined among the voting age population.

Presidential Election Turnout Among the Voting Age Population Orange County, 1980-2004



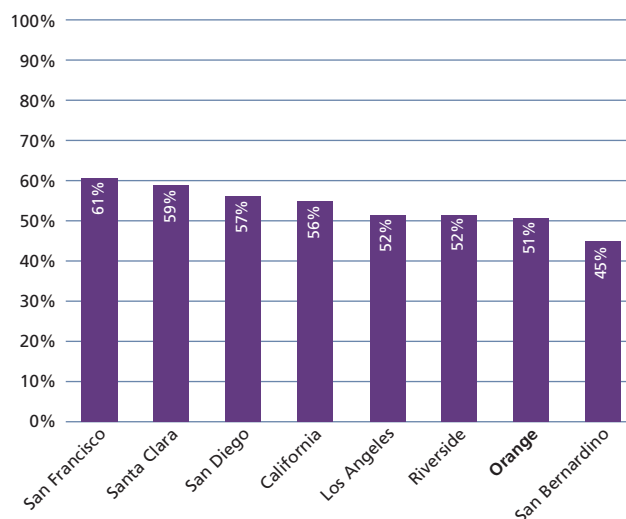
Sources: George Mason University United States Election Project (http://elections.gmu.edu/voter_turnout.htm), County of Orange Registrar of Voters (www.ocgov.com/election/), and U.S. Census Bureau, American Community Survey (www.census.gov)

General Election Turnout Among Registered Voters Orange County, 1986-2006



Source: California Secretary of State (<http://vote.ss.ca.gov/Returns/status.htm>)

Midterm Election Turnout Among Registered Voters County Comparison, 2006



Source: California Secretary of State (<http://vote.ss.ca.gov/Returns/status.htm>)

Most Residents Donate and are Active in Their Community

Description of Indicator

This indicator tracks the extent to which Orange County residents contribute financially to nonprofit organizations and are involved in civic activities (defined as being a member of or volunteering for a community organization).

Why is it Important?

A strong, well-supported nonprofit community service sector is critical for maintaining a healthy and stable region. Volunteerism rates and monetary contributions are helpful indicators for assessing the viability of the nonprofit sector and the extent to which residents are invested in the wellbeing of their community.

How is Orange County Doing?

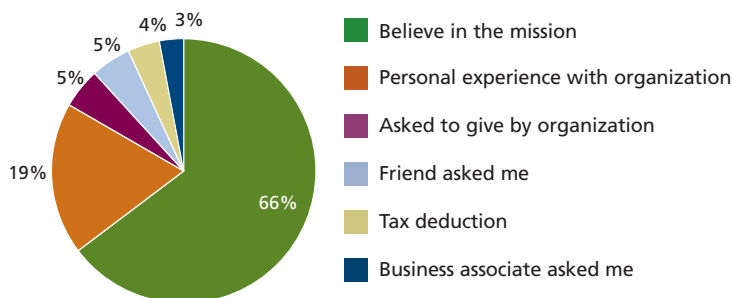
Civic Involvement

Orange County residents have a high degree of trust in charities and nonprofits. In addition, an overwhelming number (96%) feel they can make their community a better place to live. This might explain why 70% of Orange County residents are involved in one or more civic activities. This level of community involvement is more than the Southern California region as a whole where only 59% reported involvement in civic activities. The more educated a resident is and the longer they have lived in their community, the more likely they are to be involved in civic activities.¹

Donor Climate

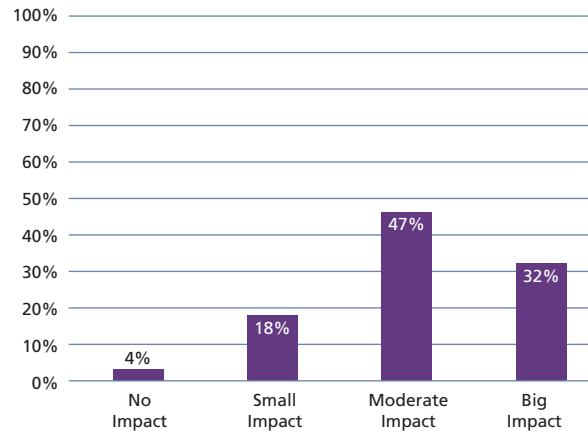
In 2005, 79% of Orange County residents reported that they contribute money to nonprofit organizations. Of these contributors, 38% contribute often and 41% contribute occasionally. County residents' most common reasons for contributing to a nonprofit are because they believe in the mission (66%) and because they have a personal experience with the organization (19%).² To non-religious institutions, Orange County residents' median gift in 2006 was \$200. To religious institutions the median gift was \$100.¹

Reasons for Contributing to Nonprofit Organizations Orange County, 2005



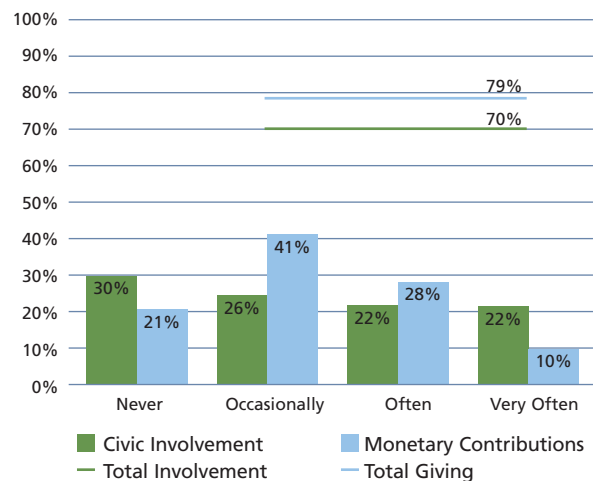
Source: Center for Public Policy, California State University, Fullerton

How Much Impact do "People Like You" Have in Making Your Community a Better Place to Live? Orange County, 2006



Source: Social Science Research Center at California State University, Fullerton

Frequency of Civic Involvement and Contributing to a Nonprofit Orange County, 2005 or 2006



Note: "Civic Involvement" asked residents how many civic activities (e.g. membership in or volunteering for a community organization) they are involved in using the following choices: never, one to two activities (represented in this chart as "Occasionally"), three to four activities ("Often"), or five or more activities ("Very Often").

Sources: Center for Public Policy at California State University, Fullerton, 2005 (contributions data) and Social Science Research Center at California State University, Fullerton, 2006 (civic involvement data)

¹ 2006 Orange County Civic Engagement Survey, Social Science Research Center at California State University, Fullerton

² 2005 survey by the Center for Public Policy at California State University, Fullerton

Arts Education is Widely Valued but Provision is Piecemeal

Description of Indicator

This indicator assesses Orange County's nonprofit arts sector using data compiled in the Orange County Cultural Indicators Report. Arts and cultural assets are defined as music, theater, museums, visual and literary arts, folk and traditional arts, opera, dance and K-12 arts education.

Why is it Important?

The availability of creative and cultural assets contributes to a high quality of life. A diverse arts sector reflects a culture of creativity – an essential resource for the county's innovation-driven economy. The level of access to arts education programs demonstrates the county's commitment to fostering creativity among students and our future workforce.

How is Orange County Doing?

Nonprofit Arts Organizations

There were nearly 500 nonprofit arts organizations in Orange County in 2005. Music, theater, and museums account for 55% of the county's arts nonprofits.

In 2005, approximately 79% of the county's total population – about 2.3 million people – attended Orange County arts events (excluding media and fair attendance). Over 60% of arts organizations reported a rise in attendance compared to 2004 levels. To meet growing demand, 33% of arts organizations reported their intent to increase programming in 2006. Approximately 46% plan to expand their facilities within the next five years.

Arts Education

While the general health of Orange County arts nonprofit organizations is good, challenges remain. Despite the fact that 98% of county residents surveyed believe that arts are critical for the education and development of children, the integration and availability of arts instruction in the county's K-12 schools is piecemeal.

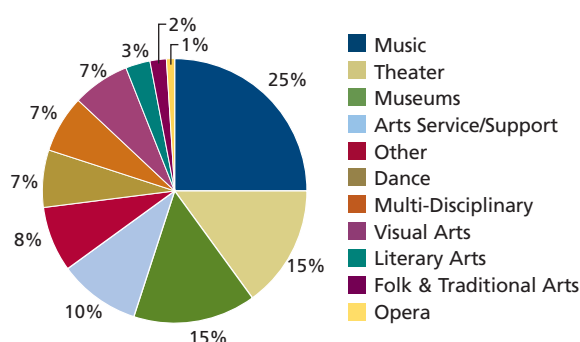
Only 38% of Orange County school districts have policies on the provision of arts education and only one-third of districts have written plans to implement arts education. Insufficient funding is the most common reason cited for the lack of arts education planning in schools. Presently, the average percentage of Orange County school districts' budgets allocated to arts education is less than 2%.

In Orange County elementary schools, music instruction is the most widely implemented arts discipline, followed by visual arts. Fully 86% of elementary schools offered classroom instruction in music and 55% had after school music programs. It is becoming more common for schools to incorporate professional artists or agencies to implement or augment arts education. Visual arts and dance make greatest use of these artists-in-residence.

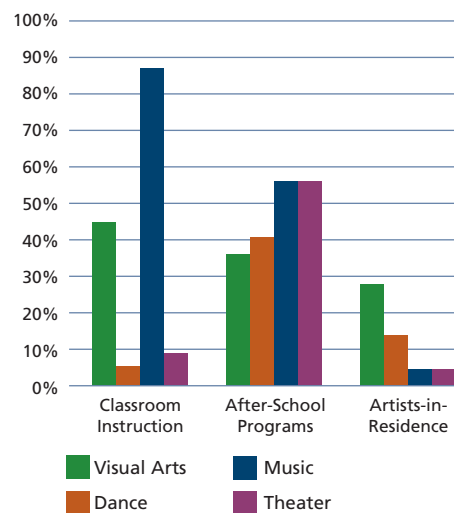
Between one-quarter and one-third of the county's nonprofit arts organizations are helping to make up for the lack of formal arts instruction in our schools by offering special programs for children:

- 30% of non-profit arts organizations provide hands-on training for children's conservatory programs;
- 24% offer arts appreciation programs for children; and
- 27% offer after-school arts programs for children.

Composition of Nonprofit Arts Organizations
Orange County, 2005



Arts Instruction, Programs, or Residencies in Elementary Schools
Orange County, 2005



Source: Orange County Cultural Indicators Project, 2006
(www.artsoc.org/about/cultural_indicators_report.pdf)

Recent Arts and Culture Investment

The much celebrated Segerstrom Concert Hall in Costa Mesa opened its doors in 2006. Also in 2006, local businessman and philanthropist Donald Bren announced a gift of \$20 million to maintain programs in art, music and science for 4th through 6th grades at the Irvine Unified School District.

Most Residents Think the County is Going in the Right Direction

Description of Indicator

This indicator measures the perception of wellbeing and quality of life in Orange County, and whether county residents believe the county and state are going in the right direction.

Why is it Important?

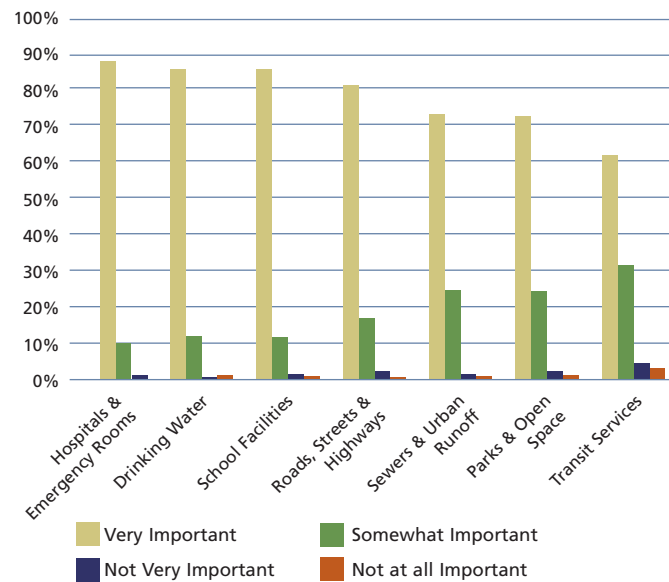
Perception of wellbeing reflects individuals' level of satisfaction with home, work, leisure, finance and governance – in short, with life in Orange County. Knowing what residents consider important informs decision makers about which issues to address.

How is Orange County Doing?

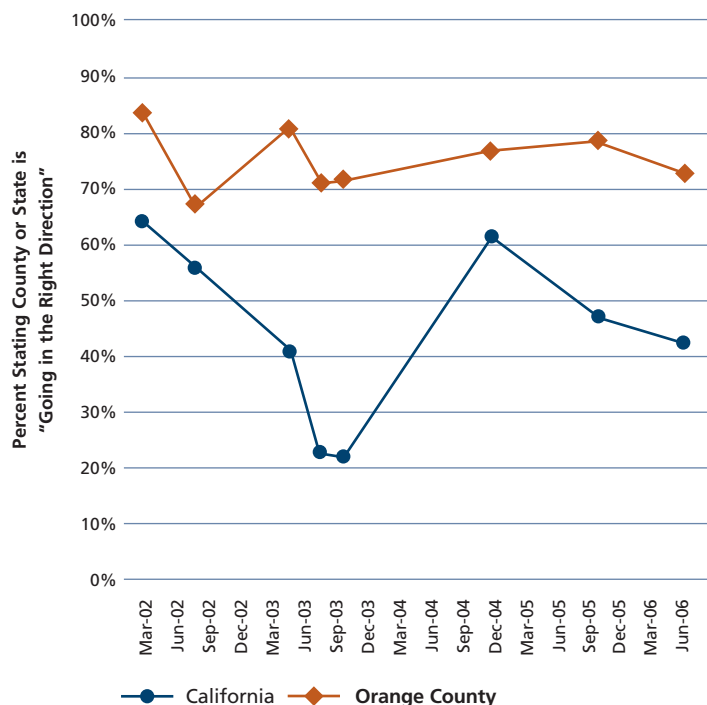
Orange County residents appear to remain satisfied with how their lives are going. According to the 2006 Orange County Business Council/California State University, Fullerton survey, 73% of residents believe that Orange County is “going in the right direction.” But they are not as positive about the state, with only 44% believing the state is “going in the right direction.” However, this gap is significantly less than the fifty percentage point gap in September 2003 where only 22% of Orange County residents believed the state was going in the right direction.

The top quality of life investments that Orange County residents ranked as “very important” in 2005 are hospitals and emergency rooms (89%), drinking water (86%), and school facilities (86%).

Resident Opinion of the Importance of Quality of Life Investments
Orange County, 2005



Orange County Resident Opinion of the Direction of Orange County and California
March 2002-June 2006



Note: The data points reflect the actual month the survey was taken, which was not always in regular quarterly intervals.

Sources: California State University, Fullerton Center for Public Policy and Orange County Business Council

The Community Indicators report would not be possible without the data provided by the following agencies and the expertise of their representatives:

2-1-1 Orange County	County of Orange Integrated Waste Management Department	James Irvine Foundation
Arts Orange County	County of Orange Office of the District Attorney	Milken Institute
Brookings Institution	County of Orange Registrar of Voters	National Association for the Education of Young Children
California Building Industry Association	County of Orange Resources & Development Management Department Geomatics/LIS Division	National Association of Family Child Care
California Child Care Resource and Referral Network	County of Orange Resources & Development Management Department/Harbors, Beaches and Parks	National Center for Education Statistics
California Community Colleges, Chancellor's Office	County of Orange Social Services Agency/Adult Protective Services	National Low Income Housing Coalition
California Department of Education	County of Orange Social Services Agency/Children and Family Services	National School Age Consortium
California Department of Health Services	County of Orange Social Services Agency/Family Self-Sufficiency	North Carolina State Board of Education
California Department of Justice, Criminal Justice Statistics Center	Dean Runyan Associates	PricewaterhouseCoopers/Thomson Venture Economics/NVCA Moneytree
California Department of Transportation, District 12	Hanley Wood Market Intelligence	Research Support Services
California Health Interview Survey, Center for Health Policy Research at University of California, Los Angeles	La Jolla Institute	San Jose Mercury News
California Managed Risk Medical Insurance Board	Municipal Water District of Orange County	Scarborough Research
California State University, Fullerton	North Orange County Regional Occupational Program	Texas Education Agency
Capistrano-Laguna Beach Regional Occupational Program	OC Partnership	United States Bureau of Economic Analysis
Center for Civil Society, School of Public Affairs at University of California, Los Angeles	Orange County Business Council	United States Bureau of Labor Statistics
Center for Demographic Research at California State University, Fullerton	Orange County Department of Education	United States Census Bureau
Center for Economic and Environmental Studies at California State University, Fullerton	Orange County Executive Survey	United States Centers for Disease Control and Prevention
Center for Public Policy at California State University, Fullerton	Orange County Health Needs Assessment	United States Conference of Mayors
Center for Social Service Research at University of California, Berkeley	Orange County Transportation Authority	United States Department of Health and Human Services
Central County Regional Occupational Program	Orange County Water District	United States Department of Housing and Urban Development
Chapman University	Social Science Research Center at California State University, Fullerton	United States Environmental Protection Agency
Children and Families Commission of Orange County	University of California, Irvine	United States Patent Office
Children's Home Society of Orange County	WestEd	United States Substance Abuse and Mental Health Services Administration
Coastline Regional Occupational Program	Additional Data Sources	
County of Orange County Executive Office	ACCRA/Council for Community and Economic Research	Special Thanks to:
County of Orange Health Care Agency/Behavioral Health Services	Association of Christian Schools International	Ray Schmidler of Raymond Ari Design for design and layout of the report.
County of Orange Health Care Agency/Environmental Health	California Alcohol and Drug Data System	
County of Orange Health Care Agency/Epidemiology and Assessment	California Association of Realtors	Orange County Community Indicators 2007 Project Team
County of Orange Health Care Agency/HIV/AIDS Surveillance & Monitoring Program	California Department of Finance	Michael Ruane (Project Director), Children and Families Commission of Orange County
County of Orange Health Care Agency/Nutrition Services	California Division of Tourism	Anna Brendle, Children and Families Commission of Orange County
County of Orange Housing and Community Services Department/Homeless Prevention	California Employment Development Department	Lisa Burke, Burke Consulting
County of Orange Housing and Community Services Department/Orange County Housing Authority	California Highway Patrol	Trish Kelly, Economic Development Consultant
	California Integrated Waste Management Department	Tillie Martinez, Children and Families Commission of Orange County
	California Secretary of State	Roger Morton, Orange County Business Council
	California State Controller's Office	Kari Parsons, Parsons Consulting
	Federal Transit Administration	Steve Rodermund, County of Orange
	Forbes Magazine	Wallace Walrod, Orange County Business Council/Tech Coast Consulting Group
	George Mason University United States Election Project	
	Housingtracker.net	

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Orange County
Community Indicators Project

17320 Redhill Avenue, Suite 200
Irvine, California 92614

(714) 834-7257
www.oc.ca.gov/ceocommunity.asp