Hidden in Plain Sight

Why California's Economically Challenged Cities Matter

November 2015

NATIONAL RESOURCE NETWORK
NEW SOLUTIONS FOR CITIES

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PREFACE

When Oscar Wilde wrote, “Life imitates art far more than art imitates life,” he had certainly never experienced the modern summer disaster blockbuster. Whether it’s the Terminator franchise, intergalactic destruction in “Independence Day” or apocalyptic pandemonium in “2012,” it seems as though a year doesn’t pass without at least one Hollywood production imagining the Golden State’s technicolor demise.

The truth is that one of the biggest, and yet least acknowledged, threats facing California is far less cinematic than aliens making their way through Los Angeles. Nearly 12 million Californians live in an economically challenged city — that’s the same population as the entire state of Ohio — and a quarter of all challenged cities in the country are in California.

This study defines economically challenged cities as having at least one of the following characteristics:

- Even after the current economic recovery took hold, more than 9 percent of residents remained unemployed as of 2013.
- More than 20 percent of adults are living in poverty.
- Population decline between 2000 and 2010 reached 5 percent.

Our findings highlight the critical role these cities play in the state’s economy and describe their potential to become significant catalysts for further economic growth if challenges are overcome. Already, these cities have the ingredients to turn their economies around. They are growing faster than other cities in California, spurred by immigration and the presence of medical centers, major universities and other economic assets. They are more racially diverse and younger than the rest of the state. In spite of their struggles, they already create more than $1 trillion in GDP annually and are home to more than 4.6 million jobs.

But the challenges they face are rooted deeper than any Hollywood-inspired disaster. Far fewer of these cities’ residents are college educated, and on average, they earn 60 percent less than residents in other cities. This report illustrates why it is important for elected officials and policymakers to work with the leadership in these cities to make the most of resources that can improve their economies and their residents’ quality of life. Understanding, identifying and then overcoming the economic barriers in California’s cities is vital to our nation and, most of all, to the 12 million people who live there.

WHY ECONOMICALLY CHALLENGED CITIES MATTER

Across the United States, many cities are in better shape than they have been in decades, with people moving back downtown after decades of population loss and new development generating needed revenue. Yet despite signs of a national urban renaissance, steep economic challenges remain: Of the 995 U.S. cities with a population of more than 40,000, 297 meet the National Resource Network definition of economically challenged.[1]

Millions of people live in these economically challenged cities, and many of them are vibrant despite their hardships. The list includes legacy cities such as Flint, Mich.; Gary, Ind.; and Youngstown, Ohio, as well as some of the nation's most robust metropolises, including New York, Los Angeles, Chicago, Houston, Dallas and Miami.

One needs only to read the daily headlines to see that doing nothing is catching up with America. If the nation wishes to maintain a safe and secure democracy, federal and state governments cannot cast aside these places and ignore their fiscal and economic challenges. As economists Jared Bernstein and Kevin Hassett recently noted in a bipartisan report, these cities' "proliferation and weakness has been a drag on the overall health of the U.S. economy and the pace of economic recovery."[2] Just as troublingly, the U.S. Government Accounting Office recently concluded that many of the most economically challenged cities lack the basic capacity to effectively and efficiently spend the billions in federal dollars invested in them through education, housing, crime reduction, social service and transportation programs.[3]

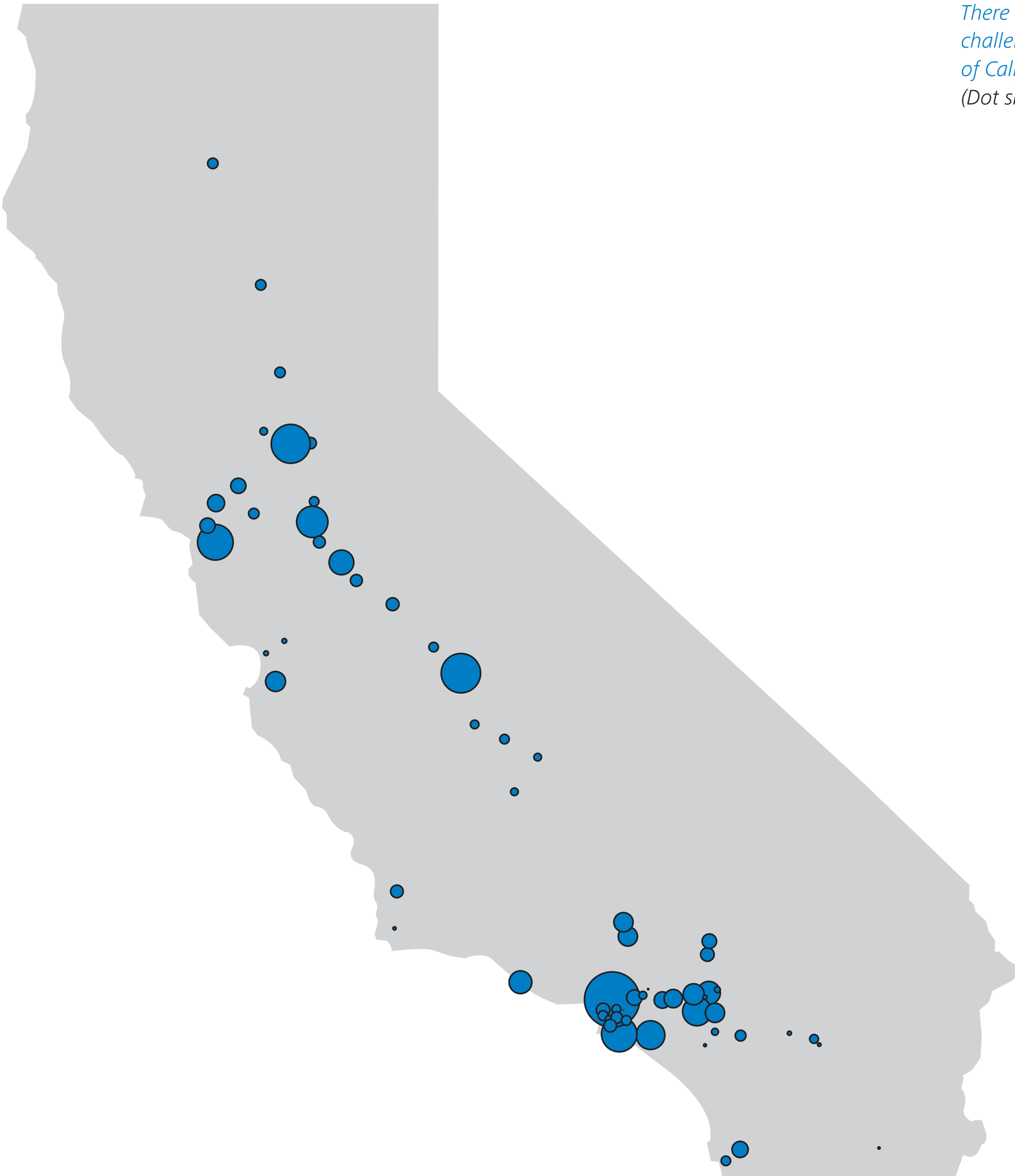
The National Resource Network knows that cities are, and will continue to be, the key building blocks of American prosperity and the places where families live, work and thrive. The Network partners with American cities that are rounding the corner from major economic challenges to help them identify and implement new and practical solutions and put them on a path to economic recovery and growth. The firms leading the Network will harness their decades of private-sector experience in helping cities identify and attract new private capital, apply business solutions, and forge new partnerships between the public and private sectors. The Network will also regularly report on its progress, detailing what works and what can be done at the state and federal levels to improve local conditions. We start that process in this report with an examination of economically challenged cities in California.

Why California? It is the most populous state, with 38 million residents — just under the combined population of the nation's third and fourth most populous states, Florida and New York. It is also the most urban state: Nearly 95 percent of residents live in Census-designated urban areas, and 68 percent of residents live in cities with a population of 40,000 or more.[4] And California also has the highest concentration of economically challenged cities in the nation. While roughly 30 percent of all U.S. cities meet our definition of economically challenged, fully 25 percent of these cities are in this one state. These 77 localities account for just under 40 percent of all cities in the state with more than 40,000 residents. In total, nearly 12 million people live in these distressed communities, a population equal to that of the state of Ohio.

Spurred in part by immigration and major assets such as universities, medical centers and a thriving tech sector, a number of California's economically challenged cities are growing in ways that promise to bolster the state's overall economy. There is little doubt that if remaining hurdles are overcome, growth will spread to key parts of the state and guarantee benefits across regional lines.

The rest of this report will highlight just how much these cities have to offer.

*The **National Resource Network** is led by a consortium that includes five organizations that work with cities every day including the **PFM Group**, a 500 person private firm that provides independent financial advice and consulting services to state and local governments across the nation; **Enterprise Community Partners**, a national non-profit leader in community development and housing; **HR&A Advisors**, a private sector consulting firm that has worked on economic development, transportation and land use issues with more than 200 local government agencies and their nonprofit and civic partners; **the New York University Robert F. Wagner Graduate School of Public Service** which leads a policy, research and evaluation team that also includes the Urban Institute, the University of Chicago and the University of Southern California Sol Price School of Public Policy; and **ICMA**, which leads peer learning work and is the premier organization that works with city managers in the U.S. and internationally.*



There are 77 economically challenged cities in the state of California.
(Dot size indicates population.)

THE STATE OF CALIFORNIA'S ECONOMICALLY CHALLENGED CITIES

YOUNG, DIVERSE AND GROWING

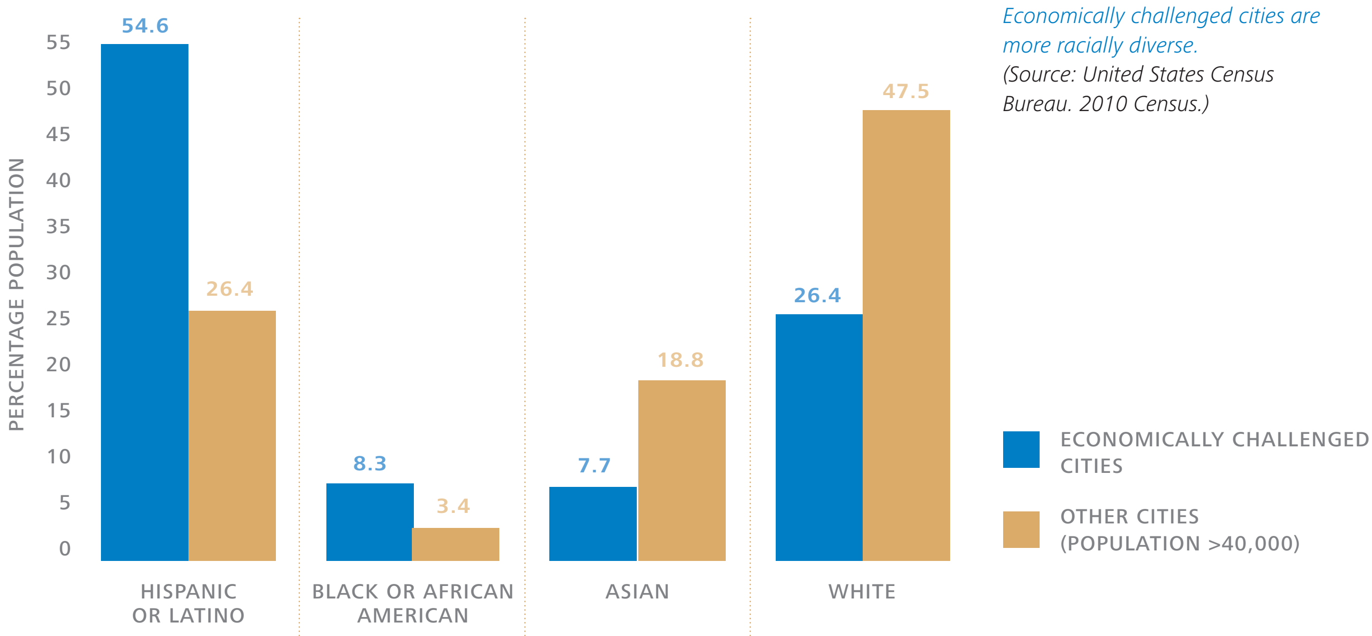
When policymakers envision economically challenged cities they often imagine places such as Detroit and Cleveland, older industrial locales that have suffered significant population loss. Indeed, many of those cities meet our definition, as one of the main criteria the Network employs is 5 percent population loss over the first decade of the 21st century. But California's challenged cities underscore the limitations of this perspective.

Between 2000 and 2010, the population of California's economically challenged cities grew by 25 percent — faster than the 20 percent growth rate in California's other cities with more than 40,000 residents.[5] The fastest growing of the 77 economically challenged cities was Lincoln, with a 282 percent increase in population between 2000 and 2010.

Growth in California's economically challenged cities seems to be the result of both immigration and natural increases due to births. Immigrants make up 28 percent of residents in economically challenged cities, compared to 25 percent in other California cities with more than 40,000 residents.[6] While most foreign-born residents are from Mexico, the immigrant population varies from city to city. For example, in Carson City and Vallejo, Filipinos account for 40 percent of the foreign-born population, and in El Cajon, Iraqis are 43 percent of foreign-born residents.

Overall, Latinos make up 54 percent of the population in economically challenged cities, compared to 27 percent in other cities.

Another distinctive trait of California's economically challenged cities is a younger population. The average age of residents in these places is 31, compared to 38 in cities that are not economically challenged. The economically challenged city with the youngest average age is Coachella, at 25.5 years old.[7]



Economically challenged cities are more racially diverse.
(Source: United States Census Bureau. 2010 Census.)

DRIVING THE STATE ECONOMY

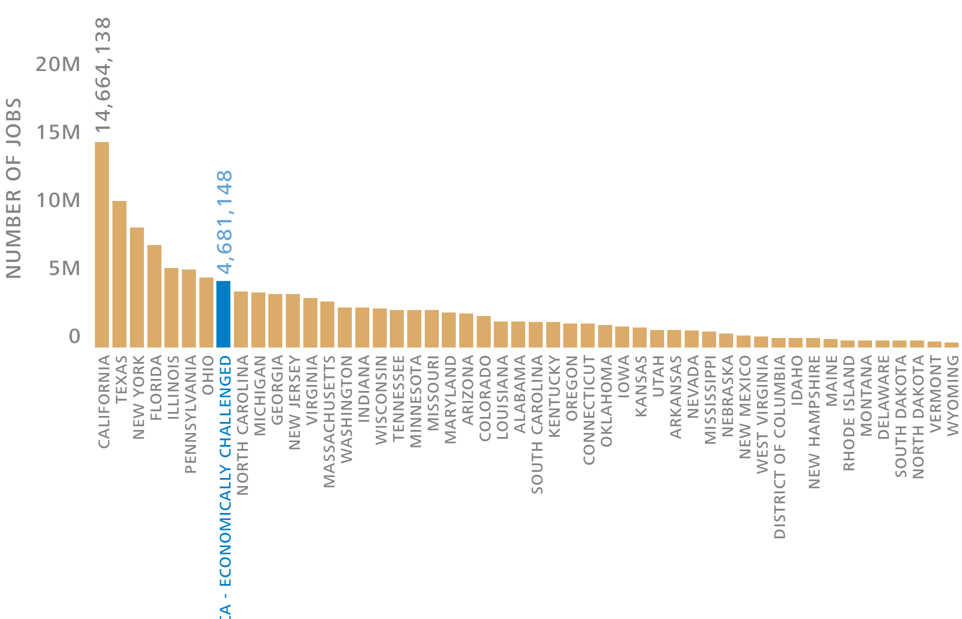
Despite their vulnerabilities, California's 77 economically challenged cities help to drive the overall state economy and continue to be major centers of employment.

To gain a comprehensive understanding of how economically challenged cities contribute to the state economy, we examined the gross domestic product of a sampling of challenged cities. These 24 cities have a total GDP of $1.23 trillion — more than half of California's state GDP, which stands at $2.05 trillion.[8]

CITY	GDP (2013) (IN BILLIONS)
LOS ANGELES	$691
OAKLAND	$90
SACRAMENTO	$80
LONG BEACH	$64
RIVERSIDE	$52

California's top five economically challenged cites ranked according to GDP.
(Source: U.S. Bureau of Economic Analysis, 2013)

Some 4.68 million jobs are located in the 77 economically challenged California cities. These cities function as regional job hubs and help drive the overall state economy. There are more jobs in California's economically challenged cities than in 42 U.S. states.[9]



California's economically challenged cities generate more jobs than 42 states.
(Source: Longitudinal Employer Household Dynamics, 2011/Center for Economic Studies at the U.S. Census Bureau)

Small and midsize cities host significant employers, indicating the viability and potential of these oft-overlooked municipalities.

- Sunsweet, the world's largest producer of dried fruit, has more than 700 employees in Yuba City. Overall, the agriculture industry grossed almost $600 million in 2013, generating countywide economic returns of $2.44 billion.
- Caitac, headquartered in Gardena, is a whiz kid of denim manufacturing, cited by The New York Times[10] as an example of the resurgence in domestic advanced manufacturing. Caitac has become a favorite in the denim industry, used by many leading companies including Levi's, which recently contracted with the company to produce a premium denim line.

- Cathay Bank, the nation's largest Chinese-American bank, has its corporate center in El Monte and is helping trigger a development boom in the San Gabriel Valley by attracting Chinese tourists and investors to the region.
- Bourns Inc., a leading electronics manufacturer, has its worldwide headquarters in Riverside. In 1952, Bourns patented the world's first trimming potentiometer, trademarked Trimpot,® a vital component required for most household electronics.
- Del Monte Foods, a global provider of canned fruit and vegetables, has large processing facilities in Modesto and Hanford. The Hanford plant's solar rooftop arrays have led to recognition for its environmental stewardship. The company employs more than 17,500 fulltime personnel.

CITY	NUMBER OF JOBS
LOS ANGELES	1,679,859
SACRAMENTO	302,979
OAKLAND	197,708
FRESNO	197,026
SANTA ANA	162,930

The top five job generators among economically challenged cities. *(Source: Longitudinal Employer Household Dynamics, 2011/Center for Economic Studies at the U.S. Census Bureau)*

HOME TO ANCHOR INSTITUTIONS

Anchor institutions — including universities, hospitals and medical centers — provide a stable economic bulwark in their home communities. As a recent Network report noted, anchor institutions can play — and are playing — a critical role in the revitalization of economically challenged cities.[11]

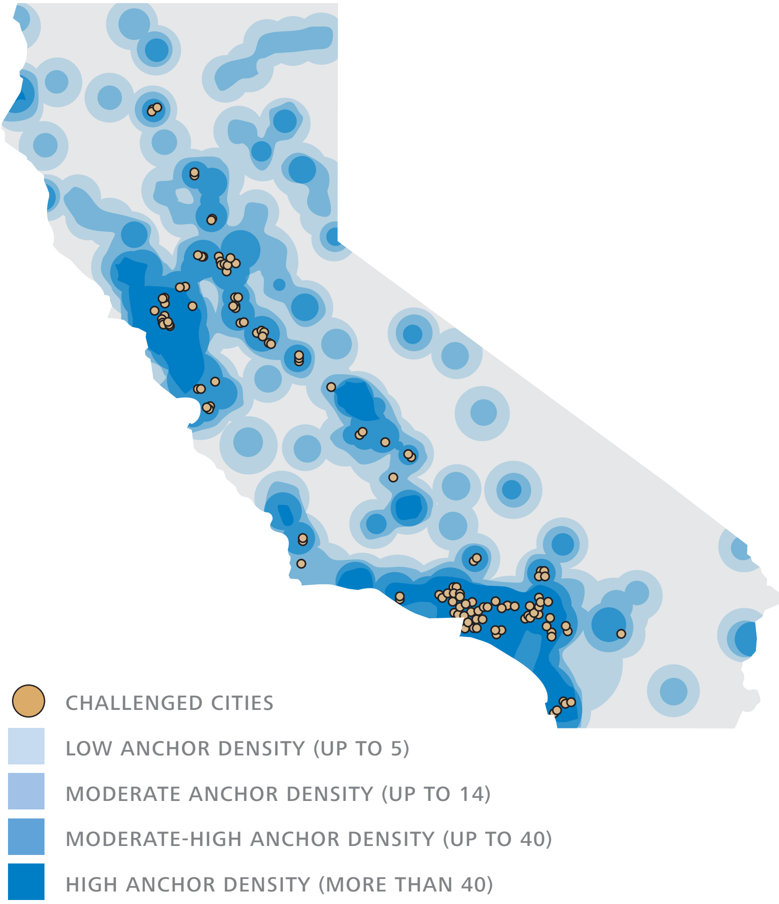
These institutions comprise a growing sector of the economy and are poised to expand greatly in the next decade.

Importantly, anchor institutions provide a steady source of employment in economically challenged cities and are often one of the largest employers. In fact, in two-thirds of these cities they are one of the top three employers. In 2015, 233 anchors were operating in 64 economically challenged California cities.[12]

To gain a clearer picture of just how predominant anchor institutions are in economically challenged cities, we produced a heat map detailing the concentrations of these institutions statewide. The map was built by abstracting data from the Environmental Systems Research Institute for U.S. educational and medical institutions. The Los Angeles County and Bay Area anchor institution clusters were expected, but we also observed clusters emerging in many other economically challenged cities dotted throughout the state.

CITY	EMPLOYER RANK	NAME OF EMPLOYER	NUMBER EMPLOYED
FONTANA	#1	KAISER HOSPITAL & MEDICAL GROUP	4,931
COLTON	#1	ARROWHEAD REGIONAL MEDICAL CENTER	3,300
CATHEDRAL CITY	#1	ENLOE MEDICAL CENTER	2,581
BELLFLOWER	#2	KAISER PERMANENTE MEDICAL GROUP	294
COACHELLA	#2	EISENHOWER MEDICAL CENTER	2,145
APPLE VALLEY	#2	ST. MARY REGIONAL MEDICAL CENTER	1,700
GARDENA	#2	GARDENA MEMORIAL HOSPITAL	740
CHICO	#2	CALIFORNIA STATE UNIVERSITY, CHICO	1,800
EL CAJON	#2	GROSSMONT-CUYAMACA COMMUNITY COLLEGE DISTRICT	900

Anchor institutions serve as major employers in California's economically challenged cities. (Source: City Comprehensive Annual Financial Reports)



California Anchor Institutions Heat Map
(Source: ESRI, 2010)

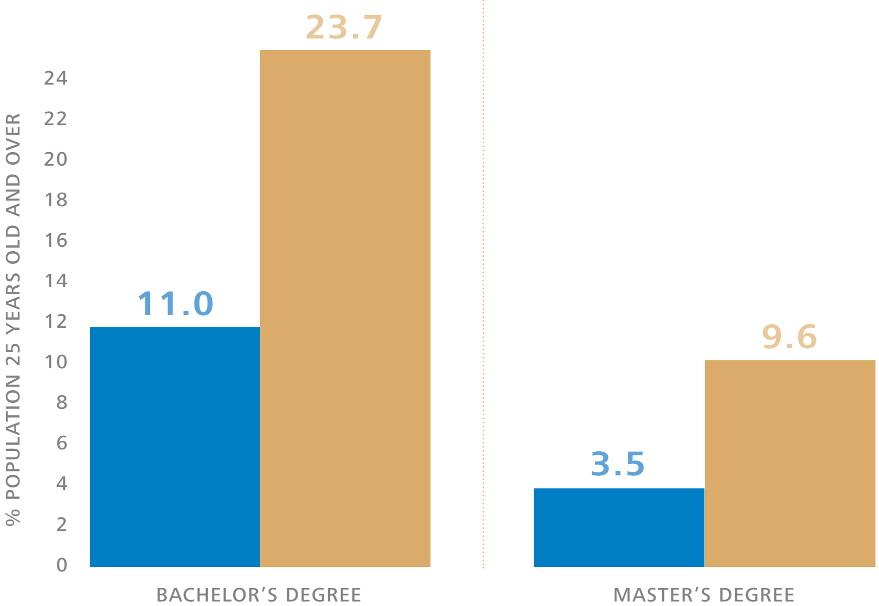
POISED FOR GROWTH, FACING BARRIERS

Despite their assets and advantages, California's economically challenged cities have not found viable strategies for addressing high unemployment and poverty rates.

Residents living in cities not defined as economically challenged are more than twice as likely to have a four-year college degree (24 percent versus 11 percent) and almost three times as likely to have a graduate degree (9.5 percent versus 3.5 percent) as residents in one of the 77 economically challenged cities. In Coachella in 2010, just 3.7 percent of residents had a college degree and 0.6 percent had a graduate degree, the lowest among the economically challenged cities.[13]

Residents in economically challenged cities earn on average 60 percent less than residents in California's other cities. Per capita income in these cities hovers just under $20,000 a year. Looking at individual cities shows a clearer picture of inequity: The greatest average income of an economically challenged city is $33,000, whereas the top quarter of other cities have average earnings of $50,000 and higher. Perhaps most telling, non–economically challenged cities have twice as many $100,000 earners as economically challenged cities.[14]

Finally, labor force participation is lower in economically challenged cities than in other California cities. The average labor force participation rate in non–economically challenged cities was 72 percent in 2010 — 13 percentage points higher than the 59 percent average participation rate in economically challenged cities. The highest rate of participation in an economically challenged city was in Cathedral City, with a rate of 75.9 percent. Compare this to Victorville, with a participation rate of just 36.4 percent.[15]

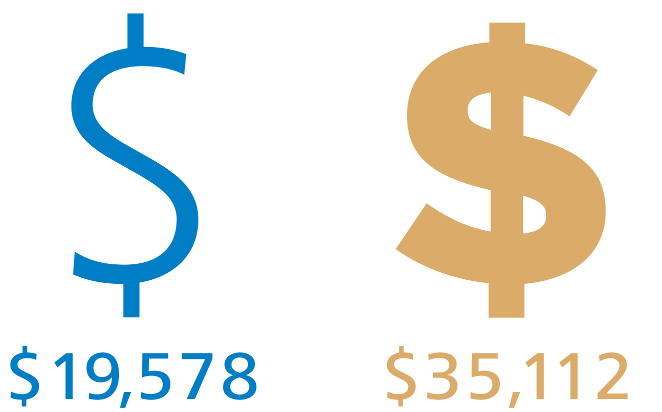


Economically challenged cities have smaller populations of college-educated residents.

(Source: United States Census Bureau. 2010 Census)

ECONOMICALLY CHALLENGED CITIES

OTHER CITIES (POPULATION >40,000)



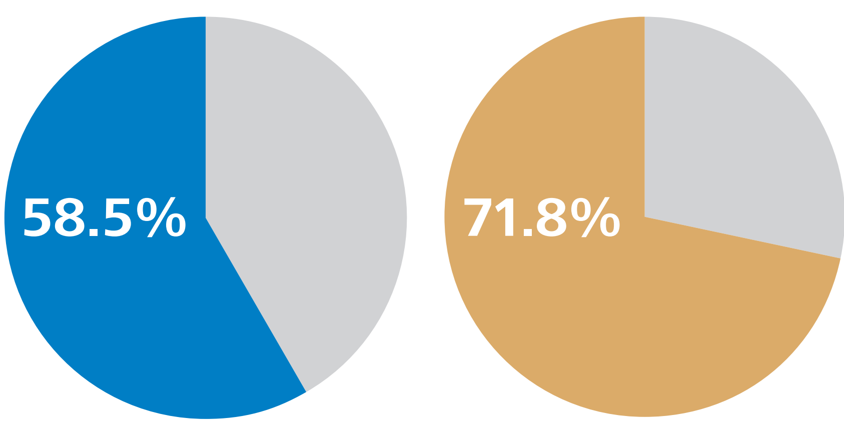
AVERAGE PER CAPITA INCOME (2013 INFLATION ADJUSTED DOLLARS)

Economically Challenged Cities Residents Earn 60% Less

(Source: United States Census Bureau. 2010 Census)

ECONOMICALLY CHALLENGED CITIES

OTHER CITIES (POPULATION >40,000)



AVERAGE EMPLOYMENT RATE IN ECONOMICALLY CHALLENGED CITIES

AVERAGE EMPLOYMENT RATE IN OTHER CITIES

Economically challenged cities have low labor market participation.

(Source: United States Bureau of Labor Statistics, 2010)

ECONOMICALLY CHALLENGED CITIES

OTHER CITIES (POPULATION >40,000)

THE COST OF DOING NOTHING

Without question, many economically challenged cities in California are capable of addressing poverty and unemployment largely on their own. Few would suggest that places like Los Angeles and Sacramento face imminent fiscal distress or long-term economic decline. But federal and state policymakers cannot be complacent when it comes to the economic and fiscal future of many of the other cities that are struggling.

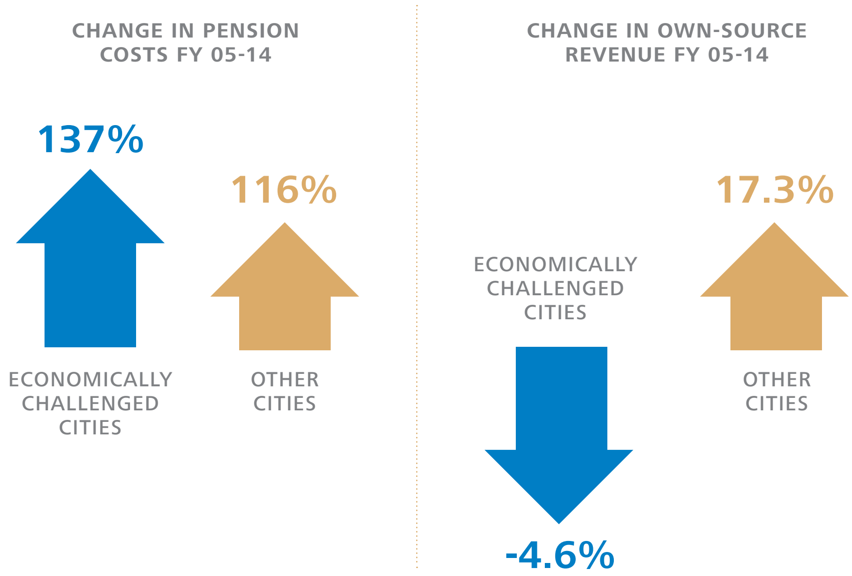
These cities matter to the people who live and work there. But they are also places where federal and state governments have already invested significant resources. Absent an economic turnaround, the need for additional federal and state investment in these cities will only grow, and the capacity of local governments to effectively spend federal and state dollars, as suggested by the GAO audit referenced at the beginning of this report, will be further impaired.

In any given year the dollar amounts flowing into economically challenged cities are quite large. Data collected by the California State Controller's office on local government finance help quantify the level of federal and state "sunk costs" in economically challenged cities. In FY 2011–2012, funding from the federal government and the state accounted for a very small percentage of overall revenue for city governments in California — just under 9 percent. Still, in actual dollars, this totaled more than $4.7 billion in just one year, or $86 per capita in federal funding and $68 per capita in state funding. It is important to note that these revenues are for city governments only and do not include funding for school districts or other government entities.

Funding levels appear to be similar in economically challenged cities. For example, 11 California cities had a poverty rate in 2010–2012 of greater than 25 percent.[16] Controller data for 2012 was available for nine of these cities. In just these nine cities, federal funding to local governments totaled $118.7 million ($104 per capita), and state funding totaled $67.1 million ($59 per capita).

There is also the risk that economic challenges left unaddressed can also lead to fiscal challenges that further limit the operational capacity and wherewithal of these cities. We do not want to conflate economic and fiscal challenge. To be clear, there are certainly economically challenged cities that have effectively managed their resources and achieved relative fiscal health. Moreover, fiscal challenges are often the result of the combined effects of economic and local government management issues. Still, cities facing economic challenges are more likely to face fiscal challenges. As one Network city official noted, "It's true that economic challenge does not necessarily lead to fiscal challenge. But, cities like ours are certainly handicapped by (our economic situation)."

California state government and the League of California Cities have begun to recognize and build diagnostics to assess fiscal challenges in local government. While the state's needs are unique, it may be helpful at this point to consider programs that have helped other states identify and provide assistance to cities at risk of fiscal distress, or even bankruptcy. For example, Pennsylvania has a program known as Act 47 through which the state appoints fiscal coordinators and provides other relief to cities. In New York, cities can apply for assistance for local government financial restructuring. A recent analysis by Public Financial Management[17] applied two of the criteria from these programs — multi-year budget deficits and fund balance of less than 5 percent of annual expenditures — and applied them to California's cities. Forty-nine California cities would have been eligible in the last 10 years, including 14 of the 77 cities meeting the criteria for being economically challenged. Many of the other cities had fewer than 40,000 residents.



In economically challenged cities, pension costs are rising sharply while revenue is falling.
(Source: Manhattan Institute)

Economic challenges leading to fiscal challenges are a particularly acute problem in California given the ongoing growth in the cost of pensions. As a recent study by the Manhattan Institute noted,[18] many California cities have experienced the phenomenon of crowding out — when structural deficits lead to cuts to local government services as revenue fails to keep pace with growing pension and health costs. This is a problem even in affluent California cities, but it is a veritable crisis in economically challenged ones. Between 2005 and 2014, pension costs in economically challenged cities have ballooned 137 percent, while revenue has declined more than 4.5 percent.

CONCLUSION

This report is a data analysis of the 77 most economically challenged cities in California. We wanted to let the numbers speak for themselves. We applied no particular angle; we just asked a simple question: Do these cities matter?

Our answer came in different shapes, but the resounding conclusion is that they matter a great deal to the state and to our nation. These cities are home to 12 million residents and are growing by more than 2 percent annually; they possess nearly 5 million jobs and generate well over $1 trillion in annual economic activity. These cities are also beneficiaries of hundreds of millions of dollars in annual investment from the federal and state governments.

We also found that the 77 cities in California with the highest rates of poverty and unemployment face extraordinary challenges. Like the country itself, these are places that offer economic opportunity but need greater understanding and assistance. Without support and attention, these cities are at risk. Many will succeed on their own. But those that do not could easily become the next San Bernardino or Stockton.

A full assessment of how to support these cities is beyond the scope of this analysis, but it is clear that there are ways in which California's economically challenged cities are at an inherent disadvantage. Municipal revenues are largely dependent on the economy (sales tax, property tax, user charges and development fees). The electorate must approve new taxes or changes in tax rates. Consequently, local governments pursue sales-generating uses, but locales with high crime, poverty and unemployment can't compete well for these retailers. So in many respects, California's municipal finance system functions to enrich communities that are already enriched while consigning those that are struggling to stay afloat to the status quo.

This downward cycle exemplifies the burden of inequality across America. It is structurally difficult to dig out from a position of economic disadvantage. But as this report has shown, there are already significant economic assets and investments in these cities. We need to move past fundamental inequities and adequately support economically challenged cities to unleash their true potential. This means understanding them in the aggregate and at the municipal level. Our future depends on it.

ENDNOTES

1. The National Resource Network defines economically challenged cities as places with the following characteristics: Even after the current economic recovery took hold, more than 9 percent of residents remained unemployed as of 2013, more than 20 percent of adults were living in poverty, or population decline between 2000 and 2010 reached 5 percent.
2. Jared Bernstein and Kevin A. Hassett, "Unlocking Private Capital to Facilitate Economic Growth in Distressed Areas" (Washington, DC: Economic Innovation Group, 2015).
3. U.S. Government Accountability Office, "Municipalities in Fiscal Crisis: Federal Agencies Monitored Grants and Assisted Grantees but More Could Be Done to Share Lessons Learned" (Washington, DC: Government Accountability Office, 2015).
4. United States Census Bureau. 2010 Census.
5. Paul Mackun and Steven Wilson, "Population Distribution and Change: 2000 to 2010" (Washington, DC: U.S. Department of Commerce, Economics and Statistics Administration, U.S. Census Bureau, 2011).
6. Kristen Lewis and Sarah Burd-Sharps, "A Portrait of California 2014–2015" (Brooklyn, NY: Measure of America, Social Science Research Council, 2014).
7. United States Census Bureau. 2010 Census.
8. The GDP at the city level was derived by inferring municipal GDP from the Bureau of Economic Analysis (BEA) GDP-by-Metropolitan-Area Statistics (2013). Longitudinal Employer-Household Dynamics (LEHD) data provide job counts by census designated place (CDP), the basis for calculating a GDP from a metropolitan area to the individual cities within that area. The original BEA data set contained 26 Metropolitan Statistical Areas (MSAs) with 24 economically challenged cities and 23 other cities.
9. 2011 Job counts retrieved from OnTheMap Application. Longitudinal-Employer Household Dynamics Program. http://onthemap.ces.census.gov/
10. Michael Barbaro, "Reborn in the U.S.A.," New York Times, September 25, 2007.
11. Neil Kleiman, Liza Getsinger, Nancy Pindus, and Erika Poethig, "Striking a Local Grand Bargain" (Washington, DC: National Resource Network, 2015).
12. Selected City Comprehensive Annual Financial Reports (CAFR)
13. United States Census Bureau. 2010 Census.
14. United States Census Bureau. 2010 Census.
15. United States Census Bureau. 2010 Census.
16. California State Controller, 2014 Cities Annual Report.
17. Russ Branson, "Indicators of Fiscally Distressed Governments" (presentation at the CalCPA Governmental A&A Conference, Rancho Cordova, California, May 12, 2015).
18. Stephen D. Eide, "California Crowd-Out: How Rising Retirement Benefit Costs Threaten Municipal Services" (New York: Manhattan Institute, 2015).

APPENDIX

77 ECONOMICALLY CHALLENGED CITIES IN CALIFORNIA - ELIGIBILITY CRITERIA FOR NETWORK

NAME OF AREA	2010 POPULATION	2013 UNEMPLOYMENT RATE	2000-2010 POPULATION CHANGE	NON-COLLEGE POVERTY
LOS ANGELES	3792621	10.90%	2.65	20.18%
FRESNO	494665	14.30%	15.67	27.60%
SACRAMENTO	466488	10.30%	14.61	19.96%
LONG BEACH	462257	10.90%	0.16	18.66%
OAKLAND	390724	11.30%	-2.19	19.75%
SANTA ANA	324528	10.00%	-3.98	20.72%
RIVERSIDE	303871	10.40%	19.09	16.33%
STOCKTON	291707	15.60%	19.66	22.53%
SAN BERNARDINO	209924	13.60%	13.23	31.03%
MODESTO	201165	11.20%	6.52	20.64%
OXNARD	197899	10.60%	16.17	15.72%
FONTANA	196069	10.50%	52.08	15.44%
MORENO VALLEY	193365	11.90%	35.81	19.08%
ONTARIO	163924	10.70%	3.74	17.77%
LANCASTER	156633	13.90%	31.94	19.84%
PALMDALE	152750	12.30%	30.92	20.30%
SALINAS	150441	14.30%	-0.41	20.35%
POMONA	149058	11.00%	-0.28	19.56%
VALLEJO	115942	10.40%	-0.70	17.21%
VICTORVILLE	115903	12.20%	81.02	25.34%
EL MONTE	113475	12.20%	-2.15	23.45%
INGLEWOOD	109673	12.40%	-2.58	21.44%
NORWALK	105549	10.40%	2.18	12.42%
FAIRFIELD	105321	9.20%	9.51	12.89%
RICHMOND	103701	12.10%	4.52	17.50%
SANTA MARIA	99553	10.70%	28.58	20.38%
EL CAJON	99478	10.30%	4.86	24.05%
RIALTO	99171	12.90%	7.94	19.66%
COMPTON	96455	14.90%	3.17	25.98%
SOUTH GATE	94396	12.60%	-2.05	20.78%
CARSON	91714	10.00%	2.21	9.82%
HESPERIA	90173	13.00%	44.09	24.54%
REDDING	89861	9.50%	11.12	16.68%
CHICO	86187	9.30%	43.76	14.15%
HAWTHORNE	84293	12.90%	0.22	19.33%
MERCED	78958	14.50%	23.58	24.85%
HEMET	78657	13.00%	33.74	21.90%
MENIFEE	77519	11.00%	81.23	9.61%
BELLFLOWER	76616	10.00%	5.13	17.98%
INDIO	76036	11.10%	54.81	24.61%
BALDWIN PARK	75390	12.30%	-0.59	16.24%
LYNWOOD	69772	12.00%	-0.10	23.35%
APPLE VALLEY	69135	11.00%	27.46	18.60%
TURLOCK	68549	9.80%	22.83	13.97%
PERRIS	68386	16.10%	88.97	28.56%
MANTECA	67096	11.20%	36.21	10.77%

NAME OF AREA	2010 POPULATION	2013 UNEMPLOYMENT RATE	2000-2010 POPULATION CHANGE	NON-COLLEGE POVERTY
YUBA CITY	64925	17.00%	76.63	16.16%
RANCHO CORDOVA	64776	10.10%	22.85	14.77%
PITTSBURG	63264	11.80%	11.44	17.69%
PICO RIVERA	62942	9.20%	-0.77	14.69%
MONTEBELLO	62500	11.00%	0.56	13.47%
LODI	62134	9.70%	9.01	17.20%
MADERA	61416	16.10%	42.14	27.63%
TULARE	59278	11.90%	34.74	20.48%
GARDENA	58829	9.20%	1.88	11.94%
NATIONAL CITY	58582	14.70%	7.97	23.03%
HUNTINGTON PARK	58114	14.80%	-5.27	27.48%
WOODLAND	55468	11.00%	12.85	12.04%
PORTERVILLE	54165	12.80%	36.73	25.10%
PARAMOUNT	54098	14.50%	-2.11	22.24%
HANFORD	53967	11.80%	29.46	19.81%
HIGHLAND	53104	12.80%	19.05	19.21%
DELANO	53041	30.00%	36.62	31.50%
COLTON	52154	10.90%	9.42	23.14%
LAKE ELSINORE	51821	10.00%	79.14	15.04%
CATHEDRAL CITY	51200	10.00%	20.06	19.88%
WATSONVILLE	51199	20.10%	15.66	20.70%
GILROY	48821	10.40%	17.74	15.91%
WEST SACRAMENTO	48744	14.50%	54.18	21.03%
AZUSA	46361	10.70%	3.69	16.85%
CERES	45417	16.20%	31.23	20.34%
SAN JACINTO	44199	15.60%	85.87	18.78%
LINCOLN	42819	13.80%	282.14	9.35%
EL CENTRO	42598	23.20%	12.59	24.14%
LOMPOC	42434	12.10%	3.24	20.37%
BELL GARDENS	42072	15.80%	-4.50	28.00%
COACHELLA	40704	16.40%	79.12	30.52%

The National Resource Network (the Network) is a core component of the Obama Administration's Strong Cities, Strong Communities (SC2) initiative, and develops and delivers innovative solutions for American cities to help them address their toughest economic challenges. The Network works with local leaders to identify practical solutions, share real-world expertise and best practices, and help cities develop the tools and strategies they need to grow their economies.

Funded with $10 million from the U.S. Department of Housing and Urban Development (HUD), the Network is a new program that leverages the expertise, partnerships, and resources of the public and private sectors to help cities comprehensively tackle their most pressing challenges. The Network provides cities with customized tools and advice to build strategic partnerships, strengthen their economic competitiveness, and marshal public and private sector resources.

The Network is administered by a consortium selected by HUD though a national competition. The consortium works closely with HUD and the White House Council on Strong Cities, Strong Communities, which has been tasked with overseeing the SC2 initiative, to deliver services and impact federal policy. The Network consortium consists of the following private and public sector organizations:

- Enterprise Community Partners
- Public Financial Management (PFM)
- HR&A Advisors
- New York University's Robert F. Wagner Graduate School of Public Service
- International City/County Management Association (ICMA)

Note: The findings and recommendations of this study reflect the work of the research team that produced the document and do not necessarily reflect the views of the National Resource Network consortium members that did not participate in the research.