

LA Barometer

The Livability Report

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Special thanks to



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EXECUTIVE SUMMARY

The goal of this Livability Report — our kick-off survey for LABarometer — is to better understand the character and quality of people's lives in Los Angeles County. What are the opportunities and challenges Angelenos face? Who is struggling the most? What are the conditions of their neighborhoods? And what is unique about life in the county? How is it similar to or different from life in other parts of the United States?

LABarometer is a quarterly, internet-based survey of approximately 1,700 L.A. County residents, designed and administered by the Dornsife Center for Economic and Social Research at the University of Southern California. It is the first survey of its kind to regularly engage with the same group of L.A. County residents over time, tracking how individual lives change in the face of L.A.'s dynamic environment.

By following the same residents over time, LABarometer aims to capture trends and shifts in residents' social conditions and attitudes, allowing decision makers in the public and private sectors to better understand the evolving lives and needs of Angelenos.

LABarometer is made possible by the generous financial support of Union Bank.

Each year, LABarometer's Livability survey will assess neighborhood quality of life in L.A. County, guided by the principle that a livable neighborhood is one in which residents feel happy, healthy, safe, socially connected, and with access to important goods, services and amenities. The results detailed in this report are based on survey questions that we fielded to our internet panel of L.A. County residents. The report also features questions that we asked of our national internet panel, the Understanding America Study, of approximately 8,000 U.S. residents. Some of our results are therefore specific to L.A. County, while others allow for comparisons of L.A. County with California and the rest of the United States.

This survey covers a number of topics, from life satisfaction and experiences of stress to residents' housing circumstances and plans, housing costs, neighborhood satisfaction, exposure to crime and social connectedness. The survey also includes our consumer sentiment index, a set of six questions designed to track optimism about personal finances and the economy. We must note here that, while a key aim of this initial survey is to understand how conditions in L.A. County compare to average conditions in California and the rest of United States, we recognize that conditions vary greatly across states, counties, and cities and that conditions in other major metropolitan areas may more closely resemble those we observe in L.A. County.

In our review of the results, a single resounding theme is that the high cost of living in L.A. County permeates the lives of residents in a number of ways. It impacts Angelenos' overall life satisfaction, their view of the economy, and their exposure to stress. It keeps some residents in their homes while pushing others out, and it shapes the very definition of affordability in L.A. County.

One of our key findings is that people in L.A. County are generally less satisfied with their lives and generally less optimistic about the economy than people living elsewhere in the United States. This is primarily because life satisfaction and consumer sentiment increase with income to a *lesser* degree in L.A. County than they do in the rest of the country, due in large part to the higher cost of living in L.A. County. These results also suggest that the high cost of living in L.A. County heightens stress, as Angelenos are significantly more likely than other U.S. residents to rent, and renters are 20% more likely than homeowners to experience both daily and major life stress.

It is worth noting that affordability matters a lot to Angelenos. The degree to which Angelenos feel satisfied with their financial situation and the affordability of their neighborhoods are two of the most important individual- and neighborhood-level predictors of their overall life satisfaction. Likewise, affordability is the number one reason why 79% of Angelenos plan to stay in their current residence this year, and it is the number one reason why 21% of Angelenos plan to move from their current residence, including 7% who plan to leave L.A. County altogether.

Of course, Angelenos, and Californians more generally, are unusual in how they define affordability. When asked to estimate the maximum amount that they would be able to pay in rent before they would have to find a less expensive place to live, renters in L.A. County estimate a maximum affordable rent that is almost twice the maximum affordable rent estimated by other U.S. residents with similar incomes. The takeaway from this finding is that Angelenos do not just pay more in rent than other U.S. residents, they generally believe that they can afford more, and this belief has little to do with their income. It is a belief that renters likely developed to cope with the high cost of housing in L.A.

Our results also reveal that housing affordability in L.A. County is determined by more than a person's income. Race and ethnicity have a much bigger effect on what renters pay and believe they can afford in L.A. County than in the rest of the country, which likely coincides with greater racial and ethnic disparities in access to quality housing and neighborhoods.

That said, affordability matters very little to Angelenos when they are asked how they feel about their neighborhoods. About 70% of Angelenos feel satisfied with the neighborhood in which they live, and neighborhood satisfaction has little to do with cost. Instead, we find that watchful neighbors and safe, clean streets top the list of neighborhood characteristics that matter most for overall neighborhood satisfaction. We also find that the majority of Angelenos feel self-confident and satisfied with the non-economic aspects of their lives, especially their families.

New priorities emerge as well when you ask Angelenos what they like most and least about living in the county. Weather tops the list of things Angelenos like most, followed by diversity, culture and food. What do Angelenos like least about living in L.A.? Homelessness, the cost of living, and crime are commonly cited. However, traffic tops the list as the most frequently cited problem in L.A. County. On that note, we are happy to announce that our next quarterly survey will focus on mobility!

DATA AND METHODS

Sample Information

A total of 1,274 Los Angeles County residents participated in the Livability Survey from July 19 through September 30, 2019. Participants were recruited from LABarometer's survey panel of 1,698 adults living in randomly selected households throughout Los Angeles County, described in greater detail in the Appendix. The participation rate for the survey was 75%. The margin of sampling error[†] is 2.7 percentage points.

To complement this county-wide survey, we also conducted a nation-wide survey. A total of 5,547 adults living in households throughout the United States participated in our National Livability Supplement from August 12 through September 8, 2019. The sample included 930 adults living in Los Angeles County and 827 adults living elsewhere in California. A total of 906 Los Angeles County residents participated in both the Livability Survey and the National Livability Supplement. Participants were recruited from the Understanding America Study (UAS), a national panel of 7,898 United States residents that includes, as a sub-panel, the 1,698 Los Angeles County residents who belong to our LABarometer panel. The Understanding America Study is described in greater detail in the Appendix. The participation rate for the National Livability Supplement was 73%. The margin of sampling error[†] is 1.3 percentage points.

The table below summarizes select characteristics of our county (LA), state (CA), and national (USA) samples, with and without survey weights. The CA sample excludes the LA sample and the USA sample excludes the CA and LA samples.

Select Sample Characteristics						
Fraction of	LA (n=1,274)		CA (n=827)		USA (n=3,782)	
	Unweighted	Weighted	Unweighted	Weighted	Unweighted	Weighted
Males	38%	49%	43%	50%	43%	48%
NH Whites	30%	27%	53%	42%	78%	67%
NH Blacks	8%	8%	4%	5%	9%	13%
NH Other	17%	17%	16%	18%	7%	7%
Hispanics	44%	48%	27%	35%	6%	13%
College Graduates	43%	31%	43%	33%	37%	31%
Age 18-34	36%	33%	23%	32%	14%	30%
Age 35-44	22%	18%	18%	17%	19%	16%
Age 45-54	16%	18%	15%	17%	19%	17%
Age 55-64	14%	15%	21%	16%	23%	17%
Age 65+	12%	16%	23%	18%	25%	20%

We calculate weights in two stages: (1) base weights account for the probabilities of selection in our sampling procedures, and (2) post-stratification weights align survey distributions to population benchmarks. Population benchmarks for the USA (excluding CA) were obtained from the Current Population Survey; population benchmarks for LA and CA (excluding LA) were obtained from the American Community Survey. The weighted statistics in the figure below correspond to the population benchmarks for each region.

[†] Survey Error

Factors other than sampling error, including question wording, question order, sample type (e.g. opt-in panels vs. probability panels such as UAS), population coverage, and impact of current events, may affect the results of any survey. In addition, the results of questions asked without an interviewer (e.g. in an internet panel) may differ somewhat from similar questions asked by an interviewer over the phone. The margin of sampling error is calculated at the 95% confidence level, using a sample proportion of 0.5 to generate an upper bound of uncertainty. Please note that this is only an approximate measure of error. A more precise measure would require upper and lower bounds to be calculated for each individual question or outcome.

Survey Information

The Livability Survey (UAS 194) took an average of 9 minutes to complete. The National Livability Supplement (included in the UAS 199) took an average of 7 minutes to complete. Respondents participated via computer, mobile device or tablet, at any time of day or night during the field period. The data, codebooks, and questionnaires associated with these two surveys are available at <https://uasdata.usc.edu/survey/UAS+194> and <https://uasdata.usc.edu/survey/UAS+199>.

Analysis

The summary statistics included in this report are based on weighted data. Multivariate statistical analyses were conducted using unweighted data and the following demographic controls: gender, age, education, income, race, ethnicity, nativity, homeownership status, marital status, employment status, and residential urbanicity. Statistical tests and regression models are not included in this report, but they are available upon request. Throughout the text, we identify effects that are statistically significant at a confidence level of 95%.

This report and links to the data archive are available at <https://cesr.usc.edu/labarometer>.
For questions about the survey, contact us at labarometer-l@usc.edu.

The USC Dornsife Center for Economic and Social Research is a proud member of the American Association for Public Opinion Research's [Transparency Initiative](#).

LABarometer is funded by Union Bank

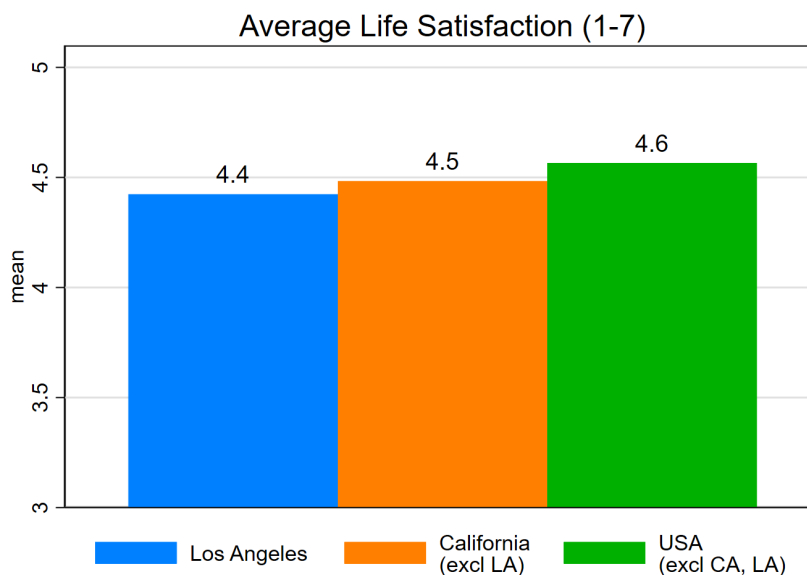
SURVEY RESULTS

Life Satisfaction

To assess life satisfaction at the county, state and national levels, we ask our respondents to rate how strongly they agree or disagree with five life satisfaction statements¹. We then average responses to the five statements to generate a life satisfaction score for each respondent.

◆ Life satisfaction in L.A. County is lower than the national average.

According to our results, L.A. County residents feel slightly more satisfied than dissatisfied with their lives, with an average life satisfaction score of 4.4 out of 7 (where a score of 1 reflects strong dissatisfaction and 7 reflects strong satisfaction). This score is statistically no different from the average score for the rest of California. However, it is significantly lower than the average score for the rest of the United States.



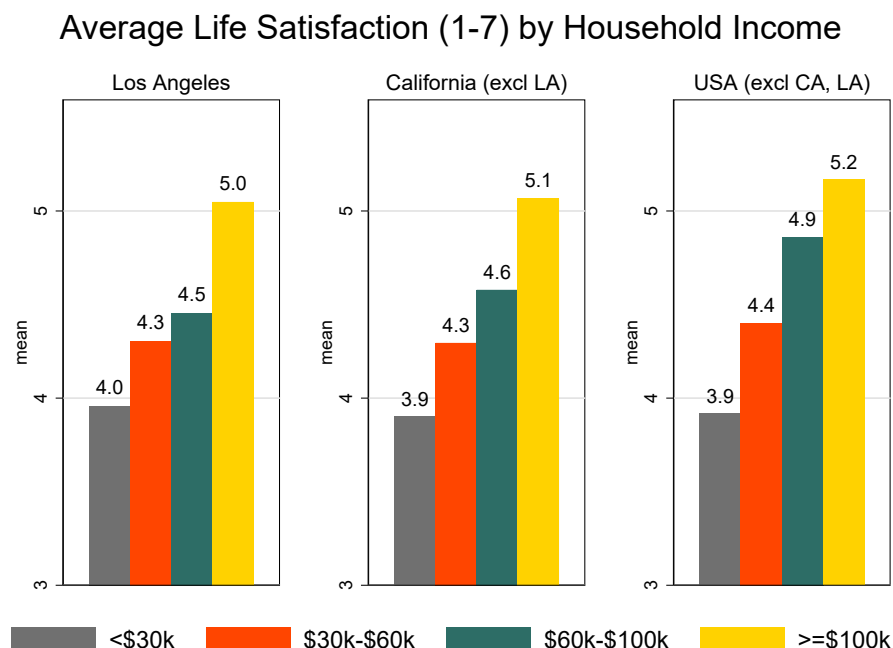
The life satisfaction gap between L.A. County and the rest of the U.S. is primarily explained by differences in the demographic composition of the two populations. Specifically, L.A. residents are much more likely than residents in other parts of the United States to rent their home, be single, live in an urban area, and earn a low vs. a middle income. These demographic characteristics are negatively associated with life satisfaction, contributing to relatively lower levels of life satisfaction in L.A. County overall.

¹ Diener, E., Emmons, R. A., Larsen, R. J., & Griffin, S. (1985). The Satisfaction With Life Scale. *Journal of Personality Assessment*, 49(1), 71-75.

♦ **Money buys less life satisfaction in L.A. County than it does in the rest of the country.**

The differential effect of income on life satisfaction in L.A. County also contributes to lower levels of life satisfaction overall. It is well documented that life satisfaction generally improves as income increases — a pattern we observe in our survey. Yet, life satisfaction increases with income to a *lesser* degree in L.A. County than it does in the rest of the country.

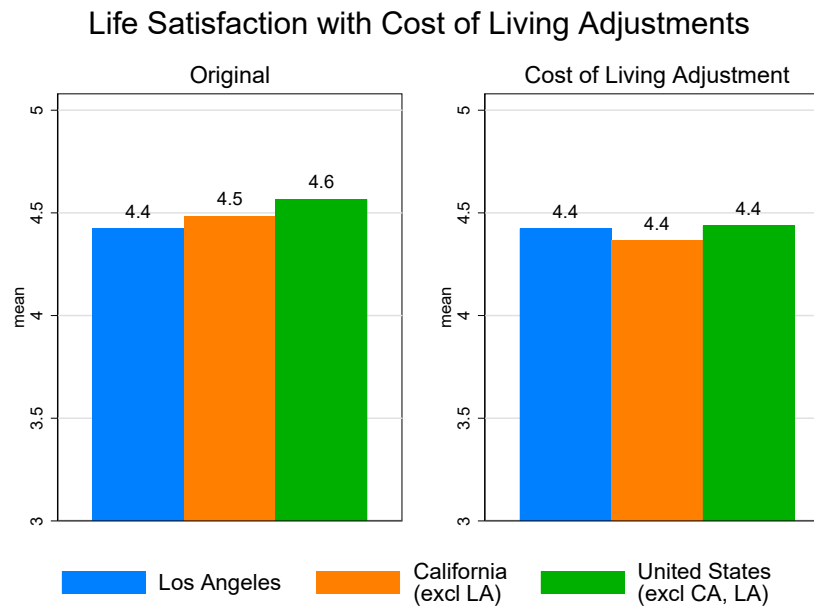
Moving from a low to a high income in L.A. County is associated with a smaller bump in life satisfaction than moving from a low to a high income elsewhere in the United States. For example, in the figure below, the difference in life satisfaction between residents earning less than \$30,000 and residents earning \$100,000 or more is 25% in L.A., compared to 33% in the rest of the country.



These results suggest that there is a life satisfaction penalty for living in L.A., and it exists primarily for higher income residents. One hypothesis to explain this is the higher cost of living in L.A. While L.A. is expensive for everyone, the expense may be particularly bothersome to higher income residents because common markers of financial success — like homeownership — are much more accessible to such residents in other parts of the country.

Likewise, the demographic trends associated with lower life satisfaction in L.A. point to cost of living as a potential explanatory factor. We noted earlier that there are higher rates of rentership, urbanicity, and fewer individuals in the middle-income range in L.A. than in the rest of the country. These demographic trends are negatively associated with life satisfaction and likely reflect the higher cost of living in L.A.

To further explore the link between the cost of living in L.A. and levels of life satisfaction, we model a scenario in which California and U.S. residents have the same cost of living as L.A. residents. To do this, we use regional price parity data provided by the Bureau of Economic Analysis to adjust the income levels of California and U.S. residents according to price levels in L.A. County. In other words, we adjust the data so that the spending power of California and U.S. residents is equivalent to that of L.A. residents.



After applying this income adjustment to our data, we generate a series of life satisfaction scores, shown above. The graph on the left labeled “Original” provides the life satisfaction scores we originally observed, where life satisfaction in L.A. County is statistically significantly lower than that in the United States. The graph on the right labeled “Cost of Living Adjustment” provides the life satisfaction scores we observe when cost of living adjustments are made. According to this graph, when cost of living adjustments are made, the life satisfaction gap between L.A. County and U.S. residents disappears and loses its statistical significance. This indicates that indeed, the higher cost of living in L.A. contributes to lower levels of life satisfaction overall.

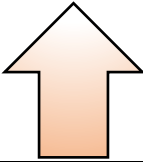
◆ **Finances matter most for overall life satisfaction in L.A. County but they are the life domain with which residents feel the least satisfied.**

Why is the high cost of living in L.A. associated with lower levels of life satisfaction? Perhaps because finances matter so much to residents. In addition to our overall life satisfaction questions, we ask L.A. County residents to rate their satisfaction with different domains of life², including their family life, social life, work life, financial situation, self-worth, health and free time.

² Loewe, N., Bagherzadeh, M., Araya-Castillo, L., Thieme, C., & Batista-Foguet, J. M. (2014). Life Domain Satisfaction as Predictors of Overall Life Satisfaction Among Workers: Evidence from Chile. *Social indicators research*, 118(1), 71–86.

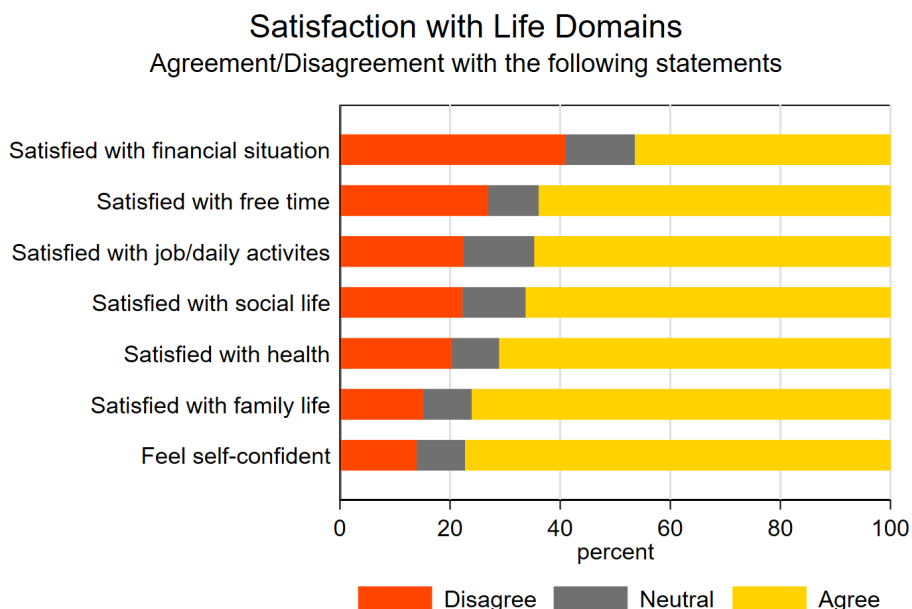
We then analyze the relationship between overall life satisfaction and domain-specific satisfaction, controlling for demographic factors that might influence overall life satisfaction. Our results indicate that the domains that matter most for life satisfaction in L.A. are, in order of importance (a.k.a. “effect size”): financial situation, family life, self-worth, and work life or daily activities. Below, we list the survey’s life domain statements in descending order according to their effect on overall life satisfaction.

Life Domains that Matter for Life Satisfaction

EFFECT SIZE	LIFE DOMAIN	EFFECT TYPE*
	Domains that <u>Matter</u>	
	I am satisfied with my financial situation	+
	I am satisfied with my family life	+
	I feel self-confident	+
	I am satisfied with my job or other daily activities	+
	Domains that <u>Matter Less</u>	
	I am satisfied with my social life	Ø
	My health is excellent	Ø
	I am satisfied with the amount of free time I have	Ø

*+ represents a statistically significant positive effect on neighborhood satisfaction, - represents a statistically significant negative effect, Ø represents a non-significant effect

As can be seen in the above figure, an individual’s financial situation matters most for their overall life satisfaction, along with their family life. In the figure below, we see the percentage of L.A. County residents who agreed or disagreed with each life domain statement.



Notably, we find that, of all of the life domains we asked about, finances are the life domain with which residents feel the least satisfied. Most other domains are relatively equivalent in their ratings, generating high levels of satisfaction. In sum, finances matter a lot to residents, but they are the domain of life with which residents feel the least satisfied. This is consistent with the cost-of-living explanation for why Angelenos report lower levels of life satisfaction relative to the rest of the country.

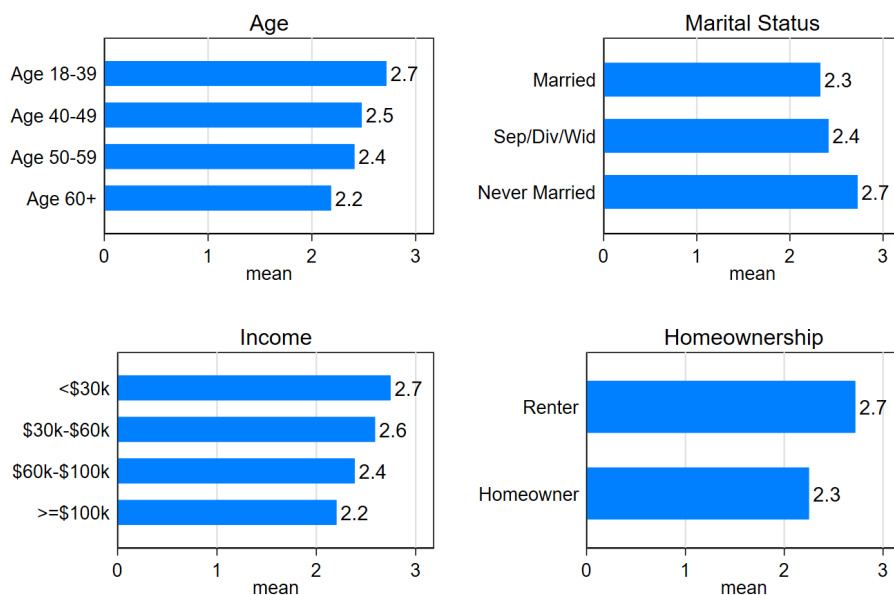
Stress

To assess levels of stress in L.A. County, we ask residents four questions³ about the frequency with which they experienced symptoms of stress in the last 30 days. We average responses to these questions to generate a “stress frequency score” with a scale of 1 (never) to 5 (very often).

♦ L.A. County residents have low levels stress – but half experienced a major life stressor in the last year.

On average, we find that L.A. residents experience stress at a frequency of 2.5, or halfway between “almost never” and “sometimes.” This suggests that experiences of stress are relatively infrequent, on average. That said, we find that 52% of L.A. residents experienced a major life stressor in the last year, including the death of someone close, a major illness in someone close, a major financial setback, and/or relationship difficulties.

Stress Index (1-5), by Demographic Characteristics



³ Cohen, S., Kamarck, T., & Mermelstein, R. (1983). A global measure of perceived stress. *Journal of Health and Social Behavior*, 24, 385-396.

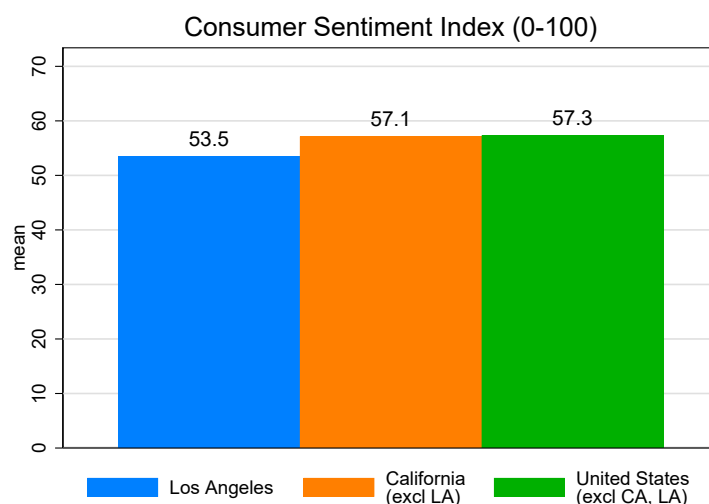
Levels of stress do vary significantly by age, homeownership status, income, race, gender, and marital status. Select differences are reported on the previous page. For example, we find that the average level of stress among renters (2.7) is 20% higher than it is among homeowners (2.3) and similar to the stress level reported by low-income residents (2.7) and residents under age 40 (2.7). We also find that renters are 20% more likely than homeowners to experience a major life stressor in the last year, after controlling for demographic differences including income. This suggests that L.A. residents may be uniquely exposed to daily and major life stressors, as L.A. residents are more likely than other U.S. residents to be renters than homeowners.

Economic Outlook

To assess consumer sentiment⁴ at the county, state, and national levels, we ask respondents to rate their current financial situation, future financial situation, current business conditions in the county, future business conditions in the county, current business conditions in the United States, and future business conditions in the United States on a sliding scale of 0 to 100, with 0 representing “poor” and 100 “excellent.” To calculate a consumer sentiment score for each respondent, we take the average of these six measures.

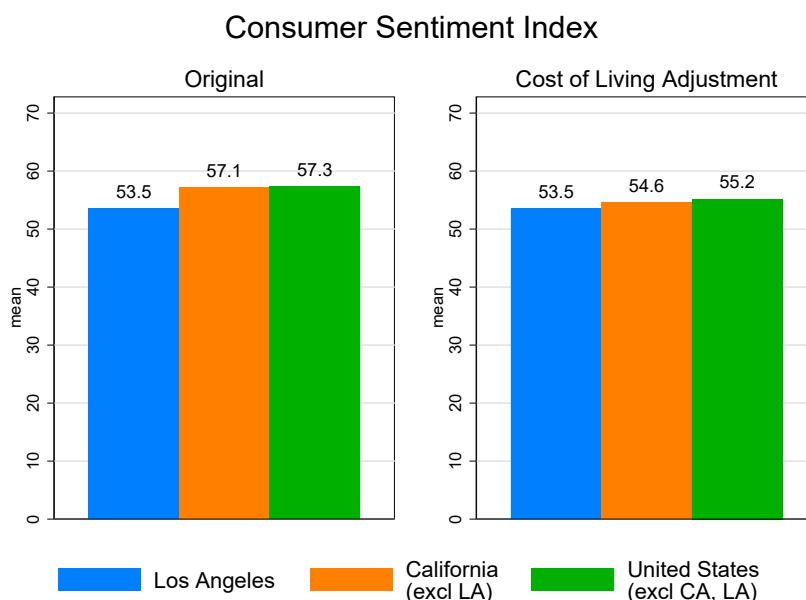
◆ Consumer sentiment in L.A. is lower than the state and national averages.

On a scale of 0 to 100, where 0 denotes low consumer sentiment and 100 denotes high consumer sentiment, consumer sentiment in L.A. County is currently averaging 53.5, reflecting residents’ moderate level of confidence in the economy. This score is statistically significantly lower than the average scores for California and the rest of the country, an indication that L.A. County residents are slightly less optimistic than other U.S. residents about the current and future state of the economy. The importance and persistence of this gap in consumer sentiment will become more apparent in the future, as our survey will track consumer sentiment over time.



⁴ Our consumer sentiment index is an adaptation of the University of Michigan Consumer Sentiment Index.

Our hypothesis is that the consumer sentiment gap between L.A. County and the rest of the United States is a small but meaningful response to differences in cost of living. In L.A. County, we find that higher-status groups — more specifically, native-born residents, mid- to high-income residents and homeowners — exhibit lower levels of consumer sentiment than they do in the rest of the country. To further explore the role cost of living might play in this, we model a scenario in which California and U.S. residents have the same cost of living as L.A. County residents. As we did in our analysis of life satisfaction, we adjust the income levels of California and U.S. residents according to price levels in L.A. County. After applying this income adjustment, we generate a series of consumer sentiment scores, shown below.



The graph on the left labeled “Original” provides the consumer sentiment scores we originally observed, where consumer sentiment in L.A. County is statistically significantly lower than it is in the rest of California and the U.S. The graph on the right labeled “Cost of Living Adjustment” provides the consumer sentiment scores when cost of living adjustments are made. This graph shows that when cost of living is adjusted for, the consumer sentiment gap between L.A., CA, and the U.S. narrows. In fact, the gap between L.A. and CA loses its statistical significance. The gap does not disappear completely, though, between L.A. and the rest of the country, so cost of living contributes to but does not wholly explain lower levels of consumer sentiment in L.A.

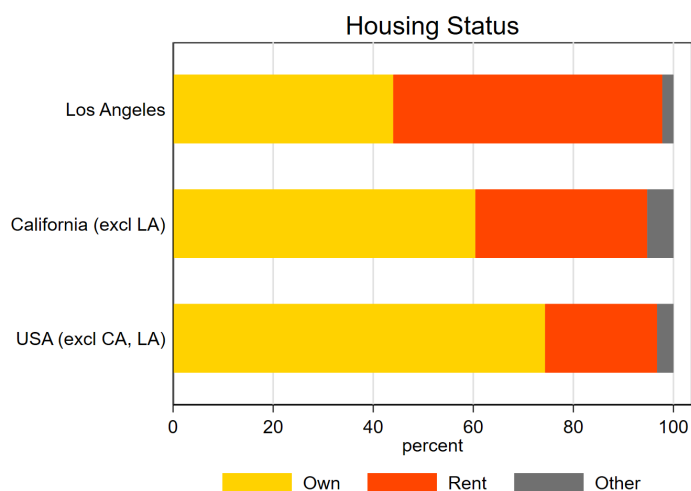
◆ **The majority of L.A. County residents feel secure in their employment and confident about their chances of finding a job in the next year.**

When asked to rate their chances of losing their main job in the next year on a scale from 0 to 100 (where 0 is “no chance” and 100 is “absolutely certain”), 50% of employed residents estimate their chances of job loss at or below 12% and their chances of finding a new job in the next year at or above 75%. Given the low rate of unemployment in L.A., it is not surprising that residents feel secure in their ability to keep or find a job.

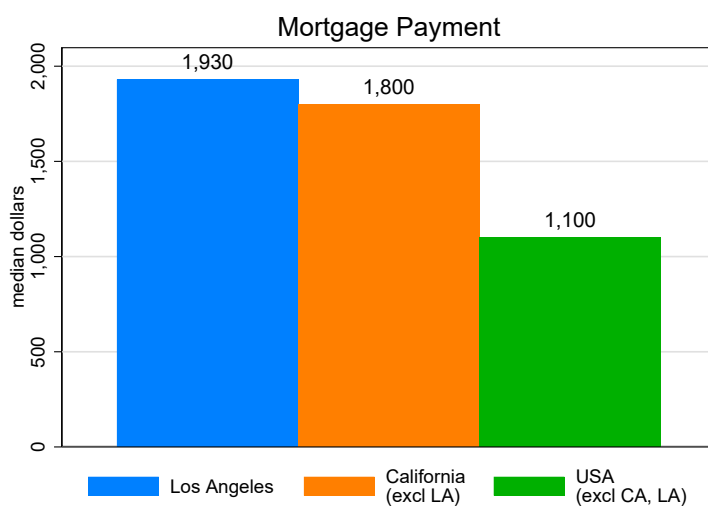
Housing Conditions

- ◆ **Homeownership in L.A. County and the rest of California is lower than the national average – and more expensive.**

According to our survey, 49% of L.A. County residents own their current residence—a rate similar to the rate of homeownership in California (54%) but substantially lower than the rate of homeownership in the rest of the United States (66%).

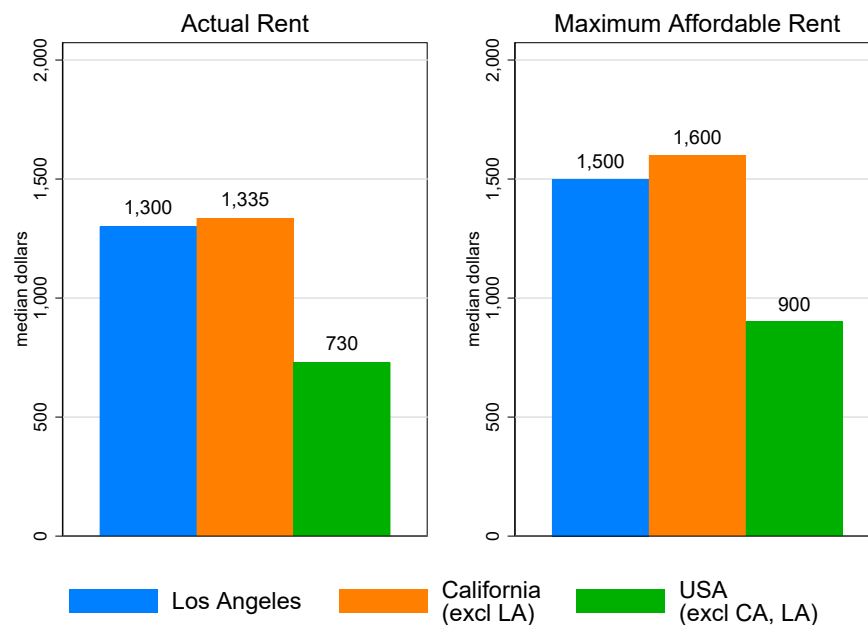


Additionally, we find that L.A. County and CA homeowners pay substantially more for their homes. The median monthly mortgage payment in L.A. County is \$1,930 – 75% higher than the median monthly mortgage payment of \$1,100 reported outside of California.



◆ **L.A. County and other California renters believe they can afford more than other U.S. renters, regardless of their income.**

In L.A. County, the median rent is \$1,300 – 78% higher than the median rent in other parts of the country (\$730) and 44% higher than the median maximum rent that U.S. residents believe they can afford (\$900). In fact, L.A. County and California renters generally believe they can afford more than other U.S. renters, regardless of their income. When residents are asked to report the maximum total monthly rent that they would be able to pay before they would have to find a less expensive place to live, the median responses in L.A. County and California are \$1,500 and \$1,600, respectively, while the median response in the rest of the United States is \$900.

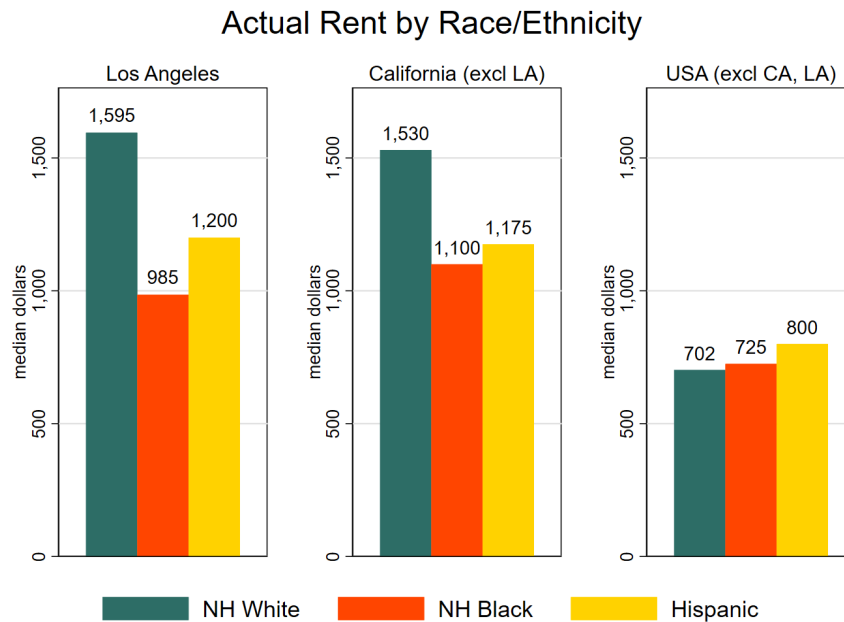


When we account for demographic differences between the samples, including differences in income, this regional difference in affordability limits diminishes only slightly and remains statistically significant. So, California residents do not just pay more in rent than other U.S. residents — they believe they can afford more, and this belief has little to do with their income. It is likely that California renters developed this belief to cope with the high cost of housing in the state.

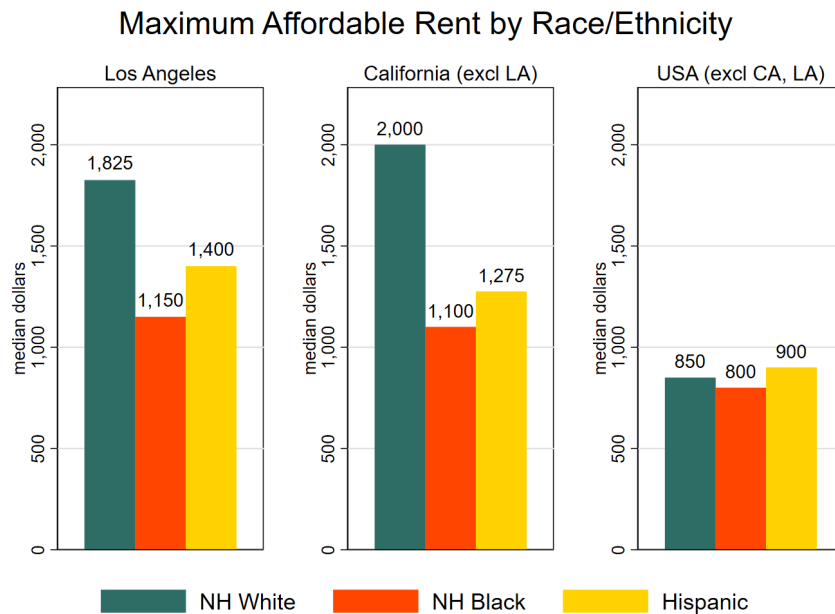
◆ **Rents and affordability limits are substantially less equal across racial and ethnic groups in L.A. County and California than in other parts of the U.S.**

In L.A. County and the rest of California, race and ethnicity have a much bigger effect on what people pay in rent and what they believe they can afford in rent than in the rest of the country. While rents are generally high for everyone in California, they are more racially and ethnically stratified than they are elsewhere in the U.S. Relative to non-Hispanic Whites in the county and state, we find that non-Hispanic Blacks and Hispanics pay substantially less for housing. This gap does not exist in the rest of the country. For example, in L.A., the difference in median rent

between non-Hispanic Whites and non-Hispanic Blacks is \$610, or 62%. In the rest of the U.S., the difference is \$23, or 3%.



This gap in the relative cost of rent across racial/ethnic groups is not driven by differences in income, as the gap remains statistically significant when income and other demographic differences are controlled for.

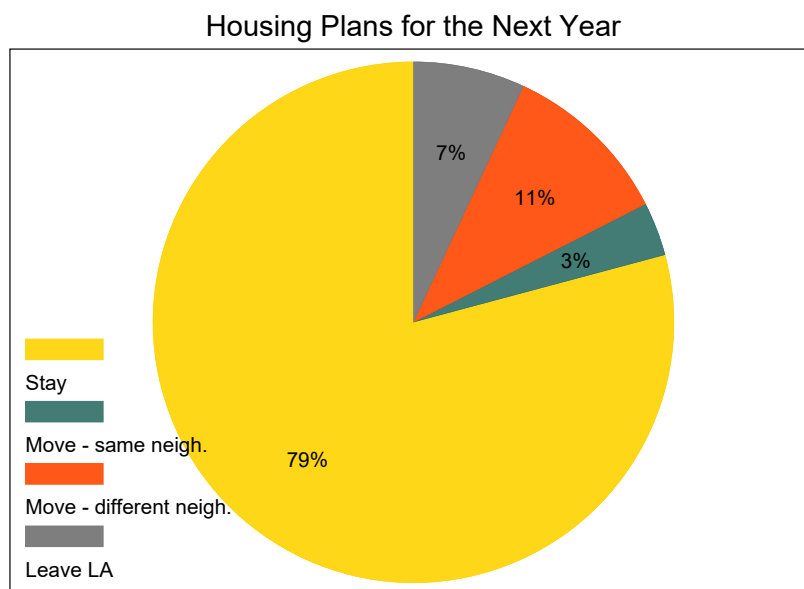


Likewise, we find that in L.A. and California, non-Hispanic Blacks and Hispanics report a lower maximum affordable rent relative to non-Hispanic Whites than they do in the rest of the United States. Again, these differences hold when we control for demographic differences.

Greater racial and ethnic disparities in what renters pay and what they believe they can afford in L.A., and California more generally, likely coincide with greater racial and ethnic disparities in access to quality housing and neighborhoods. They also suggest that housing affordability is determined by more than a person's income—affordability limits vary widely across racial and ethnic groups likely due to the differing social and economic conditions faced by these groups.

♦ **79% of L.A. County residents plan to stay in their current housing this year.
7% plan to leave L.A. County.**

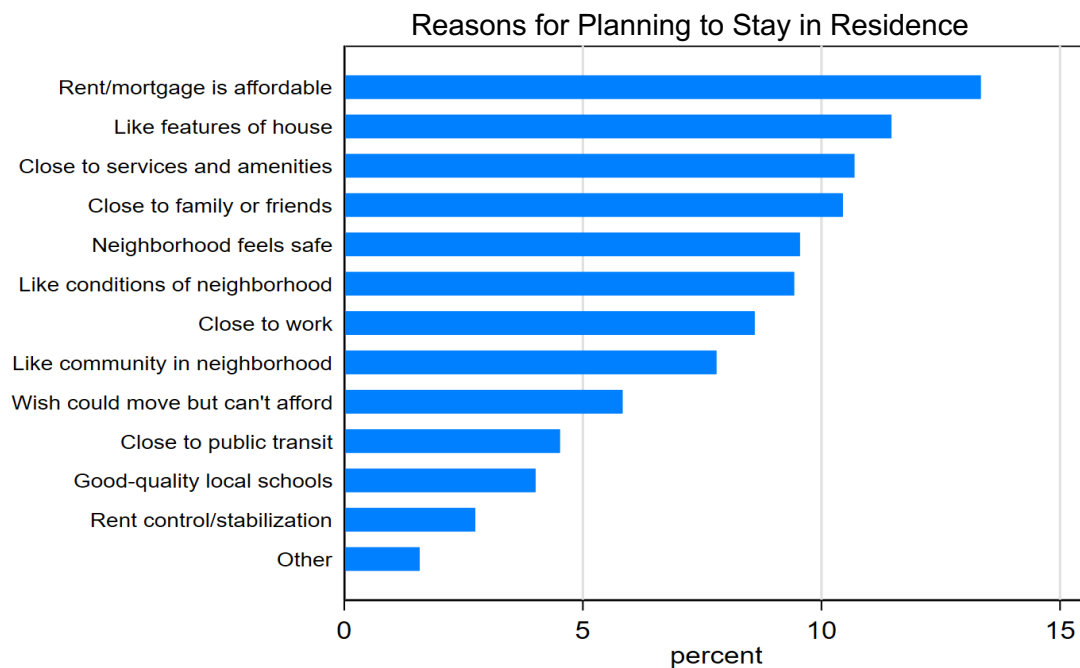
In our survey, we ask L.A. County residents about their housing plans for the next year. Most residents (79%) report that they plan to stay in their current residence. 14% plan to move somewhere else in L.A. County — either to a different neighborhood or to a different residence in their current neighborhood — and 7% plan to leave L.A. County.



Residents' housing plans vary significantly according to their demographic characteristics, including their race, age, marital status, and homeownership status. Non-Hispanic Blacks report a greater likelihood of moving than non-Hispanic Whites; residents under age 40 report a greater likelihood of moving than any other age category; residents who are separated, divorced, or widowed, reporter a greater likelihood of moving than never married or married women. As expected, renters also report a greater likelihood of moving than homeowners. Lastly, we find that men are significantly more likely than women to report that they plan to leave L.A. County in the next year.

◆ **Affordability is the primary reason why 79% of L.A. County residents plan to stay in their residence. It is also the primary reason why 21% plan to move.**

The three most frequently cited reasons why the majority of L.A. County residents plan to stay in their current residence in the next year are (1) they consider the rent or mortgage to be affordable, (2) they like the features of the residence, and (3) their residence is close to services and amenities. About 5% of LA residents would move if they could but plan to stay in their current residence because they cannot afford to move elsewhere.

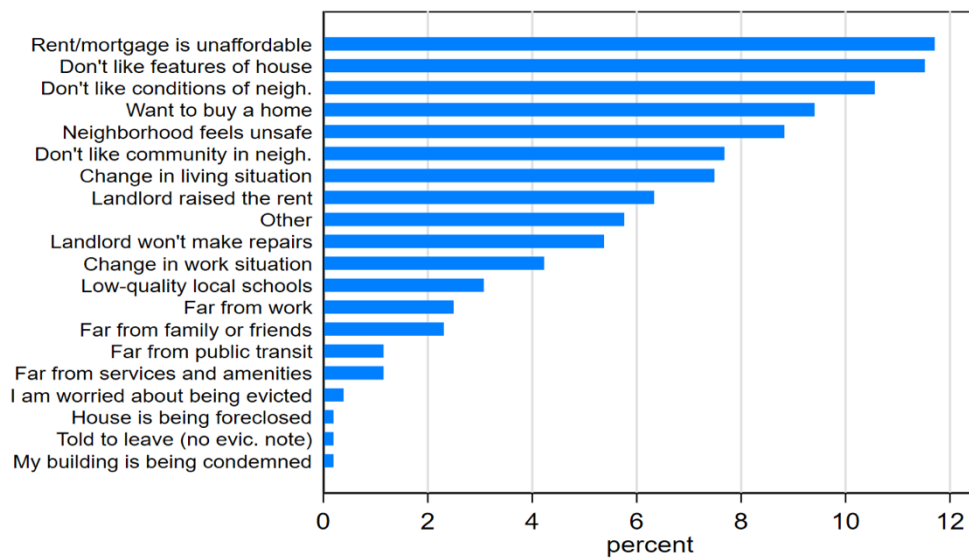


Affordability is also the most frequently cited reason why 21% of LA residents plan to move from their current residence in the next year.

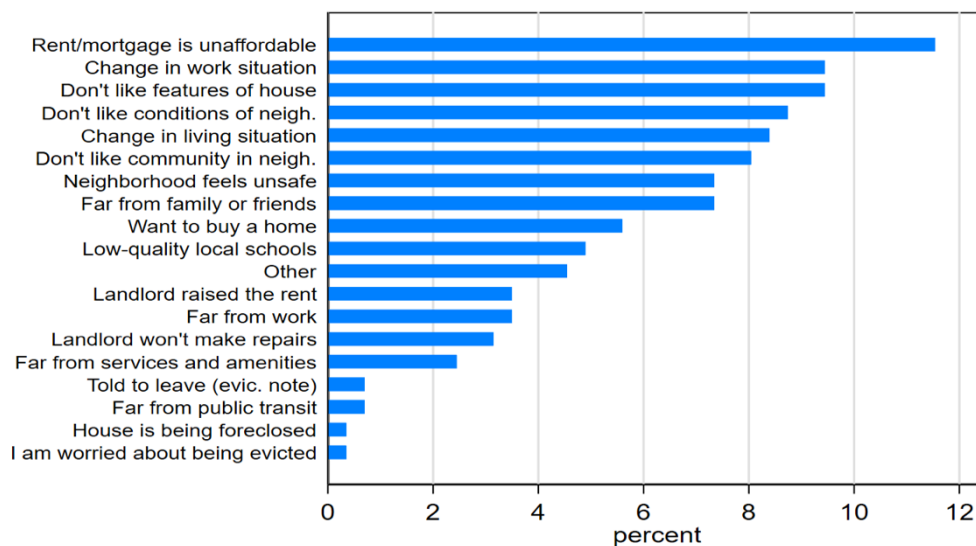
Disliking the features of one's home ranks high as a reason to move. However, the reasons for moving also vary between potential movers who plan to stay in L.A. and those who plan to leave L.A. Among residents who plan to move but stay in L.A., one of the most frequently cited reasons for moving is neighborhood conditions. Among residents who plan to leave L.A. altogether, one of the most frequently cited reasons for moving is a change in work situation.

Among those who plan to move in the next year, 37% plan to buy a home. Among homeowners who plan to move in the next year, 35% plan to sell their current home. Thus, the majority of homeowners who plan to move this year still plan to hold onto their current property.

Reasons for Planning to Leave Residence and Stay in LA



Reasons for Planning to Leave Residence and Leave LA



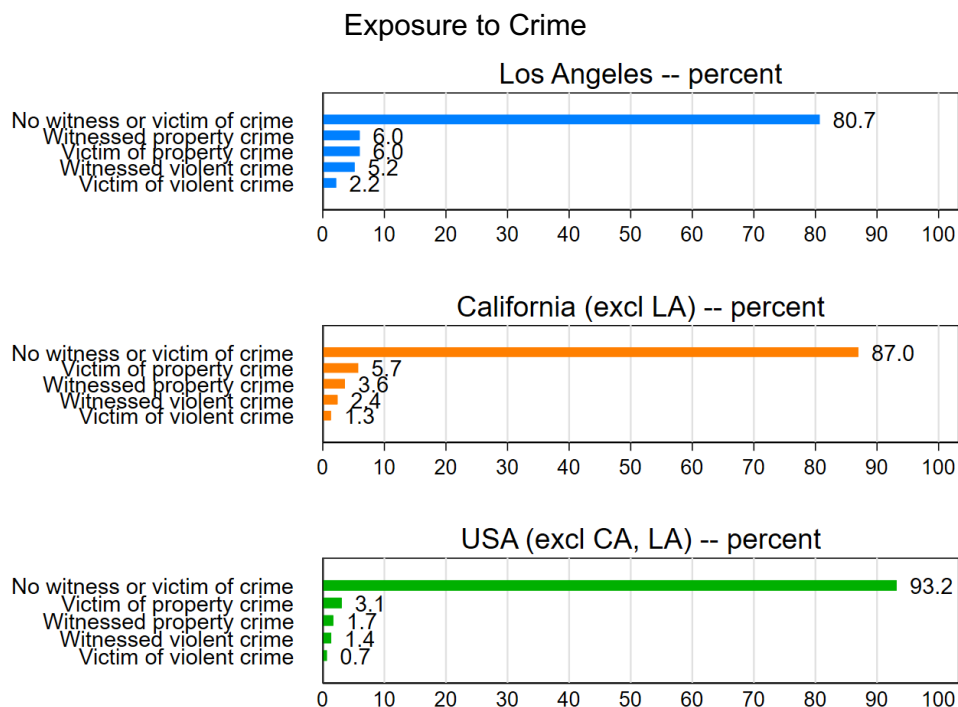
Crime and Safety

To assess L.A. County residents' exposure to crime, we ask our county, state, and national samples if they had witnessed or been the victim of a violent or property crime in the last year.

♦ L.A. County and California residents are more likely to witness or be victimized by a crime than other U.S. residents.

Our results show that L.A. and CA residents are significantly more likely than other U.S. residents to witness or be the victim of a crime. Exposure to crime is particularly high in L.A., where 19% of residents were exposed to crime in the last year.

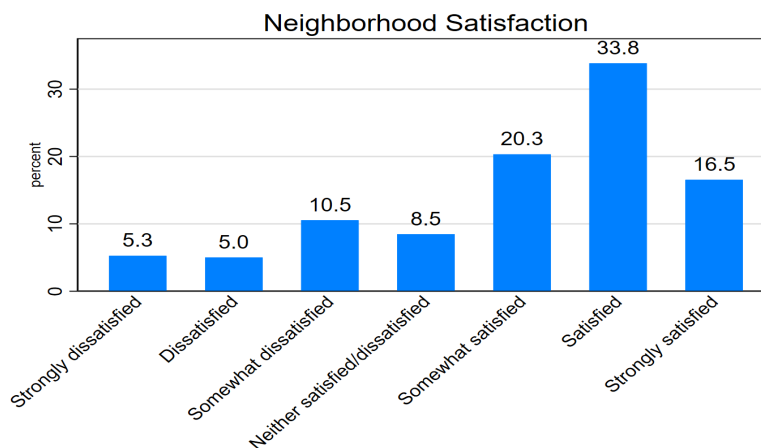
More specifically, we find that L.A. residents were two to three times more likely than other U.S. residents to witness or be the victim of a violent crime and they were three to four times more likely to witness or be the victim of a property crime. These differences in crime exposure cannot be explained by demographic differences across the regions.



Neighborhood Conditions

◆ About 70% of L.A. residents are satisfied with their neighborhood.

When asked to rate their level of satisfaction with their current neighborhood, 70% of LA residents report that they are somewhat satisfied, satisfied, or very satisfied.



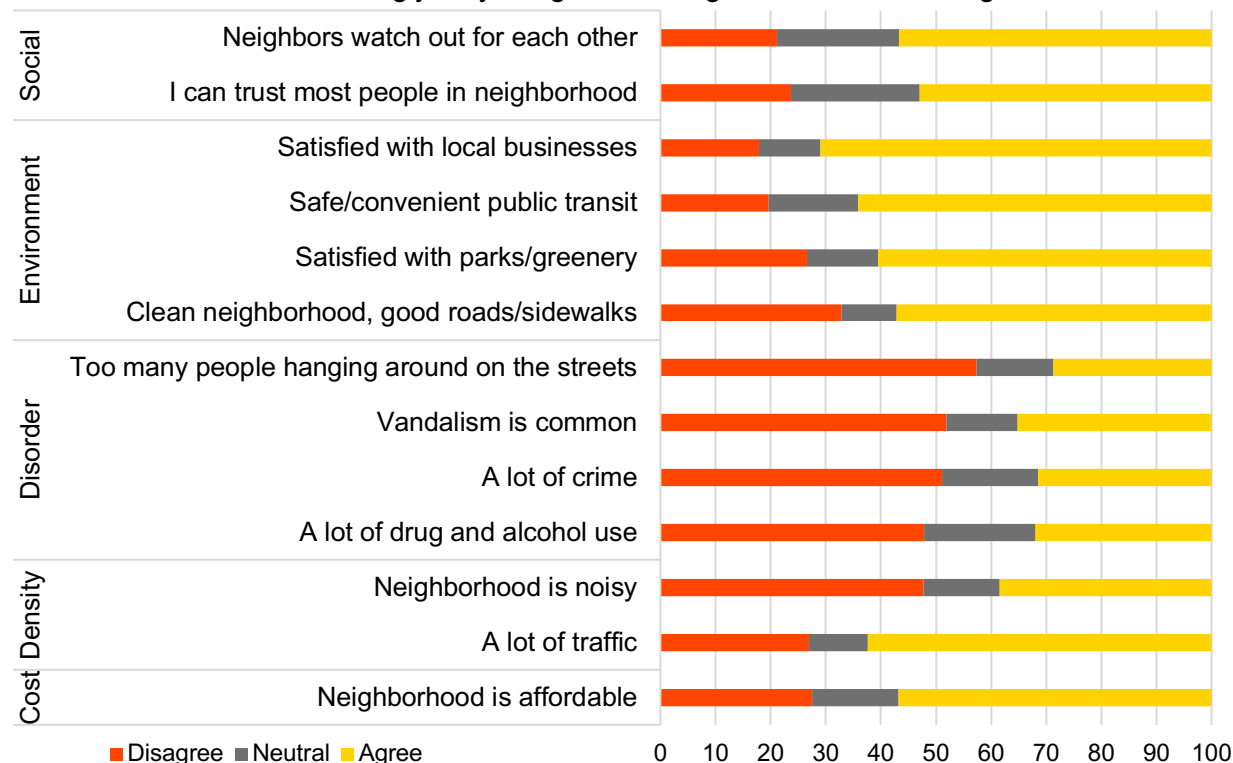
On a scale of 1 to 7, where 1 denotes strong dissatisfaction and 7 denotes strong satisfaction, the average neighborhood satisfaction score in L.A. County is 5.01, or “satisfied.” Additionally, we find that average neighborhood satisfaction increases significantly with age, income, education, employment, and homeownership.

◆ **Social trust, cleanliness, and safety matter most for neighborhood satisfaction in L.A. County. Affordability and traffic do not.**

In addition to assessing overall neighborhood satisfaction, we ask L.A. County residents to rate their level of agreement or disagreement with various statements about their neighborhood ranging from statements about social trust to statements about the physical/natural environment, disorder⁵, density and cost. We find that residents are more likely to agree than disagree that there is social trust in their neighborhood, that they are satisfied with their neighborhood environment, that signs of disorder in the neighborhood are minimal, and that their neighborhood is affordable. Altogether, these findings suggest that residents generally like the neighborhoods in which they live, or they generally move into neighborhoods they like.

Satisfaction with Characteristics of Neighborhood

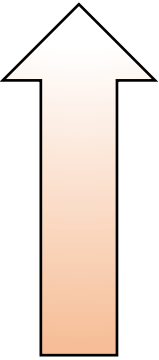
Q: How strongly do you agree or disagree with the following statement?



⁵ Ross, C. E. & Jang, S. J. (2000). Neighborhood Disorder, Fear, and Mistrust: The Buffering Role of Social Ties with Neighbors. *American Journal of Community Psychology*, 28(4), 401-420.

The neighborhood characteristics that matter more for neighborhood satisfaction in L.A. are, in order of importance (a.k.a. “effect size”): social trust, neighborhood cleanliness and street quality, and safety. Below, we list the neighborhood characteristic statements in descending order of their importance for overall neighborhood satisfaction.

Neighborhood Characteristics That Matter for Overall Neighborhood Satisfaction

EFFECT SIZE	NEIGHBORHOOD CHARACTERISTIC	EFFECT TYPE*
	Characteristics that <u>Matter</u>	
	Neighbors watch out for each other	+
	Neighborhood is clean, roads/sidewalks in good shape	+
	I can trust most people in my neighborhood	+
	There is a lot of crime	-
	My neighborhood is noisy	-
	There are too many people hanging around the streets	-
	There are safe and convenient public transit options	+
	I am satisfied with the number/quality of businesses/services	+
	Vandalism is common	-
	Characteristics that <u>Matter Less</u>	
	I am satisfied with the number/quality of parks/green spaces	Ø
	There is a lot of drug and alcohol use	Ø
	My neighborhood is affordable for me	Ø
	There is a lot of traffic in or around my neighborhood	Ø

*+ represents a statistically significant positive effect on neighborhood satisfaction, - represents a statistically significant negative effect, Ø represents a non-significant effect

In the above figure, social trust is the most strongly correlated with overall neighborhood satisfaction. The more a resident feels that the people in their neighborhood are trustworthy and watch out for each other, the more satisfied they are with their neighborhood. Neighborhood cleanliness and good roads and sidewalks rank second in their importance for neighborhood satisfaction and perceptions of crime rank fourth.


Notably, perceptions of affordability and traffic — common grievances in L.A. County — are not significantly correlated with neighborhood satisfaction. Residents factor these concerns into their neighborhood evaluations to a lesser extent than they do other concerns.

◆ **Neighborhood affordability does matter for life satisfaction in L.A., however.**

After analyzing the neighborhood characteristics that matter more for neighborhood satisfaction, we examine the characteristics that matter more for life satisfaction. Our analyses indicate that

only two neighborhood characteristics have a statistically significant association with life satisfaction: neighborhood affordability and social trust.

Neighborhood Characteristics That Matter for Overall Life Satisfaction

EFFECT SIZE	NEIGHBORHOOD CHARACTERISTIC	EFFECT TYPE*
	Characteristics that <u>Matter</u>	
	My neighborhood is affordable for me.	+
	I can trust most people in my neighborhood	+
	Characteristics that <u>Matter Less</u>	
	In my neighborhood, people watch out for each other	Ø
	There is a lot of drug and alcohol use in my neighborhood	Ø
	I am satisfied with the number and quality of businesses and services in my neighborhood	Ø
	My neighborhood is clean and the roads and sidewalks are in good shape	Ø
	I am satisfied with the number and quality of parks and green spaces in my neighborhood	Ø
	Vandalism is common in my neighborhood	Ø
	There is a lot of crime in my neighborhood	Ø
	There are too many people hanging around the streets near my home	Ø
	There is a lot of traffic in or around my neighborhood.	Ø
	There are safe and convenient public transit options in my neighborhood	Ø
	My neighborhood is noisy	Ø

*+ represents a statistically significant positive effect on neighborhood satisfaction, - represents a statistically significant negative effect, Ø represents a non-significant effect

While cost of living has less of an impact than other concerns on how residents feel about their neighborhood, it has a significant impact on how residents feel about their lives. This is likely because, as we noted earlier in this report, a key determinant of life satisfaction in L.A. is satisfaction with one's financial situation.

Social Engagement

Social ties tend to make life more livable and the results of this survey have shown that social trust factors prominently into people's assessments of their neighborhoods and their lives. But just how socially connected are L.A. residents? We ask residents how often they interact with their neighbors and friends or relatives and how often they participate in various social organizations⁶.

⁶ Ross, C. E. & Jang, S. J. (2000). Neighborhood Disorder, Fear, and Mistrust: The Buffering Role of Social Ties with Neighbors. *American Journal of Community Psychology*, 28(4), 401-420.

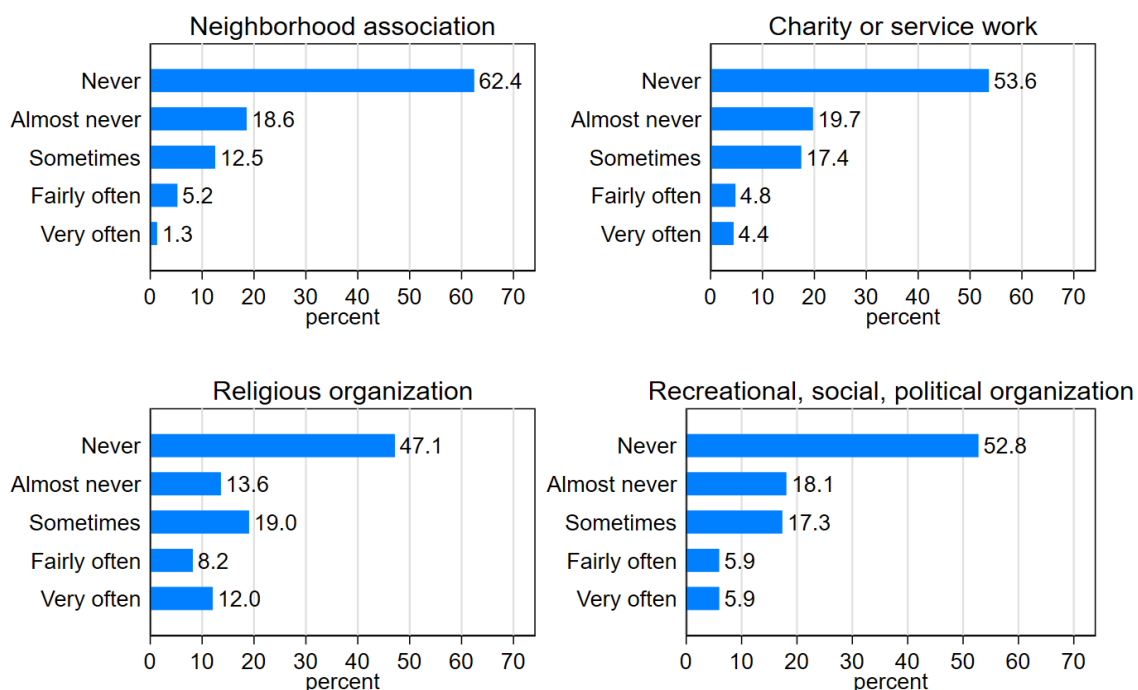
◆ **L.A. County residents do not socialize very often with their neighbors.**

We find that L.A. County residents are not particularly engaged with their neighbors. On a scale of 1 to 5, where 1 is a frequency of “never” and 5 is a frequency of “very often,” residents’ average frequency of engagement with neighbors is 2.6, halfway between “almost never” and “sometimes.” Residents interact more with friends and relatives, at a frequency of 3.6, between “sometimes” and “often.” We also find that levels of social engagement vary significantly across demographic groups. Older people and homeowners are more likely than young people and renters to interact with their neighbors while women and native-born residents are more likely than men and foreign-born residents to interact with their friends or relatives.

◆ **The majority of L.A. County residents participate in at least one social organization. Religious organizations have the highest participation rate; neighborhood associations have the lowest.**

Approximately 60% of L.A. County residents report that they participate in at least one social organization at a frequency of sometimes, often, or very often. Certain types of organizations are more popular than others. Rates of participation are lowest for neighborhood associations and highest for religious organizations — another indication that residents tend to build social relationships outside of their immediate neighborhood.

Organizational Participation



We asked L.A. County residents to tell us what they like most and least about living in L.A. These are the words they use. The bigger the word, the more frequently it is used.

[illegible]

ABOUT US

USC Dornsife LABarometer

LABarometer is a quarterly, internet-based survey of approximately 1,700 randomly selected Los Angeles County residents, designed and administered by the *Center for Economic and Social Research* at the University of Southern California. The survey monitors social conditions in Los Angeles, with a focus on four key issues: livability, mobility, sustainability & resiliency, and affordability & prosperity. By following the same residents over time, LABarometer aims to capture trends and shifts in residents' attitudes and circumstances, allowing decisionmakers in the public and private sectors to better understand the evolving lives and needs of L.A. residents. LABarometer is made possible by the financial support of Union Bank.

Center for Economic and Social Research

The Center for Economic and Social Research (CESR), part of the USC Dornsife College of Letters, Arts and Sciences, conducts basic and applied research in economics, psychology, demography, and sociology. The center's name signifies the breadth of the research, which encompasses numerous disciplines, topics and methodologies. The Center's multi-disciplinary philosophy fosters an informal and free-flowing research environment.

About the Livability Survey

The LABarometer Livability Survey assesses neighborhood quality of life in Los Angeles, guided by the principle that a livable neighborhood is one in which residents feel happy, healthy, safe, socially connected, and with access to important goods, services and amenities. Wave 1 of the Livability Survey covers the following topics: life satisfaction, stress, housing circumstances and plans, housing costs, neighborhood satisfaction, crime and safety, and social engagement. The survey also includes LABarometer's consumer sentiment index, a set of six questions designed to monitor optimism about individual finances and the economy.

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*Special thanks to the Understanding America Study team and the USC Dornsife Office of Communication for their expertise and support.

APPENDIX

LABarometer Panel Information

The LABarometer Panel

The LABarometer panel is an internet survey panel of approximately 1,700 individuals (as of September 30, 2019) residing throughout Los Angeles County. LABarometer is a subpanel of the Understanding America Study (UAS), a national internet panel managed by the USC Dornsife Center for Economic and Social Research.

Following UAS procedures, LABarometer panel members are recruited through address-based sampling using postal codes. Eligible individuals are all non-institutionalized adults aged 18 and older living in a contacted household in Los Angeles County. Compared to convenience (“opt-in”) panels, LABarometer’s probability-based panel is more likely to accurately reflect our population of interest, Los Angeles County, and to reduce biases in our estimates. All LABarometer surveys include weights, which allow data users to generalize survey results to the larger population of Los Angeles County residents.

Below is a summary of the demographic composition of the LABarometer panel (as of September 30, 2019), alongside Los Angeles County population benchmarks for individuals aged 18 and older obtained from the 2016 American Community Survey.

LABarometer Panel Demographic Characteristics and Population Benchmarks (percentages)

Demographic Characteristics	LABarometer Panel (N = 1,698)	Los Angeles County (N = 7,832,110)
Female	62.5	49.3
Age		
18-34	37.4	33.5
35-44	22.0	17.8
45-54	15.9	17.6
55-64	12.9	14.9
65+	11.8	16.2
Race & Ethnicity		
NH White	29.7	26.5
NH Black	7.4	7.9
NH Other	16.9	17.2
Hispanic	46.0	48.4
Education		
Less than BA	58.2	69.2
BA or more	41.8	30.8
Foreign-born	25.2	34.3

The Understanding America Study

The Understanding America Study (UAS) is a national internet panel of approximately 8,000 non-institutionalized adults living in households throughout the United States. It includes special subpanels of California residents, Los Angeles County residents (the LABarometer panel), and Native Americans. The UAS started in 2014 and has been expanding since. Panel members are recruited in batches through a probability-based sampling design. As of September 30, 2019, there are 19 recruitment batches. The UAS draws from multiple sample frames (United States population, California, Los Angeles County, Native American population), but each batch is drawn from only one frame. The UAS uses an adaptive sampling approach to keep the subpanels representative of their target populations, even in the face of selective nonresponse and attrition. Nevertheless, sampling weights that adjust for imbalances in the distribution of demographics and socio-economic variables are provided with each survey. To ensure full coverage of the targeted populations, the UAS provides internet-connected tablets to individuals who do not have internet access.

Panel Recruitment and Retainment

Procedures for LABarometer panel recruitment and retainment follow UAS procedures. For a full description of UAS recruitment procedures, visit: <https://uasdata.usc.edu/page/Recruitment>. For a full description of UAS retainment procedures visit: <https://uasdata.usc.edu/page/Retainment>.

In line with the general UAS recruitment procedure, LABarometer panel members were recruited in batches. The bulk of the LABarometer panel (91%) belongs to batches specifically targeting Los Angeles County residents, namely LA County Batches 2 - 5.⁷ The remainder of the sample is split between California Batches 1 and 2 targeting California residents, which account for 5% of the LABarometer sample, and the ASDE Nationally Representative Batch and MSG Nationally Representative Batches 1 and 4-8, accounting for another 4% of the sample. For a full description of response rates for each of these batches, visit: <https://uasdata.usc.edu/page/Response+And+Attrition>.

Attrition rates have not yet been calculated for the LABarometer panel. LABarometer attriters are defined as panel members who have not participated in a UAS survey in 10 months or who, according to the UAS quarterly household survey, no longer reside in Los Angeles County.

Survey Participation

LABarometer panel members take surveys specifically designed for Los Angeles County residents, as well as general UAS surveys, which allow for comparisons of outcomes between Los Angeles and other geographic areas in the country. Response rates for each LABarometer survey are provided with each survey's documentation. All surveys are distributed online in English and in

⁷ UAS recruitment batch 4 is a simple random sample from a list of women who gave birth in Los Angeles County between 2009 and 2012 in zip codes around restaurants participating in a healthy menu options project. Because of the highly specific nature of this subsample, we do not include UAS members from batch 4 in the LABarometer sample.

Spanish and are mobile-friendly. To participate in a survey, panel members can use any computer, cell phone, or tablet with Internet access.

Standard Variables

Following UAS procedures, each LABarometer dataset contains a set of default survey and demographic variables. Default survey variables include individual, household, and batch identifiers, language indicator, time stamps, and respondents' rating of how much they liked the survey. The demographic variables provide background information on the respondent and household, including gender, age, race/ethnicity, education, marital status, work status, state of residence, family composition, and family income. Demographic variables are taken from the most recent MyHousehold survey, which elicits UAS members' basic demographic information every quarter. If at the time of a survey, the information in MyHousehold is more than three months old, a respondent is required to check and update the information before being able to take the survey. The complete list of standard variables included with each LABarometer (and UAS) dataset is available at <https://uasdata.usc.edu/page/Standard+Variables>.

Survey Weights

Each LABarometer dataset includes a set of survey weights. These weights allow data users to generalize survey results and statistics to the reference population. This is the Los Angeles County adult population, for Los Angeles County-specific surveys, or the U.S. adult population for general UAS surveys.⁸ The weighting procedure consists of two steps. In the first step, we generate base weights that correct for unequal probabilities of selection in the sample. Due to selective nonresponse, the sample of actual respondents may have different characteristics than the population of interest, even after correcting for different sampling probabilities through the base weights. Hence, in the second step, we calculate post-stratification weights (using a raking algorithm) so that weighted distributions of specific socio-demographic variables in each survey sample match their population counterparts. The socio-demographic variables used in this second step of the weighting procedure are gender, race/ethnicity, age, and education. For post-stratification purposes, population benchmarks are obtained from the American Community Survey and the Current Population Survey. A full description of the general UAS weighting procedure can be found at <https://uasdata.usc.edu/page/Weights>.

⁸ In national surveys relevant for the LABarometer project, separate weights for Los Angeles residents, California residents (excluding Los Angeles), and U.S. residents (excluding Los Angeles and California) are also provided.

This survey was conducted by the

**University of Southern California
Dana and David Dornsife College of Letters, Arts and Sciences
Center for Economic and Social Research**

Sponsored by



Toplines and survey data available at
<https://cesr.usc.edu/labarometer>

**For more information,
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