

# **PASADENA'S TALE OF TWO CITIES: 2014**

Low wages, high rents, a growing economic divide and a failure to act make Pasadena one of California's most unequal cities



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Pasadena has a well-deserved reputation as a “livable” city. But the question must be asked: Livable for whom?

Pasadena has become one of California’s most unequal cities. It welcomes affluent residents, while poor families and even middle-class households can barely make ends meet. Many families have been pushed out of Pasadena by rising housing prices.

The city is now characterized by a widening income gulf, low wages and high rents. That’s the troublesome reality as documented by the latest Census figures and other data.

This harsh reality is not simply the result of inevitable economic forces. Decisions made in City Hall — particularly about jobs and housing — contribute to Pasadena’s widening income gap and the hardships encountered by a significant number of families.

Will any of these problems become issues in the upcoming races for Mayor and City Council? Will candidates for these offices propose solutions to address Pasadena’s tale of two cities? Will any of them run on a platform to improve Pasadena by creating an economy where prosperity is widely shared rather than concentrated in the hands of a relatively small number of wealthy people?

## **Inequality**



Several years ago the Occupy Wall Street movement popularized the phrase “the 1 percent vs. the 99 percent” to characterize America’s widening economic divide and the growing influence of Wall Street and big business in our political system. Indeed, nation’s super-rich have gained a growing share of the nation’s wealth. Recent studies show that the top 10 percent of households garner over 75 percent of the country’s wealth and that the top 1/1000 has over 20 percent of the wealth, triple the percentage in the 1970s.

A standard way to measure inequality is to look at the concentration of income among the rich — how the economic pie is divided. In 2012, the richest one-fifth of Pasadena households — those with incomes over \$140,000 -- had over half (53.4 percent) of the income earned by city residents.

On this measure, Pasadena ranks fourth among California’s 50 largest cities, behind Los Angeles (55.4 percent), Oakland (55.2 percent), and San Francisco (54.2 percent). (See Table 1)

At the very top, the richest 5 percent of Pasadena households — those with household incomes above about \$300,000 -- have almost one-quarter (22.96 percent) of city residents’ total income. On this measure, too, only three cities — Los Angeles (25.8 percent), Oakland (24.6 percent), San Francisco (24.22 percent) — have a higher concentration of income among the richest five percent. (See Table 2)

In contrast, the poorest one-fifth of Pasadena households -- those with incomes below \$30,000 — combined have only 2.39 percent of all residents' income. As Table 1 reveals, only in San Francisco do poor households have a smaller share of citywide income.

Pasadena is even more unequal than the country and California.

Another standard way to measure inequality is to consider the gap between the rich and poor. To do this, we compared the average income of households near the top (the richest five percent of households) with the average income of those near the bottom (the poorest 20 percent of households).

In Pasadena, the average income of the richest five percent of households (\$431,728) is more than 38 times greater than the average income of the poorest 20 percent of households (\$11,234). Once again, only three of California's 50 largest cities — San Francisco, Los Angeles, and Oakland — have a wider rich-poor gap. (See Table 3)

When we compare the gap between the richest 20 percent and the poorest 20 percent, Pasadena is, once again, nearly the most unequal California city. The average income of Pasadena's richest 20 percent household (\$251,161) is 22.4 times greater than the average income of the poorest 20 percent (\$11,234). On this measure, only San Francisco outdoes Pasadena as California's capital of inequality. (See Table 3)

Who lives in Pasadena? People arrive and people leave, but there's a pattern to the city's changing demographics.

The 2008–2009 Great Recession took a toll on Pasadena households causing incomes to fall, so that by 2013, adjusted for inflation, the average income was no higher than in 2007. But the impact was more devastating for the poor. Between 2007 and 2013, the percentage of households with incomes below \$25,000 jumped from 17.9 percent to 20.1 percent, while the percentage of households with incomes over \$100,000 increased from 30.1 percent to 35.9 percent. The percentage in the middle range, between \$25,000 and \$100,000, fell from 52.1 percent to 44 percent.

During that period, the number of poor households with incomes below \$25,000 increased by 3,000. At the same time, Pasadena added about 3,000 households with incomes over \$100,000. In between, the number of middle income group, \$25,000 to \$100,000, fell by 1,000 households. (See Table 4)

### Low wages



Over 22,000 of the nearly 70,000 employed Pasadena residents earn less than \$15 per hour. (See Table 5) These low-wage workers are not teenagers employed over the summer: 80 percent of

the low-wage earners work year-round and 62 percent work full time and year-round. (See Table 6)

Pasadena residents making less than \$15 per hour are concentrated in a few industries. Retail trade is the largest low-wage employer with more than 3,000 workers, over one-half of the retail labor force, earning less than \$15 per hour. In food and drink services, over 70 percent of the workforce, about 2,500 Pasadenans, earns less than \$15 per hour. Health care and education also have significant number of low-wage workers, although not surprisingly, in those industries a majority earns more than \$15 per hour. (See Table 7)

These data are for all people who *live* in Pasadena, but don't necessarily *work* here.

Data on those who *work* in Pasadena — but may or may not live here — are available only for 2007 (more recent data have not been released.) There are more than 100,000 people working for Pasadena businesses where employees earn an average over \$57,000 a year. But that figure can be very misleading because many people earn much less than that. A significant number, in fact, earn-poverty level wages. In particular, some of the city's largest employment sectors pay extremely low wages. These include fast food restaurants (average pay: \$13,375), car washes (\$15,589), full service restaurants (\$15,833), parking lots (\$19,070), department stores (\$19,745), and supermarkets (\$23,586). Tourism is one of Pasadena's largest industries. The average pay for hotel employees in Pasadena was \$30,609 in 2007, but the majority of workers in that industry earn much less than that. (See Table 8)

Many Pasadena residents work in Los Angeles, which is about to adopt a citywide minimum wage significantly higher than the state level. This will help lift some Pasadena residents out of poverty. But Pasadena needs to adopt its own citywide minimum wage as well. Doing so will help reduce the gap between the rich and poor in Pasadena.

## **Poverty in Pasadena**



In 2005, before the recession caused by the housing bubble and Wall Street's reckless practices, 14.1 percent of Pasadena residents lived below the poverty line. Three years later, at the peak of the recession, Pasadena's poverty rate rose to 16.7 percent. But even after the recession ended, Pasadena's economy did not fully recover, especially for the poor. In 2013, 16.3 percent of its residents lived in poverty, higher than the nation's 15.8 percent poverty rate. Yet, during this same period, the percentage of Pasadena households with incomes over \$200,000 increased from 6 percent to more than 10 percent. (See Table 9)

Why are so many Pasadenans stuck in poverty? The growing number of low-wage jobs is a major factor. Many formerly middle-class workers saw the incomes plummet during the recession. By the time the recession ended, many of those decent jobs had disappeared. So the profile of poverty in Pasadena includes many formerly middle class people as well as many

people who have remained stuck in poverty. Many of them are the “working poor” -- those who earn their poverty on the job as a result of very low wages.

The city’s development policies exacerbate the poverty and inequality problems. For example, the City Council, the Planning Commission, and other city agencies have aggressively promoted Pasadena’s low-wage tourism sector, eager to entice new hotels to accommodate visitors. Hotels primarily provide low-wage jobs with few if any benefits, such as health insurance. As a tourist destination, Pasadena is “hot” and occupancy rates in its existing hotels are very high -- 90 percent in 2014. But only one Pasadena hotel pays its workers living wages with decent health care benefits — the Hilton — and that’s because its workers are members of UNITE HERE, the hotel workers’ union, and have a contract guaranteeing decent wages and benefits.

There are currently five new hotels in the city’s development pipeline. If approved, these hotels will create as many as 500 new jobs. But what kind of jobs? Almost all of them will pay poverty-level wages without health insurance. If the Pasadena City Council adopted a citywide minimum wage — like a growing number of cities around the country are doing — many existing low-wage workers and many future employees would be lifted out of poverty. Moreover, they would spend the additional money in local businesses, thus improving the city’s overall economy.

A good example of the city’s misguided development priorities is currently under construction at the corner of Colorado Boulevard and Mentor Avenue. When the construction is complete, a new 156-room luxury “boutique” hotel called the Constance Hotel will open for business. Three years ago, when the City Council approved the project, critics pointed out that, according to the developer’s own economic analysis, the average wages for the hotel workers would be \$22,000 —below the poverty level. They noted that few of the hotel’s employees would be able to afford to live in Pasadena on such meager salaries due to the city’s desperate shortage of low-rent housing.

People who pass by that construction project probably don’t know that the building was once called Pasadena Manor and was home to 160 elderly and disabled people. Those residents, many of whom had lived there for many years, were involuntarily and illegally evicted from their homes in 2007. Several of them died soon after they were pushed out by the landlord, who emptied the building before selling it to Singpoli Pacifica, an Arcadia-based developer, for \$14 million. The City Council failed to require the landlord to provide tenants with adequate notice and relocation expenses, as the law required.

To make matters worse, the City Council allocated \$11.1 million of its federal stimulus funds because the developer claimed it needed the funds to make the project economically feasible. Many Pasadenans question whether taxpayers should subsidize a private developer to create poverty-level jobs, but city officials continued to insist that the government funds were needed to restore the historic building (built in 1926) into a luxury hotel. After a lawsuit slowed down the project, the developer forfeited the government subsidies. But Singpoli Pacifica moved forward with the project anyway, which reveals that it didn’t need the government funds in the first place. The subsidy was simply a misguided give-away by city officials too willing to believe whatever developers tell them.

The tragic story of the former Pasadena Manor — and the future Constance Hotel — reflects an odd aspect of Pasadena culture. Many of our city’s government officials and civic leaders seem to care more about old buildings than they care about old people.

In general, while they justifiably take pride in Caltech, the Rose Bowl, our museums and theaters, and our other world-class institutions, they don’t seem to prioritize the needs of the city’s low-income and working-class residents who are the backbone of the Pasadena economy.

## **Rising Housing Costs**



Pasadena is becoming more and more expensive to live in. City policies are fueling gentrification, making it harder for low-income and middle-class families to live here.

As Table 10 reveals, in 2013, 54 percent of Pasadena households paid 30 percent or more of their income in rent — higher than recommended by budget experts. Even more troublesome, more than one-quarter (27.8 percent) of local households paid over *half* their incomes just to keep a roof over their head. These housing burdens have increased in the last decade.

As Table 11 shows, rent takes a much higher proportion of income for the poor. In 2013, 98 percent of those with incomes below \$10,000 spent more than 30 percent of their income on rent. But the rent squeeze isn’t just a problem for the very poor. A whopping 87.6 percent of all households with incomes below \$50,000 pay over 30 percent of their incomes for rent.

More than half (56 percent) of Pasadena households rent their homes. The rent-to-income squeeze not only places a burden on many Pasadena families, it also hurts the local business community. When families spend so much of their incomes on housing, they have less to spend on food, clothing, dry cleaning, movies, and other goods and services, which hurts local businesses. It also makes it more difficult for local employers to find employees who live in the city. Long commutes into Pasadena exacerbate traffic congestion and pollution.

Fancy hotels aren’t the only construction projects that are changing Pasadena’s built environment. Over the past decade, the city has added many new housing developments, most of them targeted for high-income residents.

Since 2002, according to city records, Pasadena officials have approved 63 new residential projects with 10 or more units. These have added 3,834 apartments and condominiums to the Pasadena landscape. The largest include the 480-unit Westgate Apartments (where two bedroom apartments start at \$2,740) and the 304-unit Trio Apartments at Colorado Boulevard and Madison Avenue (\$2,637 and up).

Another 16 housing developments, with 1,019 units, are in construction or under review by city officials. These include 212-unit Foothill Crossing at 3330 E. Foothill Blvd. (with 212 units) and the 173-unit Hudson at 674 E. Walnut St.

Thanks to the city's Inclusionary Zoning law, a few of these luxury housing projects include a handful of units that are affordable to nurses, school teachers, and firefighters and even some units that secretaries, janitors, security guards, or hotel workers can afford. But these affordable units are insufficient to make much of a dent in the city's housing crisis, as is evident by the long waiting lists for these apartments. But the Inclusionary Zoning law has a huge loophole. Most developers pay the city a small fee in-lieu of creating affordable housing within these developments. City officials then have to figure out how to spend these funds to create housing affordable to low- and moderate-income families — a difficult task in light of the escalating cost of land in Pasadena.

All this new residential development has done little if anything to address Pasadena's worsening housing crisis. These new projects' expensive rents and condo prices don't reduce pressure on existing rents.

We cannot build our way out of the housing crisis with more and more luxury housing. We have to preserve the existing stock of rental housing (about 30,000 units), which far exceeds the number of new units that can be produced in the several decades. As the city adds more high-end housing, landlords in the existing rental units raise rents to get closer to the rents in the pricy new apartments. Unless the city adopts policies to protect the existing (and shrinking) supply of affordable rental housing, Pasadena's housing crisis will only get worse. The city has several policy options. It can help nonprofit developers purchase existing apartment buildings and preserve them as permanently affordable rental or co-operative housing. It can adopt a version of rent control, which a number of other California cities have done. It can adopt laws to restrict the conversion of apartments to condominiums. Condo conversions increase the cost of housing without increasing the supply. We need to dramatically increase the city's housing supply to meet current and projected population growth. But the Census data indicate that, contrary to those who argue that simply adding more expensive housing relieves market pressures (a theory called "filtering"), it does nothing to help low- and middle-income families. Instead, we need more emphasis on protecting the existing stock of affordable housing, helping families avoid foreclosure, while focusing new construction on affordable units within mixed-income developments.

## **Conclusion**



Many of Pasadena's businesses, including its hotels and other parts of the tourism economy, are thriving, but that prosperity is not "trickling down" to the city's poor and working class residents. For example, the Pasadena Unified School District has still not recovered from years of state budget cuts, which means that PUSD has larger class sizes, a more bare-bones arts,



music, sports, and other programs, than those who attend public schools in more affluent surrounding districts. Will any candidates for Mayor and City Council propose increasing the hotel surcharge, or adding a small surcharge on Rose Bowl tickets, to help improve our public schools?

Pasadena needs to follow the lead of many other cities that extract “community benefit agreements” — including guarantees of decent jobs, affordable housing and other much-needed priorities — in exchange for public funds and city approvals. And Pasadena needs to follow the lead of San Francisco, San Jose, Berkeley, Richmond, San Diego and likely soon Los Angeles in passing ordinances to raise pay above the \$9 California minimum wage.

Until our community starts asking “livable for whom?” and begins addressing the need for affordable housing and good-paying jobs, Pasadena will continue to be a tragic tale of two cities.

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## **Appendix**

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**Table 1**

**CONCENTRATION OF INCOME IN CALIFORNIA CITIES, 2012  
THE SHARE OF TOTAL INCOME OF THE RICHEST 20% AND POOREST 20%  
(50 largest cities in California)**

Source: U.S. Census, American Community Survey, 2012

<b>City</b>	<b>Share of Total Income of Poorest 20% of Population</b>	<b>Share of Total Income of Richest 20% of Population</b>	<b>Ratio of Share of Income of Richest 20%/Poorest 20%</b>
San Francisco	1.97	54.22	27.52
<b>Pasadena</b>	<b>2.39</b>	<b>53.43</b>	<b>22.36</b>
Oakland	2.53	55.28	21.85
Los Angeles	2.58	55.43	21.48
Lancaster	2.45	48.14	19.65
Irvine	2.71	46.92	17.31
Sacramento	2.92	50.46	17.28
Fullerton	2.97	50.48	17.00
Long Beach	3.01	51.12	16.98
Fresno	3.07	51.97	16.93
Hayward	3.05	49.01	16.07
San Diego	3.15	49.73	15.79
Stockton	3.17	49.39	15.58
Victorville	3.02	45.69	15.13
Santa Clara	3.05	45.97	15.07
Garden Grove	3.20	47.93	14.98
Escondido	3.48	50.80	14.60
San Bernardino	3.23	46.89	14.52
San Jose	3.28	47.54	14.49
Oceanside	3.20	46.34	14.48
Riverside	3.35	48.42	14.45
Modesto	3.42	48.91	14.30
Glendale	3.54	50.19	14.18
Thousand Oaks	3.52	49.69	14.12
Palmdale	3.38	47.11	13.94
Visalia	3.44	47.26	13.74
Anaheim	3.55	48.33	13.61
Vallejo	3.44	46.16	13.42
Torrance	3.45	45.72	13.25
Bakersfield	3.69	48.37	13.11

**Table 1 (Continued)**

**CONCENTRATION OF INCOME IN CALIFORNIA CITIES, 2012  
THE SHARE OF TOTAL INCOME OF THE RICHEST 20% AND POOREST 20%  
(50 largest cities in California)**

Source: U.S. Census, American Community Survey, 2012

<b>City</b>	<b>Share of Total Income of Poorest 20% of Population</b>	<b>Share of Total Income of Richest 20% of Population</b>	<b>Ratio of Share of Income of Richest 20%/Poorest 20%</b>
Huntington Beach	3.74	48.75	13.03
Santa Clarita	3.65	46.36	12.70
Santa Rosa	3.91	48.37	12.37
Orange	3.82	46.42	12.15
Pomona	4.05	46.99	11.60
Chula Vista	3.92	44.50	11.35
Sunnyvale	4.03	44.86	11.13
Corona	4.01	44.20	11.02
Rancho Cucamonga	4.20	45.87	10.92
Concord	4.14	45.07	10.89
Salinas	4.32	45.83	10.61
Fremont	4.16	44.09	10.60
Santa Ana	4.41	45.97	10.42
Oxnard	4.44	45.42	10.23
Moreno Valley	4.26	42.85	10.06
Elk Grove	4.22	42.34	10.03
Simi Valley	4.55	45.58	10.02
Roseville	4.46	44.05	9.88
Ontario	4.37	41.99	9.61
Fontana	4.53	42.85	9.46

Table 2

**CONCENTRATION OF INCOME IN CALIFORNIA CITIES, 2012  
THE SHARE OF TOTAL INCOME OF THE RICHEST 5% AND POOREST 20%  
(50 largest cities in California)**

Source: U.S. Census, American Community Survey, 2012

City	Share of Total Income of Poorest 20% of Population	Share of Total Income of Richest 5%	Ratio of Share of Income of Richest 5%/Poorest 20%
San Francisco	1.97	24.22	12.29
Los Angeles	2.58	25.88	10.03
Oakland	2.53	24.64	9.74
<b>Pasadena</b>	<b>2.39</b>	<b>22.96</b>	<b>9.61</b>
Lancaster	2.45	19.09	7.79
Fullerton	2.97	22.49	7.57
Sacramento	2.92	21.35	7.31
Long Beach	3.01	21.68	7.20
Fresno	3.07	22.10	7.20
Irvine	2.71	19.20	7.08
San Diego	3.15	21.02	6.67
Thousand Oaks	3.52	22.81	6.48
Hayward	3.05	19.45	6.38
Stockton	3.17	19.99	6.31
Garden Grove	3.20	19.71	6.16
Modesto	3.42	20.68	6.05
Santa Clara	3.05	18.30	6.00
Escondido	3.48	20.67	5.94
Huntington Beach	3.74	21.40	5.72
San Jose	3.28	18.73	5.71
Glendale	3.54	19.74	5.58
Oceanside	3.20	17.77	5.55
Santa Rosa	3.91	21.53	5.51
Bakersfield	3.69	20.20	5.47
Anaheim	3.55	19.31	5.44
Riverside	3.35	18.01	5.38
San Bernardino	3.23	17.15	5.31
Torrance	3.45	18.13	5.26
Palmdale	3.38	17.59	5.20
Santa Clarita	3.65	18.92	5.18
Victorville	3.02	14.83	4.91
Vallejo	3.44	16.68	4.85

**Table 2 (Continued)**

**CONCENTRATION OF INCOME IN CALIFORNIA CITIES, 2012  
THE SHARE OF TOTAL INCOME OF THE RICHEST 5% AND POOREST 20%  
(50 largest cities in California)**

Source: U.S. Census, American Community Survey, 2012

<b>City</b>	<b>Share of Total Income of Poorest 20% of Population</b>	<b>Share of Total Income of Richest 5%</b>	<b>Ratio of Share of Income of Richest 5%/Poorest 20%</b>
Visalia	3.44	16.46	4.78
Pomona	4.05	18.92	4.67
Orange	3.82	17.49	4.58
Sunnyvale	4.03	17.99	4.46
Rancho Cucamonga	4.20	18.19	4.33
Corona	4.01	17.12	4.27
Concord	4.14	17.42	4.21
Salinas	4.32	17.97	4.16
Santa Ana	4.41	18.33	4.16
Chula Vista	3.92	15.95	4.07
Elk Grove	4.22	16.97	4.02
Fremont	4.16	16.70	4.01
Simi Valley	4.55	18.25	4.01
Oxnard	4.44	17.34	3.91
Roseville	4.46	16.99	3.81
Fontana	4.53	16.51	3.64
Ontario	4.37	14.92	3.41
Moreno Valley	4.26	14.35	3.37

Table 3

**THE RICH-POOR GAP  
INCOME INEQUALITY AMONG CALIFORNIA'S 50 LARGEST CITIES**

Source: U.S. Census, American Community Survey, 2012

City	Avg. Income of Poorest 20%	Avg. Income of Wealthiest 20%	Avg. Income of Wealthiest 5%	Ratio of Wealthiest 20% to Poorest 20%	Ratio of Wealthiest 5% to Poorest 20%
San Francisco	\$10,572	\$290,773	\$519,542	27.5	49.1
<b>Pasadena</b>	<b>\$11,234</b>	<b>\$251,161</b>	<b>\$431,728</b>	<b>22.4</b>	<b>38.4</b>
Oakland	\$9,540	\$209,378	\$373,363	21.9	39.1
Los Angeles	\$9,334	\$201,004	\$375,379	21.5	40.2
Lancaster	\$7,208	\$141,996	\$225,282	19.7	31.3
Irvine	\$15,719	\$272,497	\$445,997	17.3	28.4
Sacramento	\$9,415	\$162,667	\$275,358	17.3	29.2
Long Beach	\$10,120	\$172,376	\$292,374	17.0	28.9
Fullerton	\$12,723	\$216,188	\$385,158	17.0	30.3
Fresno	\$8,462	\$143,318	\$243,774	16.9	28.8
Hayward	\$12,096	\$194,524	\$308,839	16.1	25.5
San Diego	\$13,405	\$211,687	\$357,847	15.8	26.7
Stockton	\$9,201	\$143,526	\$232,379	15.6	25.3
Victorville	\$8,318	\$125,941	\$163,477	15.1	19.7
Santa Clara	\$16,280	\$245,869	\$391,458	15.1	24.0
Garden Grove	\$10,941	\$164,122	\$269,955	15.0	24.7
Escondido	\$10,985	\$161,068	\$262,112	14.7	23.9
Riverside	\$11,443	\$166,970	\$248,370	14.6	21.7
Oceanside	\$11,572	\$167,936	\$257,640	14.5	22.3
San Bernardino	\$7,857	\$114,001	\$166,811	14.5	21.2
San Jose	\$16,616	\$241,034	\$379,799	14.5	22.9
Modesto	\$10,679	\$152,637	\$258,205	14.3	24.2
Glendale	\$12,990	\$184,383	\$290,109	14.2	22.3
Thousand Oaks	\$20,850	\$294,919	\$541,395	14.1	26.0
Palmdale	\$10,720	\$149,574	\$223,442	14.0	20.8
Visalia	\$10,951	\$151,214	\$210,658	13.8	19.2
Anaheim	\$12,985	\$177,061	\$283,013	13.6	21.8
Vallejo	\$11,095	\$149,855	\$216,686	13.5	19.5
Torrance	\$14,941	\$198,793	\$315,261	13.3	21.1
Bakersfield	\$12,794	\$167,831	\$280,430	13.1	21.9
Huntington Beach	\$20,236	\$263,556	\$462,706	13.0	22.9
Santa Clarita	\$18,047	\$229,099	\$373,919	12.7	20.7
Santa Rosa	\$14,839	\$183,512	\$326,728	12.4	22.0

**Table 3 (Continued)**

**THE RICH-POOR GAP  
INCOME INEQUALITY AMONG CALIFORNIA'S 50 LARGEST CITIES**

Source: U.S. Census, American Community Survey, 2012

<b>City</b>	<b>Avg. Income of Poorest 20%</b>	<b>Avg. Income of Wealthiest 20%</b>	<b>Avg. Income of Wealthiest 5%</b>	<b>Ratio of Wealthiest 20% to Poorest 20%</b>	<b>Ratio of Wealthiest 5% to Poorest 20%</b>
Orange	\$17,455	\$212,030	\$319,627	12.1	18.3
Pomona	\$11,894	\$138,103	\$222,427	11.6	18.7
Chula Vista	\$14,510	\$164,549	\$235,852	11.3	16.2
Sunnyvale	\$24,333	\$271,310	\$435,334	11.1	17.8
Corona	\$17,208	\$189,928	\$294,267	11.0	17.1
Rancho Cucamonga	\$19,177	\$209,417	\$332,124	10.9	17.1
Concord	\$16,843	\$183,436	\$283,626	11	16.8
Salinas	\$13,512	\$143,245	\$224,623	10.6	16.6
Fremont	\$24,485	\$259,405	\$392,986	10.6	16.0
Santa Ana	\$14,743	\$153,793	\$245,273	10.4	16.6
Oxnard	\$15,879	\$162,291	\$247,755	10.2	15.6
Moreno Valley	\$12,734	\$128,038	\$171,493	10.0	13.4
Elk Grove	\$18,978	\$190,472	\$305,256	10.0	16.0
Simi Valley	\$23,767	\$238,142	\$381,430	10.0	16.0
Roseville	\$19,352	\$191,150	\$294,985	9.9	15.2
Ontario	\$12,807	\$123,073	\$174,875	9.6	13.6
Fontana	\$16,236	\$153,454	\$236,551	9.5	14.5



**Table 4**

**DISTRIBUTION OF HOUSEHOLDS BY INCOME GROUP: 2007 AND 2013**

Source: American Community Survey.

Percentages may add to more than 100% because of rounding

	<b>2007 %</b>	<b>Number</b>	<b>2013 %</b>	<b>Number</b>
Households with incomes below \$25,000	17.9	9,129	20.1	10,924
Households with incomes \$25,000 - \$100,000	52.1	26,617	44.0	23,942
Households with incomes over \$100,000	30.1	15,387	35.9	19,486
Total	100	51,133	100	54,352

**Table 5**

**PASADENA RESIDENTS WITH MORE THAN \$500 IN WAGE AND SALARY INCOME  
EARNING LESS THAN \$15 PER HOUR**

Source: U.S. Census Bureau, American Community Survey 2008-2012, and Economic Roundtable  
analysis

	<b>Number of workers</b>	<b>Percent of Pasadena workforce</b>
Pay less than \$15 per hour	22,515	32%
Pay more than \$15 per hour	47,256	68%

**Table 6**

**PASADENA RESIDENTS WITH MORE THAN \$500 IN WAGE AND SALARY INCOME  
EARNING LESS THAN \$15 PER HOUR WORKING FULL YEAR AND FULL TIME**

Source: U.S. Census Bureau, American Community Survey 2008-2012, and Los Angeles Economic Roundtable

	<b>Number of workers</b>	<b>Percent of low-wage workforce</b>
Pay less than \$15 per hour (full-time, full-year workers)	11,857	62%
Pay less than \$15 per hour (part time, year round workers)	3,740	20%
Pay less than \$15 per hour (part time, part-year workers)	3,555	19%

**Table 7**

**PASADENA WORKERS WITH MORE THAN \$500 IN WAGE AND SALARY INCOME PAID  
LESS THAN \$15 PER HOUR BY INDUSTRY OF EMPLOYMENT**

Source: U.S. Census Bureau, American Community Survey 2008-2012, and LA Economic Roundtable

	<b>Number of workers paid less than \$15 per hour</b>	<b>Percent of workers in the industry paid less than \$15 per hour</b>
Retail trade, including food and beverage <b>stores</b>	3,129	55%
Educational services	3,125	28%
Food services and drinking places	2,597	71%
Health care	2,301	30%
Administrative support and waste management	1,467	56%
Professional, scientific and technical services	1,282	15%
Arts, entertainment and recreation	855	43%
Construction	852	40%

**Table 8**

**PAY FOR LOW WAGE WORKERS IN PASADENA BY INDUSTRY**

Source: 2007 Economic Census of the United States; 2007 Survey of Business Owners

<b>Business type</b>	<b>Number of establishments</b>	<b>Number of employees</b>	<b>Annual payroll (000s)</b>	<b>Mean annual pay</b>
Retail trade	652	10,857	\$280,660	\$25,850
Supermarkets	41	2,163	\$51,016	\$23,586
Department stores	4	1,099	\$21,700	\$19,745
Car washes	9	202	\$3,149	\$15,589
Accommodation (hotels)	18	1,375	\$42,088	\$30,609
Full service restaurants	184	5,489	\$86,909	\$15,833
Limited-service eating places	192	2,915	\$38,988	\$13,375
Hair, nail, skin care	62	399	\$6,487	\$16,258
Parking lots	55	243	\$4,634	\$19,070
	<b>Number of firms with paid employees</b>	<b>Number of employees</b>	<b>Annual payroll (000s)</b>	<b>Mean annual pay</b>
All sectors	4,678	103,469	\$5,933,211	\$57,342

**Table 9**

**POVERTY IN PASADENA**

Source: American Community Survey

<b>Year</b>	<b>% of Individuals Below Poverty Level</b>
2005	14.1
2008	16.7
2013	16.3

**Table 10**

**RENT BURDENS OF PASADENA HOUSEHOLDS: 2013**

Source: American Community Survey

	<b>Number</b>	<b>Percentage</b>
Households paying less than 25% of income for rent	10,458	35.7
Households paying between 25% and 29.9% of income for rent	3,060	10.5
Households paying between 30% and 34.5% of income for rent	2,874	9.8
Households paying between 35% and 39.9% of income for rent	1,620	5.5
Households paying between 40% and 49.9% of income for rent	3,118	10.7
Households paying more than 50% of income for rent	8,144	27.8
Total (excluding units not computed)	29,274	100.0
Units not computed	1,065	

**Table 11**

**GROSS RENT AS A PERCENTAGE OF HOUSEHOLD  
INCOME-RENTER-OCCUPIED UNITS  
PASADENA: 2013**

Source: American Community Survey

<b>Income</b>	<b>total units</b>	<b># households paying more than 30% of income for rent</b>	<b>% households paying more than 30% of income for rent</b>	<b># units not computed</b>
Under \$10,000	2,205	2,163	98.0	447
\$10,000-19,999	3,388	2,951	87.1	367
\$20,000-34,999	5,058	4,796	94.8	88
\$35,000-49,999	3,521	2,517	71.5	70
\$50,000-74,999	6,102	2,325	38.1	65
\$75,000-99,999	2,750	683	24.8	0
\$100,000 or more	6,250	321	5.1	28
Total (excluding units not computed)	29,274	15,756	53.8	1,065