

BANNING

SECTION 2

DEMOGRAPHICS

Southern California's high growth edge has arrived in the San Gorgonio Pass area. That is the inevitable conclusion from reviewing demographic data about the city of Banning and the San Gorgonio Pass area. During the 1990's, the area can be seen continuing its very modest population growth. Since 2000, this has changed, with growth rates among the strongest in the Inland Empire. Similarly, data about income, age and educational levels, mostly from the 2000 Census, paint a picture of residents who are older with modest educations and income levels. That will change rapidly over the next several years as more and more younger families migrate to the area to buy homes. They will cause the average age to drop. And, they will likely have better educations and income levels, since the screen through financial ability to pay for the rising mortgage levels accompany the increasing cost of homes in the area.

Population. From 1990-2004, Banning's population grew from 20,572 to 27,192, a gain of 6,620 people or 32.2%. Simultaneously, the San Gorgonio Pass area went from 75,255 to 110,232, up 34,977 or 46.5% (*Exhibits 1-2*). Significantly, the city has added 3,630 or 54.8% of its new residents since 2000, and the area has added 31,876 or 46.2%. Clearly, growth is accelerating, a clear sign that the area has entered its period of aggressive growth.

From 2000-2004, Riverside County's 14.6% growth rate was among the fastest in California. In that period, Banning grew 15.2% and the Pass Area by 16.9% (*Exhibit 3*). By 2004, Banning (27,192) ranked second to Yucaipa (47,427) in total population, followed by Beaumont (16,343) (*Exhibit 4*). The city was the 31st largest of the Inland Empire's 48 cities. From 2000-2004, Banning added 3,630 people, growth that ranked 30th in the inland region. Yucaipa (6,220) and Beaumont (4,959) grew faster. The current long term forecast for Banning's 2000-2020 growth of 9,131 people, reaching 32,693 in 2020, will clearly require substantial upward revision in light of these results. The same is true for growth of 88,592 people reaching 182,650 in the San Gorgonio Pass area (*Exhibit 6*).

Age. The 2000 Census found Banning to be an older community. Its median age was 40.7. This compared to 33.1 in Riverside County and 30.3 in San Bernardino County. The city's largest age groups were its young people 10-19 (14.6%) and children 0-9 (14.5%). However, together the 29.1% in these groups was far below the 35.5% in the Inland Empire (*Exhibits 7-8*). At the other end of the age spectrum, 26.8% of the city's population was in retirement groups: age 65-74 (14.2%) and 75 & older (12.6%). That compared to just (10.6%) in the inland region. For the Pass Area as a whole, 19.4% of the population was in these groups. With more families migrating to the San Gorgonio Pass area for its relatively affordable homes, these age levels are dropping.

Ethnicity. Ethnically, the Banning and the San Gorgonio Pass area communities are much less diverse than the inland region as a whole. In 2000, the White community was 67.4% of residents versus 47.3% for the region. That said, the share is down from 76.5% in 1990, indicating that the area is becoming more diverse (*Exhibit 10*). The major shift has been an increase in the Hispanic

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population from 16.0% to 23.8%. African Americans (3.1%), Asians (2.4%) and Native Americans (1.0%) essentially remained at the same levels.

From 1990-2000, the largest population increase in the Banning and the San Gorgonio Pass area was among Hispanics as they grew by 2,541 in the city and 8,950 in the area (*Exhibit 9*). In the Pass Area, the second largest population gain was 4,365 in the White population. In this group, the city's increase was 83 residents. The third largest gain in Pass Area cities were the 1,725 among people who defined themselves as "other" or used the new "multi-ethnic" category. They increased by 489 in Banning, its second largest gain. In the Pass Area, African Americans (250), Asians (136) and Native Americans (140) had small population increases from 1990-2000. In Banning, Asians (-176) and African Americans (-23) lost population, while the number of Native Americans grew (78).

Income. By Inland Empire standards, San Gorgonio Pass's families are in the middle of the income spectrum. The city's 2003 median family income (*half families above & below*) was estimated at \$36,514. That was below the Pass Area's \$40,287 and Riverside County's \$49,253. The city ranked 38th among the inland region's 48 municipalities. Among Pass Area cities, Banning ranked behind Cherry Valley (\$45,251) and Yucaipa (\$44,707) but ahead of Beaumont (\$34,966) (*Exhibits 11 & 13*).

Looking at the distribution of income, Banning's largest income group was the 18.1% earning \$50,000-\$74,999. For Riverside County, this bracket also had the largest share of families at 19.3%. The city's second largest group was the 16.4% earning \$35,000-\$49,999. That compared to 15.1% for Riverside County as a whole. Banning's average household income was \$48,402. Its per capita income was \$18,305 (*Exhibit 12*).

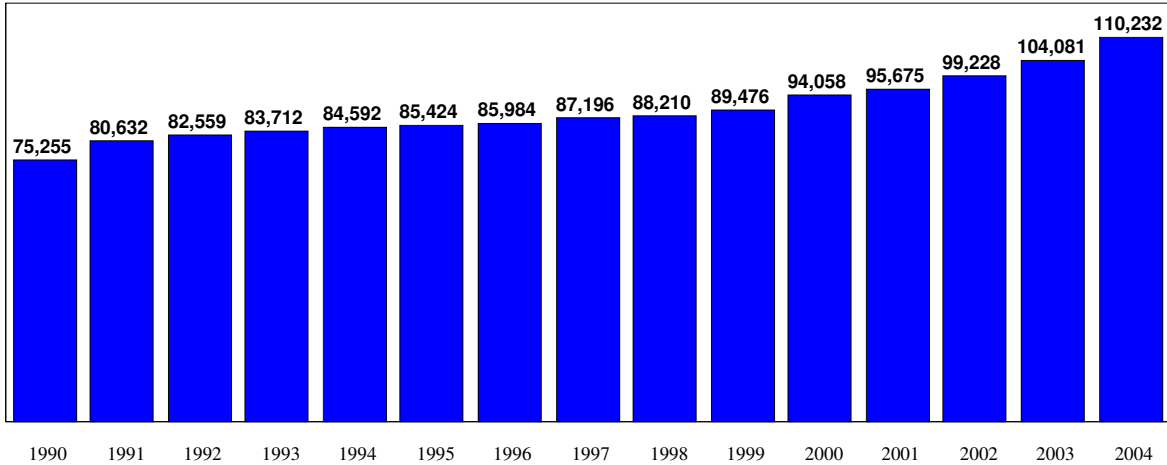
In 2003, there was \$2.0 billion in total personal income in San Gorgonio Pass. That represented 2.8% of the \$70.7 billion in the Inland Empire. Banning's total personal income was \$466.8 million, 32nd among the 48 inland cities (*Exhibit 14*). Banning ranked second in the Pass Area behind Yucaipa (\$970 million). Beaumont (\$219 million) was next.

Adult Education Levels. In 2000, the Census found that Banning did not have a well educated adult population aged 25 and over. Some 44.2% of these city residents had attended college or received either a community college or higher degree by 2000. The share was 50.3% in Riverside County and 49.2% to 62.7% in the other Southern California counties (*Exhibit 15*). Some 12.6% of the city's adults had a bachelor's degree or higher. The range was 15.9% (*San Bernardino*) to 30.8% (*Orange*) in Southern California's counties. Among adults, 55.7% had a high school diploma or less education. The percent was 49.7% in Riverside County and 50.8% in San Bernardino County (*Exhibit 16*). These facts represent a long-term difficulty for the city's labor force and underscore the importance of promoting blue collar job growth and work force education in and near the Pass Area.

Looking Ahead. Banning and the San Gorgonio Pass area are entering a period of enormous change. Population growth in the region is accelerating. As new families move to the area, they will have to qualify to buy homes that are rising in price. This will likely cause the area's income and educational profile to rise. The families will likely be younger, as they are seeking places they can afford and where they can raise their children. The area will become more diverse as the new residents will come from Southern California's very complex population.

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**Exhibit 1.-Population Growth
San Gorgonio Pass Area, 1990-2004**

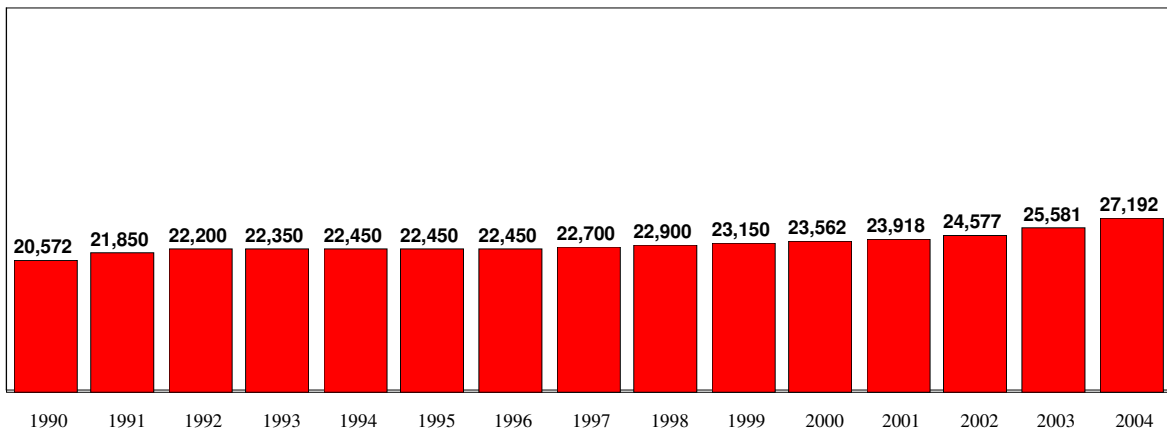


Note: Banning, Beaumont, Calimesa, Yucaipa & unincorporated Cherry Valley, Cabazon
Source: CA Department of Finance, Economics & Politics, Inc.

Population Growth, 1990-2004 ...

- From 1990-2004, San Gorgonio Pass area's population, which includes the cities of Banning, Beaumont, Calimesa, Yucaipa plus the unincorporated region of Cherry Valley and Cabazon, went from 75,255 to 110,232. That was a gain of 34,977 people or 46.5% (*Exhibit 1*). During this period, Riverside County grew 51.8%.
- Until very recently, Banning was an outlying city. Its population growth has thus been relatively slow. From 1990-2003, its population grew from 20,572 to 27,192, up 6,620 or 32.2% (*Exhibit 2*). The fact that Southern California's growth is hitting the Pass Area is seen in that the city has gained 3,630, or 54.8% of these people since 2000.

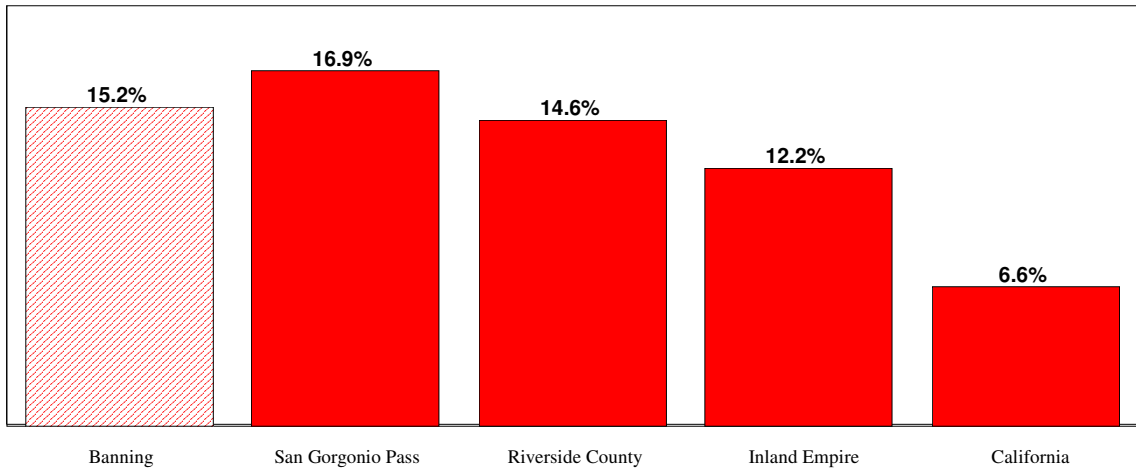
**Exhibit 2.-Population Growth
Banning, 1990-2004**



Source: CA Department of Finance, Economics & Politics, Inc.

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**Exhibit 3.-Population Growth Rates
Banning, San Gorgonio Pass & Major Areas, 2000-2004**

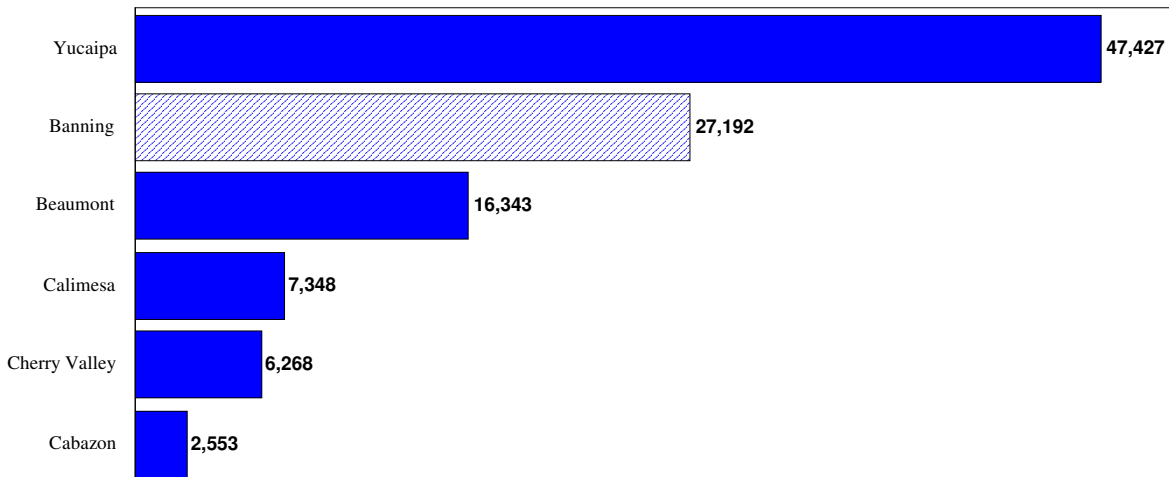


Source: CA Department of Finance, U.S. Census Bureau

Population Growth, 2000-2004 . . .

- Among the four cities and unincorporated area comprising the Pass Area, the 2000-2004 growth rate was 16.9%. They have now past Riverside County at 14.6% and the Inland Empire (12.2%).
- Banning's growth rate of 15.2% was also faster than the county and the inland region as well as California (6.6%) (*Exhibit 3*).
- In 2004, Banning was the second largest city in the San Gorgonio Pass with 27,192 people. Yucaipa was the largest with 47,427. Beaumont was the third largest at 16,343 (*Exhibit 4*).

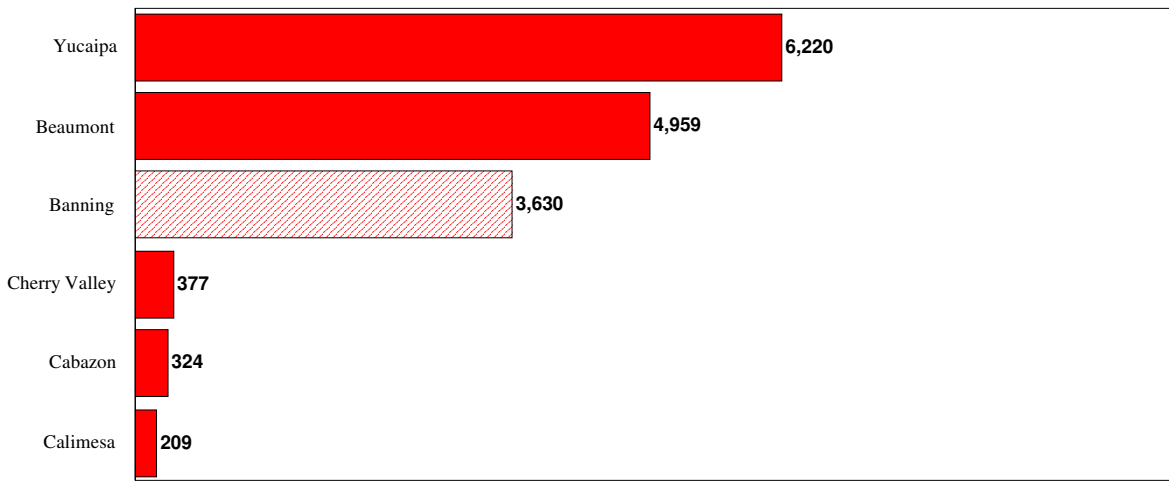
**Exhibit 4.-Population By City
San Gorgonio Pass Communities, 2004**



CA Department of Finance

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**Exhibit 5.-Population Growth By City
San Gorgonio Pass Communities, 2000-2004**

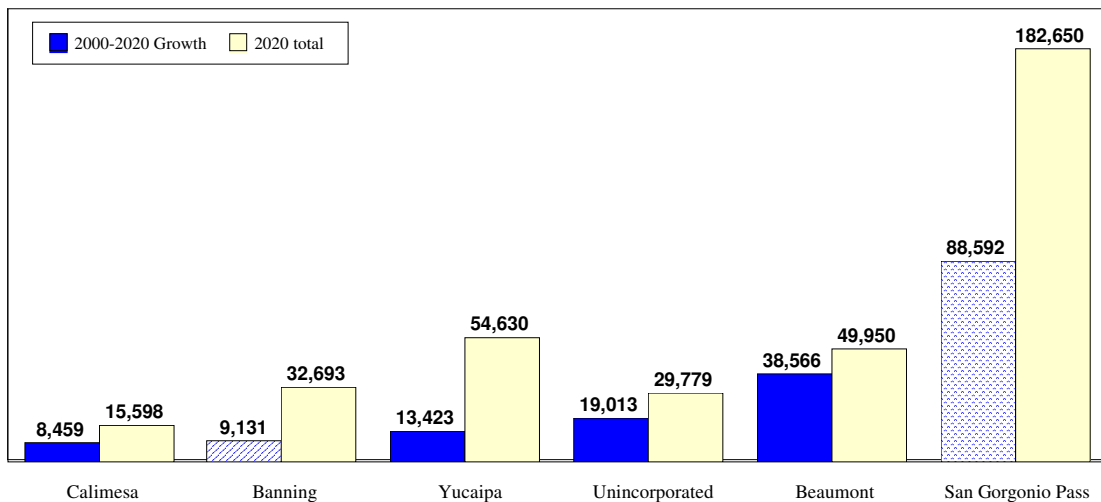


Source: CA Department of Finance, U.S. Census Bureau

Population Growth, 2000-2004 . . .

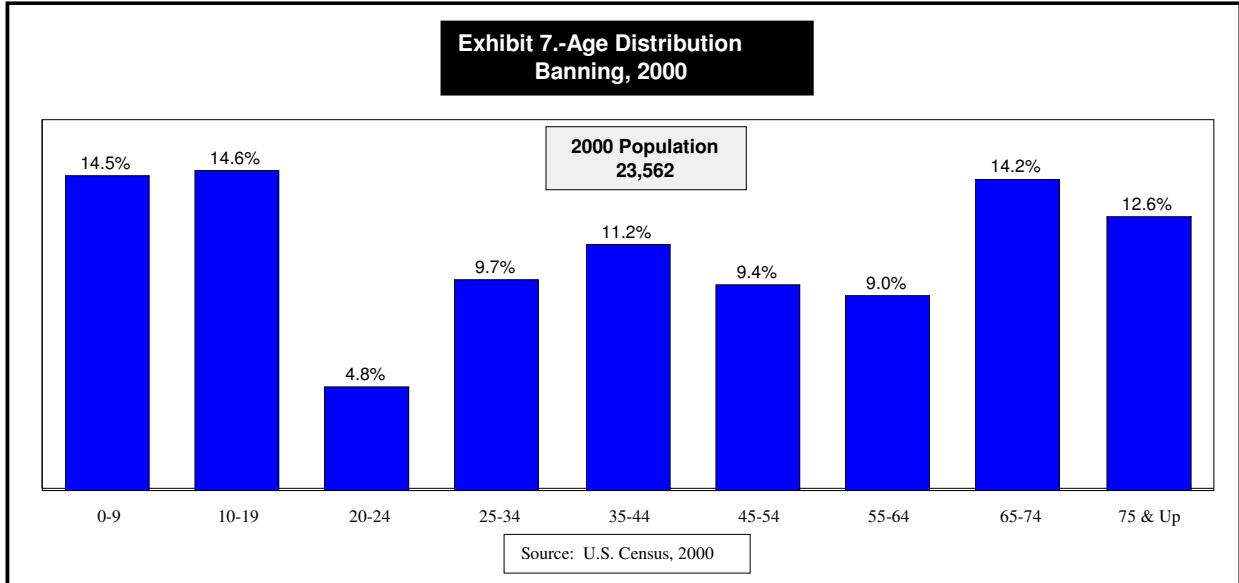
- From 2000-2004, Banning has added 3,630 people to grow by 15.2%. Its growth ranked third in absolute terms in San Gorgonio Pass. The most people were added by Yucaipa, which grew by 6,220 in the period (14.8%). Beaumont was second, up 4,959 (*Exhibit 5*).
- Note that Beaumont’s 2000-2004 growth rate of 43.0% was one of the fastest in California.
- From 2000-2020, preliminary forecasts by local planners have Banning adding 9,131 people to reach 32,693 (*Exhibit 6*). San Gorgonio Pass communities are expected to add 88,592 people to reach 182,650. In light of the sudden burst of growth, it is likely that these forecasts will be revised upward, substantially.

**Exhibit 6.-Population Forecast by Community
San Gorgonio Pass Communities, 2000-2020**



Source: Local Planners Input to SCAG, 2003

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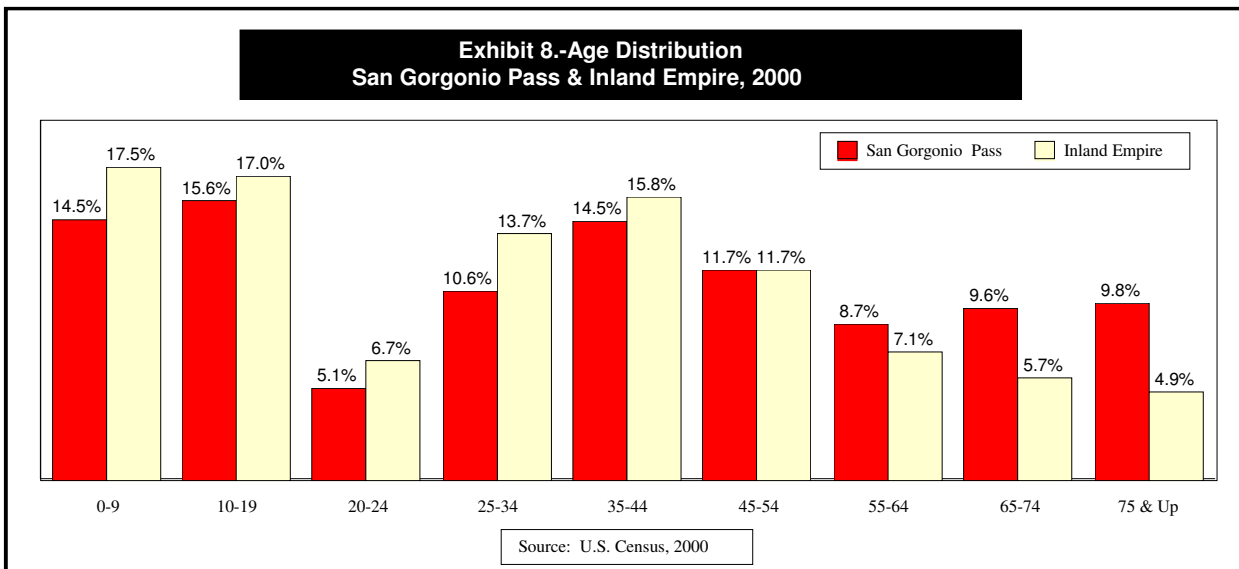


Age Distribution, 2000 . . .

- In 2000, the largest share of Banning's population was the 14.6% in the 10-19 year old age group. This compared with the 15.6% in the San Gorgonio Pass area and 17.0% for the Inland Empire (*Exhibits 7 & 8*). Also highlighting the youthful segment of Banning's population, its second largest group was the 14.5% who were 0-9. This compared to 14.5% in the Pass Area and 17.5% in the inland region.

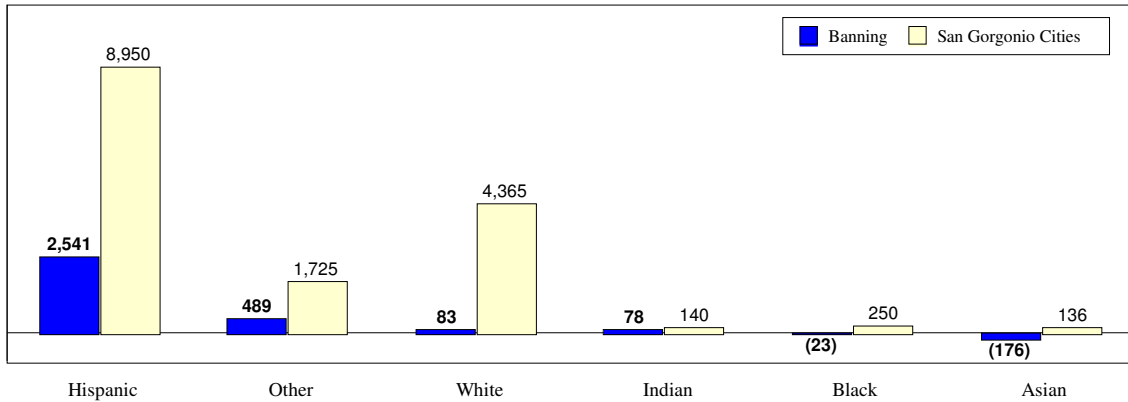
Banning Is An Older City: 2000 Mean Age Was 40.7!
San Bernardino County (30.3), Riverside County (33.1)
Los Angeles (32.0), Orange County (33.3), San Diego (33.2)
-U.S. Census Bureau-

- However, Banning is not a young city. Its next largest age group was 65-74 years old at 14.2%. This was followed by the 12.6% who were 75 & up. This large group of retirees (26.8%) put the city's median age at 40.7, much older than the populations in the Southern California counties. In the Pass Area as a whole, the share of people in these groups was 19.4%. It was only 10.6% for the entire Inland Empire.



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**Exhibit 9.-Ethnic Change
Banning & San Gorgonio Pass Cities, 1990-2000**

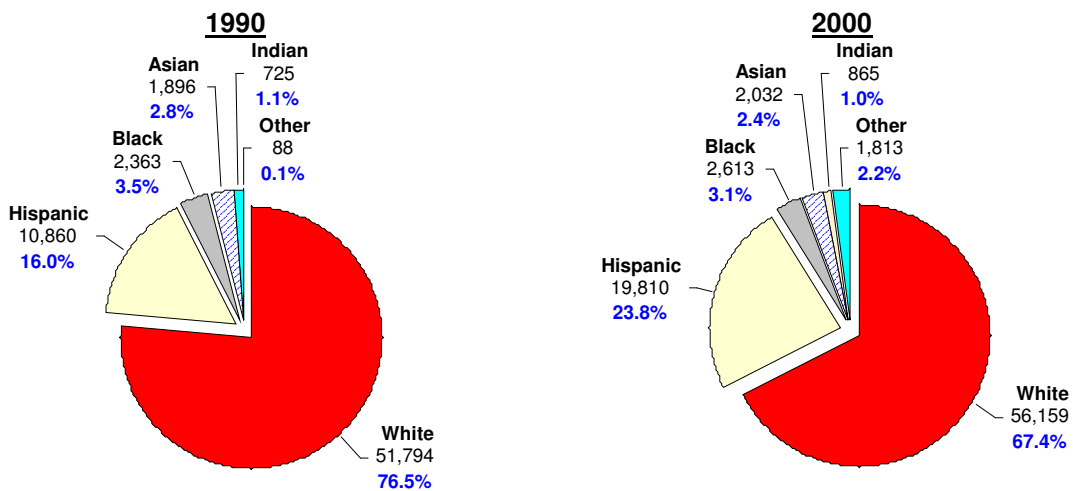


Source: U.S. Census, 1990 & 2000

ETHNICITY, 2000 . . .

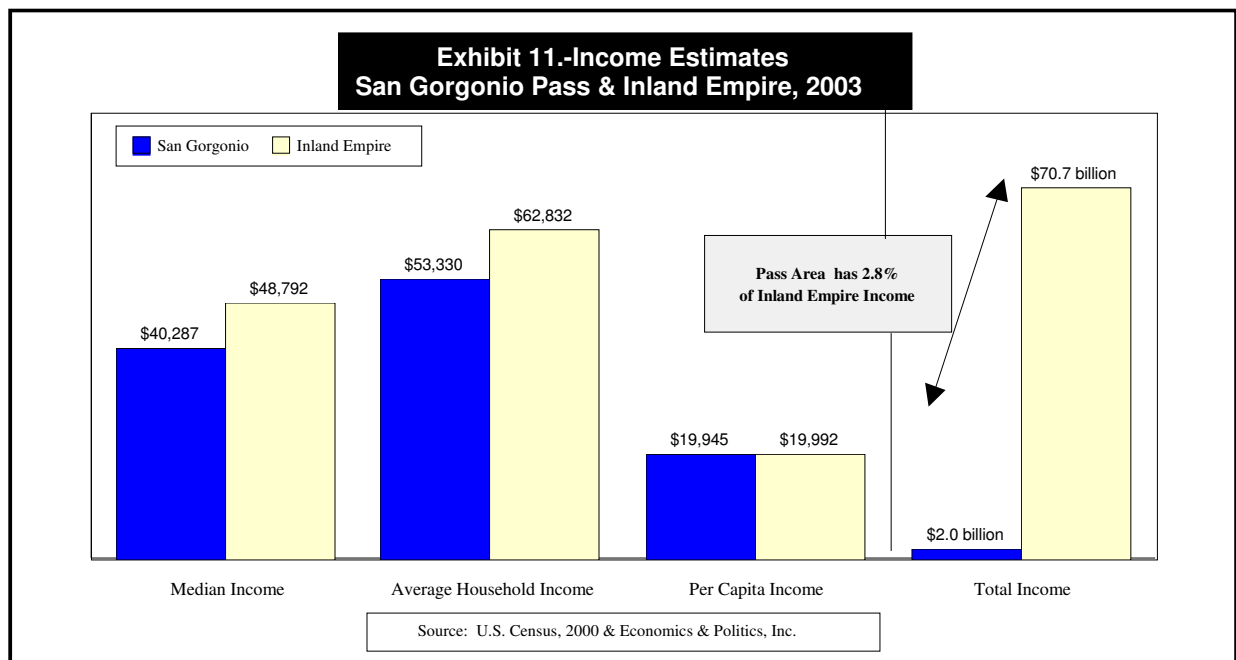
- From 1990-2000, the largest population increase in Banning and the San Gorgonio Pass area was among people who culturally define themselves as Hispanic. They increased by 2,541 in the city and 8,950 in the area (*Exhibit 9*). Hispanics went from 16.0% to 23.8% of the Pass Area's population during the decade (*Exhibit 10*).
- In Pass Area, the second largest population gain was 4,365 in the White population. In this group, the city's increase was 83 residents. From 1990-2000, Whites went from 76.5% of the Pass Area's population to 67.4%.
- From 1990-2000, there was a gain of 1,725 among people who defined themselves as "other" or used the new "multi-ethnic" category. That was the third largest gain in Pass Area cities. The 489 increase in Banning was its second largest gain. This group went from 0.1% in 1990 to 2.2% in 2000.
- African Americans (250), Asians (136) and Native Americans (140) had very small population increases from 1990-2000 and roughly maintained their population shares. In the city, Asians (-176) and African Americans (-23) lost population, while the number of Native Americans grew (78).

**Exhibit 10.-Ethnic Composition
San Gorgonio Pass Cities, 1990 & 2000**



Source: U.S. Census, 2000

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INCOME DISTRIBUTION, 2003 . . .

- In 2003, the San Gorgonio Pass area's median income of \$40,287 was lower than the Inland Empire (\$48,792). Its level was also below the \$49,253 for Riverside County (*Exhibit 11*). The Pass Area's total income of \$2.0 billion represented 2.8% of the Inland Empire's \$70.7 billion in total income. The area's average household income was \$53,330. Its per capita income was \$19,945.
- Looking at Banning, the city's largest income group in 2003 was the 18.1% earning \$50,000-\$74,999. For Riverside County, this bracket also had the largest concentration of families at 19.3%. The city's second largest group was the 16.4% earning \$35,000-\$49,999. That compared to 15.1% for Riverside County as a whole (*Exhibit 12*).

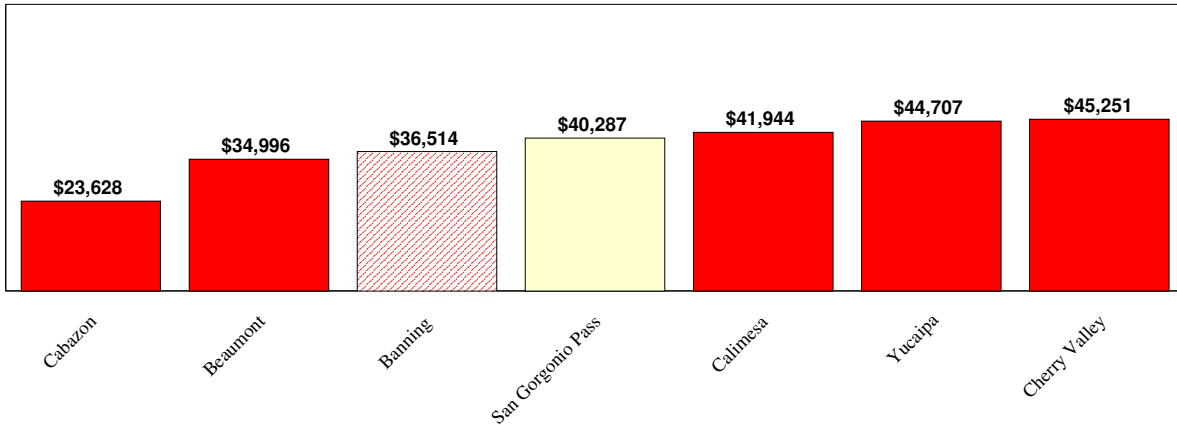
Exhibit 12.-Income Distribution, Banning, 2003

Low	High	Banning		Riverside County	
		Families	Percent	Families	Percent
\$0	\$9,999	916	9.5%	42,257	7.6%
\$10,000	\$14,999	714	7.4%	28,818	5.2%
\$15,000	\$24,999	1,668	17.3%	65,410	11.7%
\$25,000	\$34,999	1,346	14.0%	62,912	11.2%
\$35,000	\$49,999	1,580	16.4%	84,283	15.1%
\$50,000	\$74,999	1,749	18.1%	107,931	19.3%
\$75,000	\$99,999	910	9.4%	71,658	12.8%
\$100,000	\$149,999	495	5.1%	58,604	10.5%
\$150,000	\$199,999	153	1.6%	21,677	3.9%
\$200,000	& Up	115	1.2%	15,749	2.8%
Total Families		9,645	100.0%	559,299	100.0%
Median household income			\$36,514		\$49,253
Total Household Income			\$466,860,460		\$35,948,496,041
Average Household Income			\$48,402		\$64,274
Per Capita Income			\$18,305		\$21,078

Allows for Increase In LA-OC-RV CPI of 12.8% and No Real Income Increase
Source: U.S. Census Bureau , Economics & Politics, Inc.

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**Exhibit 13.-Median Income by City
San Gorgonio Pass Area, 2003**

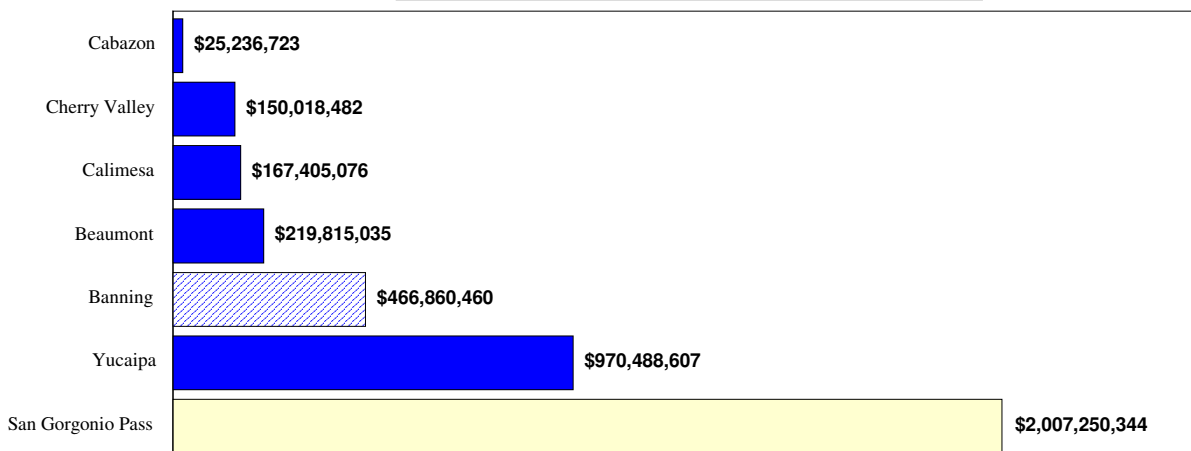


Source: 2000 Census, Economics & Politics, Inc.

INCOME, 2003 . . .

- In 2003, Banning's median income was \$36,514 (*Exhibit 13*). This was the 38th highest among the Inland Empire's 48 cities. In the San Gorgonio Pass area, Banning was higher than Beaumont (\$34,996) but behind Calimesa (\$41,944) and Yucaipa (\$44,707). The median income for the Pass as a whole was \$40,287.
- Combined, total income for the San Gorgonio Pass communities was \$2.0 billion (*Exhibit 14*). Banning's total personal income of \$466.8 million ranked second behind Yucaipa (\$970.5 million). It was ahead of Beaumont (\$219.8 million) and Calimesa (\$167.4 million).
- Median income is a measure of standard of living, with half of families making more and half making less.

**Exhibit 14.-Total Income by City
San Gorgonio Pass Cities, 2003**



Source: 2000 Census, Economics & Politics, Inc.

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Exhibit 15.-Education Attainment, 2000						
Banning & Adjacent Counties, Persons 25 & Older						
Highest Education Level	Banning	San Bdnno County	Riverside County	Los Angeles County	Orange County	San Diego County
Less 9 Years	8.5%	10.4%	10.6%	16.2%	10.5%	7.9%
9 to 12 Years Non-graduate	15.5%	15.4%	14.5%	13.8%	10.0%	9.5%
High School Diploma/GED	31.7%	25.0%	24.7%	18.8%	17.5%	19.9%
Some College	26.1%	25.7%	26.8%	20.0%	23.3%	25.6%
Associated Arts	5.6%	7.6%	6.9%	6.2%	7.8%	7.6%
Bachelor Degree	6.9%	10.4%	10.7%	16.1%	20.4%	18.7%
Graduate Degree	5.6%	5.5%	5.9%	8.8%	10.4%	10.9%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: U.S. Census, 2000

Educational Levels, 2000 . . .

- In 2000, the Census found that Banning did not have a well educated population. Some 44.2% of the city's residents 25 years & older had attended college or received either a community college or higher degree (*Exhibit 15*). The shares in the surrounding counties were: San Bernardino (49.2%), Riverside (50.3%), Los Angeles (51.1%), Orange (62.0%) and San Diego (62.7%).
- Of Banning's adults, 12.6% had a bachelor's degree or higher. This was well below the surrounding counties: San Bernardino (15.9%), Riverside (16.6%), Los Angeles (24.9%), San Diego (29.6%) and Orange (30.8%).
- At the other end of the spectrum, 55.7% of the city's residents had either graduated from high school or had less education. This was above the shares in San Bernardino (50.8%), Riverside (49.7%), and Los Angeles (48.9%) counties and far above those in Orange (38.0%) and San Diego (37.3%) counties (*Exhibit 16*).

