

From: William M. Paparian <[REDACTED]>
Sent: Friday, July 10, 2026 9:38 AM
To: PublicComment-AutoResponse; Jomsky, Mark
Subject: Written Public Comment for July 13, 2026 – Agenda Item 16 - Review of City Revenue Sources and Options for Revenue Enhancements for the General Fund

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Honorable Mayor Victor Gordo and Members of the Pasadena City Council,

I submit this comment with both appreciation for the City's service challenges and deep concern about the path forward.

Pasadena faces a real structural budget deficit, as detailed in Agenda Report 16. However, advancing revenue measures — including a ¼-cent Transaction and Use Tax (projected ~\$11 million annually), a 10% Parking Occupancy Tax, a Real Property Transfer Tax, Business Tax changes, or especially a new Parcel Tax (\$0.15–\$0.30 per square foot, potentially generating \$17–\$35 million or more per year) — without first fixing internal problems would be a mistake.

Pasadena's severe affordability crisis must be the starting point. With median household income of \$105,192, median home prices exceeding \$1.2 million, and one-bedroom rents near \$2,400, many working families already choose between rent, groceries, and rising utility bills. New taxes would compound this burden.

High compensation and benefits for top executives stand in stark contrast. Packages range from \$350,000 to over \$610,000 (5–6 times median household income), with generous pensions under CalPERS. In October 2025, the Council nearly doubled its own stipends and allowances at an added annual cost of \$314,000. Meanwhile, Pasadena Water & Power implemented phased 7% electric rate increases.

The revolving door at City Hall wastes substantial taxpayer dollars. Since City Manager Steve Mermell's retirement in 2021, short tenures and repeated nationwide searches (often \$50,000–\$150,000 each) have affected the City Manager's office and key departments including Public Works, Finance, Housing, Planning, and others. New leaders require 1–2 years to learn our systems, leading to inconsistent priorities and heavy consultant use. This instability directly contributes to deferred maintenance backlogs exceeding \$125 million for streets and sidewalks and over \$200 million for fire facilities.

A decades-long pattern of reactive governance makes these issues worse. From redevelopment controversies and the 1987 Super Bowl ticket scandal, to police oversight failures addressed only after the 2015 Veritas audit, to the multimillion-dollar embezzlement in Public Works (2004–2014), problems too often fester until external pressure forces action. Millions have been spent on lawsuits, settlements, and consultants — money that could have repaired streets or delivered core services.

I support safe streets, modern fire facilities, and essential services. Residents already pay existing parcel taxes for the Library and schools. What we cannot support is another tax while leadership churn continues and opportunities for efficiencies remain unexplored.

I therefore urge the City Council to:

1. Defer any new ballot measures for the November 2026 election.
2. Commission and publicly release an independent governance and efficiency audit covering leadership stability, total compensation (including pensions), internal controls, and spending effectiveness.
3. Revise the Community Conversation process to fully and transparently disclose proposed tax impacts and alternatives.
4. Stabilize top leadership through performance-based reviews, reduced turnover, and stronger oversight.
5. Prioritize reallocation and efficiencies within current revenues before seeking more from taxpayers.

Mayor Gordo has provided valuable steady leadership amid this turnover, but one person cannot solve systemic issues alone. Pasadena has the assets and residents to become a model of accountable government. Breaking the cycle of reactive management requires choosing prevention, transparency, and discipline now.

Thank you for your service. I appreciate your consideration of these concerns and remain committed to Pasadena's success.

Sincerely,
William Paparian
Former Mayor of Pasadena

McMillan, Acquanette (Netta)

From: Bert Newton <noreply@adv.actionnetwork.org>
Sent: Saturday, July 11, 2026 3:42 PM
To: PublicComment-AutoResponse
Subject: I Support a Property Transfer Tax to Fund Affordable Housing - Item 16

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Council Member,

Dear Mayor and City Council,

We need to fund affordable housing, and revues from a transfer tax would really help!

Please put the transfer tax on the ballot to fund affordable housing rather than for the general fund. Other revenue streams can be used to help the general fund keep the city stable financially into the future.

The city's housing element states that a transfer tax will be considered to fund affordable housing, so the city should keep the commitment that it made in the housing element.

The City of LA has raised over \$1.3 billion over 3 years from its graduated transfer tax. Pasadena might be able to raise tens of millions of dollars from a similarly structured tax. These types of taxes are also popular with voters since they only apply to the sale of luxury and ultra luxury homes.

The voters of Pasadena passed Measure EE a couple of years ago, which raised property taxes on all homeowners. If the voters of Pasadena voted for Measure EE, they will easily vote for this one. But they are more likely to do so if it is to fund affordable housing than if it is for the general fund. Everyone except the very wealthy are feeling the stress of high housing costs.

Thank you for considering my comments.

Bert Newton



Pasadena, California 91106-1472

07/13/2026
Item 16

McMillan, Acquanette (Netta)

From: Cassandra Beale <noreply@adv.actionnetwork.org>
Sent: Saturday, July 11, 2026 6:30 PM
To: PublicComment-AutoResponse
Subject: I Support a Property Transfer Tax to Fund Affordable Housing - Item 16

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Thank you for considering my comments.

Cassandra Beale

Pasadena, California 91104

07/13/2026
Item 16

McMillan, Acquanette (Netta)

From: Cassandra Beale <noreply@adv.actionnetwork.org>
Sent: Saturday, July 11, 2026 6:30 PM
To: PublicComment-AutoResponse
Subject: I Support a Property Transfer Tax to Fund Affordable Housing - Item 16

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Thank you for considering my comments.

Cassandra Beale
cbeale@gmail.com

Pasadena, California 91104

07/13/2026
Item 16

McMillan, Acquanette (Netta)

From: Denise Robb <noreply@adv.actionnetwork.org>
Sent: Saturday, July 11, 2026 7:24 PM
To: PublicComment-AutoResponse
Subject: Pasadens needs a new property transfer tax to fund affordable housing

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Council Member,

To the Mayor and Members of the Pasadena City Council,

I urge you to place a property transfer tax dedicated to affordable housing and homelessness prevention on the ballot.

Pasadena urgently needs a stable source of funding for affordable housing. The City's Housing Element already commits Pasadena to considering a transfer tax, and the staff report estimates it could generate approximately \$26 million annually to support affordable housing, rental assistance, and homelessness prevention.

A progressive transfer tax can be designed to apply only to luxury home sales, ensuring that the vast majority of Pasadena homeowners and renters are not directly affected. With an average home price of about \$1.2 million, setting the starting point at \$2.5 or \$3 million would target only high-value property transactions.

Pasadena already faced a housing crisis, and the need for affordable housing has become even greater following the Eaton Fire, which displaced many residents in Pasadena and Altadena. The best way to address homelessness is to prevent it by keeping people housed.

I encourage the Council to give Pasadena voters the opportunity to decide whether to create a dedicated local funding source for affordable housing and homelessness prevention.

Denise Robb

Pasadena, California 91106

07/13/2026
Item 16

From: mdbaker330@gmail.com <noreply@adv.actionnetwork.org>
Sent: Saturday, July 11, 2026 7:46 PM
To: PublicComment-AutoResponse
Subject: Pasadens needs a new property transfer tax to fund affordable housing

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Council Member,

To the Mayor and Members of the Pasadena City Council,

As a member of Pasadena Mennonite Church, I urge you to place a property transfer tax explicitly dedicated to affordable housing and homelessness prevention on the ballot.

Pasadena urgently needs a stable source of funding for affordable housing. The City's Housing Element already commits Pasadena to considering a transfer tax, and the staff report estimates it could generate approximately \$26 million annually to support affordable housing, rental assistance, and homelessness prevention.

A progressive transfer tax can be designed to apply only to luxury home sales, ensuring that the vast majority of Pasadena homeowners and renters are not directly affected. With an average home price of about \$1.2 million, setting the starting point at \$2.5 or \$3 million would target only high-value property transactions.

Pasadena already faced a housing crisis, and the need for affordable housing has become even greater following the Eaton Fire, which displaced many residents in Pasadena and Altadena. The best way to address homelessness is to prevent it by keeping people housed.

I encourage the Council to give Pasadena voters the opportunity to decide whether to create a dedicated local funding source for affordable housing and homelessness prevention.

From: Tariq Afzal <noreply@adv.actionnetwork.org>
Sent: Saturday, July 11, 2026 10:10 PM
To: PublicComment-AutoResponse
Subject: Pasadena needs a property transfer tax to fund affordable housing

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Council Member,

Dear Mayor and Pasadena City Council Members,

I live in Pasadena (District 7) and am very concerned about the lack of funding for affordable housing. I encourage you to put a property transfer tax dedicated to affordable housing and homelessness prevention on the ballot.

Pasadena urgently needs a stable source of funding for affordable housing. The City's Housing Element already commits Pasadena to considering a transfer tax, and the staff report estimates it could generate approximately \$26 million annually to support affordable housing, rental assistance, and homelessness prevention.

A progressive transfer tax can be designed to apply only to luxury home sales, ensuring that the vast majority of Pasadena homeowners and renters are not directly affected. With an average home price of about \$1.2 million, setting the starting point at \$2.5 or \$3 million would target only high-value property transactions.

Pasadena already faced a housing crisis, and the need for affordable housing has become even greater following the Eaton Fire, which displaced many residents in Pasadena and Altadena. The best way to address homelessness is to prevent it by keeping people housed.

I encourage the Council to give Pasadena voters the opportunity to decide whether to create a dedicated local funding source for affordable housing and homelessness prevention.

Tariq Afzal

Pasadena, California 91106

McMillan, Acquanette (Netta)

From: Bert Newton <noreply@adv.actionnetwork.org>
Sent: Sunday, July 12, 2026 9:35 AM
To: PublicComment-AutoResponse
Subject: #16 Transfer Tax

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Council Member,

Dear Mayor and City Council,

The Transfer Tax should be put on the ballot, but it should be to fund affordable housing, as indicated in the city's housing element. The other three taxes in the staff report could fund the general finances of the city.

Another place to look in terms of addressing the financial health of the city is the police budget. I have not been one of the people who has regularly complained about it, but I went back and looked and found that it has increased by \$10 million each of the last two years. And in the years before that, going back 10 years, the increases have been substantial. 10 years ago, the total police budget was \$78.6 million, now it is \$131.9 million. These are significant raises that other departments don't get.

Without these major increases, we probably would not be facing the financial crisis that it looks like we are going to have.

Also, crime has not only been falling dramatically in Pasadena since the mid 1990s, but it has fallen similarly all over the nation. The increase in police budgets just doesn't make sense.

Please look into this dimension of the budget.

Thank you!

Bert Newton

Pasadena, California 91106-1472

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McMillan, Acquanette (Netta)

From: Denise Robb <noreply@adv.actionnetwork.org>
Sent: Sunday, July 12, 2026 11:36 AM
To: PublicComment-AutoResponse
Subject: Pasadens needs a new property transfer tax to fund affordable housing

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Council Member,

To the Mayor and Members of the Pasadena City Council,

I urge you to place a property transfer tax dedicated to affordable housing and homelessness prevention on the ballot.

Pasadena urgently needs a stable source of funding for affordable housing. The City's Housing Element already commits Pasadena to considering a transfer tax, and the staff report estimates it could generate approximately \$26 million annually to support affordable housing, rental assistance, and homelessness prevention.

A progressive transfer tax can be designed to apply only to luxury home sales, ensuring that the vast majority of Pasadena homeowners and renters are not directly affected. With an average home price of about \$1.2 million, setting the starting point at \$2.5 or \$3 million would target only high-value property transactions.

Pasadena already faced a housing crisis, and the need for affordable housing has become even greater following the Eaton Fire, which displaced many residents in Pasadena and Altadena. The best way to address homelessness is to prevent it by keeping people housed.

I encourage the Council to give Pasadena voters the opportunity to decide whether to create a dedicated local funding source for affordable housing and homelessness prevention.

Denise Robb



Pasadena, California 91106

McMillan, Acquanette (Netta)

From: Jay Thomas <noreply@adv.actionnetwork.org>
Sent: Sunday, July 12, 2026 2:40 PM
To: PublicComment-AutoResponse
Subject: I Support a Property Transfer Tax to Fund Affordable Housing - Item 16

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Council Member,

Dear Mayor and City Council,

Please put the transfer tax on the ballot to fund affordable housing rather than to put those revenues into the general fund. The city's housing element states that a transfer tax is to be considered for funding affordable housing, so the city should keep the commitment. We are still in desperate need of more affordable housing, especially after the devastating fires, and the revenue from a transfer tax would really help!

The City of LA has raised over \$1.3 billion over 3 years from its graduated transfer tax. Pasadena might be able to raise tens of millions of dollars from a similarly structured tax. These types of taxes are also popular with voters since they only apply to the sale of luxury and ultra luxury homes.

Thank you for considering my comments.

Jay Thomas

Pasadena, California 91101

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McMillan, Acquanette (Netta)

From: Selina Ho <noreply@adv.actionnetwork.org>
Sent: Sunday, July 12, 2026 3:09 PM
To: PublicComment-AutoResponse
Subject: Item 16 - Yes to a Property Transfer Tax on Luxury homes to fund affordable housing

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Council Member,

Dear Mayor Gordo and Pasadena City Council,

I strongly support the implementation of a transfer tax to provide an additional source of revenue for the city. More specifically, this revenue should be used to fund the development of more affordable housing in Pasadena. This was originally specified in Pasadena's Housing Element.

Affordable housing is needed now more than ever, as the cost of living continues to rise for the majority of residents, which was only worsened by the Eaton Fire last year. A transfer tax would likely not effect the majority of homeowners and renters, as seen in LA City's transfer tax. For these reasons, the transfer tax should only be used for funding affordable housing, not as a general funding source.

Selina Ho

Pasadena, California 91106-2126

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McMillan, Acquanette (Netta)

From: Anne Tipton <noreply@adv.actionnetwork.org>
Sent: Sunday, July 12, 2026 4:39 PM
To: PublicComment-AutoResponse
Subject: Item 16 - Yes to a Property Transfer Tax on Luxury homes to fund affordable housing

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Affordable housing is needed now more than ever, as the cost of living continues to rise for the majority of residents, which was only worsened by the Eaton Fire last year. A transfer tax would likely not effect the majority of homeowners and renters, as seen in LA City's transfer tax. For these reasons, the transfer tax should only be used for funding affordable housing, not as a general funding source.

Anne Tipton

PASADENA, California 91101

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McMillan, Acquanette (Netta)

From: Rita Kapadia <noreply@adv.actionnetwork.org>
Sent: Sunday, July 12, 2026 4:57 PM
To: PublicComment-AutoResponse
Subject: I Support a Property Transfer Tax to Fund Affordable Housing - Item 16

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Council Member,

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The City of LA has raised over \$1.3 billion over 3 years from its graduated transfer tax. Pasadena might be able to raise tens of millions of dollars from a similarly structured tax. These types of taxes are also popular with voters since they only apply to the sale of luxury and ultra luxury homes.

Thank you for considering my comments.

Rita Kapadia

--

Pasadena, California 91101

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McMillan, Acquanette (Netta)

From: Trinity Pike <noreply@adv.actionnetwork.org>
Sent: Sunday, July 12, 2026 5:52 PM
To: PublicComment-AutoResponse
Subject: Item 16 - Yes to a Property Transfer Tax on Luxury homes to fund affordable housing

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Affordable housing is needed now more than ever, as the cost of living continues to rise for the majority of residents, which was only worsened by the Eaton Fire last year. A transfer tax would likely not effect the majority of homeowners and renters, as seen in LA City's transfer tax. For these reasons, the transfer tax should only be used for funding affordable housing, not as a general funding source.

Trinity Pike

Pasadena, California 91101

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McMillan, Acquanette (Netta)

From: Rachel Darling <noreply@adv.actionnetwork.org>
Sent: Sunday, July 12, 2026 5:54 PM
To: PublicComment-AutoResponse
Subject: I Support a Property Transfer Tax to Fund Affordable Housing - Item 16

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Thank you for considering my comments.

Rachel Darling

Pasadena , California 91101

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McMillan, Acquanette (Netta)

From: Mariam Khan <noreply@adv.actionnetwork.org>
Sent: Sunday, July 12, 2026 7:53 PM
To: PublicComment-AutoResponse
Subject: I Support a Property Transfer Tax to Fund Affordable Housing - Item 16

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Thank you for considering my comments.

Mariam Khan

Pasadena, California 91101

07/13/2026
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From: Una Jost
Sent: Monday, July 13, 2026 5:33 AM
To: PublicComment-AutoResponse; Gordo, Victor; Hampton, Tyron; Cole, Rick; Jones, Justin; Rivas, Jessica; Madison, Steve; Lyon, Jason; Masuda, Gene
Subject: July 13, 2026 PUSD Board Meeting – Public Comment, Agenda 16 (Review of City Revenue Sources & Options for Revenue Enhancements for the General Fund)
Attachments: 20260121_PUSD_Schoo-Consolidation-Fact-Sheet.pdf; 20260500_Stanford_Fiscal-Consequences-of-School-Closures-in-CA.pdf; 20260611_Edweek_re-Stanford-Study.pdf; 20260617_CTA_re-Stanford-Study.pdf; 20260500_(In)Effective-Responses-to-Shrinking-Enrollment.pdf; 20260707_CB_AM_re-AH-and-School-Enrollment.pdf; 20260721_PSN_LK_PUSD-Fork-in-Road.pdf

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Dear Mayor Gordo and members of the Pasadena City Council,

I'm Una Lee Jost, PUSD parent, and long-time resident of Pasadena, District 4.

Thank you for your service on the council, and opportunity to comment on Agenda 16.

I write in strong support of the Council putting a Transfer Tax on the ballot as an additional source of revenue for our City.

Further, I urge you to designate this money to be used for Affordable Housing, as the Council proposed in the Housing Element submitted to the State of California.

While Pasadena has made great strides in reducing homelessness, much more remains to be done, and increasing affordable housing directly addresses this issue.

Moreover, affordable housing is especially crucial to PUSD students and families,

1. PUSD Board Resolution No. 2448 acknowledging importance of supporting renting families by creating sustainable housing for Pasadena

In 2018, the **PUSD Board adopted Resolution No. 2448** in support of rent control and eviction protections in Pasadena, acknowledging that:

- **Pasadena is a renter majority city at 56%;**
- **Eviction imposes an especially high burden on school-aged children and their families, including an increased absence from school and other educational disruptions that can have long-lasting effects;**
- **It was important to support renting families by creating sustainable housing for Pasadena; and**
- **Stable housing for families and their communities leads to stronger positive outcomes for all in PUSD.**

2. CA State PTA Position Statement encouraging all Cities and Housing Authorities to utilize all available funding sources to provide affordable family housing

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The **CA State PTA** also adopted a **"Fair Housing" position statement** which recognized "[a]ll families need to have access to safe and affordable housing" and encouraged "formation of broadly based community action groups to promote citizen understanding of housing issues and involvement in advocating programs that will meet the housing needs in their communities."

The position statement concluded by encouraging all city councils and housing authorities to

- "Adopt and implement balanced community policies that stipulate a mix of housing types as well as provisions for the development of housing for low- and moderate-income families" and**
- "Develop and implement programs utilizing all available funding sources to provide rental and individually owned single- and multi-family housing for low- and moderate-income families."**

3. May 2026 Stanford Study re Importance of City Collaboration with School Districts to Manage Effects of Declining School Enrollment (including via Local Housing Policies) to achieve Fiscal Sustainability for District Schools

As you may be aware, for the past six months, our City has been threatened by efforts of PUSD school board members to shut down a number of public schools in our district including half of our PUSD high schools (Marshall and Blair) and a handful of other PUSD schools, which led to a public outcry that resulted in a 6/25/26 PUSD Board vote rescinding the "Optimizing School-Size" resolution that initiated the recent school closures effort.

As aptly noted by Lisa Kroese, President of the PTA Council of PUSD, PUSD is currently at a fork in the road. According to the PUSD School Consolidation Fact Sheet, due to declining enrollment, PUSD has been through 4 rounds of consolidation already since 2005, closing 11 schools.

As a recent May 2026 Stanford study concludes, cities have an important role to play in managing the effects of declining school enrollment to support district public schools.

Whether and how this is achieved by you as our City leaders directly impacts the kind of world our children will have in the future.

Indeed, our collective future is intertwined with the welfare of our next generations of future City leaders.

And what is a city without its schools to raise future leaders for our City?

Or the impact of a city without its school families, to the social fabric and economy of our City?

Any society that does not prioritize investing in our next generations is a dying society.

So how is your role as our City's leaders linked to the welfare of our district schools?

In mid-May 2026, Stanford released "Getting Down to Facts III" (www.gettingdowntofacts.com) – the most comprehensive review of our CA public education system, which examined school closure data across CA between 2011 and 2019.

The Stanford study included a technical report titled, "The Fiscal Consequences of School Closures in California: Evidence from a Statewide Synthetic Difference-in-Differences Design" which found that **closing schools don't save money**, and concluded that "[m]oving forward, districts pursuing closures to improve their financial outlook should prioritize revenue optimization as a first-order objective, particularly in urban districts where revenue effects are most pronounced."

The Stanford study caught attention of the educational world, including:

- A 6/11/26 Edweek article which noted, "School closures - commonly touted as a financially responsible strategy to right-size cash-strapped districts - often do not improve districts' financial standing, according to a new study out of California;" and
- A 6/17/26 CA Teachers' Association statement, which stated, "A new Stanford study of California closures found districts that closed schools lost about 287 students over five years, roughly \$2.4 million a year in funding. The savings never showed up."

In addition to its finding that school closures do not save money, the Stanford study also noted **that past research reflects documented harms of school closures that**

"adversely affect student achievement, reduce graduation rates, diminish long-run educational attainment and labor market outcomes, and exacerbate neighborhood instability, with effects concentrated among low-income students and students of color."

The Stanford study also included a technical report titled, "(In)Effective Responses to Shrinking Enrollment: The Pressures of Demographic Change on California's Schools" which discussed the importance of city collaboration with school districts to manage the effects of declining school enrollment, including via local housing policies. Here are some key excerpts:

"Large urban districts throughout the state are also experiencing significant declines in enrollment, but as we show, they exhibit a different set of challenges and potential opportunities for buffering the effects of change. High population cities across California are grappling with sustained enrollment losses that predated the pandemic and persisted after schools reopened [cites omitted]. At present, Los Angeles, San Francisco, West Contra Costa, Oakland, San Diego, Sacramento and Long Beach, are all facing the combined challenge of declining enrollment, mass layoffs, and labor unrest. However, unlike rural communities, California's cities possess other resources that can be deployed to support local schools. Additionally, a small but growing number of districts are showing that declining enrollment can also open up new opportunities as they develop creative options for utilizing shuttered schools in ways that benefit neighborhoods, key constituencies, and stabilize revenue. We argue that if local policy makers address the disjuncture between school districts and local municipalities caused by 'loose coupling' - a point we focused upon in our 2025 paper (cite omitted), declining enrollment need not result in a downward spiral of system collapse.

"To make sense of these patterns, this paper borrows from organizational theory and prior work on the 'loose coupling' of school systems to their surrounding communities (cites omitted). We use the concept of loose coupling to describe the ways in which educational systems and municipal governments are interdependent but weakly connected. This disconnect allows local leaders to treat the fate of their school systems separately from other community needs despite the importance of district operations and employment to the local economy, and the dependence of many residents on their local public schools. We argue that enrollment decline must be treated as an institutional stressor and should be addressed by local officials in concert with district officials. Collaborative problem solving will make it possible for local housing policies, governance procedures, and family decision-making processes to be considered as student populations decline.

"Holistically, the patterns revealed in our paper indicate that demographic pressure does not perfectly translate into district enrollment trends. Instead, enrollment change is mediated by the strength of alignment between districts and the local ecosystems that shape family residence and schooling decisions, particularly housing markets, municipal planning, and schooling alternatives. By distinguishing between demographic pressures and institutional conditions, our paper aims to contribute a clear analysis of how California's enrollment decline is impacting various school districts, as well as offer a conceptual framework that we hope will be useful to improving the effectiveness of districts as they manage the effects of enrollment decline."

In light of the Stanford study, I respectfully urge the City to collaborate with PUSD in managing the effects of enrollment decline at PUSD's public schools, via housing markets and municipal planning. More than 51 percent of our City's renter households currently pay over the recommended 30 percent of their income on rent. Affordable family housing relieves this burden to retain and attract more families to our City, which directly impacts fiscal sustainability of our PUSD schools.

And we are so fortunate to have many housing experts within our City including Dr. Anthony Manousos, co-founder of Making Housing and Community Happen (www.makinghousinghappen.org), a nonprofit committed to housing justice and affordability. **Dr. Manousos's insightful 7/7/26 Op-Ed was recently published in Colorado Boulevard titled, "How Affordable Family Housing Can Support PUSD Enrollment," in which he emphasizes the importance of affordable housing for families as such families are likely to send their children to public schools, resulting in significant benefits and additional revenue to PUSD.**

In sum, affordable housing is crucial to managing the effects of declining enrollment at PUSD's public schools. Transfer taxes, as used in other CA cities, affects only owners of luxury housing, and thus does not burden the average homeowner nor the 58 percent of households that are renters. Designating this money to be used for affordable housing would be a great way to not only make Pasadena a more liveable city, but also help achieve fiscal sustainability of PUSD's public schools.

Funding for affordable housing is even more desperately needed since so many of our PUSD students and families in Pasadena lost their homes in the Eaton Fire, both renters and homeowners. According to PUSD, more than two-thirds of PUSD students had to evacuate, and almost half of the district staff lived in evacuation

zones. Per the local teachers' union, as many as **300** of its 850 members lost homes to the massive blaze. And at my son's school alone (Marshall), **97 families** lost their homes in the fire.

Public schools are one of our most valuable community anchor institutions that we need to preserve and protect for a healthy functioning democracy, and especially in our current political environment. In addition to documented harms due to school closures (especially for a City like ours already enduring trauma due to a natural disaster), closing schools has far-reaching implications that chips away at the institution of public education in our City of Pasadena, County of Los Angeles, and nationwide, limiting public school availability for future generations. **So closing schools is an extreme measure that should only be taken as a last resort due to dire economic circumstances.**

Thus, I respectfully urge you as our City's leaders to use the power and resources you have been entrusted with to protect our PUSD public schools, school district, and the people they serve by:

- **Putting a Transfer Tax on the ballot as an additional source of revenue for our City and designating this money to be used for Affordable Housing, as the Council proposed in the Housing Element submitted to the State of California;**
- **Adopting and implementing balanced community policies that stipulate a mix of housing types as well as provisions for the development of housing for low- and moderate-income families; and**
- **Developing and implementing programs utilizing all available funding sources to provide rental and individually owned single- and multi-family housing for low- and moderate-income families.**

Thank you for your service on behalf of our PUSD students, families, and communities.

In Hope,

~ Una Lee Jost,

PUSD Parent, Local School Advocate & Pasadena Resident, District 4

SCHOOL CONSOLIDATIONS FACT SHEET

Overview:

School consolidations (the merger or closure of schools) are long-term strategies requiring planning, an equity impact analysis ("EIA") report, and extensive public input. While they may be considered in the future, new school consolidations cannot address PUSD's immediate budget needs or meet the December 2025 deadline for fiscal stabilization set by the Los Angeles County Office of Education (LACOE).

Key Considerations of School Consolidations:

- Classroom staffing is often unaffected.
- Custodians and support staff are often reassigned to other schools rather than eliminated.
- Additional support may be required during the transition period to and at schools receiving students, reducing net savings.
- Any school consolidation requires careful transition planning to minimize impact on students and families.

School Consolidations Are Not A Short-Term Budget Solution:

1. **Long-Term Timeline:** School consolidations take approximately one year and cannot meet the December 2025 deadline set by LACOE for PUSD's fiscal stabilization.
2. **Equity Impact Analysis Requirement:** Although PUSD does not meet the definition of financially distressed under Education Code §41329, the California Attorney General's 2023 guidance recommends that all school districts contemplating school consolidations complete an EIA. An EIA analyzes metrics regarding how consolidations affect students and communities, reviewing impacts on student groups, access to programs and services, and plans for smooth transitions and future use of closed sites. The process requires time, data, and public input and typically takes 9 to 12 months to complete.
3. **Disposition of Closed Schools:** A closure does not save money unless the property is repurposed or generates revenue. PUSD already has 11 closed schools with varying uses. PUSD's Asset Management Plan, launched in 2024, optimizes the use of district properties to generate revenue that supports students and schools.
4. **Cost Savings:** School closures alone without a further plan for how to generate revenue from the site provide minimal savings. Typically, only the principal and head custodian positions are reduced. Other staff (teachers, aides, and office staff) are typically reassigned to schools where students are enrolled to maintain required staffing ratios. Some efficiencies in the distribution of support staff may also yield some savings. Additional savings may be realized from utilities, provided the space is not used for district purposes.
5. **Eaton Fire Impact:** The Eaton Fire destroyed or significantly damaged five district properties, reduced the number of sites available, and schools and programs such as Early Education, were relocated to share facilities. The District will continue to evaluate the potential use of damaged sites.

School Consolidation/Closure Guidelines and Legal Requirements:

- **Assembly Bill 1912 (2022):** Established mandatory processes and EIA studies for financially distressed districts under **Ed. Code §41329**.

- **California Attorney General (2023):** Issued guidance on laws and best practices for school closures.
- **For all other districts (like PUSD):** EIAs are strongly recommended before any consolidation or closure.

Past School Closures and PUSD's Asset Management Plan:

PUSD has undergone significant school consolidations over the past 20 years: 11 schools have closed since 2005. At this time, the majority of closed school sites have not generated additional revenue. Four sites, highlighted below, are either generating or have the potential to generate revenue in the near future. The remaining properties not used by PUSD students are under review for revenue generation.

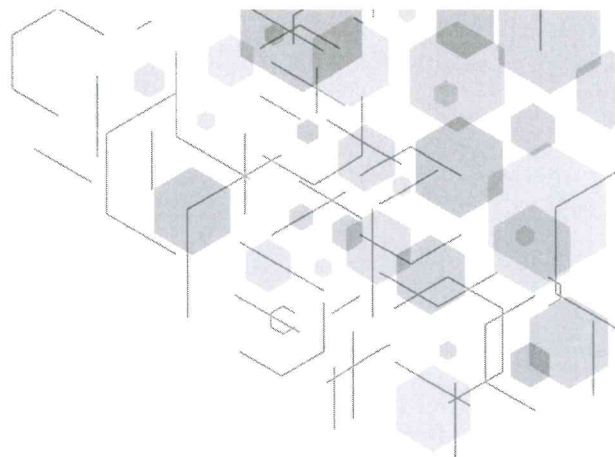
School	Closed	Current Use
Franklin Elementary	2020	Temporary relocation sites for schools undergoing renovation. Damaged in the Eaton fire.
Jefferson Elementary	2020	Currently leased to the City of Pasadena (Fire Department Academy, Library).
Roosevelt Elementary	2020	<u>Workforce Housing Project</u> : PUSD is developing the site to enable employees to live in the community where they work.
Wilson Middle School	2020	6 PUSD schools/programs: Rose City Continuation High School, Center for Independent Studies (K-12), Twilight Adult Education, Pasadena Adult Living Skills Program, Early Childhood Education Center. One Charter school
Cleveland Elementary	2019	Two Charter Schools
Burbank Elementary	2011	Leased by a Private School
Loma Alta Elementary	2011	Charter School; destroyed by the Eaton Fire
Allendale Elementary	2005	Temporary relocation sites for schools undergoing renovation. Currently houses Altadena Arts Magnet (Eaton fire temporary relocation)
Edison Elementary	2005	Charter School (destroyed/damaged by Eaton Fire)
Linda Vista Elementary	2005	In August 2025, the Board of Education agreed to consider written proposals for joint occupancy development of a portion of the Property to maximize revenues.
Noyes Elementary	2005	Charter School (destroyed/damaged by Eaton Fire)

Additional district properties, such as Peoria Place/Hodges (a former children's/infant center), are used by nonprofit and community service organizations.

Please visit pusd.us/budget for PUSD's full financial outlook and how the district is identifying \$30-35 million in reductions and revenue for the 2026-27 budget.



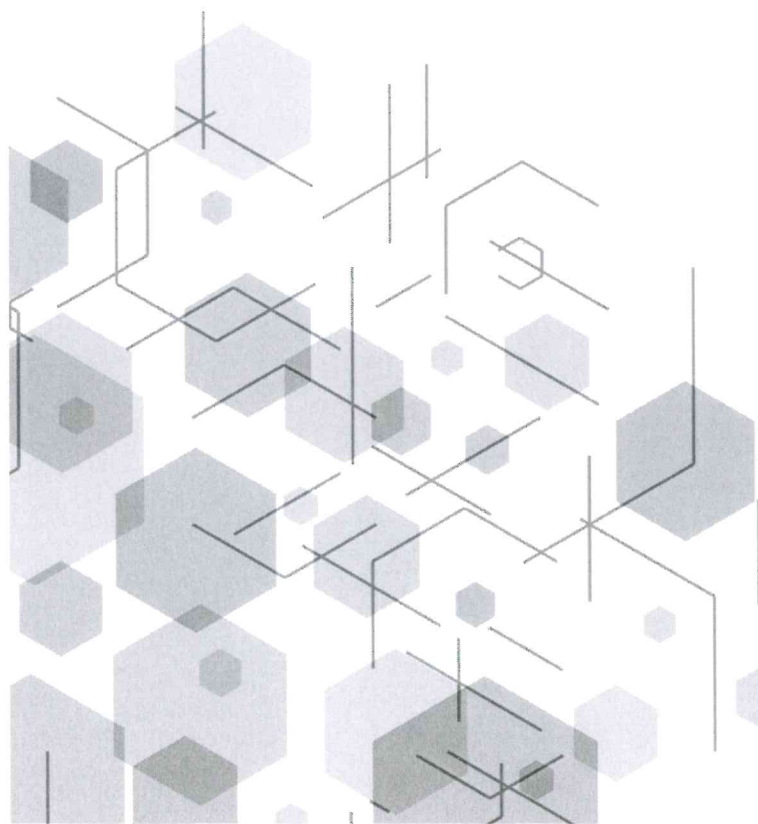
Getting Down to
FACTS



The Fiscal Consequences of School Closures in California: Evidence from a Statewide Synthetic Difference-in-Differences Design

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May 2026



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The Fiscal Consequences of School Closures in California: Evidence from a Statewide Synthetic Difference-in-Differences Design

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Abstract

School closures are frequently justified as fiscal necessities for districts confronting enrollment decline, rising per-pupil fixed costs, and persistent budgetary challenges. Yet causal evidence on their financial consequences remains limited. Drawing on data from all public school districts in California between 2011 and 2019, this study estimates the effect of entering a closure regime on district finances using a synthetic difference-in-differences design. This study estimates that school closures reduced per-pupil expenditures and revenues by approximately \$440 each—a pattern of symmetric, imprecisely estimated effects that left districts’ funding deficits and probability of achieving a balanced budget unchanged. These null effects were consistent across urban, rural, cash-strapped, and fiscally solvent district subgroups, and hold across a variety of robustness checks. Supplementary analyses reveal that closure regimes led to enrollment losses of 287 students, on average, but had no commensurate effects on the number of teachers, principals, or other district staff, leaving a predominant fixed-cost structure largely intact. These findings indicate (1) closures that occurred during the post-recession, pre-COVID decade did not, on average, improve the financial standing of California school districts; and (2) that the fiscal returns to closure were limited by closure-induced enrollment decline. Taken together, these findings suggest that school closure regimes should be understood as a complex financial restructuring process that affects expenditures and revenues through distinct mechanisms that can operate in offsetting ways. Moving forward, districts pursuing closures to improve their financial outlook should prioritize revenue optimization as a first-order objective, particularly in urban districts where revenue effects are most pronounced.

Keywords: school closures, district finance, synthetic difference-in-differences, Local Control Funding Formula, fiscal sustainability, California education policy

1. Introduction and Motivation

The permanent closure of public schools has become one of the most consequential and contested decisions in local educational governance. Across California and the United States, district administrators increasingly frame closure as a rational fiscal response to enrollment decline and rising per-pupil overhead—a strategy for consolidating underutilized facilities, reducing operating costs, and restoring budgetary balance (Hahnel & Pearman, 2023; Bifulco & Reback, 2014; Ladd & Singleton, 2017). The fiscal logic is straightforward: fewer buildings mean lower fixed costs, and lower fixed costs mean a healthier bottom line.

This logic, however, may discount institutional complexities that make the fiscal effects of closure empirically uncertain. Closures generate substantial transition costs—student reassignment, transportation reconfiguration, capital modifications at receiving schools, and legal and administrative expenses—that can offset near-term expenditure savings (Engberg et al., 2012; Brummet, 2014). Simultaneously, closure may alter district revenue streams through effects on enrollment. Under California’s Local Control Funding Formula (LCFF), the vast majority of general-purpose revenue is allocated on a per-pupil (ADA) basis: enrollment losses, whether precipitated by or merely correlated with closure, directly reduce state apportionments. Because closure may simultaneously reduce both expenditures and revenues, its net fiscal consequences are not empirically obvious.

Existing research offers limited guidance: previous work focuses primarily on case studies of individual school districts that provide limited generalizability for California school districts (de la Torre et al., 2015; Larsen, 2020; Nguyen-Hoang, 2019); it disproportionately examines expenditure outcomes while neglecting revenues, leaving the overall fiscal picture incomplete (Nguyen-Hoang, 2019); and it relies on research designs that are difficult to defend when closure is precisely the response of fiscally deteriorating districts to pre-existing distress (i.e., endogeneity concerns) (Nguyen-Hoang, 2019; Rosburg et al., 2017). This study addresses each of these limitations through a synthetic difference-in-differences (SDID) design applied to the full population of California school districts between 2011 and 2019—a context that is particularly unique given several institutional features, including LCFF’s enrollment-sensitive revenue system, county-office fiscal oversight, and the state’s distinctive demographic trajectory.

2. State Context

LCFF's Enrollment-Sensitive Revenue Architecture. Enacted in 2013, California's Local Control Funding Formula consolidated a fragmented categorical funding system into a base grant allocated proportionally to average daily attendance, supplemented by equity-weighted grants for English learners, low-income students, and foster youth (Ladd & Singleton, 2017; Hahnel & Pearman, 2023). The defining feature of this system for the purposes of this study is its enrollment sensitivity: because the vast majority of general-purpose state revenue flows through an ADA-based formula, any reduction in average daily attendance—whether driven by demographic decline, family relocation, or the community disruption that school closure can produce—mechanically reduces state apportionments to the district. This linkage between enrollment and revenue is more direct and immediate in California than in states that distribute aid through block grants, foundation formulas with hold-harmless provisions, or property-tax-based systems less sensitive to short-run enrollment fluctuations, making revenue-side effects of closure particularly relevant in the California context (Nguyen-Hoang, 2019). Unlike many state funding systems, California's LCFF includes no permanent hold-harmless guarantee against enrollment-driven revenue losses; although multi-year ADA averaging can cushion short-term declines, sustained enrollment losses ultimately produce proportional reductions in state apportionments.

County-Office Fiscal Oversight. California operates one of the most active multilevel solvency oversight systems in the country. County offices of education (COEs) review annual district budgets and assign qualified or negative certifications to districts whose fiscal projections raise solvency concerns, with intervention powers ranging from expenditure restrictions to emergency apportionments and state receivership (Hahnel & Pearman, 2023). This oversight architecture creates institutional pressures that are directly relevant to closure decisions: districts approaching fiscal distress may accelerate consolidation plans to satisfy COE conditions for solvency certification, while COEs may explicitly recommend closure as part of a fiscal recovery plan. Assembly Bill 1912, enacted in September 2022, added a further procedural layer for financially distressed districts, requiring community engagement and a nine-metric equity impact analysis before any closure or consolidation can be approved. Together, these oversight mechanisms mean that closure decisions in California are not made in

isolation from state and county institutional actors—a feature that distinguishes the California context from states with weaker or purely advisory oversight regimes (Thompson, 2019; Saldána, 2025).

California’s Distinctive Demographic Trajectory. California has experienced sustained and geographically uneven enrollment decline over the past two decades, driven by falling birth rates, domestic outmigration, and shifting immigration patterns (Hahnel & Pearman, 2023). Between 2003 and 2023, statewide public school enrollment fell by more than 700,000 students, with losses concentrated in urban core districts and older suburban communities while some exurban and rural districts maintained or grew their enrollment bases. This demographic unevenness matters for the study of school closure because it means that the districts most likely to enter closure regimes are those facing the sharpest enrollment declines—precisely the districts for whom the LCFF revenue mechanism creates the most acute fiscal exposure (e.g., districts that disproportionately serve high needs students). Understanding the fiscal consequences of closure in California thus requires attending to the demographic context in which closure decisions are made, including the likelihood that enrollment attrition both precedes and follows the onset of a closure regime.

Revenue Structure. In 2011, California districts drew approximately 55% of total revenues from state sources, 33% from local sources, and 13% from federal programs (NCES Common Core of Data, 2011). This state-heavy revenue mix means that enrollment-driven contractions in state apportionments represent the dominant fiscal channel through which demographic change affects district budgets—a structural feature that makes California’s institutional context particularly relevant for studying the fiscal consequences of school closure.

3. Data

3.1 Analytic Sample

The primary sample consists of all traditional public school districts in California observed annually from fiscal year 2011 to 2019. The lower bound provides sufficient pre-treatment observations for SDID weight construction after the Great Recession; the upper bound excludes the COVID-19 period, during which federal emergency relief generated extraordinary fiscal shocks. Charter-only LEAs and county offices of education are excluded on governance grounds.

Four additional sample restrictions merit note. First, single-school districts are excluded from the primary analysis. In these cases, a school closure is functionally equivalent to district dissolution—a categorically different governance event with distinct fiscal mechanics that are not comparable to consolidation decisions within multi-school districts. Three further restrictions follow from the requirements of the SDID estimator. Second, SDID requires a balanced panel—every unit observed in every period—to construct the synthetic control weight matrix; districts missing any panel year are therefore excluded. Third, districts with missing values on any outcome variable in any year are dropped via listwise deletion, as unbalanced outcome coverage would likewise prevent weight construction. Fourth, districts first treated in the initial year of the panel (2011) are excluded because SDID requires at least one pre-treatment observation per unit to estimate the pre-treatment divergence that the unit weights are designed to minimize; districts treated at $t = 1$ provide no such baseline. The resulting primary panel contains approximately 796 districts per year, yielding 7,164 district-year observations.

3.2 School Closure Data

School closures are identified using the California Department of Education School Directory and cross-validated with the NCES Common Core of Data (CCD) School Universe Files. A school is coded as permanently closed if it ceases operations and does not reopen under the same CDS code within three years. The treatment definition excludes temporary closures, grade reconfigurations that do not eliminate a school entity, and closures of charter schools operating within district boundaries. This restriction targets genuine consolidation decisions rather than administrative reorganizations.

3.3 Financial Data

District fiscal data are drawn from the NCES Common Core of Data (CCD) Local Education Agency (School District) Finance Survey (F-33). The F-33 provides nationally standardized revenue and expenditure data collected annually from state education agencies, enabling consistent cross-district and cross-state comparisons. Key constructs include total revenues by source (local, state, and federal), current expenditures by function, and capital outlay—all reported at the LEA level. All financial variables are converted to constant 2019 dollars using the CPI-U.

4. Outcome Variables

Four outcome constructs capture distinct dimensions of district financial health.

Per-Pupil Funding Deficit. The primary outcome is the deficit per pupil, defined as $\text{Deficit}_{dt} = (E_{dt} - R_{dt}) / N_{d,2011}$, where E_{dt} and R_{dt} are total expenditures and revenues in district d at year t , and $N_{d,2011}$ is baseline enrollment. Anchoring the denominator to 2011 enrollment prevents mechanical inflation of per-pupil deficits from a declining enrollment base and preserves comparability across districts with different enrollment trajectories.

Balanced Budget Indicator. A binary indicator equal to one if $R_{dt} \geq E_{dt}$. This measure captures whether a district's revenue meets or exceeds its expenditures (i.e., attaining a balanced budget).

Per-Pupil Expenditures. Total inflation-adjusted expenditures per baseline pupil. Supplemental analyses disaggregate expenditures using F-33 subcategories including instruction, support services (encompassing pupil support, instructional staff support, and general administration), operations and maintenance, student transportation, and capital outlay, among others (see Table A in the Appendix).

Per-Pupil Revenues. Total inflation-adjusted revenues per baseline pupil. Supplementary analyses decompose total revenue into revenues from local sources (principally property taxes), revenues from state sources (including LCFF base grant apportionments and supplemental and concentration grants), and revenues from federal sources (including Title I Part A and IDEA).

5. Treatment

The primary treatment indicator is a binary, absorbing variable equal to one in all district-years at or after the district's first documented school closure between 2011 and 2019:

$$D_{dt} = \mathbf{1}(t \geq T_d) \quad (1)$$

where T_d is the first closure year for district d . Treating closure as absorbing reflects the institutional reality that districts rarely reopen closed schools and that entering a closure regime often initiates a multi-year process of consolidation and community adjustment. The primary estimand is the average treatment effect on the treated (ATT): the causal effect of entering a closure regime on the

fiscal outcomes of districts that actually entered one, relative to their counterfactual trajectory absent closure.

To approximate intensive-margin heterogeneity within this binary framework, supplementary analyses estimate separate models for districts closing exactly one school, exactly two schools, three or more schools, and at least 10% of their schools.

6. Estimation Strategy

6.1 Identification Challenge

Districts do not enter closure regimes at random. Closure is typically a response to enrollment decline, fiscal stress, and political pressures—forces predictive of the fiscal outcomes under study. Formally, if untreated potential outcomes follow a factor model admitting district-specific linear fiscal trends, $Y_{dt}(0) = \alpha_d + \lambda_t + \delta_d t + u_{dt}$, then closing districts likely have deteriorating pre-treatment trajectories ($\delta_d > 0$) that render the parallel trends assumption required for two-way fixed effects (TWFE) untenable. Staggered treatment timing compounds this problem: under heterogeneous treatment effects, TWFE assigns implicit negative weights across cohorts, generating estimates that are difficult to interpret causally (Goodman-Bacon, 2021; Callaway & Sant’Anna, 2021; Sun & Abraham, 2021).

6.2 Synthetic Difference-in-Differences

I adopt the synthetic difference-in-differences (SDID) estimator (Arkhangelsky et al., 2021) as the primary identification strategy. SDID combines the pre-treatment balancing logic of synthetic control with the differencing logic of DID, constructing unit weights w_d^{sc} that minimize the pre-treatment divergence between treated districts and a reweighted control group:

$$\min_w \sum_{t \leq T_0} \lambda_t \left(\bar{Y}_{treated,t} - \sum_{d \in C} w_d Y_{dt} \right)^2, \quad \sum_d w_d = 1, \quad w_d \geq 0 \quad (2)$$

Time weights λ_t additionally downweight early pre-treatment periods less informative for predicting post-treatment dynamics. The resulting ATT estimator differences post-treatment divergence between treated and synthetic control groups, adjusted for residual pre-treatment differences:

$$\hat{\tau}^{\text{SDID}} = (\bar{Y}_{treated,post} - \sum_d w_d \bar{Y}_{d,post}) - (\bar{Y}_{treated,pre} - \sum_d w_d \bar{Y}_{d,pre}) \quad (3)$$

This two-stage adjustment yields an estimator that is doubly robust: consistent if either the unit reweighting or the time-differencing removes confounding (Arkhangelsky et al., 2021). The identifying assumption—that reweighted comparison districts provide valid post-treatment counterfactuals for treated districts—is substantially weaker than strict parallel trends and is evaluated empirically through event-study specifications and robustness checks.

6.3 Dynamic Event-Study Specifications

Fiscal adjustments following closure are likely to unfold over multiple years. To trace the adjustment path, I estimate dynamic specifications:

$$Y_{dt} = \alpha_d + \lambda_t + \sum_{k \neq -1} \beta_k \cdot \mathbf{1}(t - T_d = k) + \varepsilon_{dt} \quad (4)$$

where k indexes event time relative to first closure, with $k = -1$ as the reference period. Coefficients for $k < 0$ serve as pre-trend balance tests; coefficients for $k \geq 0$ trace the post-closure adjustment path.

6.4 Inference

All specifications use `vce(bootstrap)` as implemented in the `sdid` package, which resamples districts with replacement, reconstructs SDID weights, and re-estimates treatment effects across each iteration to propagate weight-construction uncertainty into inference. Standard errors and confidence intervals reported throughout are derived from this bootstrap procedure.

7. Results

7.1 Descriptive Summary

Figure 1 compares the financial standing of districts before and after school closure. For clarity of presentation, the figure is restricted to districts enrolling at least 5,000 students that experienced at least one closure between 2011 and 2019, and excludes three outlier districts whose revenue surplus or deficit in either period exceeded \$50 million.

The horizontal axis represents a district's mean revenue surplus in the years preceding its first closure, with the vertical orange line indicating fiscal balance. Districts to the left of this line carried pre-closure funding deficits of varying magnitudes; districts to the right carried pre-closure revenue surpluses. The vertical axis represents the corresponding post-closure mean, with the horizontal orange line indicating fiscal balance in the post-closure period. Districts below this line were in deficit in the years following closure; districts above it had surpluses. Each marker represents a single district. Both axes are scaled in millions of constant 2019 dollars.

The intersecting reference lines partition the scatterplot into four quadrants. Districts in the upper-left quadrant entered closure with a funding deficit and exited with a revenue surplus—the most favorable fiscal trajectory among districts that closed with pre-existing deficits. Districts in the upper-right quadrant had surpluses both before and after closure. Districts in the lower-right quadrant transitioned from surplus to deficit following closure, suggesting deterioration from a position of relative stability. Districts in the lower-left quadrant remained in deficit throughout.

As shown in Figure 1, closing districts exhibit considerable heterogeneity in both pre- and post-closure fiscal standing, with roughly comparable representation across all four quadrants. Among districts that entered closure with a funding deficit—those to the left of the vertical reference line, for whom fiscal rationale for closure is most intuitive—a similar number remained in deficit as subsequently achieved surplus. Two contrasting cases illustrate this variation. Los Baños Unified and El Rancho Unified are similarly sized districts enrolling roughly 10,000 students, each closing a single school for the first time during the observation window. Both entered closure carrying a funding deficit of approximately \$25 million. In the post-closure period, Los Baños remained in deficit at a comparable magnitude (\$27 million), locating it in the lower-left quadrant, while El Rancho converted to a revenue surplus of \$48 million, locating it in the upper-left quadrant.

The same heterogeneity characterizes districts that entered closure in fiscal surplus. Among districts to the right of the vertical reference line, post-closure outcomes are split roughly evenly between sustained surplus and subsequent deficit. Escondido Union and Rocklin Unified illustrate this pattern: each entered closure with a pre-closure surplus of approximately \$90 million. Rocklin subsequently more than doubled its surplus, locating it in the upper-right quadrant, while Escondido transitioned to a deficit of \$37 million, locating it in the lower-right quadrant.

Taken together, Figure 1 supports three descriptive conclusions. First, districts that enter closure regimes differ substantially in their fiscal standing in the years preceding closure, ranging from considerable surplus to notable deficit. Second, post-closure fiscal trajectories are similarly heterogeneous, with some districts improving and others deteriorating. Third, the probability of fiscal improvement following closure does not appear systematically related to pre-closure fiscal standing: with limited exceptions among a small cluster of districts in strong pre- and post-closure positions, the vertical distribution of outcomes is roughly uniform across the pre-closure fiscal distribution. There is, in other words, little descriptive evidence that financially distressed districts are especially well-positioned to realize post-closure savings, nor that financially stable districts are insulated from post-closure deterioration.

These patterns are informative but carry important limitations. Chief among them: descriptive patterns cannot establish causality. Closure may be both a response to fiscal distress and a contributor to longer-run fiscal trajectories, and the cross-sectional pre/post comparisons in Figure 1 cannot isolate closure's contribution from concurrent secular trends or district-specific shocks. The causal estimates in the following section address this limitation directly.

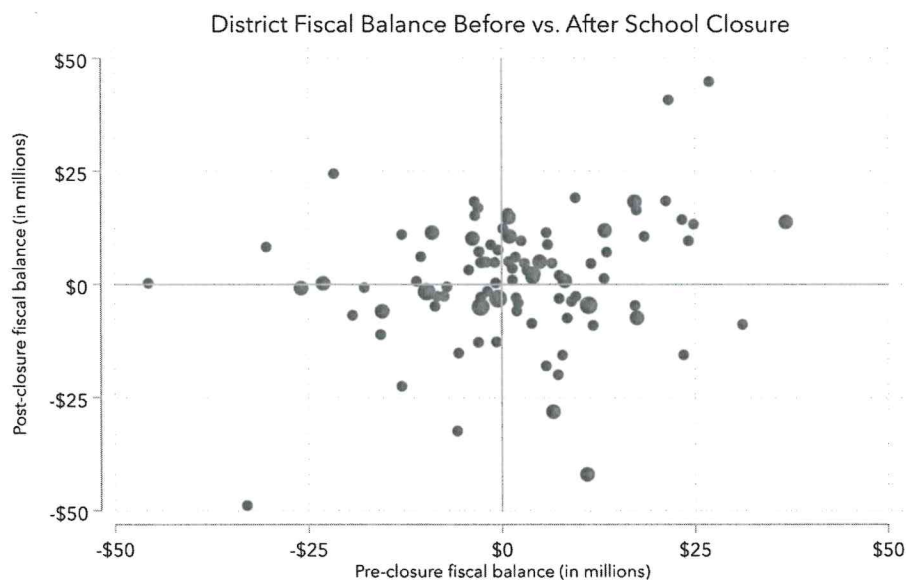


Figure 1. District Fiscal Balance Before vs. After School Closure. Each marker represents a single district. Axes are scaled in millions of constant 2019 dollars. Sample restricted to districts enrolling at least 5,000 students with at least one closure between 2011 and 2019; three outlier districts exceeding \$50 million in surplus or deficit are excluded. Orange reference lines denote fiscal balance (\$0) on each axis.

7.2 Main Regression Results

Table 1 presents SDID estimates of the ATT of entering a closure regime on each outcome, as specified in Equations 2–3. Table 2 reports estimates for four district subgroups: urban, rural, cash-strapped, and fiscally solvent districts. Columns report estimates for the per-pupil funding deficit, balanced-budget indicator, per-pupil total expenditures, and per-pupil total revenues. All expenditure, revenue, and deficit estimates are expressed as per-pupil dollar amounts.

Across all four outcomes, the primary SDID estimates for the full sample are statistically indistinguishable from zero. Table 1 indicates that entering a closure regime is associated with a \$70.46 per-pupil reduction in the funding deficit, but this estimate is highly imprecise ($SE = \$204.62$) and far from conventional significance thresholds. The balanced-budget indicator shows no statistically significant change (estimate = 0.03; $SE = 0.05$).

Point estimates are negative on both sides of the fiscal ledger in the full sample. The estimate for total expenditures is $-\$447.30$ per pupil ($SE = \$387.86$) and for total revenues is $-\$432.70$ per pupil ($SE = \$443.78$); neither approaches conventional significance thresholds. The near-symmetry of these negative point estimates is consistent with the null effects on funding deficit and budget balance: both sides of the ledger move in the same direction by roughly comparable magnitudes, leaving estimated net fiscal position unchanged.

Table 1. Synthetic Difference-in-Differences Estimates of the ATT of School Closures on California School District Finances, 2011–2019

	<i>Funding</i>	<i>Balanced</i>	<i>Total</i>	<i>Total</i>
	<i>Deficit</i>	<i>Budget</i>	<i>Expenditures</i>	<i>Revenue</i>
School Closures	–70.46 (204.62)	0.03 (0.05)	–447.30 (387.86)	–432.70 (443.78)
<i>N</i>	7,164	7,164	7,164	7,164

Note. All estimates for funding deficit, total expenditures, and total revenues are expressed as per-pupil dollar amounts. Funding deficit is total expenditures minus total revenue per baseline pupil. Balanced budget is a binary indicator of whether revenues exceeded expenditures. Standard errors clustered at the district level and shown in parentheses. * $p < .05$, ** $p < .01$, *** $p < .001$ (two-tailed tests).

Table 2. Synthetic Difference-in-Differences Estimates of the ATT of School Closures on California School District Finances, by District Subgroup, 2011–2019

	<i>Funding</i>	<i>Balanced</i>	<i>Total</i>	<i>Total</i>
	<i>Deficit</i>	<i>Budget</i>	<i>Expenditures</i>	<i>Revenue</i>
Panel A. Urban Districts				
School Closures	–386.84 (237.90)	0.15 (0.10)	–1,224.10* (489.55)	–844.88*** (251.88)
<i>N</i>	1,026	1,026	1,026	1,026
Panel B. Rural Districts				
School Closures	–65.16 (1,003.92)	0.06 (0.09)	–326.28 (1,508.38)	–888.41 (1,821.60)
<i>N</i>	2,637	2,637	2,637	2,637
Panel C. Cash-Strapped School Districts				
School Closures	121.33 (258.39)	–0.02 (0.11)	–140.90 (413.78)	–220.27 (283.88)
<i>N</i>	1,989	1,989	1,989	1,989
Panel D. Fiscally Solvent School Districts				
School Closures	–499.05 (538.86)	0.08 (0.07)	–692.56 (1,000.73)	–357.69 (1,044.19)
<i>N</i>	3,006	3,006	3,006	3,006

Note. All estimates for funding deficit, total expenditures, and total revenues are expressed as per-pupil dollar amounts. Funding deficit is total expenditures minus total revenue per baseline pupil. Balanced budget is a binary indicator of whether revenues exceeded expenditures. Urban and rural classifications follow NCES locale codes. Cash-strapped districts are those whose financial position in the four years preceding the observation period (2007–2011) was characterized by average spending exceeding average revenue and average long-term debt exceeding average reserves. Fiscally solvent districts are those whose financial position during the same pre-observation period was characterized by average revenue exceeding average spending and average reserves exceeding average long-term debt. Standard errors clustered at the district level and shown in parentheses. * $p < .05$, ** $p < .01$, *** $p < .001$ (two-tailed tests).

7.3 Event Study Results

The point estimates in Table 1 characterize average post-closure associations but do not reveal the temporal dynamics underlying them—whether fiscal effects emerge immediately and dissipate, accumulate gradually, or mask offsetting within-period movements. Figure 2 presents event-study estimates from Equation 4, tracing outcomes from five years before to five years after a district enters a closure regime. These specifications require a binary treatment indicator and express outcomes on a per-pupil basis; the robustness of these per-pupil estimates in Table 1 to alternative modeling and sample choices is documented in Table 3.

Several patterns emerge. First, across all four panels, pre-closure coefficients are small and tightly clustered around zero, providing strong evidence of pre-trend balance: districts that eventually

closed schools were not on meaningfully divergent fiscal trajectories in the years preceding closure, relative to their synthetic counterparts. This balance supports the validity of the SDID identifying assumption.

Second, Panel A shows that post-closure point estimates for the per-pupil funding deficit turn negative three years after entering a closure regime—indicating an improvement in fiscal position—but with confidence intervals that widen substantially across the post-closure window and encompass zero at all time points except for $k = 5$, for which the point estimate is statistically significant. Panel B is similar: the probability of achieving budget balance trends slightly upward in the post-closure period, but in this case no individual post-closure coefficient is statistically distinguishable from zero.

Third, Panels C and D reveal a more consistent negative pattern. Per-pupil expenditures decline markedly following closure, with point estimates in the range of $-\$600$ to $-\$1,000$ across post-closure event times $k = 1$ through $k = 5$. Per-pupil revenues exhibit a similar trajectory, with comparable negative point estimates across the post-closure window. In both panels the confidence bands are wide, and the per-pupil estimates cross zero in most individual years. Taken together, the event-study results reinforce the central finding: school closures do not, on average, improve the financial position of California districts.

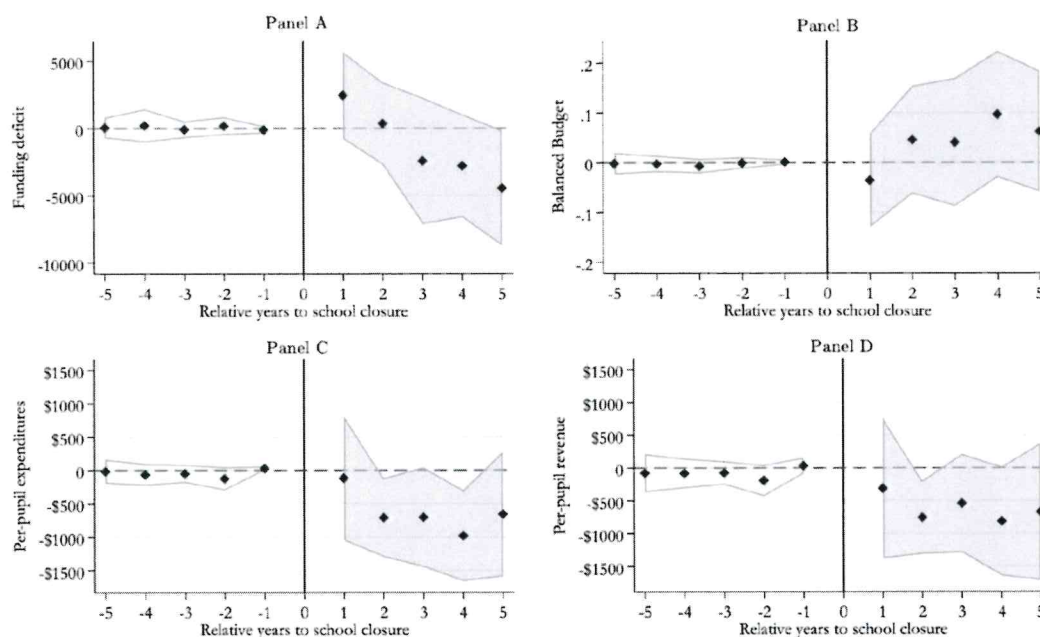


Figure 2. Event-Study Estimates of the Effect of School Closure on District Fiscal Outcomes, 2011–2019. Blue diamonds are SDID point estimates; shaded bands are 95% confidence intervals constructed via district-level block bootstrap. Event time $k = -1$ is the omitted reference year. Panel A: per-pupil funding deficit (in dollars); Panel B: balanced-budget probability; Panel C: per-pupil expenditures (in dollars); Panel D: per-pupil revenues (in dollars).

7.4 Subgroup Analyses

The main results characterize average effects across all California public school districts, but the fiscal consequences of closure may vary systematically with district characteristics. Table 2 reports SDID estimates separately for four district subgroups: urban districts, rural districts, cash-strapped districts, and fiscally solvent districts. Urban and rural classifications follow NCES locale codes. Cash-strapped districts are those whose financial position in the four years preceding the observation period (2007–2011) was characterized by average spending exceeding average revenue and average long-term debt exceeding average reserves. Fiscally solvent districts are those whose financial position during the same pre-observation period was characterized by average revenue exceeding average spending and average reserves exceeding average long-term debt.

Two dimensions of heterogeneity emerge from the subgroup analyses. First, the fiscal consequences of closure are meaningfully concentrated among urban districts. Panel A of Table 2

indicates that entering a closure regime in an urban district decreases per-pupil expenditures by \$1,224.10 ($p < .05$) and per-pupil revenues by \$844.88 ($p < .001$). Critically, the magnitude of revenue losses means that the relative financial standing of urban districts remains unchanged after entering a closure regime despite statistically meaningful declines in per-pupil expenditures. Neither the impact on funding deficits nor achieving a balanced-budget reaches statistical significance for urban districts.

Second, the overall pattern of null effects is robust across rural, cash-strapped, and fiscally solvent district subgroups. Panel B finds no statistically significant associations between closure and any fiscal outcome for rural districts, with standard errors approximately three to four times larger than the full-sample estimates, reflecting the heterogeneous fiscal circumstances and smaller treated sample in this classification. Panels C and D are similarly null: neither cash-strapped nor fiscally solvent districts show evidence of post-closure improvement or deterioration on any outcome of interest.

Of particular note is the null result among cash-strapped districts. This is the subset of California districts most likely to have pursued closure specifically as a fiscal intervention—confronting both the budgetary pressures that make closure attractive and the COE oversight architecture that may make it an expected condition of solvency certification. For this group, the study finds no evidence of post-closure improvement on any outcome. That is to say, even among districts with the strongest *ex ante* incentives to realize cost savings, closure is not associated with a measurable improvement in financial health.

7.5 Robustness Checks

Table 3 reports estimates from a battery of robustness checks designed to assess sensitivity to alternative modeling, measurement, and sample restrictions. The substantive conclusions are stable across specifications that (i) include charter schools in the closure count; (ii) include alternative schools in the closure count; (iii) restrict to closures of small schools by average enrollment threshold; (iv) use traditional two-way fixed effects or the Callaway–Sant’Anna estimator as alternative identification strategies; (v) employ treatment-onset lags of one, two, and three years to assess anticipation effects—which may arise because closure processes in California can span multiple years from announcement to implementation (Anglum, 2026); (vi) define treatment as closure of at least 10% of district schools; and (vii) include district-by-year time trends or district-level covariates. Placebo tests

assigning treatment to T+1, T+2, and T+3 produce estimates clustered around zero across all outcomes, providing reassurance that the primary null results are not an artifact of the SDID weight construction. Panel R restricts the treated sample to districts whose first closure occurred in 2015 or later to ensure that ARRA stimulus drawdown and the LCFF phase-in are fully absorbed into the pre-treatment baseline; estimates remain statistically indistinguishable from zero across all four outcomes, providing no evidence that these concurrent funding shocks are driving the primary null results.

Table 3. Synthetic Difference-in-Differences Estimates of the ATT of School Closures on District Finances, 2011–2019 — Robustness Checks

	<i>Funding Deficit</i> <i>(per pupil, \$)</i>	<i>Balanced</i> <i>Budget</i>	<i>Total Expend.</i> <i>(per pupil, \$)</i>	<i>Total Revenue</i> <i>(per pupil, \$)</i>
Panel A. Primary Results				
School Closures	–70.46 (291.23)	0.03 (0.05)	–447.30 (387.86)	–432.70 (443.78)
<i>N</i>	7,164	7,164	7,164	7,164
Panel B. Inclusion of Charter Schools				
School Closures	–177.25 (203.75)	0.03 (0.04)	–450.07 (334.34)	–337.70 (352.52)
<i>N</i>	7,101	7,101	7,101	7,101
Panel C. Inclusion of Alternative Schools				
School Closures	–47.23 (139.11)	0.03 (0.03)	–465.83* (223.67)	–478.14* (243.90)
<i>N</i>	7,164	7,164	7,164	7,164
Panel D. Closure of Small Schools (avg. enrollment < 100)				
School Closures	–139.84 (182.38)	0.05 (0.05)	–402.49 (333.75)	–353.78 (307.39)
<i>N</i>	5,805	5,805	5,805	5,805
Panel E. Closure of Small Schools (avg. enrollment < 250)				
School Closures	–171.01 (199.43)	0.06 (0.05)	–526.46* (246.62)	–425.98 (228.49)
<i>N</i>	6,102	6,102	6,102	6,102
Panel F. Closure of Small Schools (avg. enrollment < 500)				
School Closures	–227.14 (172.47)	0.06 (0.04)	–573.49* (260.68)	–404.11 (222.75)
<i>N</i>	6,300	6,300	6,300	6,300
Panel G. Traditional Two-Way Fixed Effects				
School Closures	2.17 (279.19)	0.04 (0.05)	–35.49 (530.17)	–37.65 (505.68)
<i>N</i>	7,164	7,164	7,164	7,164
Panel H. Callaway & Sant’Anna Estimator				
School Closures	–102.27 (341.46)	0.02 (0.06)	–677.60 (422.52)	–575.33 (484.26)
<i>N</i>	7,164	7,164	7,164	7,164
Panel I. Treatment = 1-Year Lag				
School Closures	33.64 (333.24)	0.02 (0.06)	380.02 (398.21)	401.62 (356.26)
<i>N</i>	6,975	6,975	6,975	6,975

	<i>Funding Deficit</i>	<i>Balanced</i>	<i>Total Expend.</i>	<i>Total Revenue</i>
Panel J. Treatment = 2-Year Lag				
School Closures	-270.59 (332.91)	0.02 (0.07)	380.96 (521.48)	607.90 (494.16)
<i>N</i>	6,777	6,777	6,777	6,777
Panel K. Treatment = 3-Year Lag				
School Closures	-316.25 (410.08)	0.01 (0.07)	219.53 (577.99)	418.06 (542.15)
<i>N</i>	6,633	6,633	6,633	6,633
Panel L. Treatment = 10% Closures				
School Closures	-237.49 (226.95)	0.05 (0.04)	-408.21 (542.56)	-245.39 (476.86)
<i>N</i>	7,137	7,137	7,137	7,137
Panel M. Inclusion of District-by-Year Time Trends				
School Closures	-72.66 (292.14)	0.03 (0.05)	-447.07 (387.79)	-433.53 (441.93)
<i>N</i>	7,164	7,164	7,164	7,164
Panel N. Inclusion of Covariates				
School Closures	-66.07 (293.67)	0.03 (0.05)	-429.80 (383.45)	-422.41 (440.01)
<i>N</i>	7,164	7,164	7,164	7,164
Panel O. Placebo Test: T+1				
School Closures	-165.90 (337.37)	0.04 (0.04)	-201.26 (364.35)	-0.96 (407.90)
<i>N</i>	7,164	7,164	7,164	7,164
Panel P. Placebo Test: T+2				
School Closures	-39.31 (318.59)	0.00 (0.04)	114.71 (436.02)	160.12 (517.40)
<i>N</i>	7,164	7,164	7,164	7,164
Panel Q. Placebo Test: T+3				
School Closures	80.82 (325.48)	-0.02 (0.04)	282.57 (543.17)	266.89 (668.74)
<i>N</i>	7,164	7,164	7,164	7,164
Panel R. Post-ARRA Cohorts Only (First Closure ≥ 2015)				
School Closures	174.01 (805.01)	0.07 (0.09)	50.46 (1,315.39)	756.92 (1,457.17)
<i>N</i>	2,392	2,392	2,392	2,392

Note. All estimates for funding deficit, total expenditures, and total revenues are expressed as per-pupil dollar amounts. Funding deficit is total expenditures minus total revenue per baseline pupil. Balanced budget is a binary indicator of whether revenues exceeded expenditures. Standard errors in Panel A differ from those reported in Table 1 because Table 1 uses bootstrap standard errors while Table 3, Panel A, uses asymptotic cluster-robust standard errors; point estimates are identical. Standard errors clustered at the district level and shown in parentheses. **p* < .05, ***p* < .01, ****p* < .001 (two-tailed tests).

7.6 Supplementary Analyses

This section presents three supplementary analyses that characterize the mechanisms underlying the primary results: effects on district personnel, disaggregation of expenditure changes by F-33 category, and disaggregation of revenue changes by governmental source.

Personnel Impacts. Table 4 reports SDID estimates of the effect of entering a school closure regime on four district personnel outcomes: student enrollment, teacher counts, principal counts, and total district staff. The most notable finding is that closure is associated with a statistically significant decline of 287.67 students ($p < .05$), confirming that entering a closure regime is accompanied by meaningful enrollment attrition. This result is important for interpreting the primary financial findings: because LCFF apportions state general assistance on a per-ADA basis, enrollment losses of this magnitude translate directly into revenue reductions, providing a concrete empirical anchor for the mechanism described in the Discussion. In contrast, closure is not associated with statistically significant changes in teacher counts, principal counts, or total district staff, suggesting that personnel costs do not contract commensurately with the student population loss.

Table 4. Synthetic Difference-in-Differences Estimates of the ATT of School Closures on School District Personnel

	<i>Students</i>	<i>Teachers</i>	<i>Principals</i>	<i>Total District Staff</i>
School Closures	-287.67*	0.78	1.90	22.15
	(137.27)	(9.87)	(1.41)	(18.40)
<i>N</i>	7,164	6,984	6,975	6,984

Note. All outcomes are measured in count units (number of students, teachers, principals, or total staff). Standard errors are clustered at the district level and shown in parentheses. * $p < .05$, ** $p < .01$, *** $p < .001$ (two-tailed tests).

Expenditure Decomposition. Supplemental analysis of expenditure changes by F-33 category is reported in Figure A1 in the Appendix. Point estimates are negative for both instructional expenditures and support services—the two largest operating cost categories—with estimates of approximately $-\$350,000$ to $-\$450,000$ and $-\$200,000$ to $-\$300,000$ respectively. Notably, the negative point estimate for instructional expenditures does not necessarily imply a reduction in teaching staff—a finding consistent with the null effects on teacher counts reported in Table 4. Rather, F-33 instructional expenditures encompass a broader set of costs including instructional materials, paraprofessional aides, and contracted instructional services, any of which may contract modestly following closure without a commensurate reduction in classroom teachers. Capital outlay and external payment

categories are near zero or statistically indistinguishable from zero. Taken together, the expenditure decomposition is consistent with the personnel findings: operating costs do not contract sharply or selectively in ways that would produce a meaningful fiscal benefits.

Revenue Decomposition. Supplemental disaggregation of revenue changes by governmental source is reported in Figures A2–A4 in the Appendix. At the state level, General Assistance revenue—the primary LCFF formula grant category—accounts for the largest single revenue movement, with a point estimate of approximately $-\$350,000$ and a confidence interval spanning roughly $-\$500,000$ to $-\$200,000$. This pattern is a direct consequence of LCFF’s ADA-based architecture: closures that induce enrollment attrition reduce state apportionments automatically and proportionally, making state general assistance the dominant channel through which closure affects district revenue in California. At the federal level, Title I Part A and IDEA both show negative point estimates consistent with the displacement of economically disadvantaged and disability-status students who carry federal formula weights, though both estimates are imprecise and cross zero. At the local level, revenue subcategory estimates are tightly clustered around zero. Together, these patterns confirm that enrollment-driven state revenue contraction is the primary fiscal mechanism at work.

8. Discussion

As school districts across California confront mounting enrollment losses and persistent budgetary pressures, school closure has emerged as a dominant administrative response, justified routinely on fiscal grounds. This study provides credibly causal evidence on whether that fiscal rationale holds. The findings are clear: entering a school closure regime does not, on average, improve the financial outlook of California school districts.

The revenue decomposition highlights an important mechanism. State General Assistance revenue—the primary formula grant under California’s Local Control Funding Formula—accounts for the largest single revenue movement following closure, with point estimates suggesting declines of approximately $\$350,000$, on average, when a district enters a closure regime. This is a predictable consequence of LCFF’s architecture: because state revenue is allocated almost entirely on the basis of

categories are near zero or statistically indistinguishable from zero. Taken together, the expenditure decomposition is consistent with the personnel findings: operating costs do not contract sharply or selectively in ways that would produce a meaningful fiscal benefits.

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The revenue decomposition highlights an important mechanism. State General Assistance revenue—the primary formula grant under California’s Local Control Funding Formula—accounts for the largest single revenue movement following closure, with point estimates suggesting declines of approximately $\$350,000$, on average, when a district enters a closure regime. This is a predictable consequence of LCFF’s architecture: because state revenue is allocated almost entirely on the basis of

average daily attendance, any closure-related enrollment attrition triggers an automatic and proportional contraction in state apportionments.

The personnel analysis reported in Table 4 confirms that this attrition is empirically real: entering a closure regime is associated with a statistically significant reduction of approximately 287 students. A back-of-the-envelope calculation illustrates the mechanism directly: at the statewide average LCFF base grant of approximately \$8,500 per ADA, the estimated post-closure enrollment loss of 287 students translates to roughly \$2.4 million in foregone state revenue per closure event—a figure broadly consistent with the total revenue point estimates reported in Table 1.

Notably, however, the same analysis finds no statistically significant reductions in teacher counts, principal counts, or total district staff following closure. This asymmetry is substantively important: it suggests that school closures in California occur largely in the absence of commensurate workforce reductions, leaving the fixed-cost structure of the district broadly intact even as the student population—and with it, ADA-based revenue—contracts. Under these conditions, the expenditure savings that motivate closure as a fiscal strategy are unlikely to materialize in full, which helps explain why point estimates for total expenditures are imprecise and why no net improvement in fiscal health is observed.

Among urban districts, expenditure and revenue declines are both precisely estimated and statistically significant, yet they are roughly symmetric in magnitude, again producing null effects on funding deficits and budget balance. This urban pattern is consistent with the broader literature on school closure and district finance: large urban districts, which rely heavily on enrollment-weighted state apportionments and serve higher concentrations of Title I and special education students, are especially exposed to the revenue consequences of post-closure enrollment attrition. That urban districts in California show the most precisely estimated effects on both sides of the ledger—while still showing null effects on fiscal health—speaks directly to the enrollment-revenue link that LCFF makes particularly acute.

The null result among cash-strapped districts is also notable. This is the subgroup for whom the fiscal rationale for closure is most intuitively compelling: districts that entered the study window already carrying deficits and long-term debt in excess of reserves, for whom cost reduction is not an aspiration but an institutional necessity. That even these districts show no evidence of post-closure

fiscal improvement suggests that the revenue mechanism is not selective. It does not spare districts that are most desperate for savings. The ADA-based revenue contraction operates regardless of a district's pre-closure fiscal position, offsetting whatever expenditure savings the consolidation process produces.

Four implications follow for policy and practice. First, districts considering school closure as a fiscal stabilization strategy should not assume that expenditure savings will translate into improved fiscal health. Under California's current funding system, that assumption is not supported by the evidence. Districts that close schools while experiencing enrollment attrition—whether driven by community flight, family reassignment decisions, or the signaling effects of closure itself—may find that revenues decline at roughly the same rate as instructional and support costs, leaving the net fiscal benefit close to zero.

Second, to the extent that districts can retain enrollment following closure—by investing in transition quality, managing the community engagement process in ways that limit family attrition, and targeting closures in ways that minimize displacement of federally weighted student populations—the revenue losses that currently offset expenditure savings could, in principle, be reduced. The personnel results reported in Table 4 underscore the stakes of this challenge: with an average post-closure student loss of approximately 287 students, the corresponding LCFF revenue reduction is not a marginal concern but a structural fiscal consequence that enrollment retention strategies must be designed to address. Whether and how that retention is achievable at scale is an empirical question that future research should address.

Relatedly, these findings suggest that the current approach to school closure is largely devoid of deliberate revenue-optimization strategies—a gap that both districts and state policymakers are well-positioned to address. In particular, the revenue side of school closure processes may offer meaningful opportunities for interventions. Beyond the enrollment-retention strategies described above, districts that close schools hold potentially valuable real property assets whose fiscal contribution to the district depends almost entirely on what is done with them after closure. A closure process designed with revenue generation as a first-order objective—rather than an afterthought—could look substantially different from current practice: it would prioritize buildings with

high repurposing potential, sequence closures to minimize ADA attrition, and engage revenue planning concurrently with the community engagement process that AB 1912 already requires.

In practice, however, converting a closed school into a revenue-generating asset is constrained by a dense regulatory environment. California’s surplus property disposition framework—including right-of-first-refusal requirements under the Naylor Act and structural conversion requirements under the Field Act—creates legal and logistical barriers that extend the timeline between closure and any realized revenue, limiting districts’ ability to monetize closed facilities on a timeline that would meaningfully offset the fiscal losses documented here. Streamlining these pathways, through legislative reform that gives financially distressed districts greater flexibility to repurpose, lease, or sell closed buildings on an accelerated timeline, could meaningfully alter the fiscal calculus that this study documents. Addressing these regulatory constraints alongside the enrollment-revenue dynamics that LCFF creates would represent a more complete and intentional policy response to the fiscal challenges that motivate school closure in the first place.

These findings should also be situated alongside evidence on the non-fiscal consequences of school closure. Prior research has documented that closures can adversely affect student achievement, reduce graduation rates, diminish long-run educational attainment and labor market outcomes, and exacerbate neighborhood instability, with effects concentrated among low-income students and students of color (Engberg et al., 2012; Brummet, 2014; Kim, 2023). Given the null findings observed in this study, the case for closure regimes as a general-purpose financial improvement strategy for California school districts rests on thin ground. Decisions to close schools will need to be weighed carefully against these broader social costs.

9. Conclusions

In an era of broadscale restructuring of California school districts, when administrators and policymakers are confronting enrollment losses and mounting budgetary pressures, this study provides evidence that school closure alone—absent deliberate strategies to retain enrollment and stabilize revenue—is unlikely to deliver the fiscal improvement districts anticipate. Moving forward, decision-making around school closures will need to account for the enrollment-revenue dynamics that

California's funding system creates, weigh potential fiscal adjustments against the broader social costs of closure, and attend carefully to the equity implications of consolidation decisions in communities that have historically borne the heaviest burden of disinvestment.

Appendix A

Expenditure and Revenue Disaggregation

Figures A1–A4 present SDID estimates of the effect of entering a school closure regime on district expenditures and revenues, disaggregated by F-33 category and governmental source respectively. These figures supplement the primary findings reported in Section 7.6.

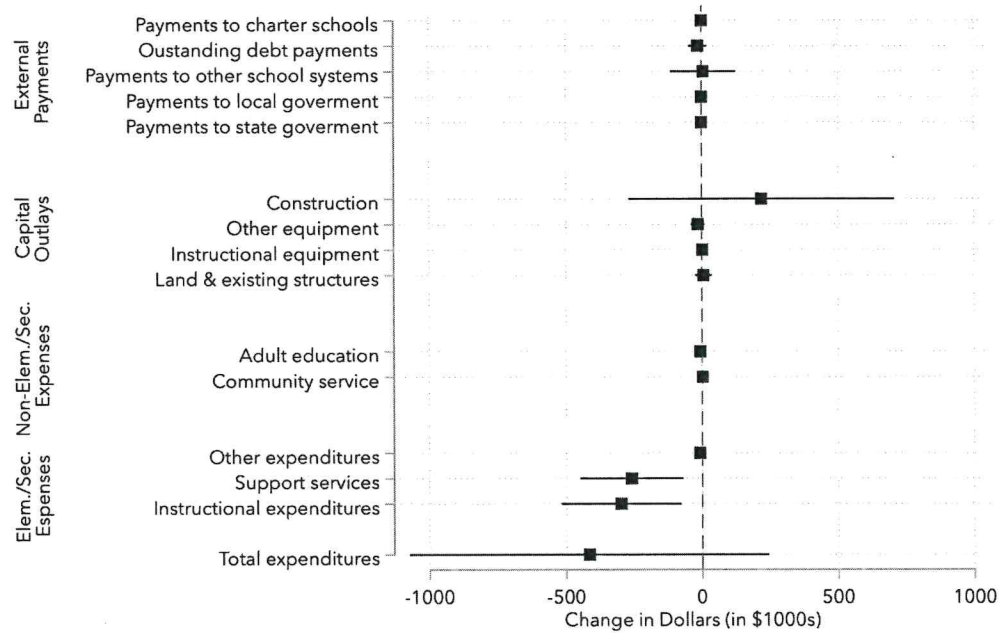


Figure A1. SDID Estimates of the Effect of School Closure on District Expenditures by F-33 Category. Point estimates and 95% confidence intervals. Categories are grouped by expenditure type: elementary and secondary expenses, non-elementary/secondary expenses, capital outlays, and external payments. All outcomes scaled in \$1,000s.

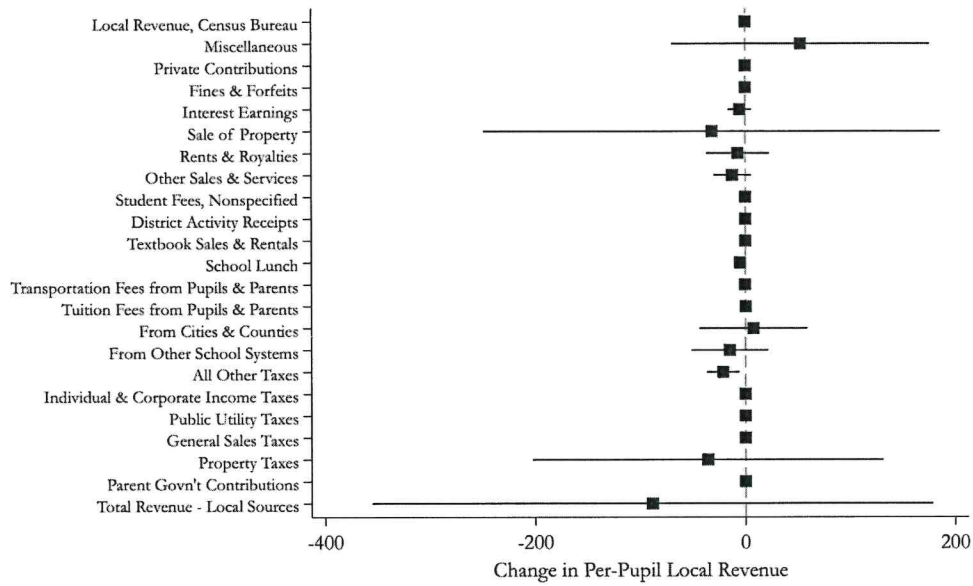


Figure A2. SDID Estimates of the Effect of School Closure on Per-Pupil Local Revenue by F-33 Subcategory. Point estimates and 95% confidence intervals. Outcome scaled as change in per-pupil local revenue (in dollars).

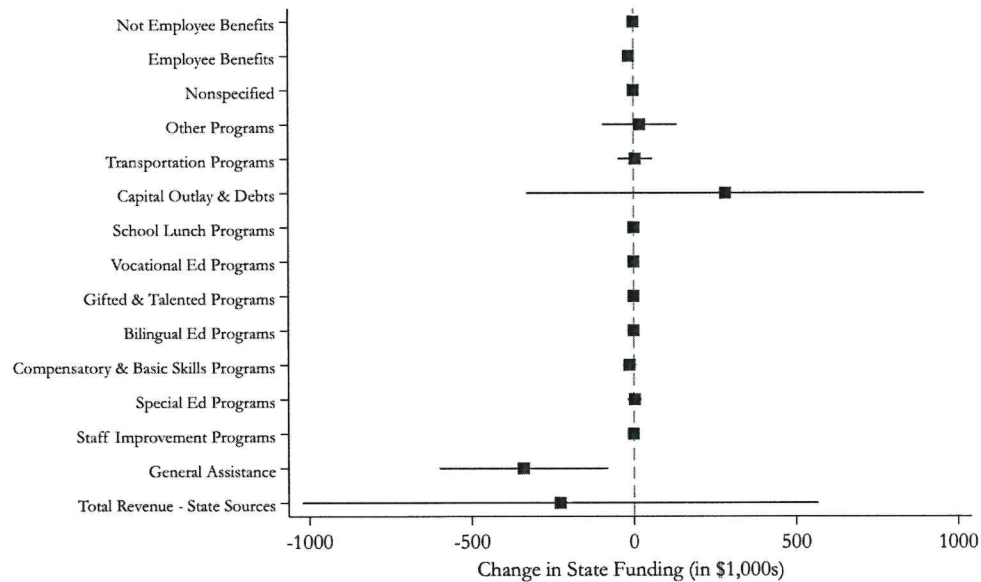


Figure A3. SDID Estimates of the Effect of School Closure on State Funding by F-33 Subcategory. Point estimates and 95% confidence intervals. All outcomes scaled in \$1,000s.

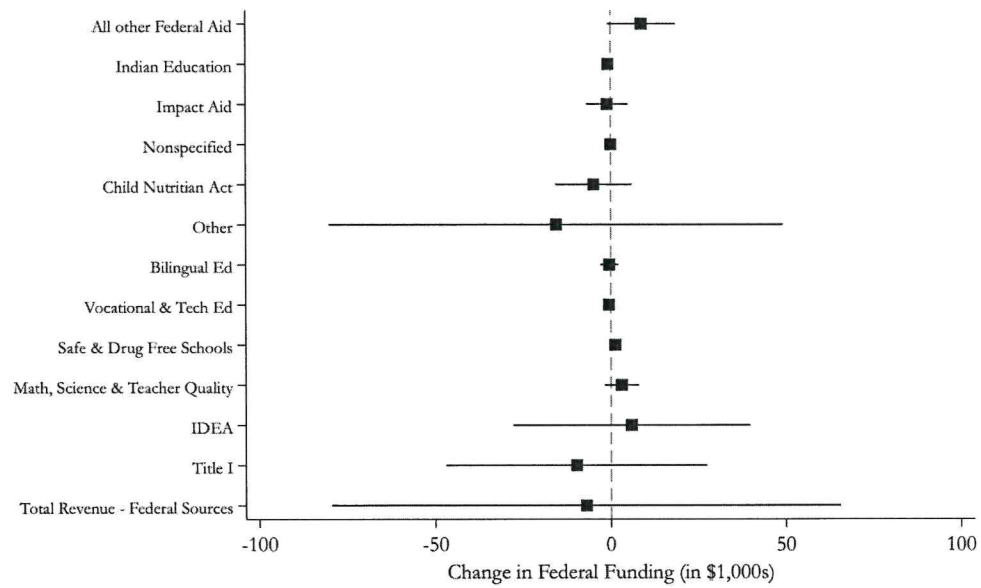


Figure A4. SDID Estimates of the Effect of School Closure on Federal Funding by F-33 Subcategory. Point estimates and 95% confidence intervals. All outcomes scaled in \$1,000s.

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SCHOOL & DISTRICT MANAGEMENT

Closing a School? Don't Expect to Save Money, a New Study Warns



By [Caitlynn Peetz Stephens](#) — June 11, 2026 ⌚ 5 min read



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School closures—commonly touted as a financially responsible strategy to right-size cash-strapped districts—often do not improve districts' financial standing, according to a new study out of California.

Even worse: Any money actually saved from closing a school building is largely offset by funding lost when affected students withdraw from the district to attend school somewhere else

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It adds to a growing body of research that suggests the seemingly simple rationale that operating fewer school buildings lowers districts' expenditures is not so clear-cut. And it comes out at a time when districts across the country confronting dwindling enrollment and uncertainty about future funding from state and federal sources have released plans to downsize their physical footprint.

"The assumption is just so baked into the logic of closure decisions that it's assumed closures will save money, so it can be really hard for leaders to combat that thinking. This is a really important piece of evidence as districts navigate these conversations and decisions," said Mara Tieken, a professor of education at Bates College in Maine, who has studied the effects of school closures. She was not part of Pearman's new research.

Pearman could not be reached for comment.

In recent years, districts—often smaller, rural ones but also larger, urban systems facing significant enrollment declines—have turned to campus closures of older or under-enrolled schools, in the hopes that shuttering those buildings will reduce fixed costs from electricity, heating and cooling, and maintenance. Sometimes, districts view closures as a chance to maintain or expand academic offerings, too, as it becomes difficult to sustain those offerings for a shrinking student body.

Districts usually try to reassign teachers to other schools, rather than eliminate their positions, so there are limited, if any, cost savings in staffing—which makes up the biggest category of expenditures in district budgets.

Earlier research has shown that districts could expect to save less than 5% of their overall budget when they close a school, and often the fallout in the community is widespread, damaging morale for those affected.

Other research has found that even when a school building closes and students and staff move elsewhere, the building itself still costs money.

A district has to pay for some maintenance on shuttered buildings so they don't become neighborhood eyesores. And the process of shutting down a building costs money, as does preparing the facility for sale.

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The study also found that closures resulted in average enrollment losses for a district of about 287 students in the following five years; in California, that equates to roughly \$2.4 million annually in lost money based on per-pupil funding allocations from the state. At the same time, closures had no significant effects on the number of district staff. In other words, districts lose per-pupil funding for students who enroll elsewhere following a building closure, while maintaining staffing costs, the research says.

“In this era where there’s this move toward privatization, there are even more ways for students to leave the district, so I would imagine that, if anything, closure is going to become an even less fiscally sound option in the future,” Tieken said.

The findings were consistent across districts of all sizes, locations, demographic makeups, and financial conditions before they decided to close schools.

Districts may also incur costs for things like developing student reassignment plans, reconfiguring transportation routes, and legal expenses incurred if community members challenge the decisions in court.

“Under these conditions, the expenditure savings that motivate closure as a fiscal strategy are unlikely to materialize in full, which helps explain why point estimates for total expenditures are imprecise and why no net improvement in fiscal health is observed,” the research concludes.

The findings—paired with the results of prior research that has found school closures can hurt student achievement as well as students’ long-term outcomes, and that students of color are disproportionately affected—mean that schools should weigh the consequences of school closures carefully, the new Stanford study said.

If districts do consider building closures, they should make honest assessments of the potential negative impacts versus the benefits, Tieken said.

Some guiding questions that can help begin that process: Does closing the school save a meaningful amount of money, and in what ways? Does closing the school increase academic opportunities for students? Are there enough seats in competitive or choice programs at the schools to which students would be reassigned to allow them access? To

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In those cases, district leaders should be intentional about how they communicate decisions and plan well in advance to ensure affected students' education doesn't suffer. Schools could consider having two valedictorians for a couple years where students are rezoned or high schools are combined, and reserving a set number of seats in advanced courses for students from the closed school, Tieken said.

"These are small ways you can plan ahead to ensure access is maintained or expanded for students, and that these opportunities are really afforded to all of the students," Tieken said.



Caitlynn Peetz Stephens

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California Teachers Association's Post



California Teachers Association

June 17 at 9:53 AM · 🌐

...

A new Stanford study of California closures found districts that closed schools lost about 287 students over five years, roughly \$2.4 million a year in funding. The savings never showed up.

(via @EducationWeek)

EducationWeek

SCHOOL & DISTRICT MANAGEMENT

Closing a School? Don't Expect to Save Money, a New Study Warns

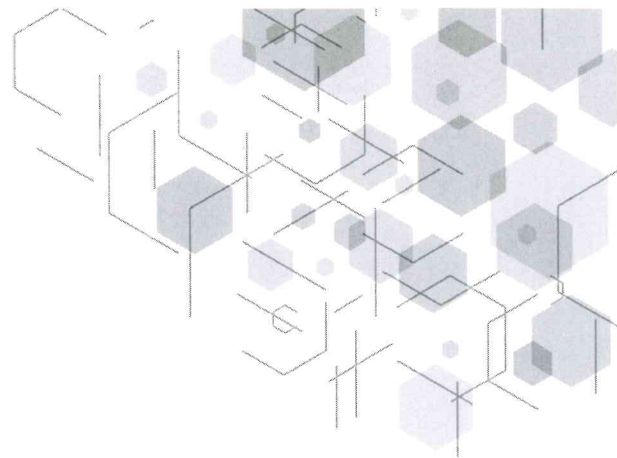


— Illustration by Education Week + Getty

School closures—commonly touted as a financially responsible strategy to right-size cash-strapped districts—often do not improve districts' financial standing, according to a new study out of California.



Getting Down to **FACTS**



(In)Effective Responses to Shrinking Enrollment: The Pressures of Demographic Change on California's Schools

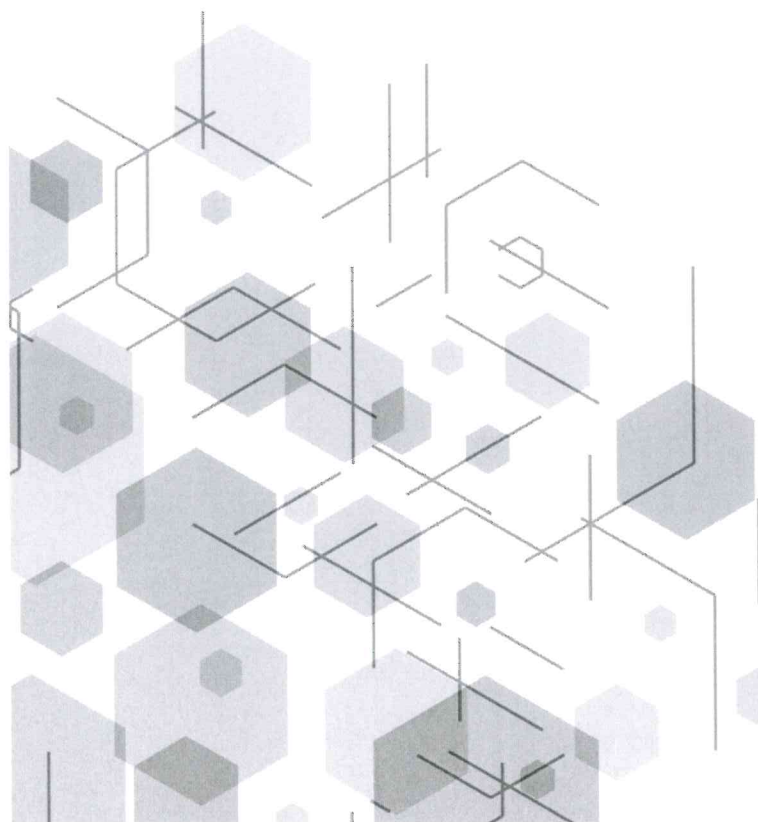
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May 2026



Stanford

SCALE Initiative
Accelerator for Learning

(In)Effective Responses to Shrinking Enrollment: The Pressures of Demographic Change on California's Schools

Alvin Makori and Pedro Noguera
University of Southern California

Across California, school district leaders are learning how quickly enrollment can become a governance problem. When student enrollments fall, districts lose revenue, which often leads to financial difficulties. Faced with decreased state revenue, local school boards have few options: they can lay off staff, or they can consolidate or close schools. Both options are typically painful and controversial. In many cases, school closures become hot button political conflicts because of the ways they reshape community life (LaFortune et al., 2023). Since 2015, 630 schools across the state have closed, and 57 were closed in the 2024-25 academic year (Xie & Willis, 2026).

In a district-level analysis of California enrollment from 2014–15 to 2024–25, we found that nearly two in three districts (637 of 998 with reportable data) lost enrollment over the last decade, a figure which is present across all levels of urbanicity¹. This is not simply an issue for California. As a result of lower birth rates, many states and communities throughout the nation are now facing similar challenges.

In California, enrollment decline has been projected as an inevitable part of the state's future (State of California Department of Finance, 2025). Declining birth rates, reduced immigration, and outward migration, are trends that are impacting schools throughout the state. Recent projections suggest continued losses across most regions through at least the next decade (Lafortune et al., 2023). However, while some districts are shrinking, others are holding steady, and a small number are growing. Variations in the degree and pace of enrollment decline among school districts, cannot be

¹Urbanicity is the degree to which a specific geographical area is considered urban, ranging from rural remote settings to large cities. The National Center for Education Sciences' (NCES) urbanicity framework distinguishes four broad locale types with subcategories (e.g., fringe/distant/remote for rural and town; small/midsize/large for city and suburban) (NCES, 2024). These categories capture differences in population density, labor markets, and service infrastructure.

explained by birthrates alone. As we will show, variations in enrollment patterns are evident even within the same county or region.

This paper analyzed how districts throughout the state are responding to challenges caused by enrollment decline. Prior research on school closures and district fiscal stress suggests that the costs of downsizing are often borne first, and most heavily, by schools serving historically marginalized students (Hahnel & Marchitello, 2023). In California, where district funding is closely tied to enrollment and per pupil attendance through the Local Control Funding Formula (O’neal et al., 2025), enrollment decline can quickly translate into reductions in state funding allocations to schools that constrain resources and limit what districts can offer families (Lafortune et al., 2023).

In a previous paper (Makori and Noguera, 2025), we focused on how urban districts, specifically Los Angeles Unified School District (LAUSD) and Inglewood Unified School District (ISUD), have been impacted by enrollment decline. In the paper, we treat enrollment shrinkage as a structuring condition that shapes how districts plan for the future. We also explore the role of local city governments and civic leaders in addressing the accompanying challenges.

In this paper we use NCES locale classifications to analyze enrollment patterns in urban, suburban, and rural districts, and we explore the variety of factors that may contribute to enrollment loss or gain (National Center for Education Statistics, 2024). We show that patterns of enrollment change are shaped by the unique factors and conditions present within each locale. Our analysis shows that districts with the steepest percentage decline in student enrollment are overwhelmingly rural. We also show that the districts with the greatest growth are often located in suburban communities where housing growth is greatest, and at present, most affordable for families. Rural districts face the most immediate fiscal threats because they have fewer resources to deploy to counter the effects of enrollment decline on financial volatility..

Large urban districts throughout the state are also experiencing significant declines in enrollment, but as we show, they exhibit a different set of challenges and potential opportunities for buffering the effects of change. High population cities across California are grappling with sustained enrollment losses that predated the pandemic and persisted after schools reopened (California Department of Education, 2023; Lafortune & Prunty, 2023). At present, Los Angeles, San Francisco, West Contra Costa, Oakland, San Diego, Sacramento and Long Beach, are all facing the combined

challenge of declining enrollment, mass layoffs, and labor unrest. However, unlike rural communities, California's cities possess other resources that can be deployed to support local schools. Additionally, a small but growing number of districts are showing that declining enrollment can also open up new opportunities as they develop creative options for utilizing shuttered schools in ways that benefit neighborhoods, key constituencies, and stabilize revenue. We argue that if local policy makers address the disjuncture between school districts and local municipalities caused by "loose coupling" - a point we focused upon in our 2025 paper (Makori and Noguera, 2025), declining enrollment need not result in a downward spiral of system collapse.

Suburban districts, by contrast, present a mixed and fairly complex set of patterns. While some experience decline, others are experiencing growth as housing production, boundary adjustments, and district reputation attract new families and students (LaFortune et al, 2023). Given the variation in patterns, enrollment change is an issue that cannot be approached through a single policy framework. Instead, a distinct place-based dynamic must be considered in order for policy responses to be tailored to local conditions.

To make sense of these patterns, this paper borrows from organizational theory and prior work on the "loose coupling" of school systems to their surrounding communities (Weick, 1976; Makori & Noguera, 2025). We use the concept of loose coupling to describe the ways in which educational systems and municipal governments are interdependent but weakly connected. This disconnect allows local leaders to treat the fate of their school systems separately from other community needs despite the importance of district operations and employment to the local economy, and the dependence of many residents on their local public schools. We argue that enrollment decline must be treated as an institutional stressor and should be addressed by local officials in concert with district officials. Collaborative problem solving will make it possible for local housing policies, governance procedures, and family decision-making processes to be considered as student populations decline.

Additionally, we utilize the concept of urbanicity to assess how different kinds of school districts throughout the state are experiencing changes in enrollment. Through a descriptive analysis of statewide enrollment patterns, our paper maps enrollment decline across school districts and student demographics. Such an analysis is important for identifying areas that may need support as student populations decline.

Finally, we provide an embedded case study of three districts in Sacramento County to illustrate how demographic and economic pressures can yield different enrollment trajectories, and influence how local jurisdictions respond to declining enrollment in urban, suburban and rural communities.

Holistically, the patterns revealed in our paper indicate that demographic pressure does not perfectly translate into district enrollment trends. Instead, enrollment change is mediated by the strength of alignment between districts and the local ecosystems that shape family residence and schooling decisions, particularly housing markets, municipal planning, and schooling alternatives. By distinguishing between demographic pressures and institutional conditions, our paper aims to contribute a clear analysis of how California's enrollment decline is impacting various school districts, as well as offer a conceptual framework that we hope will be useful to improving the effectiveness of districts as they manage the effects of enrollment decline.

Research Questions

Guided by the statewide enrollment patterns summarized above, as well as prior research on demographic change, school finance, and organizational adaptation, our study addresses the following questions:

1. Across California, what patterns of district enrollment change are evident between 2014–15 and 2024–25?
2. How do these enrollment patterns vary by urbanicity (City, Suburban, Town, Rural), including differences between small and large districts?
3. What county and regional clustering patterns are visible among districts experiencing the most pronounced enrollment declines and increases? What contextual factors highlighted in prior research (e.g., housing constraints, demographic change, schooling alternatives) help to interpret these patterns?
4. Can a case study of three districts in Sacramento County help illuminate how districts can manage the challenges that accompany enrollment change?

Conceptual Framework

Our paper adapts the concept of loose coupling to interpret how districts respond to enrollment change. Weick (1976) first introduced the concept of loose coupling to describe organizations where component parts of an organization operate in a siloed manner despite being structurally connected and integral to the functioning of the system as a whole. Weick recognized that a potential design benefit of loosely coupled systems is that component parts can function with some degree of autonomy without being impaired by dysfunction elsewhere in the system. However, he also recognized that loose coupling can exacerbate fragmentation and lack of recognition of shared interests among the parts of the system. By not acknowledging their inter-dependence, loosely coupled systems can fail to operate in the interest of the whole.

When school districts are loosely coupled from the municipalities where they are situated, problems facing schools may not be treated as threats to the municipality as a whole. Weick warned that in a loosely coupled system, chronic dysfunction can result because disconnected operation of the parts of the system prevents lead actors (i.e. mayor, superintendent, civic leaders, elected school boards, etc.) from coordinating their activities, sharing information, and operating with a sense of shared responsibility for the larger system. In this paper, we extend Weick's (1976) organizational concept to consider how school districts might coordinate their planning efforts with local municipal and county institutions to devise effective responses to enrollment shrinkage. By recognizing the ways in which school closures influence community conditions (e.g., housing, planning, transportation), local actors can make decisions that benefit the entire ecosystem. We propose that the alternative to loose coupling is a tight embrace from civic leaders and local government.

In a previous paper on large urban districts, we applied loose coupling to explain the structural disconnect between local municipal government and public school systems. We argued that the disconnect obscures the centrality of schools to the social and economic health of neighborhoods and the municipality as a whole (Makori & Noguera, 2025). In loosely coupled systems, as public school enrollment declines, district decisions about staffing, programming, and facilities, often generate political conflict and have financial impacts that affect the local economy and contribute to a cycle of continuous decline. Without support and coordination from local officials at the city and county level, opportunities to align housing policy, neighborhood development, and schooling alternatives may not

be considered. Loose coupling can perpetuate a cycle of district decline as downsizing decisions alienate local residents from schools, increase political conflict with labor, and intensify neighborhood instability. The alternative to loose coupling is what we term a “*warm embrace*” between local public officials and civic leaders who work closely with district officials to plan a managed transition toward a smaller, but improved school system. Warm embrace can include coordinated planning around housing and school capacity, shared strategies to stabilize local neighborhoods and schools, and joint public communication when consolidating K-12 resources.

In this paper, we analyze how three factors are influencing how districts respond to enrollment change:

1. *Demographic Pressures*

- Birth rates, immigration trends, and migration patterns shape the size and composition of K-12 populations (Lafortune et al., 2023).
- Housing costs and availability influence where families with children reside, especially in metropolitan regions where affordability shapes family formation and mobility (Lafortune et al., 2023).
- These pressures do not translate neatly into district enrollment. This is because where students enroll is mediated by both contextual circumstances and the schooling decisions that families make.

2. *Institutional Mediation*

- When making decisions about where to enroll their children in school families often respond to perceived school quality, safety, stability, and programmatic offerings. Can these perceptions be influenced by changes made in the community by local and district officials (Campos & Kearns, 2024)?
- Enrollment change is also influenced by competition among schools, particularly when significant alternatives are available among charter schools, private schools, and homeschooling/microschooling (Lafortune et al., 2023).
- District actions, such as boundary changes, the creation of magnet options, and school consolidations, can either reduce friction for families (retention) or increase it (exit).

3. *Governance*

- Governance conditions shape whether districts and local institutions can coordinate a response, or whether districts must respond to enrollment change in relative isolation.
- District governance structures are generally separate from municipal governance, limiting coordinated responses to fiscal and enrollment challenges even though district decisions have far-reaching consequences for local communities (Makori & Noguera, 2025).
- The degree of loose coupling varies across contexts. As we will show, in some communities, schools are treated as integral civic infrastructure. In other areas, public schools operate without the benefit of broader civic support (i.e. the warm embrace) in part because they disproportionately serve low-income residents (Makori & Noguera, 2025).
- When coupling is weak, enrollment decline is more likely to trigger controversy, financial hardships, and a loss of confidence in district leaders as austerity leads to closures which contributes to further shrinking, rather than strategic redesign. When coupling is tight, and districts operate with a *warm embrace* from local partners, they can more effectively manage enrollment decline or plan for growth in ways that benefit long-term community interests.

In the following section of this paper, we analyze how the degree of urbanicity influences how these domains interact. In rural locales, small enrollment bases and limited housing markets can produce high volatility in enrollment. A major fire or a new housing development can drastically alter enrollment in a short period of time. In urban locales, pressure created by rising housing costs and sectoral alternatives such as charter and micro schools, can contribute to gradual but steady enrollment decline. In suburban locales where there is housing growth and strong civic support, enrollment decline may not be an immediate threat.

One of the questions we address throughout this paper is the measures districts can enact to attract families to offset enrollment decline, or to strategically shrink local schools when decline is inevitable. Conceptually, we assess the effectiveness of policy approaches to declining enrollment through the lens of loose coupling. Effective responses to shrinking should include coordinated planning efforts among local officials to address the consequences of enrollment decline. Ineffective

policy responses to shrinking occur when districts respond to enrollment decline in isolation, without the benefit of support from local actors. Fragmented decision making accelerates district instability and invariably, controversial school closures that undermine public confidence and support for public schools. The statewide analysis maps where decline and growth are concentrated, and shows how this correlates with student characteristics. The embedded case study is used to provide an account of how local housing markets, perceptions of school quality, and the availability of alternatives interact with district decisions to shape enrollment trajectories.

Methods

This study uses a descriptive, district-level analysis to map patterns of K–12 enrollment changes across California between the 2014–15 and 2024–25 school years. Our aim is to document the contours of enrollment decline and growth across place and student composition, and to surface patterns that can guide further explanatory work and inform district planning under the conditions of demographic decline.

Data sources. We compiled annual district enrollment counts from the California Department of Education enrollment reports from the 2014–15 and 2024–25 school years. We link these counts to district locale codes using the National Center for Education Statistics (NCES) locale framework (City, Suburban, Town, Rural and subcategories such as fringe/distant/remote) (National Center for Education Statistics, 2024). We supplement enrollment totals with district characteristics commonly used in research on enrollment decline and school finance: student race/ethnicity distributions, socioeconomic indicators (e.g., measures related to economic disadvantage), and indicators of K–12 alternatives such as charter school enrollment where available. We also reference statewide and regional demographic context, including policy-relevant factors associated with declining enrollment to contextualize the descriptive patterns (Lafortune et al., 2023).

Sample and inclusion. The analytic sample includes all California districts with reportable enrollment values in both 2014–15 and 2024–25. Districts without comparable values across the full window were excluded from decade-change computations. This yielded 998 districts with reportable data for the decade comparison.

Measures. Our primary measure is percent change in district enrollment between 2014–15 and 2024–25. This builds on our previous paper, which focused more on absolute change to give more focus to large, urban districts losing thousands of students. Because percent change can be unstable for very small districts, we interpret extreme percentage changes alongside baseline enrollment levels and locale context.

Analytic strategy. We proceed in four steps. First, we describe the statewide distribution of enrollment change across districts and summarize the share of districts experiencing decline, stability, or growth. Second, we identify the 50 districts with the greatest percentage enrollment declines and characterize their locale composition and county distribution. Third, we replicate this approach for the 50 districts with the greatest percentage enrollment increases. Fourth, we use these patterns toward a case study profiling of Sacramento County as further described below.

Case study. To complement the statewide descriptive analysis, our paper includes a short case study profile of three school districts in Sacramento County. We use these cases to 1) examine the role that local contexts, district strategies, and trends in the local housing market play in response to changes in enrollment, and 2) consider the strongest policies that might be considered in response to the specific challenges presented to enrollment decline. We selected three districts in Sacramento County to represent observable trends in urban, suburban, and rural. We profile these three districts—Sacramento City Unified, Elk Grove Unified, and Galt Joint Union Elementary and high school districts²— to consider the potential factors shaping enrollment trends and future trajectories. Specifically, we draw from district-level enrollment and demographic profiles (including charter/private sector context where available), local housing data, and district and community responses to enrollment-related pressures (e.g., layoffs, deficits, facilities planning). We organize this evidence around housing costs and housing supply, perceptions of school quality and family schooling decisions, and the availability of schooling alternatives, which we then interpret through our loose coupling framework to assess the extent to which local municipal support aligns with district actions. In doing so, the Sacramento profiles are used to illustrate the mechanisms behind (in)effective shrinking that the statewide district typology cannot fully capture on its own.

² Galt Joint Union Elementary School District and Galt Joint Union High School District are two separate districts. However, we profile them as one entity in our study given the rural commonalities of being situated in the same town (e.g. same housing market, same town governance, etc)

Limitations. These descriptive analyses are not intended to identify causal drivers of enrollment change. In addition, district boundaries do not align neatly with census geographies used for demographic estimates; to standardize this process, we analyzed the locale of each California district office address. Finally, extreme percentage change among small districts should be interpreted as volatility rather than as a direct proxy for systemwide transformation.

Statewide Enrollment Change, 2014–15 to 2024–25

The following statewide descriptive analysis addresses RQ1 by documenting the overall distribution of district enrollment change in California between 2014–15 and 2024–25, showing that enrollment decline is the dominant condition across districts. This also addresses RQ2 by demonstrating that enrollment change is patterned by urbanicity, with the most extreme percentage declines concentrated among rural and remote districts, and sustained losses continuing among large urban districts, while suburban and city locales appear more mixed in the growth tail. The “top 50” decline and growth analyses speak to RQ3 by revealing county and regional level clustering among the most pronounced changes, suggesting that demographic decline is mediated by place-based conditions rather than operating uniformly across the state. Finally, because statewide descriptive patterns cannot fully explain why districts within the same region diverge on enrollment change, the paper addresses RQ4 through a case profiling of Sacramento County. In the profiling, we analyze three districts (urban, suburban, rural) to illustrate the mechanisms (e.g. housing dynamics, perceived school quality, availability of schooling alternatives) that help translate demographic pressure into distinct enrollment trajectories.

We organize findings around the statewide distribution of enrollment change and two “tails” of the distribution: districts with the greatest decade-long declines and districts with the greatest decade-long increases. Throughout, we use urbanicity as an organizing lens to show how patterns of shrinking and growth are structured by place.

Across 998 California districts with reportable enrollment in both years, enrollment decline is the dominant condition. Over the decade, 637 districts experienced enrollment decreases, 42 showed no change, and 319 increased (see Table 1). Nearly two in three districts reported declining enrollment during the last ten-years.

Table 1

Enrollment Change, All CA Districts 2014–15 to 2024–25

Total # of CA districts with reportable data	# of districts with decreased enrollment	# of districts with no enrollment change	# of districts with increased enrollment
998	637	42	319

This distribution matters for two reasons. First, it suggests that shrinking is not confined to a small set of “distressed” systems, but rather a statewide condition. From a loose coupling perspective, statewide enrollment decline means that districts must make decisions that affect staffing, facilities, and neighborhood life. But in many communities, these decisions unfold with limited alignment to municipal planning, housing policy, and other institutions that shape whether families stay, leave, or choose alternative schools.

Second, the share of districts with enrollment growth indicates that decline is not inevitable in every California context. This helps explain why the same statewide condition can produce very different local responses and outcomes. Even under statewide demographic decline, some locales and districts are able to attract or retain students. The question then becomes: where is enrollment decline the sharpest, and what do the patterns of variation suggest about how demographic pressure is being mediated by communities and institutions?

Districts With the Greatest Enrollment Losses

To identify where shrinking is most intense, we examined the 50 California districts with the greatest percentage declines in enrollment between 2014–15 and 2024–25 (see Appendix A). Several cases reflect extreme contraction, including Ravendale-Termo Elementary (Lassen County), which fell from 665 students to 3 (a 99.5% decline). 28 districts in the top-50 decline list lost at least half of their enrollment over the decade.

A key statewide pattern is that the largest percent-decline districts are overwhelmingly rural. Of the 50 districts with the greatest percentage declines, 36 are classified as rural locales under NCES. Notably, 13 of these are “remote” rural locales, NCES’ strongest indicator of rurality; 12 are “rural distant,” and 11 sit on the fringe of rural/town categories. Only 14 of the top-50 decline districts are in

City, Suburban, or Town locales (see NCES locale definitions: National Center for Education Statistics, 2024).

This rural concentration does not necessarily mean that rural districts are uniquely “declining,” and doomed to ultimately fail. Rather, it highlights two realities that are easy to miss when looking only at statewide averages. First, small baseline enrollments make rural districts more susceptible to dramatic percentage swings when local populations shift. Second, rural districts often face limited housing markets and constrained capacity to replace population losses through in-migration (Ward et al., 2022; Winikoff, 2026), which can make even modest demographic change feel system-threatening. Essentially, rural decline is often both real and amplified by scale.

Additionally, loose coupling can intensify this vulnerability. In many rural settings, districts have fewer nearby institutions with the capacity to share planning, stabilize services, or repurpose facilities amidst declining. When coordination is weak, districts are less likely to experience decline as a managed transition that protects educational quality and community stability.

County clustering also appears in the top-decline tail. Humboldt County shows up repeatedly among the most rapidly shrinking districts, alongside counties such as Santa Barbara and San Benito. While county patterns require careful interpretation, these clusters suggest that regional dynamics (e.g. labor markets, housing, population redistribution) may be producing concentrated shrinkage in specific parts of the state. These county clusters may also reflect differences in how local ecosystems are coordinated. Where housing, labor markets, and civic planning are weakly connected to school planning, enrollment change can concentrate and accelerate, particularly when districts must face the demographic shifts without broader regional strategies.

Some large districts also appear among notable decliners (e.g., Baldwin Park Unified in Los Angeles County declined from 18,316 to 9,565 students, a 48% drop). These cases remind us that shrinking is not only a rural story; large urban and suburban districts can lose tens of thousands of students even when percentage changes are less extreme than those observed among small districts.

Districts With the Greatest Enrollment Increases

To identify where enrollment growth is occurring, we examined the 50 districts with the greatest percentage increases between 2014–15 and 2024–25 (see Appendix B). Growth in the upper

tail can be dramatic. Winship-Robbins Elementary School District (Sutter County) increased from 197 students to 2,843—more than a 1300% increase over the decade. Thirty-one districts in the top-50 growth list at least doubled their enrollment ($\geq 100\%$ increase) (authors' compilation).

Urbanicity again plays a central role, though the pattern differs from the decline tail. Rural districts remain strongly represented among the largest growers: 29 of the 50 top-growth districts are rural. However, the growth tail also includes a larger share of city and suburban districts than the decline tail: 21 of the 50 top-growth districts are in City, Suburban, or Town locales. In the growth tail, city districts are disproportionately “large city” locales, and suburban districts include large, midsize, and small categories (authors' compilation).

This mixed composition underscores an important point: rurality is associated with volatility (both decline and growth), while suburban and urban growth often reflects different mechanisms, including housing production, boundary dynamics, and the geographic re-sorting of families with children. Counties that appear frequently in the growth tail include San Diego, San Bernardino, and Fresno, suggesting that enrollment gains are concentrated in particular regions—often those experiencing housing expansion or population redistribution within and across metro areas. As we explore more deeply in the case study profiling, growth in these contexts can be understood as a form of recoupling, where housing expansion, municipal planning, and district capacity decisions align in ways that make it easier for families with children to enter and remain. Essentially, then, some districts appear to benefit from an implicit “warm embrace” in which local development and school planning reinforce one another rather than operating in separate capacities.

The growth tail also includes notable large districts. For example, Twin Rivers Unified (Sacramento County) increased from roughly 31,000 to 43,000 students over the decade (about 40% growth). These cases challenge a simple narrative of statewide decline and highlight how growth can occur in the same broader regions where nearby districts are shrinking.

What These Statewide Patterns Suggest

Taken together, the statewide patterns suggest that enrollment decline in California is widespread, but not uniform. The distribution is structured by urbanicity, and the “tails” of decline and growth are disproportionately rural, indicating that many rural districts operate under conditions of heightened volatility. At the same time, the presence of both growing and shrinking districts within the

same counties and metro regions signals that demographic pressure is being mediated by institutional and contextual factors, including housing and the availability of schooling alternatives (Lafortune et al., 2023).

These descriptive findings also clarify what a statewide analysis cannot resolve on its own. District enrollment is not simply a reflection of how many children live in an area; it reflects where families choose to enroll, how districts reduce or increase friction in enrollment processes, and how districts align programmatic offerings with community expectations. In terms of our conceptual framework, the statewide patterns point to variation in the coupling between districts and their surrounding communities—variation that likely differs across locale types and across racial and socioeconomic contexts. Within this loose coupling context, enrollment is shaped not only by how many children live in a region, but by whether local institutions coordinate around the conditions that retain families, such as housing, school quality, enrollment processes, and educational alternatives. When those institutional connections are weak, demographic pressure may be more likely to translate into contentious school closures and further decline.

For this reason, we pair the statewide analysis with an embedded case study of Sacramento County, profiling one urban, one suburban, and one rural district. The case study is designed to make visible the mechanisms behind divergence: why decline persists in some settings even when a county’s population grows, and why other districts in the same region may stabilize or expand. In the language of loose coupling, the Sacramento profiles allow us to examine what “re-coupling” can look like in practice—and to identify the local conditions under which shrinking is managed effectively versus ineffectively (Weick, 1976; Makori & Noguera, 2025).

A Tale of Three Districts

We have chosen to profile three school districts in northern California to analyze enrollment trends. The three—Sacramento City Unified, Elk Grove Unified, and Galt Joint Union—also provide a way to contrast enrollment trends in urban, suburban, and rural school districts. We use the three-district comparison to examine coupling in practice, specifically whether and how municipal actors, civic institutions, and district leaders coordinate around housing, planning, and family decision-making during enrollment change. Essentially, the profiling is intended to illustrate how the

presence or absence of “warm embrace” shapes whether enrollment decline becomes manageable or destabilizing, in addition to the policy responses that can improve warm embrace.

As the tables in this section show, both Sacramento and Galt Joint Union have experienced a significant decline in enrollment (9.7% in Sacramento, 8.4% in Galt Joint Union Elementary), while Elk Grove has experienced an increase of 2.3% over a ten-year period (2014–15 to 2024–25). It is notable that, while births and cohort sizes matter, available district-level data do not allow us to attribute divergence across these communities to birth rates alone. We therefore investigate other plausible explanations for differences in enrollment patterns.

As we conducted our analysis of enrollment trends in the three districts we sought to understand which factors might be most relevant to explaining observable patterns. Specifically, we considered: (1) housing costs and availability for families with children, (2) perceptions of school quality, and (3) changes in enrollment in charter schools, private schools, and homeschooling. We analyze each of these factors as we profile the three districts in the sections that follow.

Sacramento Unified School District (Urban)

Located in the state’s capital, the Sacramento City Unified School District bears features typically associated with a large, urban district. Approximately 40% of the students enrolled are Latino, 18% are Asian and Pacific Islanders, 18% are White, 12% are Black and 7% are two or more races (Ed Data 2025). This contrasts with the city population which is 36% non-Hispanic White, 29% Latino/Hispanic, 20% Asian and Pacific Islander 12% Black and 15% two or more races (US Census 2025). With over 80% of students from households that qualify for free or reduced price lunch, the district’s enrollment is not only disproportionately composed of racial minority students, the district serves also a disproportionate percentage of children from low-income households. Out of 80 schools in the district, 100% of students at 70 schools meet the federal criteria for free lunch.

Although Sacramento City Unified School District (SCUSD) has experienced a decline of 9.7% over the last ten-years (see Table 2), housing cost does not appear to be a major factor. In 2025, the average cost for a house in the Sacramento metropolitan area was \$465,000 (Zillow, n.d.-a). This compares favorably to the median cost for a single-family home in the San Francisco–Oakland Bay Area which was 1.275 million in 2025 (Zillow, n.d.-b).

Table 2

Enrollment Change, Sacramento USD 2014–15 to 2024–25

Enrollment, 2014-15	Enrollment, 2024-25	Enrollment Change
46,868	42,337	-9.66%

Newly developed communities such as East Sacramento, Natomas, Tahoe Park, Land Park, and Pocket have newer housing stock, and a reputation for safety and good schools. However, the housing market in the city is tight and demand far outstrips supply. While the population of the Sacramento metro area increased by 11.6% from 2010–2020, the housing supply grew by only 7.1% (Bhargava, 2025).

Despite Sacramento’s relatively affordable housing market and the growth of the city’s population, district enrollment has declined steadily. Some reports point to the ongoing effects of the pandemic because many families with children moved from the area when schools were closed from the spring of 2020 through the reopening period. However, district data reveal that enrollment declines preceded the pandemic and have not been reversed since the reopening of schools (Ed-Data, n.d.-a). This suggests that housing affordability and lower birth rates may also be driving the decline in enrollment.

Charter school enrollment in the city of Sacramento is relatively high, but it does not appear to be a major factor in the district’s overall enrollment decline. While there are several charter schools in Sacramento, charter school enrollment has not increased in recent years and has been relatively stable (Ed-Data, n.d.-a). Close examination reveals that Black students are disproportionately more likely to enroll in charter schools. Charter schools in Sacramento enroll about 3% more Black students than traditional public schools. Some evidence shows Black students enrolled in charter high schools are more likely to complete A–G requirements and enroll in the UC or CSU systems (California Charter Schools Association, 2024). Additionally, at 8%, private school enrollment in the city of Sacramento is lower than the statewide average for major cities (California Department of Education, 2025).

Recent studies suggest that a major driver of enrollment decline in Sacramento may be perceptions of school quality and families’ schooling decisions. In an editorial for the Sacramento Bee, PACE CEO Heather Hough and Jaime Estrada-Miller reported on a study showing that 31% of area

parents surveyed reported switching schools and an additional 40% said they were considering a switch. Parents cited a desire for a different educational experience and dissatisfaction with COVID-related safety measures among key reasons for exit (Hough & Estrada-Miller, 2023).

Sacramento City Unified School District is managed by an elected board of education and an appointed superintendent. In recent years the district has been compelled to lay off hundreds of employees and close several schools in order to close a deficit of 134 million dollars (Valle, 2026). Preoccupied with financial challenges, the district appears to have undertaken few measures to attract parents to district schools or to address parental concerns about poverty. Furthermore, even as the local board has been consumed with financial controversy, city and county officials have largely allowed district officials to manage the challenges they face on their own without the benefit of local support. We will return to this point in the conclusion.

Elk Grove Union School District (Suburban)

With 64,358 students and 68 schools (see Table 3), Elk Grove is one of California’s larger school districts (fourth largest). Located just outside of Sacramento, the school district is racially, linguistically, and socioeconomically diverse and serves families in Elk Grove as well as parts of Rancho Cordova, Sacramento, and unincorporated areas of Sacramento County. According to district profile data, approximately 30% of students are Asian American (including Filipino), 28% are Latino, 15% are White, 10% are Black, 9% are two or more races, 2% are Pacific Islander, and less than 1% are Native American (Ed-Data, n.d.-b). In 2024–25, 53% of students were identified as socioeconomically disadvantaged, and 36.7% qualified for free or reduced-price lunch (Ed-Data, n.d.-b).

Table 3

Enrollment Change, Elk Grove USD 2014–15 to 2024–25

Enrollment, 2014-15	Enrollment, 2024-25	Enrollment Change
62,888	64,358	+2.33%

While older, more established neighborhoods have experienced some decline in enrollment, newer bedroom communities in Rancho Cordova and Anatolia have experienced increases that are

attributed to the development of new housing for middle-income households. Elk Grove has also experienced an increase in new, affordable housing. In 2025, a new housing development called MOSA added 1,200 units to the community's housing stock (Sacramento Bee). Over 800 new homes were built in 2023–24, and large new developments have been approved by the City Council. The average home in Elk Grove is valued at around \$600,000, though there is considerable variation across neighborhoods (Smith, 2025).

In comparison to Sacramento City Unified, charter school enrollment in Elk Grove Unified School District (Elk Grove USD) is relatively low (about 1.9%) and has held steady for the last five years (Ed-Data, n.d.-b). New residents to the district often cite the performance of the public schools as one factor influencing their decision to move to the area. District schools are generally perceived as “high quality” and safe, and with its graduation rate and college enrollment rate at over 90%, local schools have become a source of community pride. In 4th and 8th grades, more than 50% of students meet or exceed proficiency rates in math and language arts (Ed-Data, n.d.-b).

The city of Elk Grove actively supports its schools in a variety of ways. In 2025, the city sponsored a scholarship of \$1,000 for students with a GPA of 2.0 or higher who are actively involved in their school or community. Additionally, several of the cities that are served by EGUSD work closely with the school district to make parks and other city facilities available for district programs. “People move here for the high quality of life,” said Elk Grove Mayor Bobbie Singh-Allen. “We have one of the best school districts. It’s a safe community. We have great parks, so of course, you want to be part of this place.”

Galt Joint Union (Rural)

Located at the northern border of Sacramento County, the Galt Joint Union Elementary and High School districts serve students from the city of Galt as well as children from unincorporated areas in Sacramento and San Joaquin counties. Sixty-three percent of students are identified as Hispanic and 34% are identified as White (district website). In 2025, the elementary district served approximately 3,470 students, and the high school district served approximately 1,943 (Ed-Data, n.d.-c). Fifty-five percent of students come from households that qualify for free or reduced-price lunch (Galt Joint Union Elementary District, n.d.).

No charter schools are located in either district, and despite an influx of new residents, both districts project continued enrollment decreases as cohort sizes decline and as families navigate affordability constraints in the broader region (see Table 4; see Table 5). In rural settings such as Galt, even modest declines can create outsized fiscal stress because the district is heavily dependent on per pupil allocations to address its fixed costs.

Table 4

Enrollment Change, Galt Joint Union Elementary 2014–15 to 2024–25

Enrollment, 2014-15	Enrollment, 2024-25	Enrollment Change
3,693	3,382	-8.4%

Table 5

Enrollment Change, Galt Joint Union High 2014–15 to 2024–25

Enrollment, 2014-15	Enrollment, 2024-25	% Change
2,263	1,943	-14.14%

Although city leaders in Galt occasionally attend local school district meetings, the two entities largely function separately. At a recent meeting of the school board, an Assistant City Manager presented plans for new housing construction, and asserted that this may lead to an increase in enrollment in the future (Valencia, 2026a). However, district leaders appear more concerned with immediate fiscal challenges, namely avoiding being forced to accept “differentiated assistance” from the County Office of Education due to poor student performance. District leaders have been encouraged by the prospect of modest growth in enrollment which has made it possible to avoid fiscal challenges (Valencia, 2026b).

Summary of the Case Studies

As described in our prior work on loose coupling and the “warm embrace” of urban schools (Makori & Noguera, 2025), of the three districts profiled, Elk Grove has received the most significant civic support, while Galt Unified and Sacramento City Unified have been largely left to fend for themselves as they

cope with steady declines in enrollment. Despite being located in the state's capital, a major urban center, SCUSD is foundering—facing large deficits and political instability. Recent reporting indicates the district has faced a \$43 million deficit, high chronic absenteeism, and the possibility of state intervention (Keavy, 2025). Faced with huge fiscal challenges in Sacramento, and academic challenges in Galt, both districts are primarily focused on stabilizing, and have shown little ability to devise strategies to attract new families.

In our 2025 paper, Makori and Noguera described how declining enrollment in Los Angeles and Inglewood were contributing to financial challenges in both districts. These challenges were attributed in part to the unwillingness of city and civic leaders to recognize the ways in which the fate of public schools were intertwined with the economic and social wellbeing of cities due to separation in governance. In both cities, neither city, county, nor state officials bear direct responsibility for local public schools, and although LAUSD is one of the largest employers in the region, the elected school board is the only body addressing the challenges facing the schools as enrollment declines.

Similarly, in Sacramento Unified School District responsibility for the fate of public schools lies solely with the elected school board and an appointed superintendent. This separation creates the perception that it is not in the interest of the city, county, or state to address challenges facing local public schools. Instead of a “warm embrace”, local officials appear quite willing to remain on the sidelines as the district founders. Even though there is no other provider of education services that can replace the district at scale, and though the district is a major employer in the region, it has been left to fend for itself. Loss of jobs and the disruptions to communities created by school closures, will undoubtedly have damaging effects in low-income neighborhoods throughout the region.

It is noteworthy that when the *Sacramento Kings*, a professional sports franchise, threatened to leave the city, civic and business leaders rallied to generate financial support for the team. Instead of allowing this to happen, civic leaders rallied support to raise 223 million or the 500 million needed to construct the state of the art Golden 1 Center in 2016 where the Kings now play. So far, Sacramento City Unified has not been able to muster equivalent community support. The question is: why?

Elk Grove Unified School District provides a useful contrast. The district serves several municipalities and is part of a region adjacent to Sacramento that is growing rapidly. Schools continue to experience steady though modest growth in enrollment, and the city of Elk Grove in particular has

provided a “warm embrace”. Local elected officials, particularly the mayor of Elk Grove, recognize that the reputation of local public schools has great bearing on whether or not the city and region will attract new residents. For this reason, it has sponsored scholarships for students and engaged in planning efforts with district staff to ensure that a favorable reputation for local public schools is maintained. In addition, the district itself has initiated efforts to address the needs and concerns of parents by building community partnerships through robust community service programs and volunteer opportunities. As a result of these efforts, it has received active support for new construction. The district has built new elementary schools in recent years, and planning for additional facilities continues as growth concentrates in particular neighborhoods (Ed-Data, n.d.-c).

Finally, given that the Galt Joint Union districts are located in rural areas, one would expect that its public schools would experience the “warm embrace” from the communities they serve. Strong community support is a common feature of public schools in rural communities throughout the United States because they often serve as hubs for community activities such as sports, civic, and cultural events (Learning Policy Institute, 2024). However, in Galt, the communities served by the public schools are largely low-income, and they lack the resources to provide significant support. Instead, many residents look to public schools to provide basic services to children (e.g. food, clothing, after school activities, etc.) that families cannot afford. Furthermore, the vast geographic area served by the districts and the relatively small number of students served makes it difficult to garner supplemental resources from parents or local businesses. Unlike Sacramento City Unified—which should be able to form partnerships with local stakeholders to supplement and reinforce the needs of schools as enrollment declines—it is not clear where schools in Galt could obtain comparable support (Maier, 2024).

Policy Recommendations

In the final section of this paper we offer a set of policy recommendations that the state and local government officials can pursue to prepare for declining enrollment. Demographic trends show that lower birth rates are not a temporary phenomenon. This is a global issue facing wealthy nations throughout the world (Nargund, 2009), and some nations have begun planning to cope with the new

reality. A recent report from the International Monetary Fund pointed out that while a lower birth rates will produce challenges, it will also produce opportunities:

“...fewer children and smaller populations will mean less need for spending on housing and childcare, freeing resources for other uses such as research and development and adoption of advanced technologies. Declines in fertility rates can stimulate economic growth by spurring expanded labor force participation, increased savings, and more accumulation of physical and human capital. Population decline may also reduce pressures on the environment associated with climate change, depletion of natural resources, and environmental degradation.” (Bloom et al., 2025)

Given that declining enrollment is likely to be a major issue that all schools throughout California (including Elk Grove) will eventually face, it would be wise to begin planning to address the issue. As an alternative to the siloed approach of district planning, we recommend a “warm embrace” of public schools by local officials and civic leaders. Here are a few recommendations that we believe will be necessary for the state and local governments to consider as part of an effort to plan for shrinkage.

- 1) **Change the funding formula** - Rather than pegging budget allocations to average daily attendance, the state could use a three-year rolling average so that districts have time to plan for reductions in budgets based on near-term forecasts. While this will not eliminate the need to reduce funding as enrollment declines, it will give district leaders more time to plan and prepare. The state is also considering a shift to enrollment-based funding, which would send over \$6 billion dollars in additional funding to California’s K-12 schools.
- 2) **Devise a plan to equitably close and consolidate schools** - While school closures may not be a particularly effective cost saving measure, when enrollment at a school drops so low that a district is no longer able to provide adequate resources, closure or consolidation may be necessary. Given that such actions are almost always controversial, even when the affected school has a history of under-performance, district and local leaders can provide parents and community groups with the opportunity to participate in the planning process so that they can provide input into alternative uses for shuttered school sites. In many California communities recently closed school sites are being used to develop new housing, recreation centers, and

even retail projects that can generate revenue for the district (Loudin, 2025) . By engaging local stakeholders in the planning process district leaders can ensure that closure decisions are made in a fair and equitable manner, and reduce the political fallout that often occurs when closures are necessary.

- 3) **Planning and Coordination at Local Level:** District officials should coordinate plans for school closures and consolidations with local officials. This will allow districts to devise plans to create newly consolidated schools that are more attractive to residents because they offer services such as after school programming that were not previously available. Additionally, if the decision to close schools is accompanied by the adoption of academic programs at nearby schools that appeal to parents such as dual immersion, STEM, and arts-focused schools, the impact of loss can be mitigated.
 - a) **City and County Responsibility:** In urban locales, enrollment decline can be amplified by housing pressures and perceptions of school quality. City and county leaders should treat public schools as integral to neighborhood stability and local economic health by explicitly incorporating schools into economic development and neighborhood investment plans. This can include coordinating housing affordability strategies with school stability, investing in youth-serving supports that reduce chronic absenteeism, and partnering with districts to improve the coherence and accessibility of enrollment processes. Essentially, city officials should adopt a “warm embrace” in cities that signals a civic commitment to improving local education.
- 4) **Rural communities will require County and State support:** As our profile of Galt Union suggests, rural school districts may not be able to devise effective strategies for responding to declining enrollment on their own. With support from County and other local officials, new uses for school properties can be devised which provide critical services (e.g. food pantries, health clinics, etc.) to enhance community development.
- 5) **Early Warning Dashboard:** Using publicly available indicators (e.g., multi-year enrollment decline, chronic absenteeism, fiscal stress signals, staffing shortages), the state can develop an early warning dashboard of significant enrollment decline and pair it with a tiered support model. Districts experiencing rapid decline would receive targeted planning support, facilitation

for consolidation efforts, and assistance identifying redesign options that can stabilize enrollment and protect educational quality.

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Appendix A

CA districts with the greatest % decrease in enrollment, 2014-15 to 2024-25

District	County	Enrollment (2014-15)	Enrollment (2024-25)	% change
Ravendale-Termo Elementary	Lassen	665	3	-99.55
Mattole Unified	Humboldt	780	42	-94.62
Amador County Office of Education	Amador	209	23	-89.00
Mt. Baldy Joint Elementary	San Bernardino	167	20	-88.02
Mupu Elementary	Ventura	917	175	-80.92
Lassen County Office of Education	Lassen	30	6	-80.00
Los Olivos Elementary	Santa Barbara	471	159	-66.24
Santa Barbara County Office of Education	Santa Barbara	309	107	-65.37
Loleta Union Elementary	Humboldt	227	82	-63.88
Sonoma County Office of Education	Sonoma	769	278	-63.85
Jefferson Elementary	San Benito	11	4	-63.64
Big Lagoon Union Elementary	Humboldt	40	15	-62.50
Green Point Elementary	Humboldt	8	3	-62.50
Golden Feather Union Elementary	Butte	176	67	-61.93
Mono County Office of Education	Mono	519	209	-59.73
Big Creek Elementary	Fresno	51	21	-58.82
Tuolumne County Superintendent of Schools	Tuolumne	178	77	-56.74
Tres Pinos Union Elementary	San Benito	141	61	-56.74
Pleasant Valley Joint Union Elementary	San Luis Obispo	133	58	-56.39
San Benito County Office of Education	San Benito	116	54	-53.45
San Mateo County Office of Education	San Mateo	403	188	-53.35
Mendocino County Office of Education	Mendocino	92	43	-53.26
Westwood Unified	Lassen	382	182	-52.36
Plumas County Office of Education	Plumas	31	15	-51.61
Vallecitos Elementary	San Diego	396	195	-50.76

District	County	Enrollment (2014-15)	Enrollment (2024-25)	% change
Round Valley Joint Elementary	Inyo	136	68	-50.00
Laguna Joint Elementary	Marin	18	9	-50.00
Kashia Elementary	Sonoma	16	8	-50.00
Lost Hills Union Elementary	Kern	574	291	-49.30
Stony Creek Joint Unified	Glenn	106	55	-48.11
Baldwin Park Unified	Los Angeles	18,316	9,565	-47.78
Midway Elementary	Kern	120	65	-45.83
Linns Valley-Poso Flat Union	Kern	40	22	-45.00
Vista del Mar Union	Santa Barbara	118	65	-44.92
Del Norte County Office of Education	Del Norte	619	342	-44.75
Julian Union Elementary	San Diego	4,142	2,289	-44.74
Pioneer Union Elementary	Butte	74	41	-44.59
Klamath River Union Elementary	Siskiyou	9	5	-44.44
Paradise Unified	Butte	4,265	2,394	-43.87
Lagunitas Elementary	Marin	286	161	-43.71
Placer County Office of Education	Placer	718	408	-43.18
Snelling-Merced Falls Union Elementary	Merced	96	55	-42.71
Fieldbrook Elementary	Humboldt	157	90	-42.68
Inyo County Office of Education	Inyo	2,440	1,420	-41.80
Coffee Creek Elementary	Trinity	12	7	-41.67
Raisin City Elementary	Fresno	883	516	-41.56
Death Valley Unified	Inyo	35	21	-40.00
Ravenswood City Elementary	San Mateo	4,216	2,532	-39.94
Mt. Pleasant Elementary	Santa Clara	2,502	1,516	-39.41
Bradley Union Elementary	Monterey	89	54	-39.33

Appendix B

CA districts with the greatest % increase in enrollment, 2014-15 to 2024-25

District	County	Enrollment (2014-15)	Enrollment (2024-25)	% change
Winship-Robbins	Sutter	197	2,843	1343.15
Warner Unified	San Diego	297	3,258	996.97
Trinity County Office of Education	Trinity	15	144	860.00
Lake Elementary	Glenn	173	1,165	573.41
Maricopa Unified	Kern	2,438	15,701	544.01
Nuestro Elementary	Sutter	145	884	509.66
Westside Elementary	Fresno	854	4,460	422.25
SBE - San Francisco Flex Academy	San Francisco	89	457	413.48
Dehesa Elementary	San Diego	2,809	13,578	383.37
Lucerne Valley Unified	San Bernardino	2,921	14,031	380.35
Blake Elementary	Kern	5	23	360.00
Banta Elementary	San Joaquin	795	3,563	348.18
Helendale Elementary	San Bernardino	1,959	8,145	315.77
Kit Carson Union Elementary	Kings	411	1,495	263.75
Borrego Springs Unified	San Diego	864	3,066	254.86
Yolo County Office of Education	Yolo	189	647	242.33
Bogus Elementary	Siskiyou	6	20	233.33
Acton-Agua Dulce Unified	Los Angeles	4,043	13,443	232.50
SBE - Magnolia Science Academy Santa Ana	Orange	160	524	227.50
Alta Vista Elementary	Tulare	573	1,869	226.18
Orange County Department of Education	Orange	5,306	14,203	167.68
El Dorado County Office of Education	El Dorado	985	2,405	144.16
San Bernardino County Office of Education	San Bernardino	3,029	7,260	139.68

District	County	Enrollment (2014-15)	Enrollment (2024-25)	% change
Lammersville Joint Unified	San Joaquin	3,433	7,949	131.55
Solano County Office of Education	Solano	470	1,075	128.72
Beaumont Unified	Riverside	9,256	19,503	110.71
Buckeye Union Elementary	El Dorado	5,157	10,761	108.67
Liberty Elementary	Tulare	414	861	107.97
San Diego County Office of Education	San Diego	3,788	7,826	106.60
Humboldt County Office of Education	Humboldt	409	837	104.65
Liberty Elementary	Sonoma	958	1,923	100.73
Merced River Union Elementary	Merced	150	295	96.67
Duarte Unified	Los Angeles	3,896	7,547	93.71
Riverside County Office of Education	Riverside	7,629	13,942	82.75
Fresno County Office of Education	Fresno	2,380	4,278	79.75
Orange Center	Fresno	1,031	1,801	74.68
Meridian Elementary	Sutter	978	1,701	73.93
Alpaugh Unified	Tulare	629	1,074	70.75
Roberts Ferry Union Elementary	Stanislaus	117	199	70.09
San Luis Obispo County Office of Education	San Luis Obispo	496	823	65.93
Fort Sage Unified	Lassen	313	519	65.81
Sacramento County Office of Education	Sacramento	1,704	2,760	61.97
New Jerusalem Elementary	San Joaquin	4,536	7,267	60.21
Pacific Elementary	Santa Cruz	108	173	60.19
Oro Grande Elementary	San Bernardino	3,857	6,163	59.79
Contra Costa County Office of Education	Contra Costa	3,812	6,048	58.66
San Joaquin County Office of Education	San Joaquin	3,520	5,496	56.14

District	County	Enrollment (2014-15)	Enrollment (2024-25)	% change
Golden Valley Unified	Madera	1,923	2,997	55.85
Siskiyou County Office of Education	Siskiyou	450	697	54.89
Reeds Creek Elementary	Tehama	126	195	54.76

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Corridor After Eaton Fire Damage



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How Affordable Family Housing Can Support PUSD Enrollment

CB

GUEST AUTHOR

JULY 7, 2026 0 COMMENTS

GUEST OPINION



Rose Town Apartments at 170 N. Halstead Street in Pasadena (Photo – W.K.)

WORLD CUP RESULTS & MATCHDAY OVERVIEW



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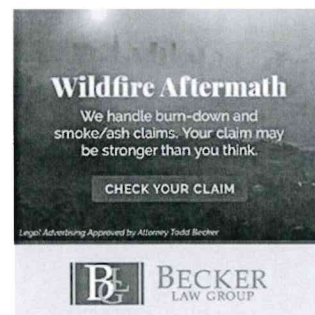
Most affordable housing in our city has been built for seniors and people experiencing homelessness.

By Anthony Manousos

Making Housing and Community Happen (MHCH), the nonprofit that my wife, Jill Shook, and I founded, has enthusiastically supported these projects because they meet a critical need. After all, we do not want elderly people living on the streets. It is also important to address the housing needs of low-income families, many of whom send their children to public schools.

It is encouraging that four affordable housing developments have been proposed or built in Northwest Pasadena, with many two- and three-bedroom units designated for low-income families:

- **Colorado Grand Oaks**, approved by the Design Commission on May 12, is located at 2155 E. Colorado Boulevard and includes 214 units, 116 of which are reserved for low-income families.
- **Rose Town Apartments**, which opened last year at 170 N. Halstead Street, includes 28 affordable units for families.
- **Rosemead Apartments**, located at 600 N. Rosemead Boulevard and unanimously approved by the City



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Council on May 18, will include 68 units for low-income families.

- **Colorado Crest**, an 88-unit, 100% affordable apartment development proposed for 1756–1776 E. Colorado Boulevard, will include two- and three-bedroom units for families.

Because all of these units will be affordable to families likely to send their children to public schools, the project could provide significant benefits to PUSD.

These affordable apartments would house working families who provide essential services and deserve the opportunity to live in the community they support. Pasadena relies on restaurant workers, house cleaners, dry cleaners, and many other essential employees.

At MHCH, we are deeply concerned about declining enrollment in PUSD. District enrollment has fallen steadily over the past decade, from 17,267 students in 2014–15 to 13,757 in 2024–25, contributing to the district’s current budget challenges.

The spreadsheet below illustrates how these developments could benefit PUSD. I estimated the number of potential students by assuming that each two-bedroom unit would house one child and each three-bedroom unit would house two children. I then calculated the financial impact based on state funding tied to Average Daily Attendance (ADA), which generally ranges from \$8,000 to \$12,000 per student per year.

	2-bedroom	3-bedroom	Total potential students	at \$8000	at \$12,000
Rosemead Apartments	34	34	102	\$816,000	\$1,224,000
Grand Colorado	57	59	175	\$1,400,000	\$2,100,000
Rose Town	15	13	41	\$328,000	\$492,000

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THIRD PARTY					
Total			318	\$2,544,000	\$3,816,000

Using those assumptions, I estimate that the three affordable family housing developments already built or approved in east Pasadena could generate between \$2.5 million and \$3.8 million in annual funding for PUSD. The family units at Colorado Crest would provide additional revenue. That would be welcome news for our cash-strapped public school system.

*Dr. **Anthony Manousos** is co-founder of Making Housing and Community Happen, a nonprofit committed to housing justice and affordability. He lives in District 1 in northwest Pasadena.*

Tagged: Anthony Manousos Guest opinion

How Affordable Family Housing Can Support PUSD Enrollment

Jill Shook Making Housing and Community Happen

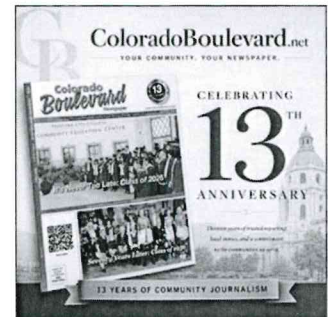
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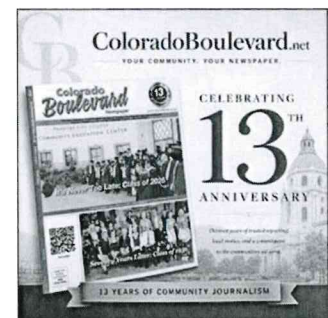
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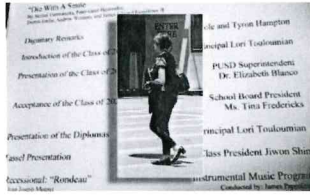
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OPINION > COMMENTARY • Opinion

Lisa Kroese: The Pasadena Unified School District's fork in the road



Sawyeo Pollald hold signs during a protest at the Pasadena Unified School District in Pasadena on May 11, 2026. (Photo by Connor Terry, Contributing Photographer)



By **LISA KROESE**

PUBLISHED: June 21, 2026 at 3:30 AM PDT

Getting your **Trinity Audio** player ready...

Attorney Dale Gronemeier's op-ed last Sunday highlights that those who accuse others of promoting a false narrative are often engaged in creating one themselves.

Gronemeir is the current Pasadena Unified School District's board president's pro-bono lawyer. His client is refusing to cure and correct the clouded school consolidation resolution. Why does she keep fighting and costing PUSD money after the equity impact analysis has been formally rejected and the \$233,000 consultant has been let go?

Gronemeir focuses on whether "there is no recommendation to consolidate schools at this time" should be interpreted differently from "the committee recommended against consolidation." He misses the points the majority commenting at board meetings are making.

I attended many of the School Consolidation Advisory and subsequent board meetings. At each one, community members, teachers, students, alumni, neighborhood leaders and taxpayers repeatedly expressed concerns about the financial assumptions, educational impacts, equity consequences and potential negative effects on enrollment.

Many repeatedly asked why school closures were being treated as the primary solution before other alternatives had been seriously analyzed since a May 2026 Stanford study recommended that urban districts like ours focus on revenue optimization moving forward. The fact that PUSD has been through four rounds of consolidation already is not something to be brushed aside. We have unexplored alternatives today. Many are asking how can PUSD's land can be utilized to provide better pay for teachers and enhance educational opportunities for students.

Gronemeier and his client seem to be ignoring a simple fact: every budget has two sides, expenses and revenue. For decades, PUSD has been focused only on reducing expenses. This time, community members are asking for something different: a comprehensive analysis of district

Research increasingly points toward revenue optimization strategies as a better tool. What if growing enrollment, improving feeder patterns, utilizing district assets and attracting families back to PUSD schools could improve long-term fiscal stability and end the viscous cycle of trying to shrink down to solvency?

Instead of examining the new research, the community has been presented with another set of closure scenarios. This seems especially alarming after five campuses were lost or damaged in the fires.

The Wilson campus provides a powerful example of why many have concerns. In 2019, PUSD closed Wilson Middle School. Part of that campus is now leased to a charter school, complete with a large enrollment banner. Many of us dislike having a system that forces PUSD families to treat charters as competition, but the funding follows the student so that is our reality.

This leads us to ask whether more closures will strengthen the district or simply shrink its footprint again. The consultants gave no opportunities to evaluate closure alternatives or income and enrollment, and they did not analyze the potential costs of any proposed scenarios.

What if in 2019 students at the Mandarin immersion program from Field Elementary went to Wilson instead of Sierra Madre Middle School?

Couldn't doing things differently free up capacity where demand is the highest? Can we create opportunities to attract and retain more families within PUSD? Are there ways not to yet again interrupt students who have already endured 2019 closures, then covid, then fires and ICE?

Instead of opening up a community engagement process, the Board President recently emailed her supporters a false binary choice: close schools or face LACOE takeover. Dr. Blanco confirmed the facts don't support that claim at the May 28th Board meeting. Fredericks is willfully ignoring the information that doesn't support her agenda.

It seems the current board majority now has a problem with the public trust. To restore it, they could offer sincere apologies, rescind the clouded resolution and move forward with a real community engagement plan

McMillan, Acquanette (Netta)

From: Jomsky, Mark
Sent: Monday, July 13, 2026 7:44 AM
To: John Fauvre
Cc: PublicComment-AutoResponse
Subject: RE: Letter to City Council: Clarity needed before raising taxes

Hello John,

Confirming receipt. Please note that if you send to correspondence@cityofpasadena.net it will be processed by the staff and avoid any delays. I am part of that distribution as well.

Regards,

Mark Jomsky
City Clerk
City of Pasadena
(626) 744-4709 (Direct)
(626) 372-6769 (Cell)

-----Original Message-----

From: John Fauvre
Sent: Monday, July 13, 2026 7:42 AM
To: Jomsky, Mark <mjomsky@cityofpasadena.net>
Subject: Letter to City Council: Clarity needed before raising taxes

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Sent from my iPad

Honorable Mayor and City Council Members

>
> I write to urge more analysis and clarification before raising more taxes during tonight's discussion .
>
> Most Pasadenans appreciate our city services most of the time and are willing to pay for them.
>
> But we need clarity on where the money goes. For me, the talk of additional bond funding for improved roads and better fire stations, along with simply new taxes, makes me wonder if we could do better. To me the impending need for initial capital outlays for the 210 Freeway Stump Project especially clouds the view. I don't think we yet have from the city even best reasonable estimates of how much city taxpayer funds will be required over what period of time or where that money will come from. Or how much the pledge for Restorative Justice payments of up to \$150,000 each to unidentified and uncounted purported "victims" of the imminent domain process by CalTrans to acquire property to smooth the regional freeway grid will cost us. Without demonstration of serious planning for these issues how can we simply support more and more taxes?
>
> John Fauvre
>
>
>
> Sent from my iPad

07/13/2026
Item 16

McMillan, Acquanette (Netta)

From: Holly Hight
Sent: Saturday, July 11, 2026 5:47 PM
To: PublicComment-AutoResponse
Subject: Pasadens needs a new property transfer tax to fund affordable housing

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Council Member,

To the Mayor and Members of the Pasadena City Council,

I urge you to place a property transfer tax dedicated to affordable housing and homelessness prevention on the ballot.

Pasadena urgently needs a stable source of funding for affordable housing. The City's Housing Element already commits Pasadena to considering a transfer tax, and the staff report estimates it could generate approximately \$26 million annually to support affordable housing, rental assistance, and homelessness prevention.

A progressive transfer tax can be designed to apply only to luxury home sales, ensuring that the vast majority of Pasadena homeowners and renters are not directly affected. With an average home price of about \$1.2 million, setting the starting point at \$2.5 or \$3 million would target only high-value property transactions.

Pasadena already faced a housing crisis, and the need for affordable housing has become even greater following the Eaton Fire, which displaced many residents in Pasadena and Altadena. The best way to address homelessness is to prevent it by keeping people housed.

I encourage the Council to give Pasadena voters the opportunity to decide whether to create a dedicated local funding source for affordable housing and homelessness prevention.

Holly Hight

Pasadena , California 91107

<<https://click.actionnetwork.org/ss/o/u001.ZbNyqOfLYPaP-d23SgKjnQ/4s9/VXYxZtWLQvezxq2-ZGKeVg/ho.gif>>

McMillan, Acquanette (Netta)

From: Lorynne Young <noreply@adv.actionnetwork.org>
Sent: Monday, July 13, 2026 8:48 AM
To: PublicComment-AutoResponse
Subject: Item 16 - Yes to a Property Transfer Tax on Luxury homes to fund affordable housing

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Council Member,

Dear Mayor Gordo and Pasadena City Council,

I strongly support the implementation of a transfer tax to provide an additional source of revenue for the city. More specifically, this revenue should be used to fund the development of more affordable housing in Pasadena. This was originally specified in Pasadena's Housing Element.

Affordable housing is needed now more than ever, as the cost of living continues to rise for the majority of residents, which was only worsened by the Eaton Fire last year. A transfer tax would likely not affect the majority of homeowners and renters, as seen in LA City's transfer tax. For these reasons, the transfer tax should only be used for funding affordable housing, not as a general funding source.

As a retired person on a fixed income, affordable housing is crucial to my future. Rent control is helpful, but the annual increase to my social security benefits does not always cover my rent increase. I dream of living in a place where I only have to spend 30 percent of my limited income on housing.

Using the transfer tax for affordable housing will provide a safety net for all our Pasadena seniors.

Lorynne Young

Pasadena, California 91101

07/13/2026
Item 16

McMillan, Acquanette (Netta)

From: Marisol Dominguez-Ruiz <noreply@adv.actionnetwork.org>
Sent: Monday, July 13, 2026 9:04 AM
To: PublicComment-AutoResponse
Subject: We need a new property transfer tax to fund affordable housing - agenda item 16

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Council Member,

To the Mayor and Members of the Pasadena City Council,

I urge you to place a property transfer tax dedicated to affordable housing and homelessness prevention on the ballot.

Pasadena urgently needs a stable source of funding for affordable housing. The City's Housing Element already commits Pasadena to considering a transfer tax, and the staff report estimates it could generate approximately \$26 million annually to support affordable housing, rental assistance, and homelessness prevention.

A progressive transfer tax can be designed to apply only to luxury home sales, ensuring that the vast majority of Pasadena homeowners and renters are not directly affected. With an average home price of about \$1.2 million, setting the starting point at \$2.5 or \$3 million would target only high-value property transactions.

Pasadena already faced a housing crisis, and the need for affordable housing has become even greater following the Eaton Fire, which displaced many residents in Pasadena and Altadena. The best way to address homelessness is to prevent it by keeping people housed.

I encourage the Council to give Pasadena voters the opportunity to decide whether to create a dedicated local funding source for affordable housing and homelessness prevention.

Marisol Dominguez-Ruiz

Pasadena, California 91106

07/13/2026
Item 16