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CALIFORNIA

Though Far From Poor, a Family Struggles Daily

Two incomes put the Basurto clan well above the poverty line. Yet despite frugal living, they're middle class in name only.

By Geoffrey Mohan, Times Staff Writer

The scrapbook tucked under the bookshelf in Rudy Basurto's living room isn't full of family portraits — just photos of cabinets.

The one with the opaque windowpane doors is the pantry he built for Jamie Lee Curtis. The Mission-style one, in mahogany, is in Bruce Willis' place in Malibu.

Basurto is 48 years old. He makes about \$20 an hour building cabinets but can't afford to buy a home in his Highland Park neighborhood. He has bartered his labor to put his three teenage children through Catholic school. They're on their own for college.

Basurto's family is far from poor, by the official measure. The federal poverty level for a family of five is \$21,959. Last year, Rudy and his wife, Maryellen, together earned more than twice that: \$45,000.

In many parts of the country, they might be middle class. But in Los Angeles, they are struggling. Like roughly a third of the county's population, they live somewhere between where poverty ends and prosperity begins.

The Basurtos cram their children into makeshift bedrooms created in a dining room and a finished porch. They eat dinner on trays in the living room, where their daughter pecks away at a homework assignment on an aged computer.

Every weekday at 6:15 a.m., Maryellen packs her two youngest children into a 17-year-old Subaru GL station wagon that needs a new engine, drives

32 miles round-trip to drop them off at school, then goes to the first of her two part-time jobs.

Rudy departs at the same time in his 16-year-old van, driving to the palatial homes of clients on the Palos Verdes Peninsula, in Malibu, in Beverly Hills. He has no health insurance, no pension plan and little savings.

The Basurtos' lives are a precarious mix of bargain, barter and hope. Daily, they make choices — home-cooked pasta versus takeout Subway sandwiches, a mortgage versus private-school tuition.

The Basurtos are neither destitute nor desperate. They have no debt, do not go hungry, and have managed to put three children through Catholic school. Yet their grip on the bottom rung of the middle class is precarious.

By the local cost of rent, by what it takes to commute to work, by the price of food at the local store, by the cost of clothing and healthcare, a family like the Basurtos would need more than \$40,000 to make ends meet in Los Angeles. Families with younger children and day-care expenses would need closer to \$70,000.

That estimate, called a self-sufficient income, is an emerging measure of economic health seldom used in the calculus of poverty.

Policymakers still measure progress in the war on poverty using the federal poverty level, despite decades of quarrels over its shortcomings. Developed in the 1960s, the poverty level is based on a food survey from 1955.

It tells only how much is too little to live on, not how much is enough to get by on.

"What it means is there are a lot more people without an adequate income in California than the federal poverty level would indicate," said Diana Pearce, director of the Center for Women's Welfare at the University of Washington and a pioneer in calculating self-sufficiency.

By the federal benchmark, 13% of Californians are poor, according to the Census Bureau. By the self-sufficiency standard, 30% don't make enough to get by.

In California, the definition of "enough" varies widely. A family of four with young children could get by on \$39,318 in Fresno County. In the Bay Area, the same family would need \$69,000, according to a report by Pearce and the National Economic Development and Law Center. The center is an advocacy group based in Oakland that is lobbying to reorient social policy along lines of affordability, not poverty.

One reason why the wage-earning middle class increasingly can't afford California is that wages, adjusted for inflation, have been stagnant for two decades. In the same time, the percentage of income needed to pay for rent, healthcare and child care has spiraled.

Economists call this "alligator economics," because wages are a horizontal or falling line, while costs rise like an alligator's upper jaw.

The Basurtos, and many thousands of others, live in that jaw.

Lincoln Avenue in Highland Park is dark when Rudy Basurto pulls up after work in his 1988 Ford Aerostar packed with secondhand woodworking tools.

A spry and darkly handsome man with a toothy smile and an accent still tinged with the sounds of his native Mexico, he slumps onto a milk crate in the living room. The logo on his sweat-stained dark blue T-shirt is his only reminder of the last employer that offered him benefits. That company went out of business after only a few years.

Maryellen, a good-humored woman prone to

nervous giggles, handles many of the details of the family's daily struggles.

With gang graffiti and the occasional whiff of marijuana smoke out on the street, she keeps her children clustered at night unless it's to visit the local evangelical church, where Rudy Jr., 18, Isabel, 17, and Miguel, 15, are active.

They gather in the only common space they have: the narrow living room, crammed with a sectional sofa, a computer and a wall cabinet. That is where they eat, since Miguel requisitioned the dining room as a bedroom.

Rudy is away from home 10 to 12 hours a day. When he's out of work, his job is finding another job. Usually, showing off the Polaroids of his cabinetry lands Basurto work as a crew boss, at \$15 an hour or more. He rattles off the clients: Jerry West, Helen Hunt, James Worthy. He's been in all of their houses. Tom Hanks, Brad Pitt, Bruce Willis.

When he crosses those thresholds, Basurto confronts what California has become: a state with a higher rate of both affluence and poverty than the nation as a whole.

He reminds himself that the rich are no different inside. "You have to be nice and don't touch anything," he said. "You have to be very trustworthy."

When he heads home, Basurto worries about things that seldom trouble his wealthy customers. Will he be able to fix his car if it breaks down? Will he stay healthy enough to work? Will his employer lay him off to cut costs?

Cabinet companies fold and downsize often enough that Basurto can tick off job after job. When they fail, his finances suffer. The longest he went without work was three months during the recession of the early 1990s, and it took three years to pay off the credit card bills, Maryellen said.

Few of the jobs Basurto has held have offered health insurance. "When they offer it, I take it," he said. "When they don't, well, you just have to stay as healthy as you can."

As for the rest of the family, nine years ago

Maryellen cobbled together two part-time clerical positions at St. Ignatius of Loyola Catholic School, which gives her health benefits costing \$70 to \$80 a month. She earns about \$11,000 a year at the Highland Park school, which her children attended.

Through years of colds, flu, bumps and bruises, Maryellen followed word of mouth on cheap clinics until she found the state's Healthy Families program four years ago.

The subsidized health insurance system, which covers nearly 700,000 children statewide, is among the social programs that use a multiple of the federal poverty line (up to 250%) as its benchmark for qualification. The Basurtos paid \$14 a month to cover their three children last year and will pay \$27 a month this year.

Rudy Jr. is about to turn 19 and become ineligible for Healthy Families. Unless he gets a job that comes with benefits, he will be uninsured, like his father.

Basurto and his son are not alone. A quarter of low- and moderate-income families (those with income up to three times the poverty level) in Los Angeles County lack health insurance at least some time in a year, according to the UCLA Center for Health Policy Research.

Only Tulare and Madera counties in the impoverished San Joaquin Valley exceed that rate statewide.

Rudy Sr. proudly points out that his grandmother, whose photograph decorates the living room, lived past 100. Longevity and good health run in the family, he said.

From the start of their marriage, Rudy and Maryellen weighed the equities they could pass on to their children. Education won out over a house.

"I know I could buy a house, but it would cause more hardship," Rudy said. "So what we chose was education for the kids instead of luxury."

Both he and his wife grew up poor.

Basurto, who was brought to Los Angeles from Mexico City as a boy, finished Belmont High School and got an associate's degree from Los

Angeles Trade-Technical College. He has been a citizen for more than three decades.

Maryellen, whose father emigrated from Mexico, was born in Los Angeles. She jokes that they never would have met without the Catholic Church and wouldn't have survived without its charity. Nowadays, though, they go to an evangelical church that offers more activities and more warmth.

When they first married, Maryellen worked as a bank clerk. But when Miguel was born, she quit to take care of the children, having found no baby-sitter she could afford or trust.

Rudy, meanwhile, earned about \$7.50 an hour in cabinetry.

Over the years, he never made more than \$34,000 a year. And there were times the tuition bill rose to \$15,000 annually.

They couldn't pay it. They worked in exchange for grants.

"I started volunteering. That helped to cover part of their tuition," Maryellen said. "And then the other part, my husband would help. If they needed, like, a cabinet here or there, he would do that."

"I say, 'How much is tuition? I put up cabinets,' " Rudy added. "You've got to do it. What else can you do?"

Over about seven years, Basurto installed cabinets in 10 rooms at St. Ignatius School.

The family squeezed into a two-bedroom house for nearly a decade before moving next door to a three-bedroom place owned by the same landlord. Their rent stayed at \$700. That's far below the going rate — \$1,378 — in the neighborhood, according to federal estimates.

The landlords just want a steady tenant, Maryellen said. The Basurtos have rented from them for 15 years.

With an income below the median for Los Angeles, the Basurtos face daunting obstacles in buying a home.

The average Joe in California can't buy the average California home. The income required to afford the mortgage on a median-priced home is 44% above the state's median income, according to government statistics. Last year, only about a quarter of California households could have afforded a median-priced first home, according to the California Assn. of Realtors.

As a result, California has the fourth-lowest homeownership rate in the nation — 58%, 10 percentage points below the national average.

"The middle class is very much trying to find a way to accommodate an enormous shift in property costs nationwide, but particularly on the coasts," said Joel Kotkin, a senior research fellow at Pepperdine University's Davenport Institute. "They're really sort of the abandoned middle class, and nobody is dealing with their issues."

The Basurtos would need to make at least \$87,000 before taxes to buy a median-priced house with a 20% down payment and a mortgage interest rate of about 6%, according to Fannie Mae's calculations.

With their children in the home stretch of high school, the couple face another choice: saving for a house or helping the children pay for college. Rudy is leaning toward a house to have something tangible to pass on.

Maryellen inquired recently about a summer program at Occidental College for Isabel, the scholar of the family, but found that it cost several thousand dollars.

"But she has good grades," Maryellen said. "So, hopefully, she'll get some help."

Rudy Jr. graduated from high school and is deciding which community college to attend. In the meantime, he volunteers at a local school and at church, hoping it will turn into a paid teaching or counseling job.

Occidental, in Eagle Rock, is one of the colleges that Isabel, who attends San Gabriel Mission School, has her eyes on. Miguel, who goes to Don Bosco High School in Rosemead, is thinking about joining the Army. With the death toll rising in Iraq, Maryellen worries about her younger boy's choice.

Little about the Basurtos conforms to the stereotype of the poor. They don't ask for help. In fact, they volunteer their time generously in causes ranging from education to single mothers.

But dignity in poverty is a rich man's myth. Poverty, they find, is sometimes humiliating and always anonymous.

Rudy Basurto spent the last six weeks constructing custom cabinetry for a Beverly Hills electronics store. He had to tear out half his work when the owner complained about knots in the wood — even though it was to be painted anyway.

"That's the way they are, the clients," he said. "They don't like the color; it's not deep enough." The wall-length birch cabinets in Basurto's living room are rejects from a picky client, as is a corner hutch.

As he was going to the Beverly Hills job recently, a parking attendant smart-mouthed Basurto about parking his beat-up van next to the expensive luxury sedans of his well-heeled clients.

Rudy still fumed days later. "My work uniform is jeans and a shirt; theirs is a suit and tie. But we both work," he said.

For fun, the Basurtos run in the Los Angeles Marathon. Maryellen has done it for 15 years, the children for the last five.

Rudy Sr. happily supports them. This year, he waited to watch them pass at Mile 21 in Hancock Park. Runner after runner trotted past, their brown, white and black faces reflecting the cultural mix of Los Angeles. Their running outfits offered no clue as to who was struggling to make it in the city and who was doing well.

At the finish line, the winners were long gone when Rudy caught up with his family. Rudy Jr. finished in a little more than six hours, but Miguel had pulled up lame and taken the "sag wagon" in.

Rudy fished out the only money he had and bought a \$4 hot dog for the boys to share. They asked him to take them to Subway and he shot them a cold, hard look. They would eat pasta at home, he said.