

# Displacement and Gentrification in Low- Income Communities Connected to the Los Angeles 30/10 Plan:

Who is Vulnerable, What Can Be Done to Prevent Deepening  
Inequality, and How L.A.'s Expanded Transit System Can Succeed

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## **Executive Summary**

Los Angeles is today undergoing one of the biggest public transportation system expansions in the country. The city is notorious for its smog, traffic, public health problems, and the economic disparities that exist between its high and low-income citizens. Through the expansion of its public transportation system, L.A. is in a unique situation where it has the opportunity to address all of these issues simultaneously. However, the matter must be approached deliberately and carefully. In Los Angeles and across the United States there has been a pattern emerging of new public transit stations built in low-income communities leading to gentrification and the displacement of low-income families. This displacement and the increased cost of living associated with gentrification can undermine the purpose of building new transit, not only for the transit agency, but most importantly, for the families. Numerous studies, conducted both publicly and privately, show that public transit is overwhelmingly utilized by lower-income individuals, people of color, zero or one-car families, and renters, yet these are exactly the people that are being displaced from the neighborhoods where many new transit stations are constructed.

City planners, politicians, and community development organizations in Los Angeles have the potential to effectively use anti-displacement tools and equitable transit-oriented development planning strategies in order to minimize the negative effects of gentrification that accompany the addition of light rail transit stations in lower-income communities. There are many barriers, both financial and political, that make this difficult to successfully execute consistently, but with the proper coordination of planning efforts and the necessary political commitment to equitable development, past successes

have proven that it is possible to create a thriving light rail system without the destruction of lower-income, transit-oriented communities. It is crucial that TOD advocates continue to work to create a cooperative, functional, and long-term relationship between transit agencies, city planners, and community development organizations in which planning for the expansion of public transit occurs in conjunction with, and not with disregard to, efforts to protect at-risk communities.

Without the adequately funded, mandated organization of TOD efforts, displacement and/or a higher cost of living will continue to burden low-income communities in Los Angeles that are faced with new public transit, particularly when that transit is light rail.<sup>1</sup> While the will and strategy exists from various Los Angeles community organizations, sufficient power and funding currently does not. L.A. city planners and residents must get much more involved in the planning process and work with Metro and community development organizations to ensure that the 29 light rail stations that are currently approved for construction under L.A.'s 30/10 Plan are developed with the well being of the neighborhoods' residents as a top priority. The risk of displacement and the negative affects of gentrification must be brought to the attention of more residents of L.A. County, especially considering that the city is about to explode with new public transportation projects throughout the county.

The Crenshaw/LAX Transit Corridor is the most worrisome project in Metro's 30/10 Plan in terms of the displacement and replacement of those residents surrounding the stations. I have identified four neighborhoods that are "high risk" and five neighborhoods that are "at risk" for the displacement of its residents, as well as most

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<sup>1</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: Executive Summary*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

vulnerable to the negative effects of gentrification. These neighborhoods were classified based on the size of the non-white population in the community, the percentage of households that are renters, median household income, and the similar/dramatically different demographics of neighborhoods *bordering* these areas. Of the “high risk” neighborhoods, three out of the four are along the Crenshaw/LAX Transit Corridor, and of the “at-risk” areas, three out of the five are along the Crenshaw/LAX Transit Corridor.

What should be done by community organizations in the short term is: continue to fight for community benefits agreements during the planning process of large development projects in at-risk areas; continue to engage community residents in issues that may, unknowingly, greatly impact their lives in the future; utilize the tools discussed in this report to negotiate for new, and protect existing, affordable housing infrastructure as well as incentivize its development. In the long term, community organizations need to push for reducing the 2/3 vote requirement to get taxes into the hands of local government: it needs to be easier for government at levels smaller than state, and federal, levels to fund projects both politicians and community residents deem necessary in their communities. If this is done successfully, it will become more feasible for joint development and TOD efforts to acquire the funds necessary to operate with greater consistency and more frequent success than in the past. The power, the will, and the strategic means exist for equitable TOD not only to *occur* in Los Angeles, but to *promote* increased social and financial equality among L.A. residents through the expansion of its public transit system; what is needed in order to do this is a single source of effective local authority that can bring together all the necessary actors to translate theoretical equitable planning ideas into a consistent, executable planning procedure.

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## **Introduction**

Los Angeles is today undergoing one of the biggest public transportation system expansions in the country. The city is notorious for its smog, traffic, public health problems, and the economic disparities that exist between its high and low-income households. Through the expansion of its public transportation system, L.A. is in a unique situation where it has the opportunity to address all of these issues simultaneously. However, the matter must be approached deliberately and carefully. In Los Angeles and across the United States there has been a pattern emerging of new public transit stations built in low-income neighborhoods leading to gentrification and the displacement of low-income families. This displacement and the increased cost of living associated with gentrification can undermine the purpose of building new transit, not only for the transit agency, but most importantly, for the families. Numerous studies, conducted both publicly and privately, show that public transit is overwhelmingly utilized by lower-income individuals, people of color, zero or one-car families, and renters, yet these are exactly the people that are being displaced from the neighborhoods where many new transit stations are constructed. Bringing public transit to a low-income community provides the opportunity to close the income gap significantly, but it also threatens to make it even larger if it's not planned appropriately.

To set the foundation of this paper and to provide pertinent background information, I first explore why new public transportation stations that are built in low-income communities often lead to gentrification and displacement of low-income families. I then seek to find what measures that can be taken by local and city government, transit agencies, and community organizations to prevent, or at least

minimize the negative effects of gentrification in at-risk communities in Los Angeles. I will be using a study published by Northeastern University's Dukakis Center for Urban and Regional Policy entitled "Maintaining Diversity in America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change" to apply what tools have been successful in anti-displacement efforts across the country to the Los Angeles political climate and transit-oriented development (TOD) efforts. I will evaluate which strategies from Northeastern University's toolkit would be most effectively applied in the L.A. County neighborhoods of Inglewood and Hawthorne specifically, how so, and why.

Additional questions to be addressed include:

- 1) Are there specific characteristics that make communities more or less at-risk? Could there be an equation for predicting what communities will become gentrified upon the introduction of new public transit stations in their areas?
- 2) Why is public transportation important for low-income communities, and how does it serve as an equalizer between classes?
- 3) What is the current political and social climate in Los Angeles, and even more specifically in Inglewood and Hawthorne? How does this affect what tools can be used?
- 4) What aspects of the Los Angeles political climate act as barriers to equitable TOD, and what assets does L.A. County have to help promote it?
- 5) What communities in Los Angeles are most at-risk with impending new transit stations planned under the 30/10 Plan?

## **Background Issues: Transit and Gentrification**

The research published by Northeastern University defines gentrification as "a pattern of neighborhood change in which a previously low-income neighborhood experiences reinvestment and revitalization, accompanied by increasing home values

and/or rents.”<sup>2</sup> Gentrification is a very controversial issue and difficult to approach because it has both positive and negative impacts on a neighborhood. One of the major reasons it is often viewed negatively is because the benefits of the reinvestment and revitalization are often lopsided; wealthier residents inherently reap the benefits of gentrification more than low- and middle-income residents who are disproportionately affected by the negative consequences such as rising property values. Another key term for this paper is “displacement” which the Northeastern study defines as: “a pattern of change in which current residents are involuntarily forced to move out because they cannot afford to stay in the gentrified neighborhood,”<sup>3</sup> a side effect of gentrification as housing and rental prices increase in a manner not associated with inflation or any improvements in the property itself.

When a new public transit station is built, traffic in the area generally increases, bigger (often chain) stores replace local businesses, and local hiring decreases. The overall desirability of the area increases dramatically, which allows landlords to charge more for rent and attracts contractors and businesses that most often want to build expensive homes or apartment complexes, high-end retail stores, and restaurants. Families that cannot afford the increased cost of living are forced out, and wealthier families replace them; the process by which this happens will be discussed in detail later. Further exacerbating the problem is the fact that the families moving into the neighborhood are most often car-owning families, which should be a concern for the transportation agency. Numerous studies have found that in many cases transit ridership

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<sup>2</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: Executive Summary*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

<sup>3</sup> Ibid.



declines once gentrification occurs because car-owning individuals are not only significantly less likely to use public transit, but the people who are more likely to use public transit are forced to move away from it.

The study conducted by Northeastern University stresses the importance of this issue for transit agencies, and emphasizes the fact that planning agencies do not take the displacement of low-income households and the negative impacts of gentrification sufficiently into account; the problem is such that “even as they work to attract a broader range of riders, transit systems need to maintain their core ridership to ensure that total ridership continues to grow. Transit planners frequently speak of the need for transit-oriented development to support ridership, but what transit stations need is transit-oriented neighbors who will regularly use the system. There is a symbiotic relationship between diverse neighborhoods and successful transit: transit systems benefit from and depend on the racial and economic diversity of the neighborhoods that they serve, just as low-income households and people of color depend on and benefit from living in neighborhoods served by transit.”<sup>4</sup> This fact alone should act as a huge incentive for transit agencies to work with other planning and community development organizations as well as local government to develop a transit system that benefits low-income, non-white, renting, and zero- or one-car households.

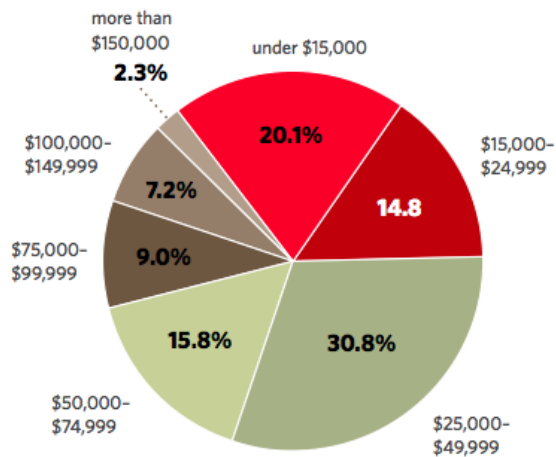
Many studies conducted with both private and with government funds have looked at the populations in the U.S. that are most likely to use public transit. Overall, studies agree that the demographics that use public transit most are lower-income, non-white, households that own either zero or one car, and people who rent rather than own a

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<sup>4</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: Executive Summary*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

home. The Northeastern study compared and consolidated studies conducted across the U.S. in transit-rich metropolitan areas; on the issue of income as a predictor of who will use public transit, the study's authors concluded that: "Lower-income households are more likely to use transit, more likely to live near transit, and less likely to own a car. While transit is used by Americans of all incomes, those from lower income and working-class households use transit far more than upper income Americans."<sup>5</sup> A study published in 2007 by the American Public Transportation Association (APTA) found that the majority of transit-riders in the U.S. between 2000 and 2005 lived in households with an annual income of \$50,000 or less, and the median income of transit passengers was \$39,000, about 12% lower than the U.S. median income at the time.<sup>6</sup> A chart from that study is shown below in Figure 1:

**Household Income of Transit Passengers**



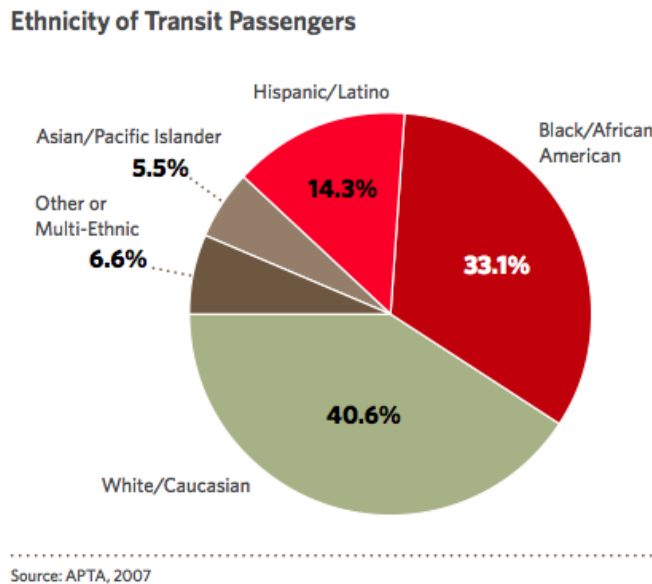
Source: APTA, 2007

<sup>5</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: Chapter 1: Transit and Neighborhood Diversity*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

<sup>6</sup> Ibid.

**Figure 1<sup>7</sup>**

The 2001 National Household Travel Survey (NHTS) found that African Americans and Hispanics comprise 54% of all transit users, and the 2006-2008 American Community Survey found that of all those who report commuting to work via public transit, only 40% were non-Hispanic whites.<sup>8</sup> This is even more illuminating when paired with the statistic that African Americans accounted for only 12% of the U.S. population and Hispanics accounted for 13% of the U.S. population in 2000.<sup>9</sup> The APTA found similar results, their findings shown below in Figure 2:

**Figure 2<sup>10</sup>**

Northeastern authors conclude that even after controlling for income, African Americans, Hispanics, and Asians rely much more heavily on public transit than white people, with African Americans being almost six times more likely to use public transit than whites, and Hispanics being almost three times more likely to travel by transit than whites.

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<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

A more obvious category of people who rely on public transit more heavily than the average person is households with zero or one car. The Northeastern study labeled this statistical category a “strong” predictor of public transit use. They cite 2006-2008 American Community Survey data which reveals that while only 4.3% of U.S. households lack a car, 36% of all workers 16 years and older who commute to work using public transit are from zero-car households. The 2007 APTA on-board survey reported very similar findings, in which only 45% of transit riders had a vehicle available to them to make the trip, meaning 55% of transit riders had no car available for them to use.<sup>11</sup>

The final demographic category that can predict high use of public transit is residents who rent housing. Rental housing in the U.S. is disproportionately located more in transit-served metropolitan areas than non-transit served areas, with more than half of the total amount of rental housing in the country located there. Even more dramatic is the Center for Transit-Oriented Development (CTOD) finding that nearly two-thirds of those people living within a 1/2-mile radius of fixed-guideway transit stations are renters.<sup>12</sup> (The term “fixed-guideway” refers to the type of transit such as commuter rail, light rail, heavy rail, monorail, cable car, or train that requires its own infrastructure to operate and does not share a lane with cars.) Not only does the concentration of renters around public transit lead to greater risk of displacement for low- and moderate-income residents in these areas (to be explained later), but it also helps explain, in part, why renters account for such a large percentage of transit users. Renters also tend to be lower-income

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<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

individuals, which often correlates with not having a car, and/or the need to keep transit costs low.

A 2009 study conducted by the American Public Transit Association found that households that used transit saved an average of \$10,000 annually in Los Angeles.<sup>13</sup> The Northeastern study cites the 2006-2008 ACS, which found that “while 95% of American homeowners own one or more motor vehicles, nearly 20% of renter households own no motor vehicle.”<sup>14</sup> Renters have the incentive to use public transit, and as such, account for much of the transit agencies’ clientele. Nationally, whether living in a metropolitan area or outside of one, 29% of all workers 16 years of age and older live in rental housing; however, 58% of all those who use public transit to commute to work are renters. This number is even greater when only metropolitan areas are considered, with *two-thirds* of transit commuters in the principal cities of the 100 largest U.S. metropolitan areas being renters.

### ***Why Public Transit Plays a Crucial Role in Expanding or Reducing Equity-Related Concerns in a City***

There is a huge need in Los Angeles for a more sustainable and equitable public transportation system to support those in need of a cheaper and more accessible form of transportation than the current car-dependent culture that Los Angeles provides. In order to ensure that the built public transit system in L.A. is both equitable and sustainable, very close attention must be paid to those communities in which new stations will be

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<sup>13</sup> “CTOD Creates Citywide Toolkit For TOD In Los Angeles.” *Citywide Toolkit For TOD In Los Angeles*. Reconnecting America, 31 Mar. 2010. Web. 04 Apr. 2013. <<http://www.reconnectingamerica.org/resource-center/books-and-reports/2010/ctod-creates-citywide-toolkit-for-tod-in-los-angeles/>>.

<sup>14</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: Chapter 1: Transit and Neighborhood Diversity*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

built as well as those that are immediately surrounding it. The success of a transit system is dependent on the ability to attract and retain transit riders to repeatedly use their services. Too often, planners are more focused on making public transportation more attractive to people who don't regularly use it than working to ensure that the population of already transit-oriented residents is able to continue to use and benefit from the system. While working to make public transit more attractive to current non-transit users is clearly a good goal for many reasons, it is crucial that transit agencies do not do this at the expense of existing transit riders.

The addition of a new public transit station in a community, especially a low- or moderate-income community, often leads to rising property values and overall gentrification of the area which forces current residents out.<sup>15</sup> The area will see more people coming into the neighborhood because of its additional accessibility from the new public transit. Developers tend to view areas with new public transit as having greater potential to be profitable due to the increased traffic, and the neighborhood as a valuable place to invest and build. Increased investment in the area causes property values to rise as the area becomes more profitable and attractive for both developers and residents. The neighborhood suddenly is more attractive to non-residents, and people with higher incomes are interested in moving into the revitalized area, people whose higher income often coincides with owning a car. The displacement of low-income residents that follows almost defeats the purpose of bringing new transit to the area; instead of serving the population that would actually use and benefit from the public transit, acting as an equalizer between classes and providing a much needed increase of accessibility to jobs, grocery stores, and health services, it forces those people out and replaces them with a

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<sup>15</sup> Ibid.

population that does not even use it. Los Angeles city planners, Metro, and community development organizations need to pay increased attention to these communities in order to ensure that a) the transit system is not creating a series of inequitable communities within the city, and b) that their transit system is as successful as it has the potential to be. This has been stated by community organizations, affordable housing advocates, some Metro planners, and many public and private studies, however the problem continues because there is no overarching agency to ensure that this happens every time. Transit station developments are approached on a case-by-case basis, and the “studies” that are conducted a majority of the time do not even mention the threat of displacement.

Creating equitable TOD is not an easy task. Gentrification has become a huge problem in newly served transit-rich areas. The Northeastern study found that in more than 60% of the new transit-rich neighborhoods (TRNs), median household income rose faster than in the surrounding metro areas, and in nearly two-thirds of new TRNs, the proportion of households with annual incomes greater than \$100,000 rose faster than in their metro areas. They also found “a stunningly high incidence of disproportionately rising rents and housing values. Rents increased faster than in their metro areas in nearly three-quarters of the TRNs. The impact on home prices was even more dramatic, with nearly nine out of ten TRNs experiencing an increase in median housing values greater than the increase in home prices in their metropolitan area.”<sup>16</sup>

This rise in housing value and costs per month for renting units leads to the displacement of residents who cannot afford to pay higher prices for housing; but another negative effect of gentrification, which is harder to measure, is the impact the rising costs of housing have on those low- and middle-income residents who choose to stay. The

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<sup>16</sup> Ibid.

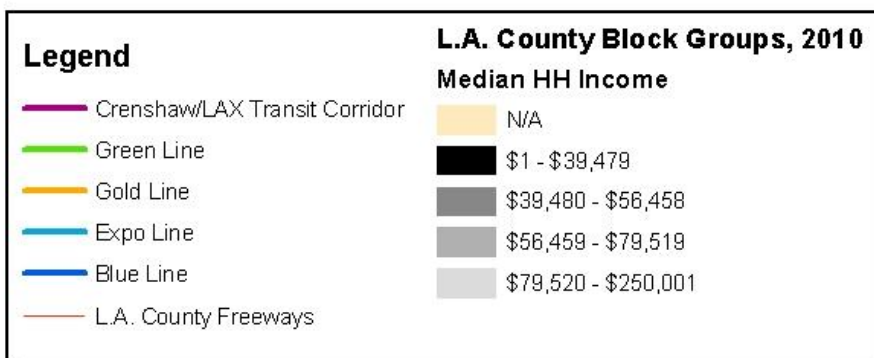
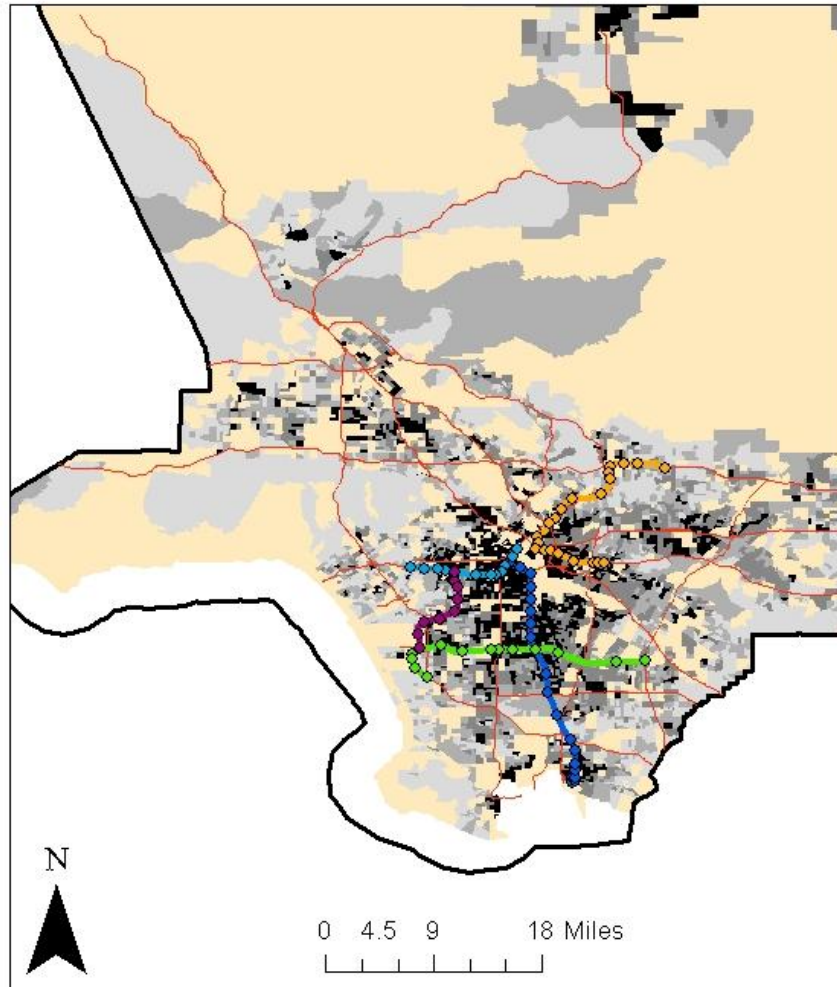
percentage of their income that goes towards housing expenses increases, which detracts from other costs they have and what they can afford. In many cases, it is likely that while they may not initially leave the neighborhood, they will seek residence elsewhere in later years. This is a major concern for Los Angeles because of the enormous concentration of renting households around public transit stations: in L.A., 73% of the housing units surrounding public transportation stations are renting units, which is 12% more than in the City of Los Angeles overall. Additionally, the average household size is bigger and the median household income is smaller in Los Angeles station areas than the City of Los Angeles as a whole, the difference being \$29,726 in station areas versus \$36,687 in the city.<sup>17</sup> Below is a GIS (Geographic Information System) map I made displaying the 2010 American Community Survey/ Census data for L.A. County on median household income alongside with L.A. Metro's light rail lines. The Crenshaw/LAX Transit Corridor is scheduled to be up and running by 2018.

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<sup>17</sup> Creating Successful Transit-Oriented Districts in Los Angeles: A Citywide Toolkit for Achieving Regional Goals (Executive Summary). Rep. Los Angeles: Center for Transit Oriented Development, 2010. Print.



## L.A. County Light Rail and Median Household Income



**Figure 3**

As you can see, it is quite clear that most of L.A.'s light rail system winds through L.A. County's most underprivileged neighborhoods.

Further proof that non-transit using residents replace transit-oriented residents is Northeastern's finding that in over half of the newly transit-served neighborhoods they studied, public transit use for commuting actually declined, and, car ownership increased more than in the surrounding metropolitan areas in nearly three-quarters of the new TRNs; ownership of two or more autos increased in nearly three in five, meaning transit users are leaving and car users are entering TRNs.<sup>18</sup>

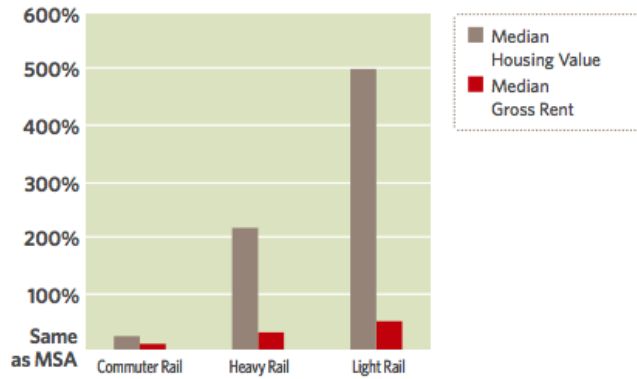
The type of rail that is developed in a community has a huge impact on the extent of neighborhood change that the TRN will experience. After evaluating changes based on transit type (commuter rail, heavy rail, and light rail), rather than grouping all public transit effects together, Northeastern researchers concluded that neighborhoods surrounding new light rail stations experience considerably more substantial demographic shifts than those surrounding new heavy rail and commuter rail stations."<sup>19</sup> This is why the Red and Purple heavy rail lines were excluded from the GIS map shown above. The most dramatic differences between types of transit were seen in median household income, population growth, public transit use for commuting, and housing costs. Below are charts of their findings when results were compared to the appropriate metropolitan statistical area (MSA) numbers:

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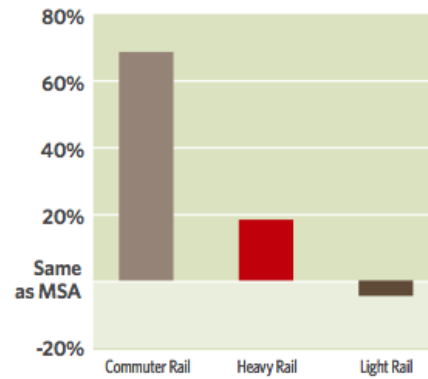
<sup>18</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: Chapter 1: Transit and Neighborhood Diversity*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

<sup>19</sup> Ibid.

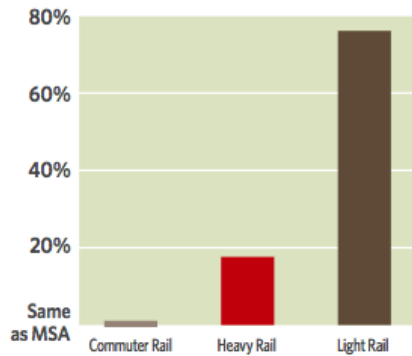
**Housing Costs**  
(Transit Type Analysis)



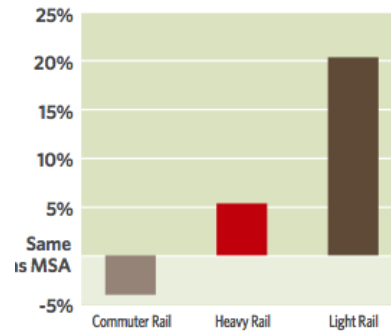
**Public Transit Use for Commuting**  
(Transit Type Analysis)



**Median Household Income**  
(Transit Type Analysis)



**Population Growth**  
(Transit Type Analysis)



**Figure 4<sup>20</sup>**

These facts should be of considerable concern for Los Angeles, since all 29 of the proposed and approved transit additions under the Los Angeles 30/10 Plan are for light rail. These statistics suggest that gentrification and displacement will be more dramatic and accelerated in areas with new light rail developing than in areas with commuter or heavy rail. A zoomed in view of the Crenshaw/LAX Transit Corridor is shown below to further illustrate the risk posed to the communities, considering these facts:

<sup>20</sup> Ibid.

### L.A. County Light Rail and Median Household Income: Zoom View of Crenshaw/LAX Line

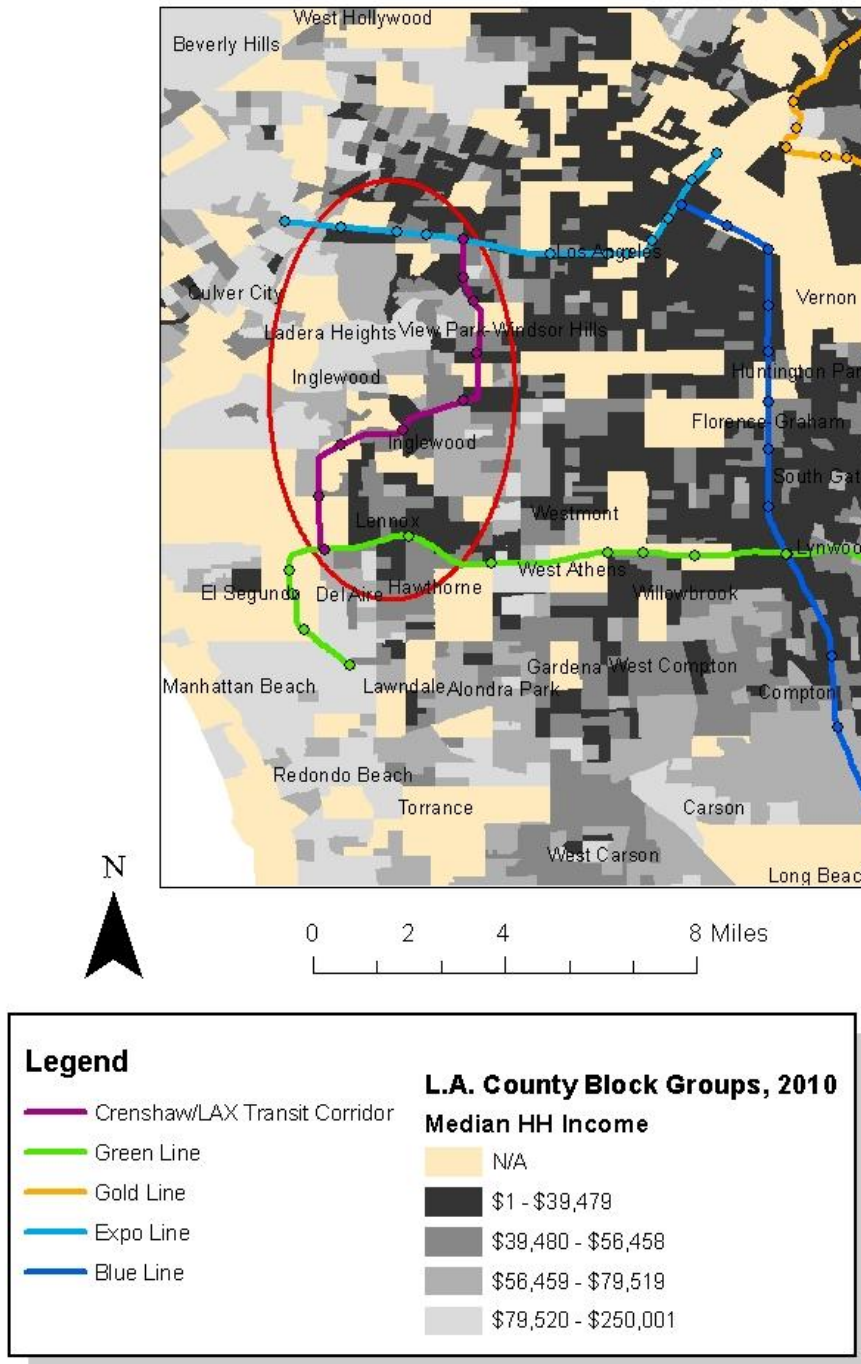


Figure 5

## **Los Angeles Political Climate Introduction- Important Issues Concerning Equitable TOD**

Studies from both the public and private sectors have found that housing and transportation costs are the two greatest areas of expense for households in the United States, accounting for especially large proportions in low and middle-income families. Since gas prices skyrocketed in 2008, many families have experienced their transportation costs actually exceeding their housing costs in communities that are largely auto-dependent.<sup>21</sup>

The Center for Transit-Oriented Development in partnership with the Center for Neighborhood Technology created a “Housing and Transportation Affordability Index” in which they calculated the combined cost of these two expenses to create a more accurate model of which cities and neighborhoods in America are affordable. They explain:

The traditional measure of affordability recommends that housing cost no more than 30 percent of income. Under this view, three out of four (76 percent) US neighborhoods are considered ‘affordable’ to the typical household. However, that benchmark ignores transportation costs, which are typically a household’s second largest expenditure. The H+T Index offers an expanded view of affordability, one that combines housing and transportation costs and sets the benchmark at no more than 45 percent of household income. Under this view, the number of affordable neighborhoods drops to 28 percent, resulting in a net loss of 86,000 neighborhoods that Americans can truly afford.<sup>22</sup>

This information can be found online in the form of an interactive map through the CTOD website. A follow up study conducted in 2006 by the National Center for Housing Policy found that 85% of the low-to-moderate income workers in Los Angeles (income

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<sup>21</sup> Harrell, Rodney, Allison Brooks, and Tod Nedwick. Preserving Affordability and Access in Livable Communities: Subsidized Housing Opportunities Near Transit and the 50+ Population. Rep. AARP Public Policy Institute, Sept. 2009. Web. 2 Apr. 2013.

<<http://www.hud.gov/offices/cpd/about/conplan/pdf/preservingaffordablehousingNeartransit.pdf>>.

<sup>22</sup> “The H+T Affordability Index 2011.” *Center for Neighborhood Technology*. Center for Transit Oriented Development, Web. 14 Oct. 2012. <<http://www.htaindex.org/map/>>.

between \$20,000 and \$50,000 per year) used private vehicles to commute to and from work and that their average transportation cost per year was \$8,871.<sup>23</sup> The number of low-income people choosing to drive a personal vehicle, despite its steep costs, as opposed to taking public transit, can be attributed to many factors, including that in 2006 those Angelinos who used public transit to commute to work had commute times 70-75% longer than those Angelinos who drove a personal vehicle.<sup>24</sup> The somewhat limited area currently served by Metro, due to the city's sprawl, is another factor.

A similar study released in 2008 by the U.S. Department of Transportation Federal Transit Administration in partnership with the U.S. Department of Housing and Urban Development entitled *Better Coordination of Transportation and Housing Programs to Promote Affordable Housing Near Transit* found that “on average, Americans spend 52 percent of their incomes on housing and transportation. The average American household spends approximately 18 percent of its annual income on transportation – and lower-income families spend as much as 33 percent. For lower-income families, rising transportation costs present a particular burden, with oil prices surpassing \$100 per barrel and gasoline prices exceeding \$4 per gallon. In some metropolitan areas, households spend nearly as much on transportation as on housing.”<sup>25</sup>

In a more recent study published in October, 2012 by the Center for Housing Policy and the Center for Neighborhood Technology entitled *Losing Ground: The Struggle of Moderate-Income Households to Afford the Rising Costs of Housing and*

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<sup>23</sup> Lipman, Barbara J. *A Heavy Load: The Combined Housing and Transportation Burdens of Working Families*. Rep. Center for Housing Policy, Oct. 2006. Web. 3 Apr. 2013. <[http://www.cnt.org/repository/heavy\\_load\\_10\\_06.pdf](http://www.cnt.org/repository/heavy_load_10_06.pdf)>.

<sup>24</sup> Ibid.

<sup>25</sup> *Better Coordination of Transportation and Housing Programs to Promote Affordable Housing Near Transit*. Rep. U.S. Department of Transportation Federal Transit Administration and the U.S. Department of Housing and Urban Development, Aug. 2008. Web. 2 Apr. 2013. <[http://www.huduser.org/Publications/pdf/better\\_coordination.pdf](http://www.huduser.org/Publications/pdf/better_coordination.pdf)>.

*Transportation*, researchers studied the cost burdens of housing and transportation in metropolitan areas across the U.S. for moderate-income households, defined as those households that have “incomes between 50 and 100 percent of each metro area’s median income.”<sup>26</sup> The study found that in Los Angeles moderate-income households on average spend 65% of their income on housing plus transportation expenses, with 27% of their income going towards transportation and 38% going towards housing. Additionally, the study found that Los Angeles is one of America’s five most expensive metropolitan areas for moderate-income households, along with Washington, D.C., San Francisco, Boston, and San Diego. However, of those five cities, Los Angeles and San Diego are the only ones that do not have a higher median income to supplement these extra costs, and thus, L.A. ranked fourth in the country for having the highest cost burdens for housing and transit, with Riverside, California at number two and San Diego, California at number five.<sup>27</sup>

This begs the question as to what is happening in Southern California and what can be done differently? Why are almost all other areas of the country more successful than Southern California at creating and maintaining an affordable cost of living? One obvious solution is to build a more accessible public transit system, reducing the cost of living because transit expenses decrease and cars will be taken off the road, which improves air quality and reduces costs related to health care. Another way to make living in Los Angeles more affordable is to increase the amount of affordable housing available

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<sup>26</sup> Hickey, Robert, Jeffrey Lubell, Peter Haas, and Stephanie Morse. *Losing Ground: The Struggle of Moderate-Income Households to Afford the Rising Costs of Housing and Transportation*. Rep. Center for Housing Policy and the Center for Neighborhood Technology, Oct. 2012. Web. 3 Apr. 2013. <[http://www.nhc.org/media/files/LosingGround\\_10\\_2012.pdf](http://www.nhc.org/media/files/LosingGround_10_2012.pdf)>.

<sup>27</sup> Ibid.

for low-income residents, especially around transit.

This issue is so important and relevant right now, especially in Los Angeles, because of the unique situation the city is in. L.A. County's public transportation system is poised to explode in the next ten to fifteen years because of its financial position, its extensive list of planned projects, and the overwhelming public and private support that the various expansion projects are receiving. Metro and other public transportation agencies in L.A. have additionally been working on the "30/10 Initiative," which would complete those public transit projects in ten years that were initially designed to be accomplished in thirty, thereby speeding up the process of development. This would be possible by taking out loans to fund these projects immediately, and using revenue from the thirty-year ½ cent sales tax to pay off these loans as tax revenues come in. Metro and other private agencies are still working to secure funding for many projects, but so far have received the funding deemed necessary to complete the construction of 29 new light-rail stations, and construction on many of them has already begun. Public support for these transit projects is extremely high, in part shown by the huge success that was the November 2008 passage of the Measure R ½-cent sales tax increase to fund public transportation expansion in L.A. County. This victory for environmental justice advocates and environmentalists alike not only assertively demonstrated the public's high demand for increased public transit in L.A. County, but it also served as a critical milestone in the acquisition of the funding necessary to complete what is still an unknown number of projects. While many projects are still in either the research or planning process so that the exact number of stations to be built is not yet known, as stated above, 29 light-rail stations have already been approved to move forward with



construction, and one project (the Orange Line’s 4-station extension of its bus rapid transit service) has already been completed with \$182 million of Measure R funds. Below is a map from Metro’s website showing of all of the rail lines either existing, under construction, or approved for construction under the 30/10 Plan:



Figure 6<sup>28</sup>

<sup>28</sup> “30/10 Initiative- Transit Projects.” Map. *L.A. Metro*. LACMTA, 2010. Web. Oct. 2012.

Los Angeles is also spatially and environmentally in great need of an expanded transportation system due to its sprawling layout. The huge land area not only underlines the great need for public transit for L.A. residents, but it provides so much potential for the county to make an important commitment to a system of public transportation even in a city that is as sprawled and horizontally developed as is Los Angeles. Los Angeles consistently ranks among the most polluted cities in the country, which also points to the need for getting more cars off the road and more people into busses and onto rails, which clearly requires a more accessible public transit system. The most important issue, however, is the co-dependent nature of the relationship between low-income families and the public transportation system. Public transit access or lack thereof has a huge impact on the mobility of, and quality of life for, low-income families in Los Angeles; access to public transit for low and middle income individuals is also critical to the success of the public transit system because that is the demographic of people that use it the most and therefore bring in the most revenue. It is a symbiotic relationship that improves quality of life for the riders, as well as keeps the transit agency successfully running, and also, potentially, continuing to expand.

If transit stations are located to help the most people and get the largest quantity of ridership possible, then the benefit to both the people and the agency will continue to grow; conversely, if gentrification continues to replace transit-oriented families with families that will either use transit less or not at all, the system will become stagnant, collapse, or not be as profitable or beneficial as it has the potential to be. To create a system that helps low-income families instead of hurting them is arguably the most

important priority for transit and city planners to do during this massive expansion of transit, but it's also the hardest to accomplish.

### ***Measure R***

While there is still much work to be done, Los Angeles is already in an advantageous financial position due to the passage of the Measure R ½-cent sales tax, which provides a source of continuous funding for the expansion of L.A. County's public transportation system for the next 30 years. The Measure R ½-cent sales tax increase is expected to provide an estimated \$40 billion in funding to Metro for transportation projects in Los Angeles County between 2009 and 2039.<sup>29</sup> So far, completed projects funded by Measure R include the Orange Line bus rapid transit extension (\$182 million) and the Las Virgenes Scenic Corridor Widening to improve safety and the flow of traffic (\$4 million). There are several Measure R projects currently under construction, including the Exposition Transit Corridor Phase 2 (\$925 million), the Gold Line Foothill Extension (\$735 million), and various highway improvements aimed at improving traffic flow on highways throughout L.A. County (4 different projects totaling \$1.54 billion). Two projects are undergoing preliminary engineering, which are the Crenshaw/LAX Transit Corridor (\$1.21 billion), and the Regional Connector Transit Corridor (\$160 million). There are 46 Measure R projects that Metro has labeled as "ongoing" across L.A. County, with projects including public transportation projects, street improvements, and traffic reduction.<sup>30</sup>

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<sup>29</sup> "Mission + History." Move L.A.. Community Partners, n.d. Web. 19 Oct. 2012. <<http://jcurrydesign.com/movela/about-us-2/mission-history/>>.

<sup>30</sup> "Measure R Project Tracker." *L.A. Metro*. LACMTA. Web. 2012. <[http://www.metro.net/projects/progress\\_tracker/](http://www.metro.net/projects/progress_tracker/)>.

The passage of Measure R was an enormous win for Metro and public transportation organizations across L.A. County, as it is the single largest source of funding that Metro has secured for all of its proposed projects to date. Additionally, because Angelinos voted decisively in support of the increased sales tax in a 67.22% decision during an economic recession, the statement about Los Angeles public opinion on this issue was extremely powerful. The bill had the active and vocal support of Los Angeles Mayor Antonio Villaraigosa, which helped in the campaign significantly. This success inspired the push for Measure J, a 30-year extension of Measure R, to expedite the process of constructing proposed transit projects; it gave rise to the 30/10 Initiative in hopes of reducing the time frame for these projects from thirty years to ten. The passage of Measure R is also what opened up the opportunity for L.A. Metro to be awarded a TIFIA loan.

### ***The TIFIA Loan***

The recent award of a \$545.9 million Transportation Infrastructure Finance and Innovation Act (TIFIA) loan from the U.S. Department of Transportation (DOT) was not only a huge win for LA because of the immediate funds it received from the loan, but also because it allows the city to get more funding for public transit projects. Federal Transit Administrator Peter Rogoff said: “The TIFIA program goes a long way for communities like Los Angeles that use these loans to leverage additional funding for important projects like light rail, which connects millions of area residents with jobs, while reducing congestion and improving air quality.”<sup>31</sup> This works because in order to get state funding, federal funding, private loans, or private funding, the city of L.A. needs

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<sup>31</sup> “Press Release.” U.S. Department of Transportation Approves \$545.9 Million Loan to Advance Public Transit in Los Angeles. USDOT, 1 Oct. 2012. Web. 09 Dec. 2012.

to be able to prove that they will be able to pay back the loans they get. The press release briefly explains how the TIFIA credit program works, saying:

[It's] designed to fill market gaps and leverage substantial private co-investment by providing supplemental and subordinate capital. Each dollar of federal funds can provide up to \$10 in TIFIA credit assistance and support up to \$30 in transportation infrastructure investment... (and) made possible through a TIGER (Transportation Investment Generating Economic Recovery) II grant. Projects were selected based on their ability to contribute to the long-term economic competitiveness of the nation, improve the condition of existing transportation facilities and systems, increase livability and create or preserve jobs quickly.<sup>32</sup>

Beth Steckler, Deputy Director of the public transportation advocacy group “Move L.A.,” described the idea as being “like getting a mortgage.”<sup>33</sup> Essentially, Metro borrows money from the government, builds the entire infrastructure at once (instead of stopping and starting the project depending on funds), is able to use it much sooner, and pays for it over time. This loan does not fund the projects, but finances them. The ultimate source of funding is the revenue from Measure R, because the revenue from that pays back the loan. This method of construction is much faster, more efficient, and cheaper, even with the financing charges associated with the loan; it is also a common method for funding public projects like building bridges, houses, and schools. Steckler explains that despite this “for some reason they haven’t been doing it for transportation” until recently.<sup>34</sup>

Steckler explained the process by which the TIFIA loan was approved for public transit projects in Los Angeles. Initially, the L.A. Chamber of Commerce was overwhelmed with pressure from environmental, labor, and business groups, as well as Mayor Villaraigosa and Metro to support the idea of using the TIFIA loan program to

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<sup>32</sup> Ibid.

<sup>33</sup> “Interview with Beth Steckler of Move L.A.” Personal interview. 10 Dec. 2012.

<sup>34</sup> Ibid.

fund some of Metro's expansion projects. Steckler explains: "The first step is getting the L.A. Chamber and labor (groups) standing together, and then that getting translated up so the head of the National Chamber and the National AFL-CIO (American Federation of Labor and Congress of Industrial Organizations) stood together."<sup>35</sup> Move L.A. and its supporters then set up a series of lobbying visits to Congress, supportive and potentially supportive politicians in Washington, members of the National Chamber of Commerce, and Speaker of the House John Boehner in order to lobby for their support of giving L.A. Metro a TIFIA loan.<sup>36</sup> Steckler spoke of this campaign as one of her proudest professional accomplishments to date, saying: "It was amazing to see that... I've never been part of an effort that has had that sort of bi-partisan support."<sup>37</sup>

The fact that mortgages have been getting more public attention in the past couple of years due to the housing crisis has led to a discussion in public and private sectors about how mortgages and similar types of loans and can more affectively be used. President Obama has expanded the federal government's role in financing public projects since he took office, specifically in the realm of public transportation through the TIFIA and MAP-21 programs. The MAP-21 program (which stands for 'Moving Ahead for Progress in the 21<sup>st</sup> Century') was signed into law on July 6, 2012 by President Obama to provide over \$105 billion in funding during fiscal years 2013 and 2014, mainly for U.S. highway projects, as well as for bike, pedestrian, and transit projects.<sup>38</sup> In a press conference on October 10, 2012 U.S. Transportation Secretary Ray LaHood declared that

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<sup>35</sup> "Interview with Beth Steckler of Move LA." Personal interview. 19 Oct. 2012.

<sup>36</sup> Ibid.

<sup>37</sup> Ibid.

<sup>38</sup> "Moving Ahead for Progress in the 21st Century Act." *Federal Highway Administration*. U.S. Department of Transportation, 17 July 2012. Web. 08 Apr. 2013. <<http://www.fhwa.dot.gov/map21/summaryinfo.cfm>>.

the MAP-21 program “transforms TIFIA into the largest transportation infrastructure loan program in history, making up to \$17 billion in credit assistance available for critical infrastructure projects.”<sup>39</sup> Until now, using this method to fund public transportation projects has been much more common in countries other than the United States. Gloria Ohland expressed the growing opinion, and Move L.A.’s newest talking point, that the federal government needs to more frequently use strategies such as this to act more as “a smart lender, not just a big spender.”<sup>40</sup>

### ***Measure J***

Measure J was the answer for many to accomplish the 30/10 Initiative. Measure J is a 30-year extension of the ½ cent sales tax in LA County that was implemented by the passage of Measure R. For this campaign, Move L.A. first had to get Measure J on the ballot for the November election. In order to do this, Metro had to initially agree to put it on the ballot and the California state legislature had to give Metro the legislative authority to take tax revenue, since the sales tax is a creation of the state. Transportation agencies can be authorized to collect tax on a state-by-state basis. This piece of legislation, AB 1446, was brought to the state legislature by Democrat Mike Feuer; it passed in the California State Senate Transportation and Housing Committee by 7-2 on June 26, 2012 and was signed by Governor Jerry Brown on September 30, 2012. Once it was signed into law, L.A. County was supposed to have a simple “ministerial role” and give the OK for it to appear on the ballot.<sup>41</sup> This shouldn’t have been a problem but three of the five county supervisors opposed Measure J so they tried to get Measure J on a

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<sup>39</sup> LaHood, Ray. Crenshaw TIFIA Loan Press Event. USDOT, 10 Oct. 2012. Web. 09 Dec. 2012. <<http://www.dot.gov/briefing-room/crenshaw-tifia-loan-press-event>.>

<sup>40</sup> Ohland, Gloria. “Interview with Gloria Ohland.” Personal interview. 22 Mar. 2013.

<sup>41</sup> “Interview with Beth Steckler of Move L.A.” Personal interview. 10 Dec. 2012.

separate ballot from the regular ballot on Election Day. According to Steckler, Metro threatened to sue them if they didn't put it on the same ballot. It took a lot of back and forth between Move L.A. employees and Metro to convince them that they didn't have a choice in the matter and that it would be a waste of time, energy, and money to do a separate vote. This should not have been an instance in which the decision of the county supervisors overruled that of the state because they are "constrained by other, bigger laws."<sup>42</sup> Eventually, in late September they were convinced to consolidate the ballot. This left only five weeks to push the bill before the election.

The California State Constitution requires a two-thirds majority vote in the California Assembly and Senate, as well as a two-thirds majority vote by the people in order to raise taxes in the state of California. This makes it almost impossible to get funding for state, city, and local projects; the failure of Measure J on Election Day is the perfect example of this. Despite receiving 66.1% of the public vote for its passage, only 0.56% short of the necessary 66.67% to pass, Measure J failed on Election Day. Even before the failure of Measure J, in October 2012 Steckler expressed her opinion on the strict 2/3 vote that is necessary to change the distribution of tax revenues in California: "The next step politically is to work on more governmental reform [including] trying to lower the voting threshold from 2/3 to 55% because we need to make it easier for the local government to have money."<sup>43</sup> Even while thinking Measure J was going to be successful, it was apparent that California's law requiring 2/3 of the vote in order to increase taxes was an issue of immediate importance. The fact that Measure J failed despite residents of the City of Los Angeles voting in favor of Measure J to the tune of

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<sup>42</sup> Ibid.

<sup>43</sup> Ibid.



71% has served as a catalyst to address this through the amendment of the state constitution. Since January 1, 2013 eight separate bills have been introduced to lower the voter threshold required to increase, decrease, or redistribute taxes in California.<sup>44</sup>

### ***The Ellis Act***

The Ellis Act is one of the critical pieces of legislation in California that affects affordable housing, gentrification, and purposeful displacement of low- and moderate-income households, often when new public transit stations enter a community and property values are increased. The Ellis Act, passed in 1985, provides landlords with a legal way to “go out of business” by evicting its tenants. The stipulations are that all of the rental units must be vacated and taken off the rental market for at least five years; if the units are rented before those five years, they must be rented at the same price they were rented at before, and they also must first be offered to those households that were previously evicted. There are no restrictions disallowing these units to be converted to ownership units, such as condominiums, or any other type of development.

This act is often called upon in neighborhoods that are gentrifying when landlords want to escape rent control requirements that bar them from cashing-in on the increased property values surrounding them. Landlords are required to give renters only 120 days notice, one year for senior and disabled households, prior to their eviction.<sup>45</sup>

In an interview with Gloria Ohland, Policy and Communications Director of Move L.A., one of the founders of the Center for Transit-Oriented Development, and previous Vice President of Reconnecting America, she described the Ellis Act as “a

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<sup>44</sup> “Action Alert.” Move L.A.. N.d. Web. 02 Apr. 2013. <<http://movela.org/sp/action-alert/>>.

<sup>45</sup> “Ellis Act Evictions.” San Francisco Tenants Union, n.d. Web. 09 Apr. 2013. <<http://www.sftu.org/ellis.html>>.

vehicle for gentrification.”<sup>46</sup> She views this decision as one of the top-three biggest barriers to maintaining affordable housing in L.A. and preventing the displacement of low-income households in gentrifying neighborhoods. Ohland and Denny Zane, Executive Director of Move L.A., are currently working on getting language added to the bill “SB1” that would disallow cities to use the Ellis Act around transit stations. SB1 is a bill written by President of the California Senate, Darrell Steinberg, which would work to fill the void created by the disestablishment of California’s redevelopment agencies and allow tax-increment financing to be used “within a half-mile radius of stations and also, along bus corridors with frequent service.”<sup>47</sup> These efforts have the goal of making equitable TOD easier to create and to minimize the displacement of low-income citizens in areas that are prone to gentrification due to the value a public transit station brings to an area. As of now, neither SB1, nor any sort of modification to the Ellis Act, are in place, making affordable housing in transit-rich neighborhoods insecure.

### ***The Costa-Hawkins Act and the Palmer Decision***

Two other barriers to increasing and sustaining affordable housing in Los Angeles are the Costa-Hawkins Act and the subsequent Palmer Decision. The Costa-Hawkins Rental Housing Act was enacted in California in 1995 and phased in over a period of three years. This law was designed to “prohibit ‘strict’ municipal rent control ordinances which (do) not allow landlords to raise rents to market level when tenants vacate a unit.”<sup>48</sup> This law has led to dramatic reductions in the amount of affordable housing in

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<sup>46</sup> Ohland, Gloria. “Interview with Gloria Ohland.” Personal interview. 22 Mar. 2013.

<sup>47</sup> Ohland, Gloria. “Interview with Gloria Ohland.” Personal interview. 22 Mar. 2013.

<sup>48</sup> “Costa-Hawkins Rental Housing Act Preempts City's Application Of Affordable Housing Ordinance To Development Project.” Kronick Moskovitz Tiedemann & Girard: A Law Corporation, 4 Aug. 2009. Web. 23 Mar. 2013. <<http://www.kmtg.com/resources/legal-alerts/costa-hawkins-rental-housing-act-preempts->

California; a case study conducted on Santa Monica rental housing following the establishment of the Costa-Hawkins Act once the three-year phase-in period was complete found that after eleven years “15,955 of 27,507 controlled units (58%) have been rented at market rate. The unlimited rent increases allowed on vacancies means that many units once affordable to lower-income households (including 6,684 that were formerly affordable to very- low-income households) are now affordable only to families making more than 100% of the Los Angeles area’s median family income.”<sup>49</sup> Another consequence of the Costa-Hawkins Act has been the negative impact on neighborhood stability, with the report stating: “Of the 58% of all rent-controlled units that have been rented at market rate, most have turned over at least twice since 1999. Nearly a quarter have been re-rented four or more times at market rate.”<sup>50</sup>

The Costa-Hawkins Act was the piece of legislation called upon in the monumental 2009 court case *Palmer/ Sixth Street Properties vs. City of Los Angeles* in which the situation for affordable housing was made even worse in L.A. In 2006 the high-end commercial developer, Geoffrey Palmer, applied for project approval to the City of Los Angeles for a development project which would be comprised of 350 residential units as well as an area of commercial space. The site that Palmer wanted to build on was in an area of the City of Los Angeles that had an inclusionary housing law requiring developers repurposing a site to replace low-income rental units on a one-to-one basis if the units were demolished in 1988 or later, or pay an in-lieu fee to the City of

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city-s-application-affordable-housi>.

<sup>49</sup> “The Impact of Market Rate Vacancy Increases Eleven-Year Report.” Santa Monica Rent Control Board, Apr. 2010. Web. 9 Apr. 2013.

<[http://www.smgov.net/uploadedFiles/Departments/Rent\\_Control/Reports/Vacancy\\_Reports/2009%20Vacancy%20Report%20with%20Attachment.pdf](http://www.smgov.net/uploadedFiles/Departments/Rent_Control/Reports/Vacancy_Reports/2009%20Vacancy%20Report%20with%20Attachment.pdf)>.

<sup>50</sup> Ibid.

Los Angeles. Since the project site that Palmer proposed to revamp had previously contained 60 low-income housing units that were demolished in 1990, Palmer was told he either must include 60 replacement low-income units or pay an in-lieu fee for every unit he did not replace.<sup>51</sup>

Following this demand and the courts denial of a waiver of these fees, Palmer brought the City of Los Angeles to court in 2009 claiming that that mandate was invalid because of the Costa-Hawkins Act which, in part, declared: “‘Notwithstanding any other provision of law,’ all residential landlords may, except in specified situations, ‘establish the initial rate for a dwelling or unit.’ The effect of this provision of the Costa-Hawkins Act is ‘to permit landlords to impose whatever rent they choose at the commencement of their tenancy.’”<sup>52</sup>

The Court concluded that the Costa-Hawkins Act preempts the long-term rent restrictions imposed by Los Angeles, as the City’s Plan denied Palmer the right to set the renting cost of his development which is ensured by the Costa-Hawkins Act. The Court further invalidated the City’s in-lieu fee provision, which it found could not be severed from the rent restrictions.<sup>53</sup>

Ohland comments on the detrimental nature of this decision on inclusionary zoning and affordable housing, saying: “L.A. had an inclusionary housing ordinance and Geoffrey Palmer challenged it, and the court ruled in his favor. And so there can be no

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<sup>51</sup> “Costa-Hawkins Rental Housing Act Preempts City's Application Of Affordable Housing Ordinance To Development Project.” Kronick Moskovitz Tiedemann & Girard: A Law Corporation, 4 Aug. 2009. Web. 23 Mar. 2013. <<http://www.kmtg.com/resources/legal-alerts/costa-hawkins-rental-housing-act-preempts-city-s-application-affordable-housi>>.

<sup>52</sup> Ibid.

<sup>53</sup> “The Impact of Market Rate Vacancy Increases Eleven-Year Report.” Santa Monica Rent Control Board, Apr. 2010. Web. 9 Apr. 2013. <[http://www.smgov.net/uploadedFiles/Departments/Rent\\_Control/Reports/Vacancy\\_Reports/2009%20Vacancy%20Report%20with%20Attachment.pdf](http://www.smgov.net/uploadedFiles/Departments/Rent_Control/Reports/Vacancy_Reports/2009%20Vacancy%20Report%20with%20Attachment.pdf)>.

more inclusionary housing ordinances here.”<sup>54</sup> The Ellis Act, the Costa-Hawkins Act, and the Palmer Decision all act as L.A.’s greatest barriers in preventing displacement and protecting and producing affordable housing.

## **The Northeastern Study**

The next part of this study will use the report published in 2010 by Northeastern University’s Dukakis Center for Urban and Regional Policy entitled “Maintaining Diversity in America’s Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change” as a template for evaluation of both the current efforts to minimize the negative consequences of gentrification in L.A., as well as the potential for these efforts to be successful in the future. The Northeastern study measured how new public transportation in low-income areas affected communities both negatively and positively; researchers focused in part on the importance of reducing, or at least maintaining, the current cost of living for those communities that are located around both new and future public transit stations through various planning, management, and development strategies. Increasing access to transit reduces the cost of living in these areas; this is not simply an environmental justice issue that affects equal access to jobs, hospitals, grocery stores, and schools, but it is also of vital importance to address in order to create a successful and sustainable public transit system. Cost of living measures how much it costs to pay for necessities such as food, housing, transportation, health care, and taxes.

It measured changes in population, racial and ethnic composition, in-migration, household income, the number and type of housing units, housing value and/or rent, the types and lengths of contracts that exist between the city, landlords, and their tenants,

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<sup>54</sup> Ohland, Gloria. “Interview with Gloria Ohland.” Personal interview. 22 Mar. 2013.

vehicle ownership, use of public transit, housing turnover and tenure, and the type of public transit (light, heavy, commuter rail) that were entering the area. The initial research question put forth by this group was: “Will current neighborhood residents, many of them low-income and/or people of color, benefit from planned transit stations? Or will they be displaced by wealthier and less diverse residents lured not only by transit but also by the other amenities that come with transit-induced neighborhood revitalization?”<sup>55</sup> Their key conclusions were:

- Transit investments frequently change surrounding neighborhoods, causing housing to become more expensive and rates of vehicle ownership to increase.
- A new transit station can set in motion a cycle of unintended consequences in which core transit users-- such as renters and low-income households-- are priced out in favor of higher-income, car-owning residents who are less likely to use public transit for commuting.
- The risk that transit investment could catalyze undesirable neighborhood change is substantial enough that it needs to be managed whenever transit investments or improvements are being planned.
- Transit agencies and planners should be as concerned as equity advocates about any potential displacement of people of color, low-income households or renters from transit-rich neighborhoods because of the subsequent decline in ridership that will ensue.<sup>56</sup>

The Northeastern study represents the most in-depth evaluation of TRNs and the effects of new public transit in low-income communities. It is the most reliable for many reasons, one of which is because it looks at neighborhood change through several

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<sup>55</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: Executive Summary*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

<sup>56</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change. What We Know*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

different criteria. According to the Northeastern researchers' review, "studies of gentrification rarely consider trends in vehicle ownership or transit use for commuting."<sup>57</sup> Studies other than this one also fail to look at those people that are moving into the neighborhood (not just out), as well as those who stay behind and suffer the increased cost of living, two things of equal importance.<sup>58</sup> It also discusses and analyzes its own findings and methods as well as those of many other studies.

### ***The Toolkit***

The Northeastern study's toolkit on best practices for creating equitable and successful transit-oriented development describes various tools for equitable neighborhood change and provides examples from cities across the U.S. that have effectively implemented them. The tools are divided into three categories: planning tools, housing market tools, and transportation management, all of which are crucial venues for action in order to effectively plan and implement anti-displacement efforts in a community. The following is a summary of the recommendations put forward in the Northeastern study for the creation of successful and equitable transit-oriented development, applied to the context of Los Angeles and analyzed for its applicability in this setting.

### **Planning Tools**

The first category of tools outlined by the Northeastern study is comprised of those tools that must be used earliest in the TOD process for the creation of equitable and sustainable neighborhood change. The planning process that precedes the construction of a new transit station often must begin years before the station opens in order to have

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<sup>57</sup> Ibid.

<sup>58</sup> Ibid.

enough time to effectively use most of the tools outlined below to ensure that the addition of a transit station in an area does not lead to undesirable and inequitable neighborhood change. The authors of the Northeastern study explain: “Gentrification can happen quickly, particularly in neighborhoods initially dominated by rental housing and lower-income renters. Our research found rapid increases in home values and rents within a few years after transit stations opened, perhaps in part because transit stations are planned and built over many years and so landowners and landlords begin to anticipate higher property values even before the new station opens its doors.”<sup>59</sup>

It is crucial that planning tools be designed to “address and mitigate” the undesirable effects of gentrification and the displacement of current neighborhood residents. Planning tools must begin early, be intentional, include current residents and all stakeholders in the community’s future, coordinate across agencies, and create implementation and enforcement strategies for their plans.<sup>60</sup> In order to successfully create both short-term and long-term equitable transit-oriented development, applying all of these approaches to the planning process is *necessary*, and in Los Angeles, the failure to take several of these actions is often accountable for the breakdown of creating successful TOD. In this vein, Los Angeles has been especially weak in coordinating across agencies and turning ideas into action due to a lack of implementation and enforcement plans.

Creating a **Comprehensive Transit-Oriented Development Strategy** is the first policy/planning tool that the Northeastern researchers identify. They emphasize the

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<sup>59</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: A Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

<sup>60</sup> *Ibid.*



importance of multi-agency involvement, explaining that: “While transit stations are operated by transit agencies, land use and economic development planning for the neighborhoods around those stations is controlled by the municipality. Comprehensive planning for transit-oriented development therefore requires the active engagement of local government” and communities.<sup>61</sup> The authors further elaborate this point by citing the example of San Leandro, California’s TOD strategy for the downtown area.

The main focus of San Leandro’s strategy was on mixed-use and mixed-income TOD. Both the preservation of existing affordable housing as well as the creation of new affordable housing was a priority for planners and community members alike; the strategy focuses on preserving rental housing units that already exist, in addition to identifying sites for the future development of as many as 3,000 housing units over the next twenty years, including both market-rate and affordable housing projects adjacent to the BART rail station. These costs will be covered by in-lieu fees paid by developers within the downtown TOD zone under its inclusionary zoning ordinance. The city also lowered parking ratios for the entire TOD to a maximum of one space per unit to make new affordable housing development more feasible.<sup>62</sup> Grants to support this process came from the regional Metropolitan Planning Organization, the Metropolitan Transportation Commission, and the Alameda County Transportation Improvement Authority. The planning process included a Downtown TOD Citizen Advisory Committee appointed by the City Council and community meetings in which hundreds of residents participated.

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<sup>61</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: A Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

<sup>62</sup> Ibid.

The second tool, which has been widely and successfully used across the country to assure the protection of community members when big, new developments have been proposed in an area, is that of **Community Benefits Agreements**. The Northeastern study explains the use of CBAs as having the power to “ensure that developers receiving government benefits, such as tax increment financing, could be held accountable to generate the project benefits that were promised. Benefits addressed in CBAs may include living wages, local hiring and training programs, affordable housing, environmental remediation and funds for community programs... When community coalitions negotiate community benefits agreements with developers of transit-oriented and other development projects, cities often incorporate the terms into their development approvals and therefore ensure that the deal is legally binding.”<sup>63</sup>

Community benefits agreements have previously been used successfully in Los Angeles to protect communities from incoming developments that have posed a threat to the neighborhoods in which they were being built. While CBAs have not been applied to situations in Los Angeles as often as they could have been, especially in terms of TOD projects, they do provide a promising strategy for the future as the issue of equitable TOD becomes more prominent in a city posed for such exponential growth in the public transit sector. One example of a monumental CBA in Los Angeles, which was negotiated in part due to the proposed development’s proximity to a public transit station, is the “Lorenzo Project Community Benefits Agreement.” This project not only represents the potential use of CBAs in Los Angeles, but also represents the use of a second tool suggested in the

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<sup>63</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: A Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

Northeastern study in order to negotiate this CBA: **Broad-based Community Engagement**. The study explains this idea more specifically as the collaboration of community-based organizations and nonprofits working together to “ensure that a broad cross-section of community residents participate effectively in local land use planning efforts around transit stations” through education and political involvement.<sup>64</sup> This responsibility should not be placed solely on community organizations, however, but local government should be held much more accountable for their efforts, or lack thereof, to include residents in the decision making and planning process. Many areas where new developments are built do not have an active or powerful enough community organization that would be capable of this type of organized effort.

Luckily, South L.A. did have enough power in its community organizations to pull this off, and through the combined efforts of community-based organizations and citizen involvement, the Lorenzo CBA was able to come to fruition in February 2011. This was a huge win for residents of South Los Angeles for many reasons. For one, it is one of the first CBAs successfully negotiated that has a private developer fully funding the projects outlined in the agreement. Another reason this CBA is noteworthy is because the developer with whom it was negotiated is Geoffrey Palmer. As discussed above, Palmer’s 2009 California Supreme Court case decision is one of the three most inhibiting factors in L.A.’s political landscape in terms of securing and maintaining affordable housing in Los Angeles. Additionally, because Los Angeles’ requirements are stricter for public participation for developments where public funds are involved, and the Lorenzo Project is financed completely with private funds, there is less the city government can do to help this process. This illustrates just how much work and power was summoned by

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<sup>64</sup> Ibid.

private community coalitions in South L.A. for this win, and the power these groups hold in Los Angeles.

The campaign to protect residents of South L.A. through a Community Benefits Agreement was run by a collaboration of several community development and advocacy groups in Los Angeles, including the affordable housing organization Esperanza Community Housing Corporation, the economic redevelopment organization Strategic Action for a Just Economy (SAJE), and United Neighbors in Defense Against Displacement (UNIDAD), which is a coalition including SAJE, Esperanza, St. John's Well Child and Family Center, Community Development Technologies Center, PV Jobs, TRUST South L.A., St. Francis Center, United University Church, Coalition for Responsible Community Development, and Vermont Village Community Development Corporation. Although the negotiations for the specific terms of the CBA only took place over approximately a three-month period, the UNIDAD Coalition and the legal team began their campaign in November of 2010.<sup>65</sup> This is an extremely short timeline considering most CBAs can take *years* to negotiate, evidence of the power that rests within the community organizations in Los Angeles.

An article in *Urban Habitat: A Journal for Social and Environmental Justice* explained the elongated timeline and process these community organizations underwent to champion the CBA: The campaign began similar to many other local planning and development campaigns, with Esperanza and SAJE submitting comments on the draft and final Environmental Impact Reports (EIR) in 2007. The final EIR was released in November 2010, and the hearing date before the Los Angeles County Planning and Land

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<sup>65</sup> Pei Wu, Diana. "Los Angeles Coalition Wins Health Clinic and Jobs from Developer." *Urban Habitat: Race, Poverty, and the Environment- A Journal for Social and Environmental Justice*. Web. 1 Nov. 2011. <<http://urbanhabitat.org/18-1/wu>>.

Use Commission was scheduled for December 9. Community groups successfully argued for a delay in the hearing until January 13, 2011, and for the commissioners to hold the hearing in downtown Los Angeles rather than in the San Gabriel Valley—county-wide meetings alternate between the two locations—as the proposed project was one of the largest in South L.A. and community access to the public process was of critical importance, and both the distance and time of year would have initially hindered many residents from attending. On December 10, nearly 1,000 people crowded into the L.A. Convention Center for the Second Annual South Los Angeles Health and Human Rights Conference. Later, “hundreds of participants bussed to the Orthopedic Hospital site to demonstrate against the loss of health services to the proposed luxury housing development. Their slogan, ‘Save the Q!,’ referred to a special zoning category, which restricts use of the land for medical and educational purposes. The event signaled the beginning of the Coalition’s efforts to mobilize the broader community in the campaign to preserve health services at the site.”<sup>66</sup>

This slogan reemerged at City Hall on January 13, 2011 when hundreds of coalition members showed up to the Planning Commission meeting, forcing it to be moved to the largest room in City Hall. After the Palmer representatives presented their proposal and claimed to have adequately responded to community concerns about the development in the EIR, the UNIDAD Coalition was given 15 minutes to present their testimony, with coalition members passionately presenting concerns about how the development would impact the health and environmental conditions in the already suffering neighborhood. The UNIDAD coalition also pointed out that the EIR was insufficient because it used incorrect baselines for assessing changes to pedestrian traffic,

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<sup>66</sup> Ibid.

air quality impacts during construction, and impacts of the loss of Q zoning to the neighborhood.<sup>67</sup> The Planning Commission took these concerns seriously and delayed a decision until the next meeting. For the next month negotiations about a CBA took place between the developer and the coalition “in exchange for the coalition’s retraction of their objections to the development.” Zahirah Washington, an attorney with the Legal Aid Foundation of Los Angeles’ Community Economic Development Unit, was quoted saying: “In many ways... this CBA helps to shift the power dynamics, bringing both commercial and community interests to the table. This CBA and other efforts show that community and economic interests do not have to be at odds.”<sup>68</sup> UNIDAD hopes the CBA will set a precedent for future public and private developments, especially along public transportation corridors.

Only after the terms of the CBA were settled between the developer and the coordinating community coalition in February 2011 did L.A. city planners approve Palmer’s 9-acre, \$250-million apartment and retail complex in South L.A., one of the largest projects proposed recently in the area. The six-story project will include over 900 apartments and 34,000 square feet of retail space on the corner of Flower and 23<sup>rd</sup> Street, right next to the planned Expo Line light rail station which is one stop away from the University of Southern California and the L.A. Convention Center.<sup>69</sup>

The CBA includes an estimated \$9.5 million in concessions from Palmer, a large portion of which will cover the operational costs for a 7,500 square foot community

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<sup>67</sup> Ibid.

<sup>68</sup> Ibid.

<sup>69</sup> McDonnell, Patrick J. “City Planners Approve \$250-million Residential-retail Complex in South L.A.” *Los Angeles Times*. 11 Feb. 2011. Web. 3 Apr. 2013. <<http://articles.latimes.com/2011/feb/11/local/la-me-lorenzo-development-20110211>>.

health and wellness clinic that will operate lease-free for 20 years.<sup>70</sup> This may be the most important aspect of the CBA as, according to Jim Mangia the President and CEO of St. John's Well Child and Family Center, "In this federally-designated medically underserved area, this clinic... will provide an estimated 20,000 patient visits a year for low-income and uninsured South Los Angeles residents."<sup>71</sup> South L.A. is consistently ranked as one of the worst areas in L.A. County both for public health and access to health facilities, with the highest rates of diabetes and diabetes-related hospitalizations, asthma, hypertension, and childhood lead poisoning in the county. Additionally, it has a high rate of preventable hospitalizations made worse by having the lowest ratio of hospital beds to residents in the county.<sup>72</sup>

The CBA also promises a local and at-risk jobs hiring program for the project's construction workers, setting aside almost one-third of the project's construction jobs for local residents, and an additional 10% of construction jobs for the local "at-risk" population.<sup>73</sup> Palmer agreed to provide workers with a living wage salary and local hiring program for the project's permanent workers, as well as job training, support for local small businesses, and funding for community-led TOD strategies in South Los Angeles planning.<sup>74</sup> In terms of housing, there will be an affordable housing trust fund in South

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<sup>70</sup> Ibid.

<sup>71</sup> Pei Wu, Diana. "Los Angeles Coalition Wins Health Clinic and Jobs from Developer." *Urban Habitat: Race, Poverty, and the Environment- A Journal for Social and Environmental Justice*. Web. 1 Nov. 2011. <<http://urbanhabitat.org/18-1/wu>>.

<sup>72</sup> Ibid.

<sup>73</sup> McDonnell, Patrick J. "City Planners Approve \$250-million Residential-retail Complex in South L.A." *Los Angeles Times*. 11 Feb. 2011. Web. 3 Apr. 2013. <<http://articles.latimes.com/2011/feb/11/local/la-me-lorenzo-development-20110211>>.

<sup>74</sup> Pei Wu, Diana. "Los Angeles Coalition Wins Health Clinic and Jobs from Developer." *Urban Habitat: Race, Poverty, and the Environment- A Journal for Social and Environmental Justice*. Web. 1 Nov. 2011. <<http://urbanhabitat.org/18-1/wu>>.

Los Angeles set up, and at least 5% of Lorenzo's housing units will be set aside for low-income tenants.<sup>75</sup>

After interviewing several of the organizers and advocates who were involved in the CBAs negotiations, a writer for the *L.A. Times* stated in an article that “activists labeled the accord a potentially precedent-setting deal that could lead the way to more neighborhood input as the stadium, expanded mass transit, and other projects approach reality.”<sup>76</sup> L.A. community organizers hope that this agreement becomes “part of a suite of CBAs that will stem the tide of displacement by new development in the area by providing anchors for good jobs and much-needed community serving institutions.”<sup>77</sup> Paulina Gonzalez, executive director of SAJE verbalized the thoughts of many TOD and affordable housing advocates, as well as emphasizing a major point of Northeastern's study, saying: “It is critical that community residents have a real seat at the decision-making table,” and too often redevelopment projects are approved and completed without adequate attention being paid to low-income and other community residents. Serena Lin, an attorney who worked on the Lorenzo Project CBA with the legal aid group Public Counsel commented: “This time, the people of South L.A. were heard loud and clear.”<sup>78</sup>

The success of negotiating this CBA in Los Angeles, especially with one of the most outspoken developers *against* inclusionary zoning and affordable housing mandates gives hope and demonstrates the potential for CBAs to affectively be used in L.A.

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<sup>75</sup> McDonnell, Patrick J. “City Planners Approve \$250-million Residential-retail Complex in South L.A.” *Los Angeles Times*. 11 Feb. 2011. Web. 3 Apr. 2013. <<http://articles.latimes.com/2011/feb/11/local/la-me-lorenzo-development-20110211>>.

<sup>76</sup> Pei Wu, Diana. “Los Angeles Coalition Wins Health Clinic and Jobs from Developer.” *Urban Habitat: Race, Poverty, and the Environment- A Journal for Social and Environmental Justice*. Web. 1 Nov. 2011. <<http://urbanhabitat.org/18-1/wu>>.

<sup>77</sup> Ibid.

<sup>78</sup> McDonnell, Patrick J. “City Planners Approve \$250-million Residential-retail Complex in South L.A.” *Los Angeles Times*. 11 Feb. 2011. Web. 3 Apr. 2013. <<http://articles.latimes.com/2011/feb/11/local/la-me-lorenzo-development-20110211>>.



County, despite the various restrictions that make it so difficult. One of the major reasons this CBA was successful was that the testimonies of both residents and members of SAJE, UNIDAD, and other community organizations in both private and public venues generated so much public attention on the issue. Serena Lin was quoted saying: “We sent a message at a critical time that communities are powerful and can win... When UNIDAD started this campaign, the deck was stacked against us. The combined power of organizing and legal claims brought the developer to the negotiating table. The lesson for planners, politicians, and developers is that communities need to be involved from the start and not as an afterthought to development.”<sup>79</sup> Lin further elaborates on one of the fundamental objectives of this campaign and how CBAs can be such effective tools for creating equitable TOD, explaining:

The UNIDAD Coalition was able to get a private developer to be accountable to the public’s interest. We were also able to get key officials and planners to recognize that developments near transit should be accountable in part because they receive the benefits of public transportation. When billions of dollars are going to trains and buses, those dollars are also serving the housing, stores, and neighborhoods nearby. A transit-oriented development can become a conduit for moving current residents out of their neighborhoods. But, if we’re going to responsibly build transit-oriented development, we need to make places where not only everybody wants to live, but where everybody can live.<sup>80</sup>

Environmental justice and community development activists along with South L.A. residents hope that the Lorenzo CBA will effectively convert what was initially going to be damaging to the community economically, environmentally, and in terms of public health, into a development project that will actually improve the lives of the Lorenzo development’s current neighboring residents. Since this success, other

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<sup>79</sup> Pei Wu, Diana. “Los Angeles Coalition Wins Health Clinic and Jobs from Developer.” *Urban Habitat: Race, Poverty, and the Environment- A Journal for Social and Environmental Justice*. Web. 1 Nov. 2011. <<http://urbanhabitat.org/18-1/wu>>.

<sup>80</sup> Ibid.

community organizations throughout southern California have requested support from the UNIDAD Coalition and the legal team involved in the process to negotiate and implement their own CBAs. Currently, UNIDAD is working with USC on developing its expansion plans.<sup>81</sup>

Another planning tool that many reports and studies have found is extremely important in the success of building equitable TOD is the **Coordinated Planning by Local Governments and Transit Agencies**. Often, this coordination becomes extremely hard to do effectively because of the costs associated with it and lack of funding to cover them. Northeastern University's report provides one suggestion for how to overcome this: "Planning grants can provide local governments with the resources and incentive to undertake early and coordinated planning for development in neighborhoods with existing or planned transit stations. And, if structured properly, such funding can also ensure planning coordination between local governments and transit agencies" before a project's construction begins.<sup>82</sup> It is important to look at what sort of projects receive this funding, and what their ultimate goals are: for example, a project may get funding with the goal of gentrifying an area by bringing in chain stores after changing zoning codes, which would be spun in a positive light because it would bring more money into the area. As discussed earlier, this is not actually beneficial to the community, but detrimental. It is extremely important who is on the committee to choose the projects that will be funded, and what types of projects they choose.

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<sup>81</sup> Ibid.

<sup>82</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: A Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

Los Angeles recently set up a program for providing this type of funding; L.A. Metro has established a “Transit-Oriented Development Planning Grant” which was approved during fiscal year 2011/2012. Metro describes this grant program as:

Designed to spur the adoption of local land use regulations that create an environment supportive of Transit-Oriented Development in Los Angeles County, as well as pre-regulatory planning efforts that can lead to the adoption of such local land use regulations [or model ordinances, guidelines, or other planning tools]. The Grant Program is open to municipalities with land use regulatory control over property within ¼ mile of designated transit corridors [existing or proposed] and within ½ mile of designated Metrolink Stations, as measured from the station property line boundary, and Joint Powers Authorities (“JPAs”) and Councils of Governments (“COGs”) that represent such municipalities.<sup>83</sup>

Joint applications between cities and JPAs or COGs are also eligible, assuming that the applicant can clearly describe the relationship between the involved parties, who will be responsible for the completion of each task, and that support from the impacted cities will be documented. Goals of the TOD Planning Grant Program include:

- 1) Increasing access to transit by assisting local agencies to accelerate land use regulatory change that promotes TOD principles;
- 2) Improving utilization of public transit by reducing the number of modes of transportation necessary to access regional and local transit;
- 3) Furthering the reduction of greenhouse gases through encouraging in-fill development along transit corridors;
- 4) Supporting and implementing sustainable development principles.<sup>84</sup>

The following outlines how Metro has identified what types of projects will be given priority for grant funding:

First priority will be for funding proposals that will result in eliminating regulatory constraints to TOD projects... Examples of such changes include: revision of general plans and/or specific plans, adoption of Transit Village districts, adoption of overlay zones, zoning ordinance amendments, parking code amendments, environmental studies in support of amending regulatory documents, and similar efforts. Second priority will be given to funding proposals that include planning at or near station locations that may be a precursor to

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<sup>83</sup> “Transit Oriented Development Planning Grant.” L.A. Metro, 4 Mar. 2013. Web. 07 Apr. 2013. <<http://www.metro.net/projects/tod/>>.

<sup>84</sup> Ibid.

regulatory change, including, but not limited to, traffic modeling, density studies, financial feasibility of various development forms, identification of opportunities for TOD-promoting regulatory changes, development of specific planning tools to adopt regulatory changes, assistance for cities to collaborate on planning for new stations and TOD-promoting regulatory changes, and development of model ordinances or other regulatory frameworks. Funding of such projects will only be considered if available funds remain after qualified first priority projects are funded.<sup>85</sup>

Since the founding of the grant program, three separate rounds of funding have been awarded mainly to city governments in L.A. County, but also to the L.A. Department of City Planning, L.A. County Department of Regional Planning, L.A. World Airports, and the Orange Line Development Authority, totaling an amount of \$16 million worth of grants, with projects being awarded amounts ranging from \$73,300 to \$4,480,000. This program is clearly beneficial for the coordination of planning between local governments and transit agencies as it brings together the two groups for TOD planning purposes: due to the fact that Metro provides funding to city governments for these types of projects, it gives city governments incentive to think in terms of TOD when considering development options. However, because of the way in which the program operates, it is more so that Metro picks and chooses how to allocate money and therefore *encourages* transit-oriented development, but does not *participate* in the planning process with city planners as an equal authority. The possibility does exist for a coordinated planning effort because of the ability for a project to secure a grant for: “assistance for cities to collaborate on planning for new stations and TOD-promoting regulatory changes” but, because this is listed at the bottom of a list of secondary priorities, it does not give much hope that this will often happen. This grant program does, however, provide the ability to utilize many of the other tools outlined in

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<sup>85</sup> Ibid.

Northeastern University's toolkit, and is an extremely valuable source of funding for TOD and affordable housing planners.

Along the same lines as coordinating planning between private agencies and city governments is another planning tool Northeastern describes as **Transit Corridor Planning**, which is a larger scale TOD planning tool requiring the cooperation of planners and local government across borders. Transit corridor planning is the concept of TOD planning across city or neighborhood lines in order to develop plans for an entire line, corridor, or public transit route as opposed to only focusing on individual stations. The Northeastern study concludes that: "Community development corporations can play a critical role in planning for equitable transit-oriented development around existing and planned transit stations along a transit corridor and then in implementing the planned transit-oriented development... A proactive, facilitated process can be used to bring all interested parties together to shape development projects along transit corridors before they are submitted to a municipal agency for approval."<sup>86</sup> In Stephanie Pollack's workshop in Los Angeles on October 17, 2012, she emphasized how beneficial this type of planning can be to communities surrounding transit stations, as it brings together planners and advocates from neighboring communities to work on projects that can be applied on a larger scale than simply around one transit station. Examples of what could really benefit from this type of planning and collaboration include CBAs, inclusionary zoning ordinances, tax increment financing, parking regulations/requirements, transit station placement, affordable and mixed-use housing issues, local hiring for construction

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<sup>86</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: A Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

projects, and bus/ bus rapid transit service planning in proximity to areas with a high-density of transit-oriented residents and access to jobs.

This planning strategy would be extremely useful for Los Angeles planners to put into effect immediately, considering the amount of expansion and creation projects that involve numerous stations along a line and not just stations being placed across the county with no relation to each other. When these lines are weaving through communities at-risk of displacement who also have the potential to benefit most from being in close proximity to new transit access (community residents who are low-income, high percentages of households renting, high percent of the population that is non-white, lower number of cars per household, etc.), this approach to planning should absolutely be used. Those who should consider this are those planning the Crenshaw/LAX Transit Corridor, the Westside Subway Extension, the Gold Line Foothill Extension, and the Exposition Transit Corridor Phase 2. Additionally, planners and researchers involved in the current study areas including the South Bay Metro Green Line Extension, the Green Line LAX Extension, the Sepulveda Pass Transit Corridor, the Eastside Transit Corridor, the West Santa Ana Transit Corridor, and the Van Nuys Boulevard Rapidway, should absolutely be coordinating between city governments, Metro, community development corporations and non-profits during this critical time of planning and research. This second group of projects could be affected much more through the implementation of this planning strategy than the first group because if this approach is used throughout the entire planning and development process, it is much more likely that equitable TOD and anti-displacement efforts will be successful and on a much larger scale. Again, these efforts

will not only impact the lives of community residents, but will also give Metro greater ridership and allow the system to run more sustainably.

### **Housing Market Tools**

The second category of tools discussed in the Northeastern study is comprised of those policy tools aimed at ensuring that current residents are not displaced or living with a higher housing cost burden due to the development of a new transit station in their community. As discussed earlier, and especially when light rail is involved, new transit stations are often accompanied by rising home values, the development of expensive housing structures, and increasing rents, all of which forces out community members who cannot afford this higher cost of living. There are three things planners and community organizations must do in order to minimize affect of this damaging trend on low-income households. Those three things are:

- 1) Obtain funding for land and property acquisition;
- 2) Preserve existing affordable rental housing;
- 3) Produce additional affordable housing.

Northeastern researchers found that “because transit stations are planned and built over many years, land and property values often begin to rise even before the new station opens its doors. To keep projects affordable, developers must have access to financing before land and properties become too expensive. Such funding is needed both to preserve existing affordable housing and to acquire (and, in some cases, landbank) vacant or commercial land for subsequent housing production.”<sup>87</sup> Affordable housing projects

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<sup>87</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: A Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

not only find difficulty in getting through issues with city planners, zoning restrictions, development requirements, and issues with private developers, but also in finding the means to fund their projects. Many of the tools that follow are focused on the various strategies that can be used to acquire the necessary funding for affordable housing production and preservation.

One of the possible financing tools recommended by the Northeastern study is **Transit-Oriented Development Acquisition Funds** and **Housing Trust Funds**, which can be used “to acquire sites near [planned or existing] transit for future development of affordable housing or to acquire and preserve existing affordable housing before planned transit projects drive up land and property values.”<sup>88</sup> The Los Angeles Housing Department does have a Housing Trust Fund set up since its establishment in June 2000 as a response to the shortage of affordable housing units in L.A. In the first few months of 2012, round one, L.A. distributed a total of \$21.2 million to seven different projects to create a total of 723 housing units. The breakdown was that \$13.3 million went to the creation of 379 permanent supportive housing units, \$6.3 million to create 254 affordable housing units, and \$1.5 million to create 90 “at-risk” units.<sup>89</sup> Each year there are between one and three rounds of funding distributed.

Additionally, L.A. City offers a direct financing loan program entitled the “Section 108 Loan Program,” which usually finances between 20-30% of project costs, with low interest rates, for projects located in low-income communities and in a position to ensure that at least 51% of the projects jobs will be reserved for local low-and

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<sup>88</sup> Ibid.

<sup>89</sup> Hisserich, Helmi, and Manuel Bernal. *2012 Affordable Housing Trust Fund Round 2 Bidders Conference*. Rep. Los Angeles Housing Department, 2 Apr. 2012. Web. 8 Apr. 2013. <<http://lahd.lacity.org/lahdinternet/LinkClick.aspx?fileticket=EFcSXDnBdZM%3D&tabid=501&language=en-US>>.



moderate-income citizens. Projects must satisfy at least one of the following three stipulations:

- 1) Aid in the prevention or elimination of slum and blight;
- 2) Benefit to low- and moderate-income families; or
- 3) Meet a particularly urgent community need.<sup>90</sup>

The L.A. City Community Development Department describes the establishment of this loan program as being:

To create economic and physical revitalization in the City's economically disadvantaged communities. This objective is accomplished by offering a minimum of \$2 million in direct "gap" financial assistance for larger commercial and industrial real estate projects. Funds are used for "eligible activities" which include acquisition, construction or renovation, costs of fixtures and equipment, soft costs (such as legal and loan fees), land assembly for project redevelopment, relocation of a business to the City, and development of an incubator or industrial park.<sup>91</sup>

Another policy tool to help affordable housing developers finance their projects is the federal **Low-Income Housing Tax Credit (LIHTC)** program. This program "provides tax credits that developers can use to raise capital for the acquisition, rehabilitation or construction of affordable housing. State housing agencies allocate housing tax credits through a competitive process, specifying how they will allocate their LIHTCs in a Qualified Allocation Plan and implementing regulations that may award 'points' for certain kinds of projects."<sup>92</sup> Important to note is that California's LIHTC program has a category for "amenity points," and projects can be awarded up to fifteen amenity points, up to seven of which can be awarded based on proximity to public transit;

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<sup>90</sup> "Finance Opportunities." *Business Services*. Los Angeles Community Development Department, n.d. Web. 08 Apr. 2013. <[http://cdd.lacity.org/bus\\_fin.html](http://cdd.lacity.org/bus_fin.html)>.

<sup>91</sup> Ibid.

<sup>92</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: Toolkit for Equitable Neighborhood Change*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

a project will receive all seven of these points if it is a part of a TOD strategy, is within ¼-mile of an active public transit or bus station, and its density is greater than 25 units per acre.<sup>93</sup> This fact makes qualifying for low-income housing tax credits very conceivable for developers looking to build affordable housing units near a new transit station in L.A.

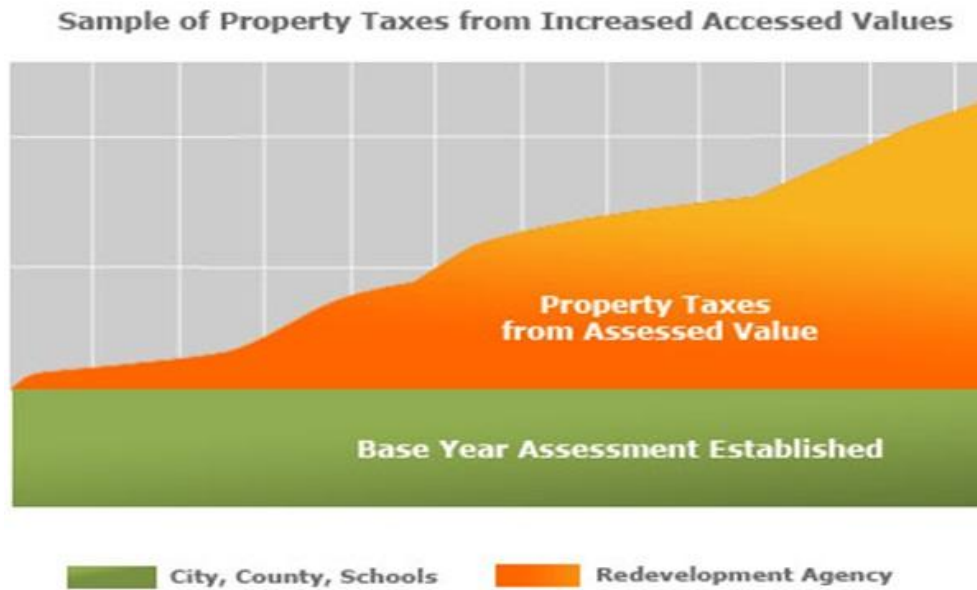
Setting up a **Corridor-Based Tax-Increment Financing District** can also be very effective in generating revenue for areas surrounding an entire line of transit instead of just the area near a single transit station. This tool is especially beneficial for both the production and preservation of affordable housing near transit if a portion of the revenue is dedicated specifically for this purpose. The California Development Planning Act of 1994 “allows cities and counties to designate transit villages within ½-mile of transit stations and makes these districts eligible for transportation funding, gives them access to expedited permitting and encourages localities to enact density bonuses there.”<sup>94</sup>

The process by which tax-increment financing districts receive funds is based on calculations of how much these redevelopment projects will increase property tax revenue for the state, and in-turn redevelopment agencies, as follows: At the time a redevelopment project area is formed, the value of the project area is assessed and determined; This value becomes the “base year” value. As redevelopment activities become successful and increase the project’s value, thus generating higher property taxes, a portion of the difference from the base year to current generated tax revenue is given to redevelopment agencies. The chart below depicts this process:

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<sup>93</sup> Ibid.

<sup>94</sup> “A National Review of State, Regional and Local Programs That Fund Transit-Oriented Development Plans and Projects.” Reconnecting America, n.d. Web. 08 Apr. 2013.  
<<http://reconnectingamerica.org/resource-center/inventory-of-tod-funding-programs-interactive-map/>>.



**Figure 7<sup>95</sup>**

The issue of tax-increment financing in California is currently a huge topic of discussion. In theory, this strategy works to fund redevelopment initiatives in “blighted” districts through the use of the increased revenue, or the “increment,” of taxes in the area due to enhanced property values from these redevelopment projects. This was the major source of funding for California’s Redevelopment Agencies before their elimination, bringing in between \$5 and \$6 billion dollars to the state’s redevelopment agencies in their last year, which accounts for about 12% of the property tax revenue for the entire state. Redevelopment agencies could then decide how they would divide these funds based on need for different types of projects. The City of Commerce, California, for example, had 20% of its annual tax-increment revenues deposited into a separate Housing

<sup>95</sup> “How Tax Increment Financing Works.” *Community Development: Redevelopment Agency*. City of Commerce, n.d. Web. 08 Apr. 2013. <<http://www.ci.commerce.ca.us/index.aspx?NID=394>>.

Fund, which was used “by the agency to increase, improve and preserve the City’s supply of affordable housing for persons of low and moderate income.”<sup>96</sup>

Urban Planner William Fulton discussed the implications of tax-increment financing (TIF) in California in an article and explained both why it has worked in the past, and why it may no longer be a possible form of finance for California’s cities and redevelopment agencies. He explains:

In theory, [TIF] is good for everyone, because property tax revenues wouldn’t go up without the tax-increment investment. But in practice, property tax revenues go up for a whole variety of reasons, including simple inflation in the real estate market... Many states severely restrict access to TIF, letting local governments use it only for specific purposes. But in California -- where TIF was invented 60 years ago as part of the state’s urban renewal effort -- there are few state restrictions, and TIF is the single most important financing tool available to the state’s 480 cities... Because of complicated school equalization requirements in California, the state must backfill every dollar that school districts lose to TIF. Since schools get 50 percent of the property tax, that means the state is subsidizing redevelopment to the tune of \$3 billion a year. When you’re staring at a \$25 billion budget deficit, that’s real money. That’s why California Gov. Jerry Brown -- a former big city mayor who used TIF effectively in Oakland -- eliminated it. Even without the budget deficit, there’s a reasonable point to be made here: Should California really be spending \$3 billion in state general fund revenue per year on urban revitalization and economic development?<sup>97</sup>

As of February 1, 2011, Governor Jerry Brown made the decision (upheld by the California Supreme Court) to eliminate all of California’s Redevelopment Agencies, as well as all tax-increment financing, was made final in an effort to balance California’s budget. 71 of these agencies were in L.A. County alone. During negotiations, the California legislature approved a compromise measure that would have kept redevelopment agencies alive had they agreed to share some of their tax increment

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<sup>96</sup> “How Tax Increment Financing Works.” *Community Development: Redevelopment Agency*. City of Commerce, n.d. Web. 08 Apr. 2013. <<http://www.ci.commerce.ca.us/index.aspx?NID=394>>.

<sup>97</sup> Fulton, William. "Redevelopment Financing Gets an Overhaul in California." *Redevelopment Financing Gets an Overhaul in California*. GOVERNING- The States and Localities, Mar. 2011. Web. 09 Apr. 2013. <<http://www.governing.com/columns/eco-engines/col-redevelopment-financing-gets-overhaul-in-california.html>>.

revenue with cities and counties. The League of California Cities, a lobbying group for municipalities, refused to accept this compromise and challenged both laws. The Court struck-down this challenge, leading to the complete abolishment of redevelopment agencies in California.<sup>98</sup>

Californians are divided on this issue, with some believing that this was an easy decision in a state with a \$25 billion deficit and police departments and school systems that greatly lack funding. Others feel that this goes back to the issue of how difficult it is for local and city governments to get money in their hands for desperately needed projects as well as feeling angry about the unbalanced nature of who directs the flow of taxes in California, as discussed earlier in this paper. TIF was the easiest and most effective way to do this prior to February 2011, and now, again, local governments lacking ways in which to get project funding. Fulton continues on to say:

The silver lining is that the end of redevelopment has opened up a fresh discussion in California about how to finance urban revitalization and economic development. One idea put forth by Darrell Steinberg, the leader of the state Senate, is to give the tax increment to the schools and counties but allow the cities to keep the real estate assets accumulated by redevelopment, creating a kind of local economic development endowment. Others have proposed sharply limiting the use of TIF to specific purposes, such as brownfields, transit-oriented development and inner-city retail. Still others have suggested making it easier for local governments to issue bonds for economic development purposes.<sup>99</sup>

The issue remains in California as to how to get much-needed money in the hands of local and city governments while not leaving all of the power and decision making up to

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<sup>98</sup> Pristin, Terry. "An Uncertain Fate for Urban Projects in California." *The New York Times*, 11 Apr. 2012. Web. 09 Apr. 2013. <<http://www.nytimes.com/2012/04/11/realestate/commercial/an-uncertain-fate-for-urban-projects-in-california.html?pagewanted=all>>.

<sup>99</sup> Fulton, William. "Redevelopment Financing Gets an Overhaul in California." *Redevelopment Financing Gets an Overhaul in California*. GOVERNING- The States and Localities, Mar. 2011. Web. 09 Apr. 2013. <<http://www.governing.com/columns/eco-engines/col-redevelopment-financing-gets-overhaul-in-california.html>>.

state and federal governments. Currently, tax-increment financing is not a plausible form of funding affordable housing and TOD initiatives, despite its huge successes in the past.

**Inclusionary Zoning** is a tool that can be negotiated as a part of a CBA or on its own, enacted as a zoning ordinance. This policy tool creates incentives for private developers to produce or preserve affordable units by allowing increase of the square footage or number of units allowed on a piece of property, in exchange for the guarantee that 10-25% of their units would be dedicated as affordable housing.<sup>100</sup> The Northeastern study cites that many Californian communities, sanctioned by state authorities, have adopted inclusionary requirements, and often these areas are within a half-mile of transit stations. Providing **Incentive Programs** for developers in transit-rich neighborhoods has been a successful tool in increasing affordable housing in California.

San Francisco has established a Housing Incentive Program (HIP) to fund transportation-related affordable housing developments using federal transportation funds from the Congestion Mitigation and Air Quality program and Transportation Enhancements program. HIP “rewards local governments that build housing near transit, thereby helping to establish the residential density and ridership markets necessary to support high-quality transit service.”<sup>101</sup> Since federal programs fund this effort, this is a plausible strategy for Los Angeles County to use in order to subsidize affordable housing and TOD efforts.

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<sup>100</sup> “Preserving Affordable Housing Near Transit: Case Studies from Atlanta, Denver, Seattle, and Washington, D.C.” *Transit-Oriented Development Guide: Principles and Best Practices*. Ed. Leo Quigley. Enterprise Community Partners, Inc., The National Housing Trust, Reconnecting America, 2010. Web. 14 Oct. 2012. <<http://www.practitionerresources.org/cache/documents/674/67410.pdf>>.

<sup>101</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

The final policy tool recommended in the Northeastern study is the **Incorporation of Affordable Housing in Joint Development**. The authors explain, “While transit agencies are not generally in the real estate development business, they frequently become involved in development efforts near their stations if they own surplus land. The sale or lease of transit authority property for development is called ‘joint development’ because the process involves a partnership between transit agencies and developers” which has the potential to create affordable housing right next to transit stations if the transit agency makes it a priority.<sup>102</sup>

Many joint development projects have the goal of maximizing profit for the transit agency, so the land will often be sold to the highest bidder, regardless of the developer’s plans. If affordable housing developers in L.A. use either one or a combination of the financing tools described above, they have the potential to purchase this land before a big, private developer does. The development of affordable housing is also possible if negotiations between affordable housing developers and Metro early on in the planning process. Los Angeles Metro does have a \$5 billion Joint Development Program in place, with the stated goals to:

- 1) Encourage comprehensive planning and development around station sites and along transit corridors;
- 2) Reduce auto use and congestion through encouragement of transit-linked development;
- 3) Deliver developments that:
  - a. Promote and enhance transit ridership;
  - b. Enhance and protect the transportation corridor and its environs;
  - c. Enhance the land use and economic development goals of surrounding communities and conform to local and regional development plans; and
  - d. Generate value to Metro based on a fair market return on public investment.<sup>103</sup>

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<sup>102</sup> Ibid.

<sup>103</sup> Moliere, Roger. “Metro’s Joint Development Program Goals.” Los Angeles Metropolitan Transit Authority, n.d. Web. 9 Apr. 2013.

A few of the projects, both completed and under construction, included affordable housing as a part of the developments that came out of Metro’s Joint Development Program. Below is a map of past, present, and future joint development project sites in L.A. County:



Figure 8

<[http://www.metro.net/projects\\_studies/joint\\_development/images/JDP\\_overview.pdf](http://www.metro.net/projects_studies/joint_development/images/JDP_overview.pdf)>.



While only 120 affordable housing units have been completed to date under Metro's Joint Development Program, 423 affordable housing units are currently under construction in two different joint development projects, and 224 affordable housing units are on the table as part of the joint development projects that are either currently under review or in the negotiations stage, a sign that this is becoming a higher priority for the program.<sup>104</sup> Continuing to work with Metro on joint development projects to create more affordable housing near transit stations is a must for developers and community development corporations.

### **Transportation Management Tools**

The final category of tools outlined in the Northeastern study is comprised of transportation management tools with three goals: Attracting core and potential transit riders to transit-rich neighborhoods in order to sustain the public transit system and provide transit to those people who will actually use it; supporting zero-vehicle households; and reducing the availability and/or increasing the price of parking. This last goal is very hard to accomplish, especially in Los Angeles where driving is the dominant form of transportation and reducing the availability of parking is very unpopular. However, this is a crucial strategy as it will limit, in the long run, the amount of drivers on the road and increase the amount of people using public transit. This also lowers the cost of housing as it takes away or reduces the cost of providing parking for residents.<sup>105</sup>

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<sup>104</sup> "Joint Development Program." Metro, n.d. Web. 09 Apr. 2013.  
<[http://www.metro.net/projects/joint\\_dev\\_pgm/](http://www.metro.net/projects/joint_dev_pgm/)>.

<sup>105</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: A Toolkit for Equitable Neighborhood Change in Transit-Rich Neighborhoods*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

The first recommendation is to provide **Transit Incentives for Housing Developments**. This is simple enough, and requires Metro to sell discounted transit passes to housing developers for them to distribute to their residents.

The second recommendation is to **Reduce Parking Requirements for Residential Developments**, by negotiating with local authorities. This would deincentivize residents to drive or own a car, or multiple cars, increase the incentive to use public transit, and also bring down the cost of housing. When the availability of parking spaces is limited, the hassle and expense associated with parking tends to move residents to either carpool more or walk, bike, or take public transportation to avoid having to deal with the negative aspects of parking. Housing costs can be reduced for renters and homeowners if parking requirements are relaxed; this is because the increased cost associated with buying extra land for parking, as well as paying property taxes on it in the future, is taken away. For renting units, developers and landlords add this on as an extra cost in addition to rent. The negotiation of parking requirement reductions have been successful many times for various developments in Los Angeles, and thus have been shown to be a very practical tool to be used in L.A. County in the future for both reducing housing costs and incentivizing public transit use. This especially makes sense for affordable housing projects, seeing that many residents who live in these developments do not own a car anyways, so these should not be mandatory extra costs.

The third recommendation is to **Unbundle the Price of Parking**, meaning developers would make the cost of apartments separate from the cost of a parking space, which has the same effect of the reducing parking requirements for residential

developments, although it would most likely be less effective since it still provides the option of having a parking space, whereas the previous strategy does not.

The final recommendation is to bring **Car Sharing** to transit-rich neighborhoods, such as “Zipcar,” in order to reduce the need to own a car. With car sharing as an option, residents can use public transportation for most trips, and rent a car when public transit is not a feasible way to get to their destination. This method of taking away a household’s dependence on owning a car can reduce a household’s annual expenses associated with car ownership, as well as making it a more viable option for residential developments to provide fewer parking spaces on site.

## **Planned Transit Projects in Los Angeles**

With the help of numerous public transportation agencies and organizations in Los Angeles, L.A. Metro has outlined and planned a number of significant expansion projects for the county’s public transportation system. As described earlier, there are now 29 new light rail transit stations in the process or under construction in L.A. County, having acquired all necessary approval and funding. In addition, there are six study areas in which Metro is researching the best way(s) to bring increased public transit to these areas in the future. Of the 29 stations that are in the process of construction or require further planning, I have researched the surrounding neighborhoods that will be most directly affected by these projects in order to determine which neighborhoods’ residents are most at-risk of suffering from the negative impacts of gentrification and vulnerable to displacement.

One of the most worrisome aspects of L.A.’s proposed transit system expansion is the fact that most of the projects are expansions of the L.A. light rail system. The

Northeastern study found that “the neighborhoods where the new stations were light rail--neighborhoods which, in (their) study, were more likely to be dominated pre-transit by low-income, renter households than those in the heavy rail and commuter rail neighborhoods—almost every aspect of neighborhood change was magnified: rents rose faster and owner-occupied units became more prevalent.”<sup>106</sup> Of the 29 planned transit stations that are a part of the 30/10 Plan, all of them are light rail.

### ***Los Angeles “High-Risk” Neighborhoods***

Based on the categories of median household income, ethnic makeup of the community, percentage of households that are renting, and car ownership figures, the following L.A. County communities with planned construction of a light-rail station in or on the border of their community are at high risk of displacement and gentrification. These communities must be the top priorities for community organizations, transit and city planners, and local government transit-oriented development and affordable housing efforts in order to minimize the negative effects of gentrification and minimize the displacement of low- and moderate-income households. The planning, housing market, and transportation management tools discussed above that can be effectively used in Los Angeles should be the vehicles by which these goals are achieved.

### **Inglewood**

One key neighborhood that will be impacted is the Los Angeles neighborhood of Inglewood, which is scheduled to have new public transit stations in and around it, opened by 2018 as a part of the Crenshaw/LAX Transit Corridor Project. On October 1, 2012 U.S. Transportation Secretary Ray LaHood announced that the U.S. DOT approved

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<sup>106</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America’s Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: Executive Summary*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010.

a \$545.9 million TIFIA loan to “advance construction of a new (8.5 mile) light rail transit line along the Crenshaw corridor (a \$1.75 billion project) that will enhance access to existing transit service throughout Los Angeles... [and] will create jobs in Los Angeles, building a major transportation project that will help the regional economy continue to grow and prosper.”<sup>107</sup> The TIFIA loan was a huge breakthrough for the public transportation efforts in L.A., and because this loan received so much public attention, the project will initially be in the spotlight. This could be to the benefit of the Inglewood community if it is used to put pressure on landlords, politicians, Metro planners, and/or policy makers to spearhead efforts (to be discussed in detail later) such as community benefits agreements, inclusionary zoning, affordable or mixed-use housing production and preservation, low-income housing tax credits, etc.

In relation to the current demographics of Inglewood and the area adjacent to the proposed transit stop, the population is also very at-risk in terms of experiencing a process of displacement and experiencing the negative impacts associated with gentrification. The key census information along these lines includes the following:

#### Inglewood 2010/ 2011:

- Population: 110,464 (2011), 109,673 (2010)
- Land Area: 9.07 square miles
- Ethnicities:
  - o 43.9% Black
  - o 1.4% Asian
  - o 50.6% Hispanic or Latino
  - o 2.9% White Persons Non-Hispanic
- 17.2% Bachelors degree or higher (of ages 25+)
- 55.1% housing units in multi-unit structures (2006-2010)
- 2.97 persons per household (2006-2010)
- \$19,508 per capita monetary income in past 12 months
  - o California average: \$29,188
- \$43,460 median household income (2006-2010)

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<sup>107</sup> “Press Release.” U.S. Department of Transportation Approves \$545.9 Million Loan to Advance Public Transit in Los Angeles. USDOT, 1 Oct. 2012. Web. 09 Dec. 2012.

- o California average: \$60,883
- 19.8% persons below poverty level (2006-2010)
  - o California average: 13.7%
- Housing:
  - o 63.5% renter occupied
  - o 36.5% owner occupied
- Cars:
  - o 0 vehicle= 10.1%
  - o 1 vehicle= 44.5%
  - o 2 vehicles= 29.5%
  - o 3 or more vehicles= 16%

The public transit that will cut through Inglewood will be light rail, which lends itself to putting the community at-risk. The study done by Northeastern University found that “when we specifically looked at the neighborhoods where the new stations were light rail-- neighborhoods which, in our study, were more likely to be dominated pre-transit by low-income, renter households than those in the heavy rail and commuter rail neighborhoods-- almost every aspect of neighborhood change was magnified: rents rose faster and owner-occupied units became more prevalent.”<sup>108</sup> Additionally, they found that “light rail neighborhoods saw their median income rise by 77 more percentage points than their metro areas; for heavy rail neighborhoods, the difference was 18 percentage points, and for commuter rail neighborhoods was just 2 percentage points... while median value of owner-occupied homes rose by... a staggering 500 percentage points for light rail neighborhoods.”<sup>109</sup>

The residents of Inglewood have many characteristics that make them a population not only at-risk of displacement, but also fit into the category of those who are

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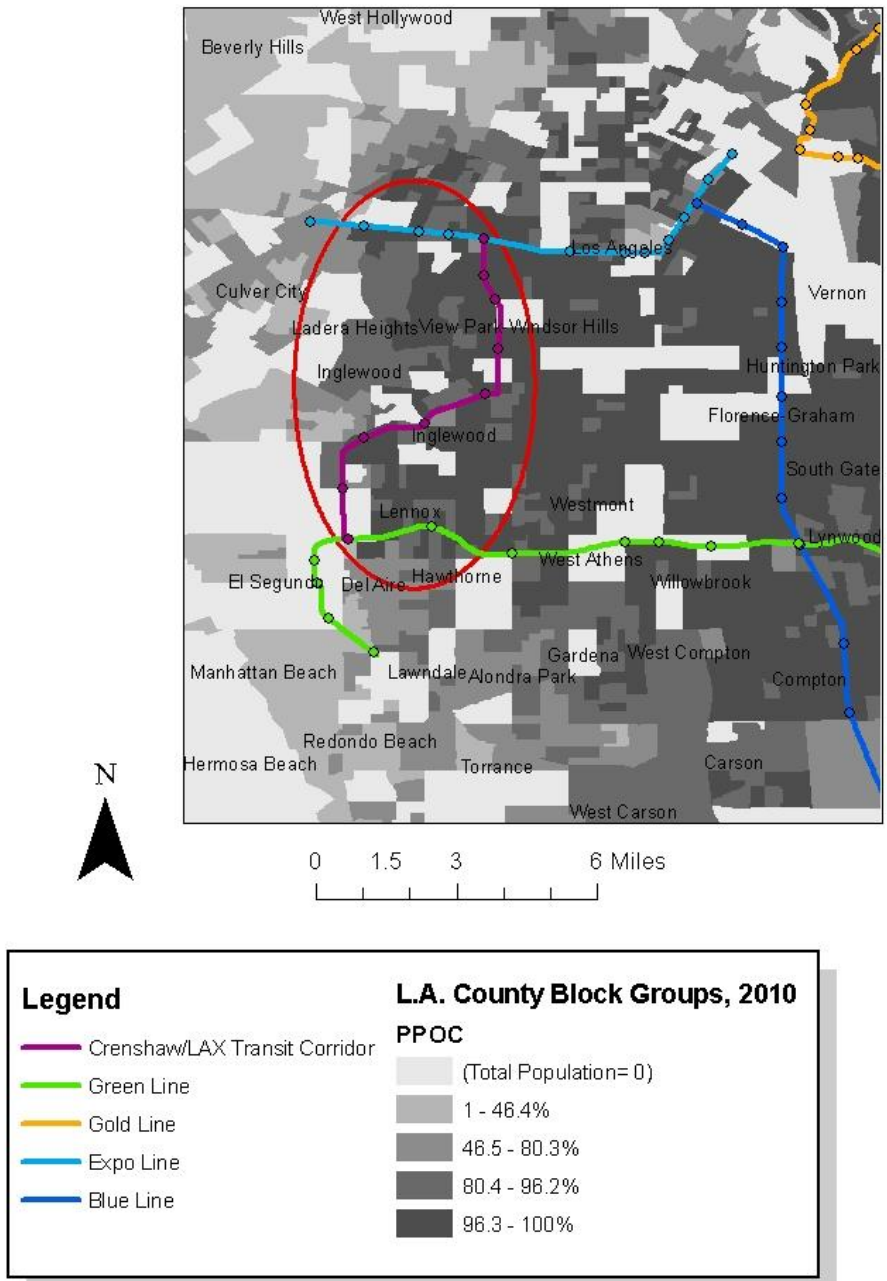
<sup>108</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: Executive Summary*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

<sup>109</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: What We Learned*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

most likely to use public transit. As displayed above in **Figure 5**, the Crenshaw/LAX Transit Corridor is set to run through neighborhoods that fall into the category of lowest median household income in L.A. County. The median household income of Inglewood is \$43,460. This number is significantly lower than the average income in L.A. County (\$56,266) and the state of California (\$60,883), and *much* lower than the average incomes of many of the neighborhoods surrounding it, including Redondo Beach (\$94,982), El Segundo (\$88,486), View Park-Windsor Hills (\$78,729), Manhattan Beach (\$132,752), and Marina del Rey (\$91,218). It is extremely important to focus on planning efforts in this neighborhood because of the importance of not only allowing families to stay in their community from an environmental justice standpoint, however, Metro should be equally as concerned with keeping low-income residents there in order to get use of and fund the transit system they plan to put there. As discussed earlier, those who are most likely to depend on public transportation to get around are individuals of color, low-income people, home or apartment renters, and zero or one-car families.

Additionally, there is a very small percentage of the population that is white, with the majority of Hispanic or African American descent. This information is displayed below in another GIS map I created:

### L.A. County Light Rail and Percent Population of Color: Zoom View of Crenshaw/LAX Line



**Figure 9**

It is apparent from this map that the Crenshaw/LAX Transit Corridor will wind through areas with very high populations of color. (This category refers to everyone who



identifies as something other than “non-Hispanic white”). Inglewood is surrounded by several extremely wealthy communities that are all, aside from View Park-Windsor Hills, predominately white. The Crenshaw/LAX Transit Corridor winds through all of the low-income neighborhoods in this area, and misses the wealthier areas which have high percentages of white residents. It reflects the overall trend of Metro’s light rail systems, which are shown below in the same map as above, but at an expanded view:

L.A. County Light Rail and Percent Population of Color

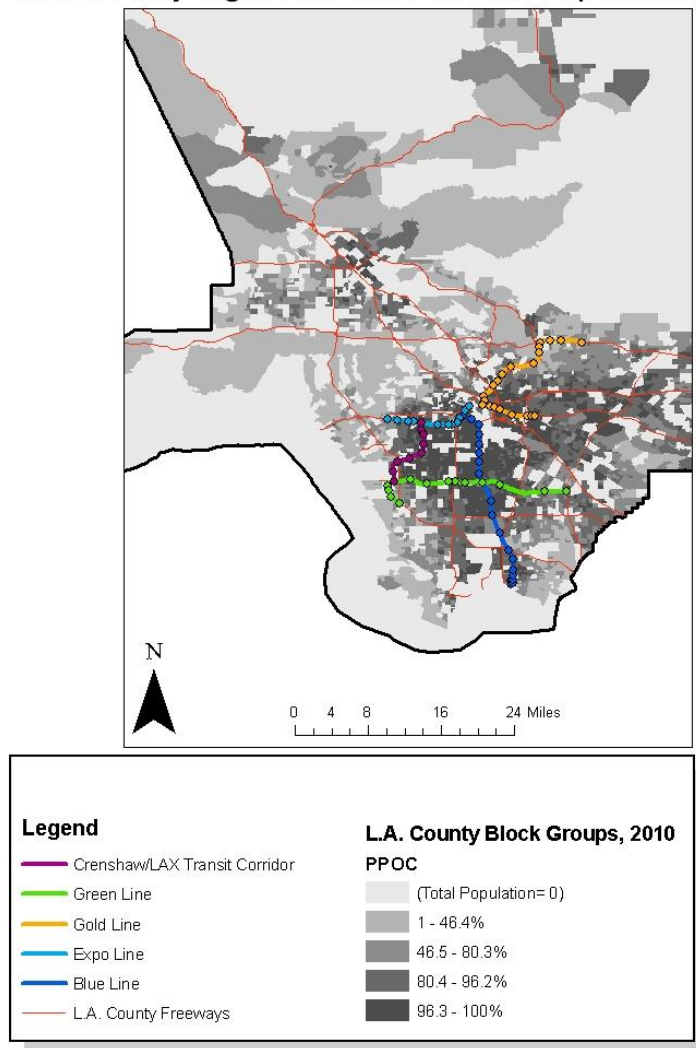


Figure 10

Inglewood also has an extremely high rate of renter households, at 63.5%, shown below in another GIS map:

### L.A. County Light Rail and Percentage of Households Renting: Zoom View of Crenshaw/LAX Line

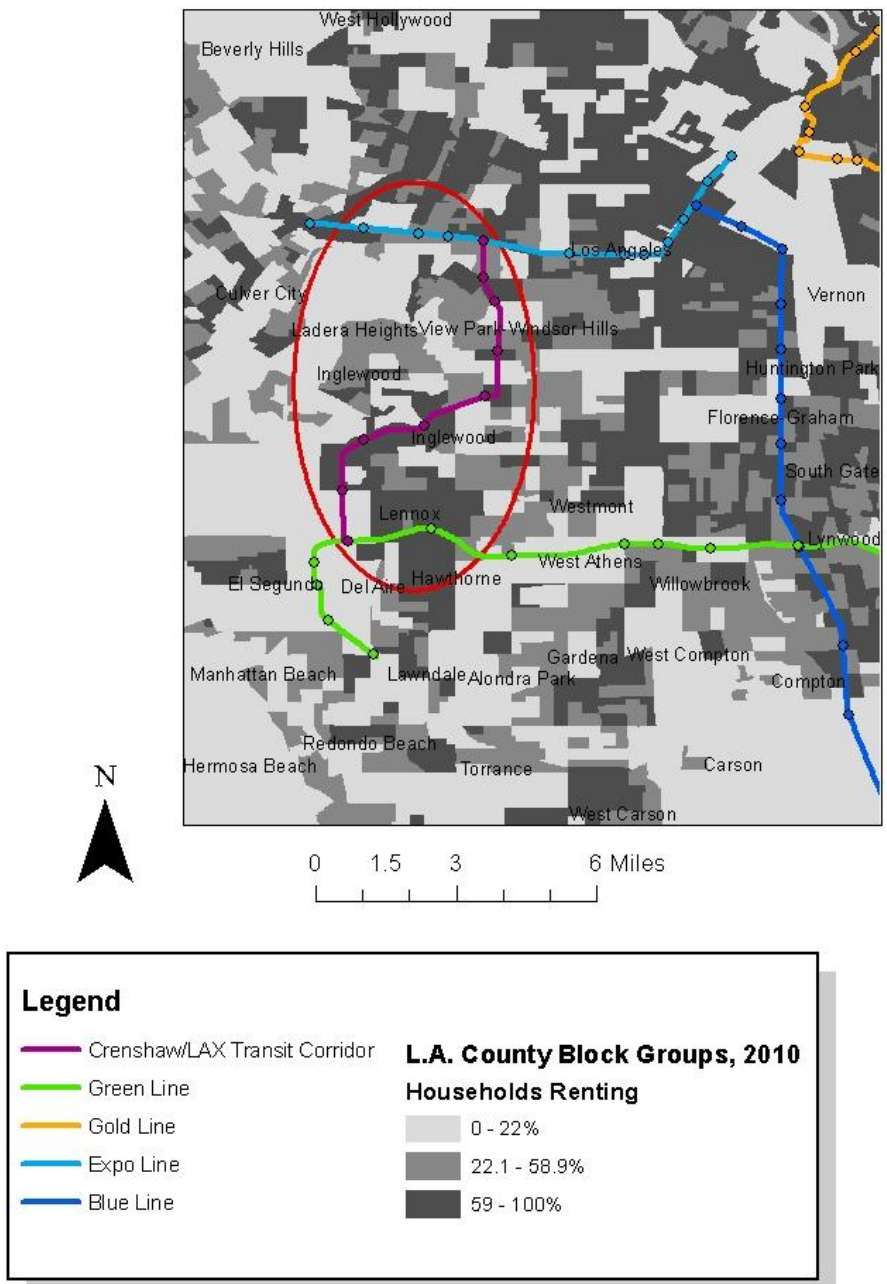


Figure 11

Over half, 54.6%, of the households in Inglewood are zero- or one-car households. This means that of the 38,429 households in Inglewood, 20,982 of them are zero- or one-car households. With the neighborhood's average household size at 2.97, it is highly likely that these 20,982 households are at least partly public transit dependent, especially when this fact is combined with the ethnic breakdown, median household income, and percentage of renting households that make up the area.

Low-income, high-renting households are more at-risk of displacement. However, there are additional factors that put Inglewood even more at-risk. Both historically and currently in Los Angeles, communities of color are more often than not underserved and underrepresented in government than are communities that are predominately comprised of middle-income white persons. Numerous studies, funded both privately and with government funds have concluded that those areas not only in L.A. but across the entire country that are comprised of households with very low incomes and high rates of renting are the neighborhoods that must be paid extra attention in the planning process when a new public transit station is proposed to for these communities. However, it is not often discussed why these communities are not given that attention.

The fact that so many of the surrounding neighborhoods are high-income and therefore desirable due to their higher quality of life (good schools, physically attractive, with lower rates of crime than surrounding areas) makes it appear that: a) these neighborhoods did not want public transit running through their community; b) Metro purposefully placed these stations outside of these neighborhoods instead in the nearby lower-income areas, whether because there wasn't the same opposition there or because they studied ridership figures, or most likely a combination of the two factors; and c) the

close proximity of these higher-income neighborhoods surrounding the lower-income areas poised to get new transit stations actually puts these lower-income communities at greater risk. Due to the fact that the presence of a public transit station has been shown to increase property values and attract higher-income residents to previously low-income communities, it seems as though a low-income community that is bordered by a historically desirable area would be made attractive to higher-income persons much easier than if it were a low-income community surrounded solely by other low-income communities.

These areas are already at high-risk of having high levels of displacement for their current residents. As discussed earlier Inglewood has all of the aspects of a community whose residents are at high risk of being displaced,<sup>110</sup> but what has been overlooked is the effect of high-income areas bordering low-income, new transit areas on both the magnitude and the speed of gentrification and displacement. For this reason, Inglewood and all other at-risk and high-risk neighborhoods along the Crenshaw/LAX Transit Corridor must get involved in TOD planning before gentrification begins. It is imperative to start the planning and negotiations early since those processes can take years- years that planners and community residents do not have once the station is up and running.

### **Conflicting Recommendations for Inglewood**

In response to the plans for the construction of the light rail station in Inglewood as a part of the Crenshaw/LAX Transit Corridor, the City of Inglewood engaged the Urban Land Institute (ULI) Los Angeles District Council in a Technical Assistance Panel (TAP) to study the ways in which the addition of the station will affect development and

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<sup>110</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change: What We Learned*. Rep. The Dukakis Center for Urban and Regional Policy at Northeastern University, Oct. 2010. Web. 20 Oct. 2012.

infrastructure opportunities in the city. The TAP participants included professionals in real estate, architecture and design, land use, economic analysis, and development financing.<sup>111</sup> The TAP described their main goals as figuring out how to use the future Florence/ La Brea station to maximize economic development in Downtown Inglewood, increase transit connections, and position Inglewood as a regional destination. Their study focused on the development of the area that lies within a half-mile radius of the planned station site.<sup>112</sup>

While there are many issues of concern that *are* addressed by this study, there are two crucial issues that should be of enormous concern to the City of Inglewood that are not at all adequately addressed. The ULI report documents various ways in which to increase the amount of transit riders in the area, which is good; however, they are not focused on ways in which to keep *current* transit-oriented riders there. The authors document strategies such as reducing parking requirements, increasing safety in the area, widening sidewalks, and making the area more bike-friendly which would make the neighborhood a more attractive place to walk around. They document interest in developing mixed-use buildings, playing into the “artist community” that is growing in Inglewood, developing public/private partnerships, as well as some possible ways to fund the above-listed projects. However, all of this is with the goal of using the new transit station to gentrify the area in hopes of bringing more money into the neighborhood through market-rate development.

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<sup>111</sup> *City of Inglewood- Florence/ La Brea Station Transit-Oriented Development Technical Assistance Panel Program*. Rep. Urban Land Institute Los Angeles, June 2011. Web. Feb. 2013. <<http://la.uli.org/wp-content/uploads/2011/12/TAP-Report-Inglewood-Florence-La-Brea-Station-2011.pdf>>.

<sup>112</sup> *Ibid.*

This is of great concern. There is a huge lack of discussion on the issue of the displacement of Inglewood's current residents. All of the housing options discussed are for market-rate development, and their report suggests that Inglewood planners "recognize and accept the potential impacts associated with the gentrification of the Market Street Corridor."<sup>113</sup> The authors continue on to say:

With gentrification comes the desirability of place and space, which leads landlords to seek increased rent that are out of the range of existing tenants. Existing tenants might have endeared themselves to the community over their many years of business, which can lead to conflict if they feel pushed out of business as a result of City efforts to enhance the community. It is important that city leaders honestly assess the potential consequences of redevelopment to ensure that they are willing to withstand the slings and arrows that might result from the successful implementation of gentrification.<sup>114</sup>

It is clear from this message that protecting citizens from displacement is not of concern to these planners, but in fact the goal is to bring in more money and allow residents to be displaced as a side affect. The transit station is already planned for construction in the community. The advice to "honestly assess the potential consequences" in order to decide whether or not to go forward seems like it was put into the report as a formality, as it is too late to decide not to go forward. There is no effort in the report to come up with a solution for how to develop and keep current residents in their community, and in fact, the next paragraph goes on to describe the "ideal" situation of developing market-rate housing developments in close proximity to the station. All of the development suggested in this report is for new stores, specifically places such as Starbucks, to compete with the nearby Century Boulevard corridor in order to attract people to the area, not provide current residents with improved access to needed amenities. This demonstrates the huge lack of concern for the well-being of current residents, as well as the lack of

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<sup>113</sup> Ibid.

<sup>114</sup> Ibid.

understanding that by displacing these residents, most likely transit ridership will suffer immensely.

### **Hawthorne**

Hawthorne is another neighborhood south of Inglewood that will be directly affected by the construction of the Crenshaw/LAX Transit Corridor light rail line. Hawthorne is already home to a light rail station on the Green Line that was opened in 1995, and the introduction of another light rail station nearby puts its residents at further risk of displacement. Census data show that Hawthorne experienced notable neighborhood change since this transit station was built. In 1990, median household income in Hawthorne was \$30,967. In 2000, median household income in Hawthorne was an extremely similar \$31,887; median rent in 2000 was \$636 per month and the median home value was \$183,700.<sup>115</sup> During the years 2007-2011, median household income rose dramatically to \$45,622; median value of owner-occupied housing units rose to \$461,800, and median rent rose to \$996 per month.<sup>116</sup> That is almost a 30% increase in median household income since the Green Line light rail station was built in Hawthorne, bringing it to rank #6 in a list of America's top 101 cities with the highest increase in household income between 2000 and 2005.<sup>117</sup>

Hawthorne currently remains a high-risk area for a few reasons: as already stated, median household income is very low compared to the neighborhoods surrounding it, L.A. County, California, and the country as a whole. Of huge concern is the fact that

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<sup>115</sup> "California Census: 2000 Census of Population and Housing." *U.S. Census Bureau*. U.S. Department of Commerce, Mar. 2003. Web. <<http://www.census.gov/prod/cen2000/phc-2-6.pdf>>.

<sup>116</sup> "Selected Housing Characteristics: 2007-2011 American Community Survey 5-Year Estimates." *American FactFinder*. United States Census Bureau, n.d. Web. 10 Apr. 2013. <<http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>>.

<sup>117</sup> "Top 101 Larger Cities with the Highest Increase in Household Income from 2000 to 2005." *City Top Lists*. City-Data.com, n.d. Web. 10 Apr. 2013. <<http://www.city-data.com/top2/c538.html>>.

74.3% of the housing units in Hawthorne are renter-occupied. Additionally, 44.2% of the population is Latino and 32.4% is African American. Finally, 55.1% of households in Hawthorne are either zero- or one-car households; with an average household size of 2.9, that means over half of the population is most likely at least partially transit-dependent. Residents of Hawthorne, like Inglewood, are at high-risk of displacement, but also represent those people who are most transit-oriented. Hawthorne and Inglewood both warrant serious time and energy to prevent the displacement of low-income, transit-oriented residents.

### **Lennox**

Lennox is also located along the Crenshaw/LAX Transit Corridor, and is high-risk for the same reasons as the above-stated communities. Median household income is \$37,937 with an average household size of a *very* large 4.2 persons per household, exacerbating the area's low-level of income. 71.2% of housing units are renter-occupied, and 89.4% of the population is Latino.<sup>118</sup>

### **Koreatown**

Koreatown is the only neighborhood not located along the Crenshaw/LAX Transit Corridor that is also a high-risk area. Median household income in Koreatown is an extremely low \$30,558 with 93% of housing units renter-occupied. The area is mostly Latino and Asian, coming in at 53.5% and 32.2% of the population, respectively.

### ***Los Angeles "At-Risk" Neighborhoods***

Based on the categories of median household income, ethnic makeup of the community, percentage of households that are renting, and car ownership figures, the

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<sup>118</sup> "Mapping L.A. Neighborhoods." Los Angeles Times, n.d. Web. Feb. 2012. <<http://projects.latimes.com/mapping-la/neighborhoods/>>.



following L.A. County communities with planned construction of a light-rail station in or on the border of their community are at-risk of displacement and gentrification. These communities are at-risk for the same reasons as discussed above, but have slightly lower numbers than the “high-risk” areas in key demographic, economic, and housing characteristics categories. Notable information of other at-risk neighborhoods in L.A. County include:

### **Chesterfield Square**

Chesterfield Square is also along the Crenshaw/LAX Transit Corridor. Median household income is \$37,737, with an average household size of 3. 49.4% of the area’s housing units are renter-occupied. 58.6% of residents are African American, and 36.9% are Latino.

### **Harvard Park**

Harvard Park is also along the Crenshaw/LAX Transit Corridor, with a median household income of \$37,013 with an average household size of 3.3. 49% of the area’s housing units are renter-occupied. 48.4% of residents are African American, and 48.2% are Latino.

### **Hyde Park**

Hyde Park is also located along the Crenshaw/LAX Transit Corridor, with a median household income of \$39,460 with an average household size of 2.8. 53.3% of the area’s housing units are renter-occupied. 66% of residents are African American, and 27.3% are Latino.<sup>119</sup>

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<sup>119</sup> “Mapping L.A. Neighborhoods.” Los Angeles Times, n.d. Web. Feb. 2012. <<http://projects.latimes.com/mapping-la/neighborhoods/>>.

## **Palms**

The neighborhood of Palms is located along the light rail Exposition Transit Corridor, (the National Boulevard/ Palms Boulevard Station expecting to be opened in 2015 is a part of Phase 2 of the project). Palms has a higher median household income than the other “at-risk” areas at \$50,684. 15.1% of the population is below the poverty line. That being said, a staggering 86.9% of the area’s housing units are renter-occupied. 38.3% of residents are White, 23.4% are Latino, 20.4% are Asian, and 12.2% are African American.

## **Azusa**

There are two light rail stations scheduled for construction in Azusa along the Gold Line Foothill Extension, increasing the risk potential even further. Median household income is \$53,299 with an average household size of 3.3. 49.6% of housing units are renter-occupied. 64.7% of the population is Latino, and 23.6% of the population is White.<sup>120</sup>

## **Summary of Findings**

- 1) There is no **one** authoritative governing agency established to run and oversee the implementation of anti-displacement/ gentrification tools that have consistently been recommended in theoretical terms. Without an overarching agency to oversee the planning and implementation process of anti-displacement efforts, as well as ensure contracts are upheld after their initial implementation, these strategies will not be used regularly and reliably. Those communities most at-risk of the negative impacts of gentrification will most likely be overlooked outside of a theoretical context, except in rare cases.

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<sup>120</sup> “Mapping L.A. Neighborhoods.” Los Angeles Times, n.d. Web. Feb. 2012. <<http://projects.latimes.com/mapping-la/neighborhoods/>>.

- 2) There are conflicting recommendations on the best way to avoid displacement in vulnerable communities where the construction of a new transit station is planned. There are also conflicting opinions on what are negative versus positive impacts of gentrification.
- 3) There is no dedicated forum for all necessary parties to convene/ plan together in a non-theoretical manner.
  - a. There are many people, agencies, and reports saying what *should* be done, but no one to oversee it, enforce it, and ensure that it will happen.
  - b. The lack of funding for this to happen at local and city levels is the biggest roadblock to moving from talking in theory to making actual progress.
- 4) The Crenshaw/LAX Transit Corridor is the most worrisome project in Metro's 30/10 Plan in terms of displacement and replacement of residents surrounding the stations
- 5) There are 29 light rail public transit stations that are planned to be constructed in L.A. over the next 15-30 years.
  - a. I have identified 4 neighborhoods that are "high-risk" areas for displacement and replacement as well as vulnerable to the negative effects of gentrification
  - b. I have identified 5 neighborhoods that are "at-risk" areas
  - c. This is based on how large the non-white population of the community is, the percentage of households that are renters, median household income, and the similar/dramatically different demographics of neighborhoods *bordering* these areas.
  - d. Of the "high risk" neighborhoods, 3 out of the 4 are along the Crenshaw/LAX Transit Corridor, and of the "at-risk" areas, 3 out of the 5 are along the Crenshaw/LAX Transit Corridor.
- 6) There are many anti-displacement tools that can be and have been used successfully in L.A. County. They need to be used much more frequently in relation to TOD. There are many obstacles to successfully utilizing anti-displacement tools politically and financially, but there are ways to get around

- them. Because these projects have so many hoops to jump through, the planning process must begin years in advance of the expected opening of a transit station.
- 7) The risk of displacement and the negative affects of gentrification must be brought to the attention of more residents of L.A. County, especially considering that the city is about to explode with new public transportation projects throughout the county.
  - 8) There is already a pattern emerging of light rail public transit stations in L.A. County being concentrated in areas of low-income, high rates of renter occupancy, and non-white communities. This has the potential to be both beneficial and detrimental to these communities.

## Recommendations and Conclusion

Los Angeles planners are at a crossroads. There is an ever-growing interest in developing L.A.'s public transit system in an effort to reduce the amount of car-dependent residents. This effort is fueled by many desires, including saving money in the face of increasing gas prices,<sup>121</sup> improving the terrible air quality that has for so long plagued Los Angeles, and avoiding the traffic that can increase commute times by up to 75%.<sup>122</sup> This desire is echoed across the country, with more and more cities looking to expand their public transportation options for many of the same reasons. However, this conversation is greatly lacking the necessary attention and follow-through on efforts to minimize the displacement and increased cost burdens of at-risk residents that occurs in more than 60% of new transit-rich neighborhoods nationally.<sup>123</sup>

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<sup>121</sup> *Better Coordination of Transportation and Housing Programs to Promote Affordable Housing Near Transit*. Rep. U.S. Department of Transportation Federal Transit Administration and the U.S. Department of Housing and Urban Development, Aug. 2008. Web. 2 Apr. 2013.  
<[http://www.huduser.org/Publications/pdf/better\\_coordination.pdf](http://www.huduser.org/Publications/pdf/better_coordination.pdf)>.

<sup>122</sup> Lipman, Barbara J. *A Heavy Load: The Combined Housing and Transportation Burdens of Working Families*. Rep. Center for Housing Policy, Oct. 2006. Web. 3 Apr. 2013.  
<[http://www.cnt.org/repository/heavy\\_load\\_10\\_06.pdf](http://www.cnt.org/repository/heavy_load_10_06.pdf)>.

<sup>123</sup> Pollack, Stephanie, Barry Bluestone, and Chase Billingham. *Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change*: Chapter 1: Transit and

While L.A. is faced with many financial and political circumstances that make it challenging to successfully implement anti-displacement strategies and equitable transit-oriented development, through its past successes in these arenas L.A. has shown its potential to expand its public transit system while protecting its citizens. What is crucial to the success of future public transit development and the well being of L.A. communities is that there exists a cooperative, functional, and long-term relationship between transit agencies, city planners, and community development organizations in which planning for the expansion of public transit occurs in conjunction with, and not with disregard to, efforts to protect at-risk communities.

Los Angeles community development organizations, city planners, and L.A. Metro's Joint-Development Program and Transit-Oriented Development Planning Grant Program must continue to push their agenda publicly in order to garner more political and public support for TOD efforts by increasing awareness about both the threats and benefits that light rail bring to low-income, renting, non-white communities. The cooperation of all of these groups is critical to both the success and sustainability of Metro's expansion, as well as ensuring the stability of the residents in the affected neighborhoods. In order to assure that this happens not only in neighborhoods with historically strong representation, mainly wealthier, white communities, an overarching agency must be established that is funded either by state or federal government funds, which focuses on the planning process of invasive developments that could catalyze significant neighborhood change from an equitable standpoint. Without the adequately funded, mandated organization of such efforts, displacement and/or a higher cost of

living will continue to burden communities in Los Angeles faced with new public transit. While the will and strategy exists from various Los Angeles community organizations, sufficient power and funding currently does not. L.A. city planners and residents cannot continue to rely solely on community development organizations to protect and effectively plan for the 29 current light rail stations that are approved for construction under L.A.'s 30/10 Plan, and more urgently, the nine communities who are at an elevated risk based on their demographics.

What should be done by community organizations in the short term is: continue to fight for community benefits agreements during the planning process of large development projects in at-risk areas; continue to engage community residents in issues that may unknowingly greatly impact their lives in the future; utilize the tools discussed above to negotiate for new, and protect existing, affordable housing infrastructure in Los Angeles as well as incentivize its development. In the long term, community organizations need to push for reducing the 2/3 vote requirement to get taxes into the hands of local government: it needs to be easier for government at levels smaller than state, and especially federal, levels to fund projects both politicians and community residents deem necessary for their communities. If this is done successfully, it will become more feasible for joint development and TOD efforts to acquire the funds necessary to operate with greater consistency and more frequent success than in the past. What has been discussed above under the "Toolkit" section of the Northeastern Study is the potential for successfully implementing strategies to reduce the negative effects of gentrification, such as displacement, in L.A. While the will exists in community organizations, many areas of Metro, and in local government to plan in terms of TOD,

what is lacking is the funding and organization to effectively do so. The power, the will, and the strategic means exist for equitable TOD not only to *occur* in Los Angeles, but to *promote* increased social and financial equality among L.A. residents through the expansion of its public transit system; what is needed in order to do this, is a single source of effective local authority that can bring together all the necessary actors to translate theoretical equitable planning ideas into a consistent, executable planning procedure.

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