

# Reconsidering Redevelopment:

A Closer Look at Neighborhood-Based Economic Development in Los Angeles



This report was produced by Public Counsel and several neighborhood-based nonprofit organizations in Los Angeles with two goals in mind: (1) to reflect on what redevelopment investments have meant for selected neighborhoods in Los Angeles; and (2) to inform the creation of new economic development vehicles in Los Angeles. We do not attempt to describe every aspect of redevelopment in Los Angeles, but instead focus on the agency's successes in fostering economic growth in specific neighborhoods.

This report would not have been possible without the support and guidance of Ruth Teague. Even while valiantly fighting cancer, Ruth inspired all of us to come together and draft a collective story about the impact of neighborhood development on people and communities most in need. She was a tireless champion for community development, friend, mentor, and inspiration to many.

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# TABLE OF CONTENTS

<b>Executive Summary</b> .....	1
<b>Introduction</b> .....	3
<b>What is Redevelopment?</b> .....	3
<b>Redevelopment in the City of Los Angeles</b> .....	4
Serving Vulnerable Populations .....	4
Planning, Partnering, Investing: Redevelopment Strategies .....	11
Redevelopment and Community Development Goals Did Not Always Align .....	14
<b>Redevelopment at Work in Our Neighborhoods</b> .....	15
Vernon-Central: Spurring Business Development and Economic Activity .....	15
Exposition Park: Innovative Investments in Housing and Community Amenities .....	17
Little Tokyo: Preserving an Historical Neighborhood, Saving Cultural Resources .....	19
Pacoima: From Brownfields and Deterioration to Community Resources and Needed Infrastructure .....	21
Boyle Heights: Creating Quality Homes for Families .....	22
Crenshaw Corridor: Fostering an Affordable Community for Seniors .....	24
Skid Row: Enabling Supportive Housing and Green Space for a Vulnerable Population .....	25
Cornfields Arroyo Seco: A Lost Opportunity? .....	26
<b>Themes</b> .....	28
<b>Recommendations</b> .....	29
<b>Conclusion</b> .....	30
<b>Endnotes</b> .....	31

## EXECUTIVE SUMMARY

**F**or 60 years, the Community Redevelopment Agency of the City of Los Angeles focused needed investments in some of the City's poorest neighborhoods: areas like Vernon-Central, Exposition Park, Little Tokyo, Pacoima, Boyle Heights, the Crenshaw Corridor, and Skid Row. These neighborhoods are of great historic significance to Los Angeles: where Japanese-American and Jewish immigrants got their start, and where grand hotels once catered to African Americans when other areas of the City were closed to them. In these areas, 87% of the residents are people of color, nearly twice as many people live in poverty compared to the rest of the City, and there are dramatically higher percentages of people with limited English proficiency and higher concentrations of children.

This report highlights what redevelopment investments have meant for some of Los Angeles's historically disinvested neighborhoods. We do not attempt to describe every aspect of redevelopment in Los Angeles, but instead focus on the agency's successes in fostering economic growth in specific neighborhoods. While a discussion of every area in Los Angeles impacted by redevelopment is beyond the scope of this report, the featured neighborhoods represent different geographic regions and cultural communities in Los Angeles, and also illustrate the diverse range of strategies used by the redevelopment agency to revitalize neighborhoods.

Redevelopment acted as a powerful catalyst for community change in struggling neighborhoods, bringing both benefits and burdens to existing residents. When the agency engaged in community-based development—partnering with neighborhood-based community development organizations with missions that include serving the needs of local residents—it got results. These partnerships resulted in enduring neighborhood-based visions for healthy communities, and helped create affordable housing, strengthen small businesses, maintain green space, create jobs, improve infrastructure, clean up toxic sites, design and implement streetscape plans, and increase access to healthy foods across Los Angeles. Because of these partnerships, residents of Pacoima have seen a brownfield transformed into a LEED certified retail center where they can shop and potentially find employment; aging seniors in the Crenshaw Corridor have affordable homes; and business owners have seen Vernon-Central's commercial corridors revitalized, and transition age youth have been able to live in permanent supportive homes and gain meaningful employment in their neighborhood.

In examining redevelopment's impact in selected neighborhoods, several themes emerge: At its core, redevelopment dollars in Los Angeles were required to be invested in our city's poorest, historically most disinvested communities, where private investment did not go. As a deal-making entity, the agency's flexibility, entrepreneurial nature, and ability to respond to local need allowed it to leverage millions of outside funds and partner with neighborhood-based organizations to create jobs, housing, and other development tailored directly to the needs of the local community. The partnerships with local nonprofits to serve local residents marked the agency's greatest successes. Minimum protections contained in state redevelopment law to ensure a community voice in the creation and implementation of redevelopment plans offered a needed forum for community input. And while examples of abuse and lost opportunities abound—along with an inherent tension in redevelopment activities often resulting in disruption, gentrification, and displacement—what remains unrefuted is that the jobs, housing, infrastructure, and other investments have increased economic opportunity for, and improved the lives of, countless low-income people.

The dissolution of redevelopment agencies statewide in February 2012 marks a critical juncture for community development in Los Angeles. Against the backdrop of the state and federal budget crisis and the agencies' dissolution, billions of dollars in transit investments are now being framed as key to unlocking a vibrant economic growth strategy for the region. Other efforts are also being discussed to generate dollars for community development at the state and local level. The question we must ask is not whether redevelopment will continue in some form; it is how that form can be designed so that our city's poorest neighborhoods and residents can thrive along with the entire region.

Based on a close examination of what redevelopment investments have meant for some of our city's poorest neighborhoods, the report concludes that the following principles should govern any future economic development model:

- Focus on revitalizing economically disadvantaged communities.
- Partner with nonprofit community-based organizations.
- Remain accountable to the community by meaningfully engaging residents in development activities in their neighborhoods.
- Create quality jobs with the potential to lift existing residents into the middle class.
- Protect against abuse with strong accountability measures.
- Engage key stakeholders, including residents and community-based organizations, in formation of new economic development models and tools.

## INTRODUCTION

On 1st Street, east of City Hall in downtown Los Angeles, stands Union Center for the Arts, a formerly abandoned Japanese church that now houses one of the oldest Asian-American theater groups in the country. East of Judge John Aiso Street, on the north side of 1st Street, is the Little Tokyo Historic District, a cluster of commercial buildings dating from the early 1900s. Six blocks south of Little Tokyo are the renovated Ford Apartments, 150 units of permanent supportive housing for Skid Row’s homeless population, in what used to be a drug trafficking center known as “Hotel Hell.” Nearby is Gladys Park, one of two green spaces in Skid Row maintained by SRO Housing Corporation. To the east, across the LA River, is the neighborhood of Boyle Heights. On the corner of 1st and Boyle, opposite Mariachi Plaza, is the Victorian-era Boyle Hotel-Cummings Block. The East LA Community Corporation recently rehabilitated and restored the once-neglected hotel, which now consists of 51 affordable homes. Along the way are mom and pop stores, government buildings, green space, and inviting public plazas.

This landscape was not created by accident. Public agencies like the Community Redevelopment Agency of the City of Los Angeles joined forces with nonprofit organizations to create a vision for Little Tokyo, Skid Row, and Boyle Heights. The agency and community-based organizations then worked together to implement that vision and improve the lives of the people who live in these neighborhoods.

In June 2011, California’s budget crisis led the Legislature to redirect tax revenues from redevelopment agencies. The Legislature’s actions were validated in part by the Supreme Court and as a result, effective February 1, 2012, every redevelopment agency in the state was dissolved. While examples of abuse and mismanagement were used to support the argument to dismantle redevelopment agencies, one central facet of redevelopment was not up for debate: done properly, redevelopment provided an engine for growth in struggling communities often neglected by private investment across California. And the residents of these communities in Los Angeles—disproportionately children, people struggling with poverty, and people of color—are ultimately the ones who will suffer the effects of the redevelopment agencies’ dissolution.

This report takes a closer look at what redevelopment has meant for some of Los Angeles’s poorest neighborhoods. We do not attempt to describe every aspect of redevelopment, nor do we describe every neighborhood in Los Angeles. Instead, we focus on the agency’s successes in fostering economic growth in specific neighborhoods. The first sections briefly describe redevelopment in California, as well as Los Angeles. The next sections highlight ways in which redevelopment spurred physical development and economic growth in some of Los Angeles’s poorest communities, along with lost opportunities now that the local redevelopment agency has dissolved. The featured neighborhoods are geographically and culturally diverse and show the myriad tools used by the redevelopment agency to create economic opportunity. Finally, the report reviews lessons learned and recommends principles that should guide the creation and implementation of new economic development models in the future.

## WHAT IS REDEVELOPMENT?

Redevelopment generally refers to a process through which local governments invest in neighborhoods often overlooked by private investment. California law allowed local governments to form redevelopment agencies in order to revitalize “blighted” areas, characterized by a number of conditions such as business vacancies, abandoned buildings, high crime rates, and a lack of needed facilities such as grocery stores and banks.<sup>1</sup> Unsurprisingly, communities meeting the state’s definition of blight were often some of the poorest communities in a metropolitan area.

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*[Redevelopment agencies] played a key role in workforce housing projects, often taking on substantial predevelopment and entitlement risk that private sources could not sustain.*

*- Los Angeles Business Council  
Institute, Building Livable  
Communities: Enhancing Economic  
Competitiveness in Los Angeles*

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The activities of redevelopment agencies were limited to “project areas,” which were required to be predominantly urban and blighted.<sup>2</sup> Agencies typically financed their activities through “tax increment financing,” which allowed redevelopment agencies to receive and spend property tax revenues derived from the increase in assessed value that had occurred in a project area after redevelopment activities commenced. In order to finance their projects, agencies issued bonds secured directly by the pledge of tax increment dollars.<sup>3</sup> Tax increment financing incentivized agencies to engage in commercial deals in order to increase the tax base and provided great flexibility to redevelopment agencies in the use of these funds so long as they were spent in the project areas.

Redevelopment generated \$1 billion annually for affordable housing across California.

Since 1993, redevelopment funds have been used to build or rehabilitate more than 78,000 affordable homes statewide.

Agencies used a number of tools to revitalize project areas, including: planning; acquiring land, sometimes through the power of eminent domain; rehabilitating infrastructure; issuing low-cost loans to small businesses for physical improvements on their properties; clearing environmental hazards; and building libraries, parks, and community centers.<sup>4</sup>

Redevelopment also represented California's most sustained effort to address the state's chronic shortage of affordable housing. State law required agencies to set aside at least 20% of the gross tax increment received to increase, preserve, and improve the supply of low- and moderate-income housing.<sup>5</sup> By the time of their dissolution, redevelopment project areas generated approximately \$1 billion annually for affordable homes—the State's largest dedicated source of affordable housing financing.<sup>6</sup> The law required at least 15% of housing in project areas and 30% of units developed by the agency to be affordable to low- and moderate-income households.<sup>7</sup> Since 1993, redevelopment funds have helped build or rehabilitate more than 78,000 units of housing for low- and moderate income households, providing homes for chronically homeless people, families, veterans, and seniors.<sup>8</sup>

## **REDEVELOPMENT IN THE CITY OF LOS ANGELES**

### **Serving Vulnerable Populations**

Redevelopment project areas in Los Angeles are concentrated in the City's poorest neighborhoods. These project areas have residents with lower incomes and greater percentages of people of color, people with limited English proficiency, and children than the rest of the City.

The poverty rate in Los Angeles project areas is nearly double that of the rest of Los Angeles. Outside of these project areas, the City's poverty rate is 14.2%, roughly equivalent to the national average.<sup>9</sup> In the project areas, however, 26% of residents live in poverty. In many of these communities, well over 30% of residents live in poverty. Furthermore, 31.6% of families living in project areas pay over 50% their income on rent (see Table 1).

Residents of project areas are also disproportionately people of color, as well as people with limited English proficiency (LEP). People of color make up 87% of the population in project areas, compared with 58% of the population in the rest of the City. Additionally, LEP persons make up 39% of the population in project areas (with some areas above 45%), compared to 22.7% in the rest of the City (see Table 1 and Figure A).

Finally, project areas have comparatively more children. On average, 26.7% of people in project areas are 17 years old or younger, and the percentage of children is as high as 36% in some project areas (Table 1 and Figure A). In non-project areas, the percentage of children is closer to 20% of the population.

The poverty rate in LA's redevelopment project areas is double that of the rest of the City of Los Angeles.

Redevelopment project areas have disproportionate numbers of people of color.

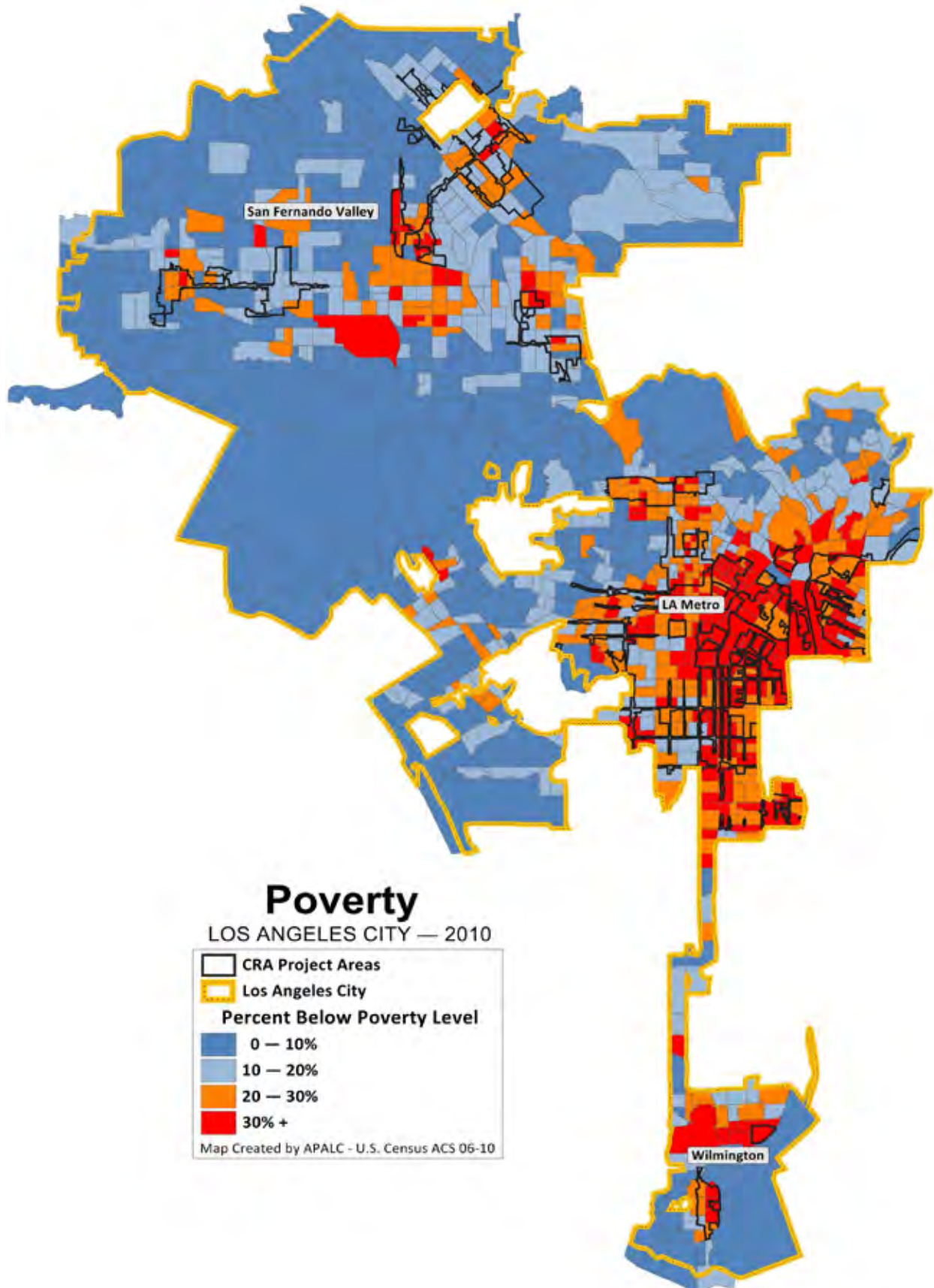
**Table 1**

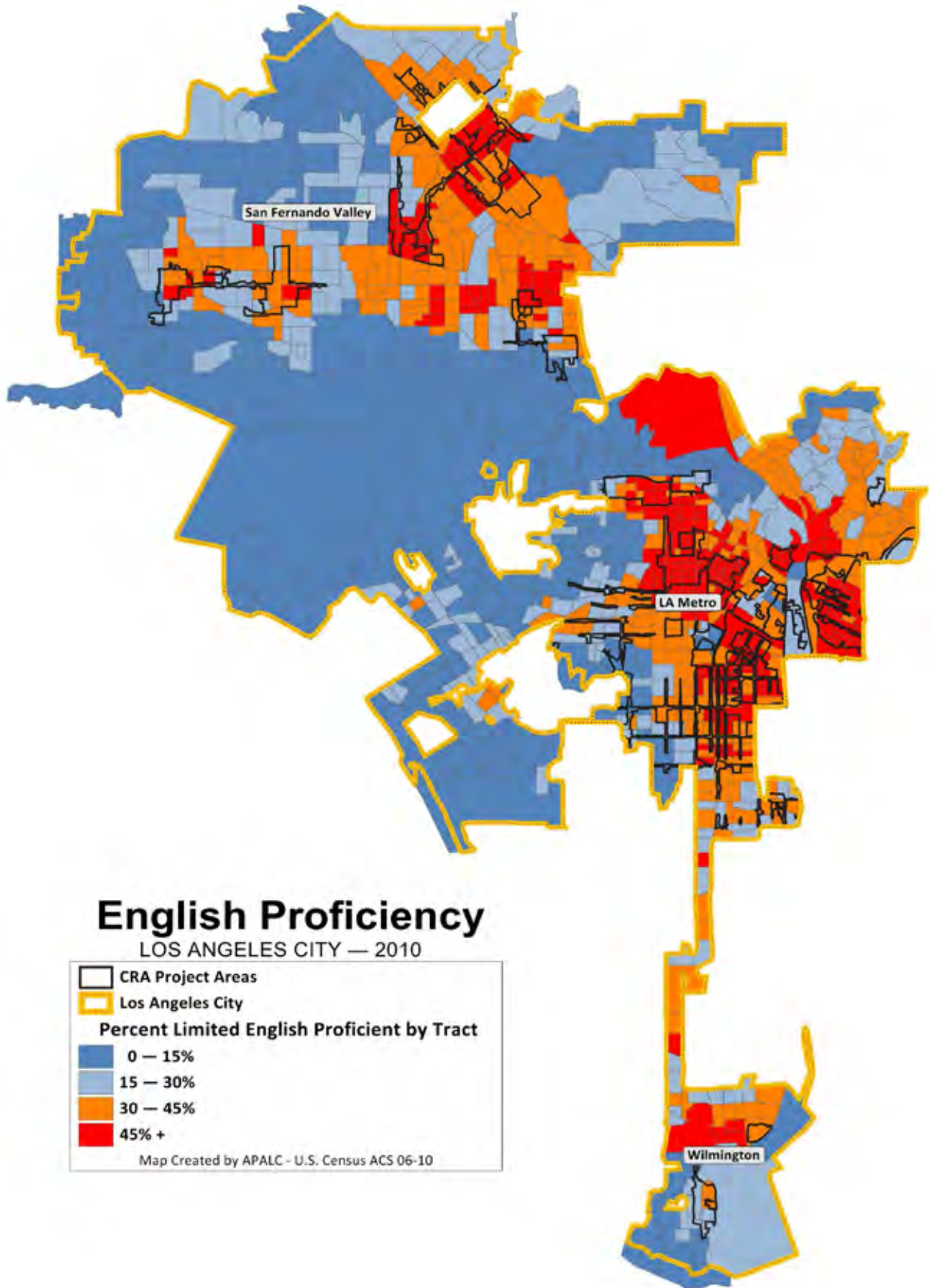
Demographics of Redevelopment Project Areas and Non-Project Areas in City of Los Angeles

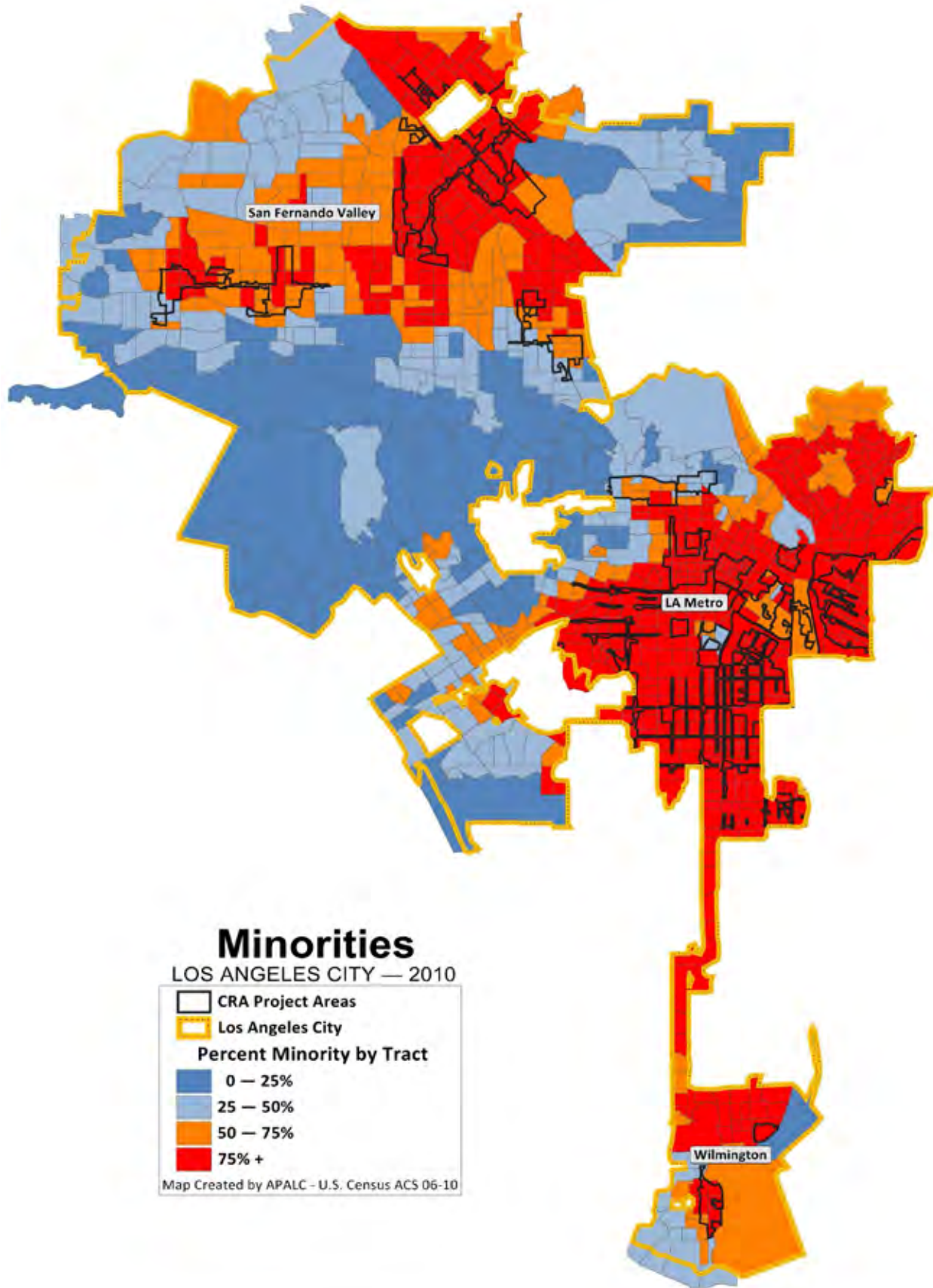
	Project Areas	Non-Project Areas	Citywide
Poverty	26.1%	14.2%	19.4%
Spend 50% or More of Income on Rent	31.6%	27.4%	29.3%
Minority	87.2%	58.2%	70.9%
LEP	39.4%	22.7%	30.0%
Children	26.7%	21.6%	23.8%

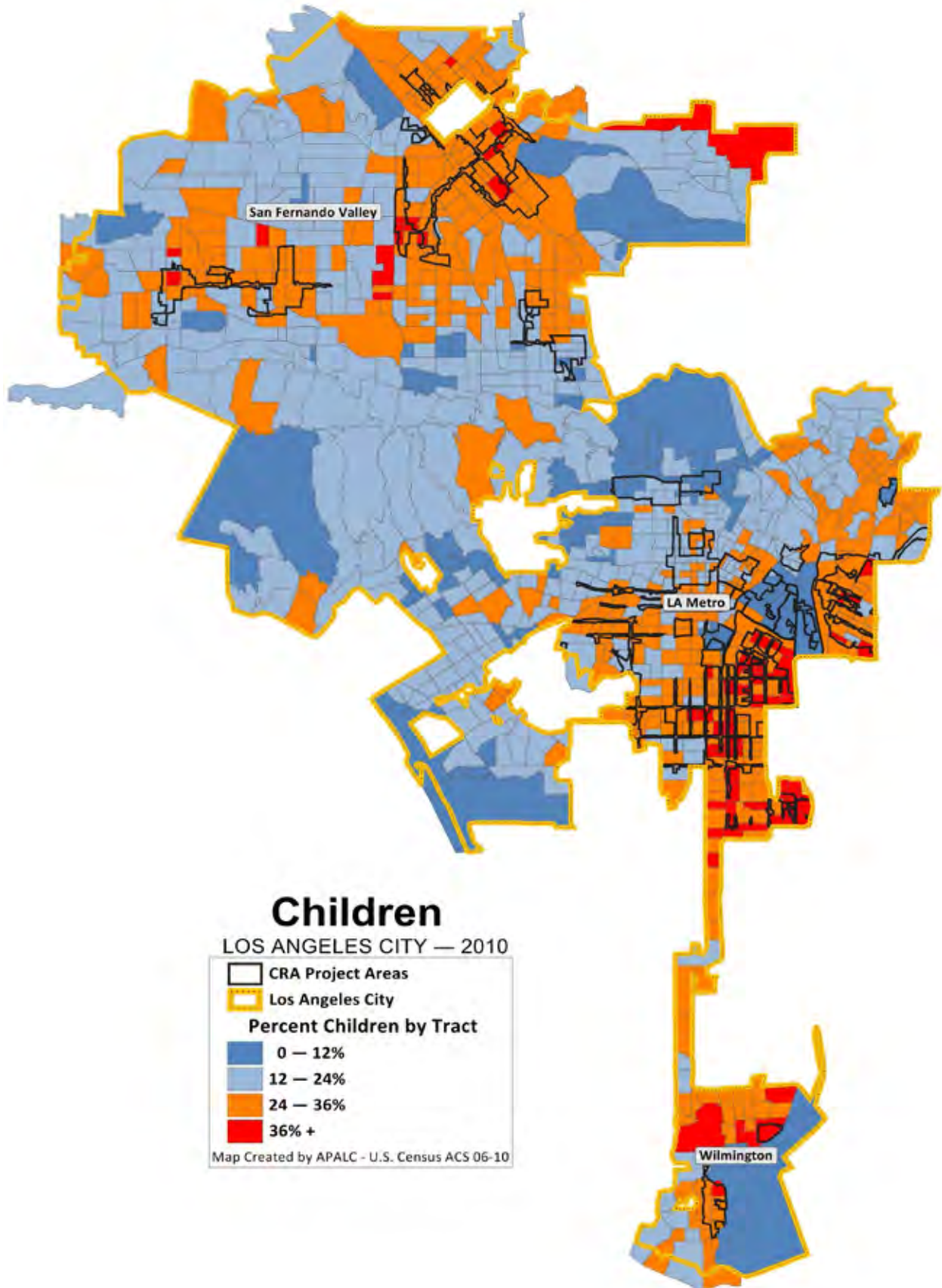
Source: U.S. Census Bureau, 2006-2010 American Community Survey, 5-Year Estimates

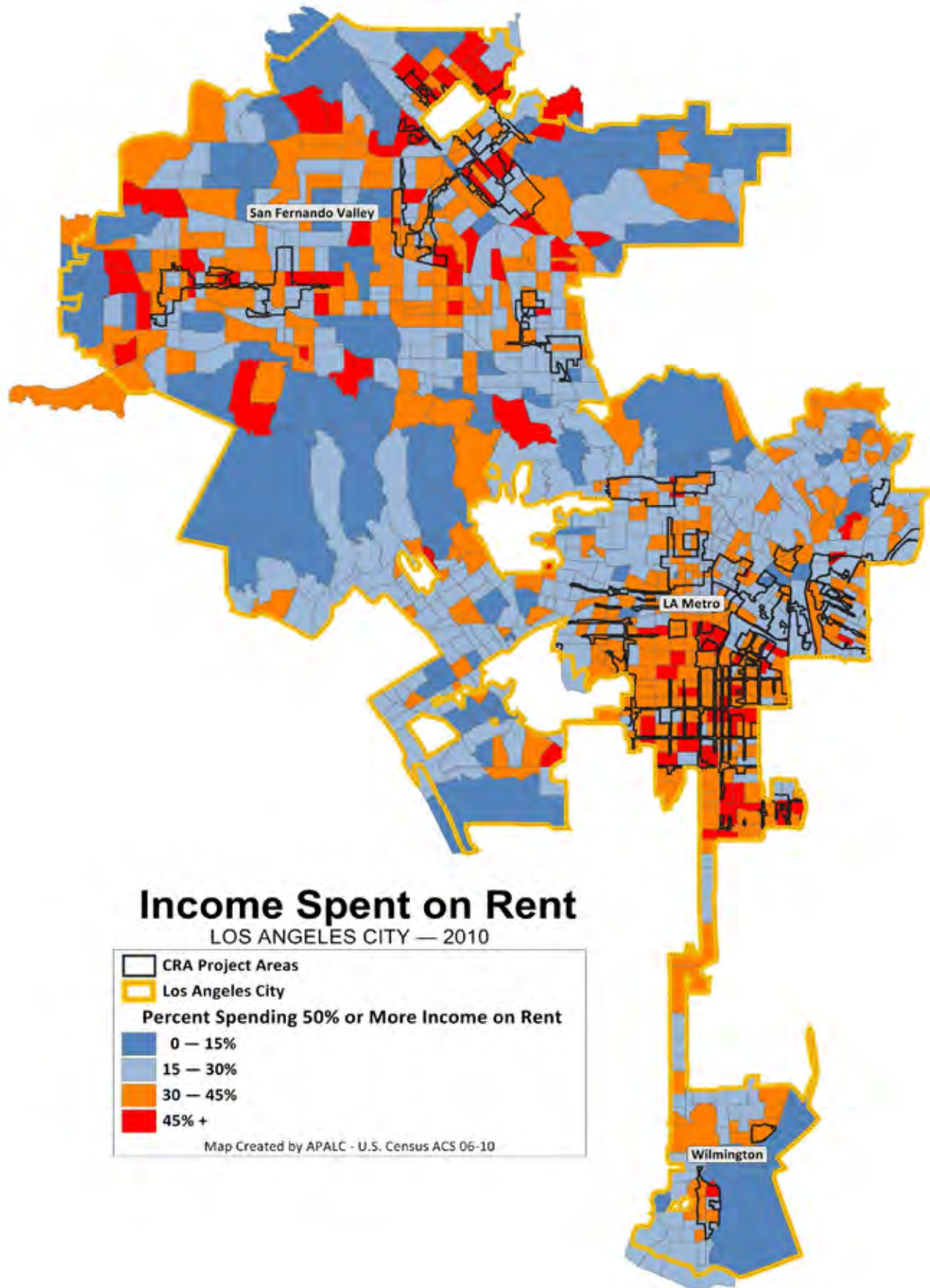
Figure A











## Planning, Partnering, and Investing: Redevelopment Strategies

Using strategies that included community planning, land acquisition, and financial investments in neighborhood-based organizations, the agency engaged in comprehensive place-based investment strategies.

### *Community Planning*

In contrast to the Department of City Planning, whose resources were required to be stretched to plan for the City's nearly five hundred square miles and 35 community plan areas, and whose ability to plan sometimes depended on grants, the redevelopment agency had both the capacity and mission to engage in neighborhood-focused planning. For each of the 31 distinct project areas, the agency adopted a redevelopment plan—still in effect today—laying out goals, strategies, and timetables for revitalizing the neighborhood. The agency also created streetscape improvement plans, design guidelines for business facades, and plans for transit corridors and green space.

In many project areas, planning activities were coordinated with a Project Area Committee (PAC) or Community Advisory Committee (CAC). PACs were elected bodies required in project areas where there were a substantial number of low- and moderate-income residents and the redevelopment plan allowed for the taking of residential property through eminent domain or where the plan contained projects that would displace low- and moderate-income residents.<sup>10</sup> CAC members were usually appointed by city council members.\* Both CACs and PACs generally included residents, business owners, nonprofit community-based organizations, and homeowners among their members. PACs and CACs clearly could not represent the interests of the entire affected community. However, in many cases, these committees allowed community stakeholders from across the economic spectrum to come together to identify priorities for the community and design a plan for the neighborhood.

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*Losing redevelopment does not have to destroy the structures we have created for local accountability and participation. We must not forget the strong infrastructure of place-based community serving organizations that exist, both as safety net providers and job creators, and are ready to continue to invest in and implement real growth strategies.*

*- Ruth Teague, Corporation for Supportive Housing*

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### *Incorporating Community Voices*

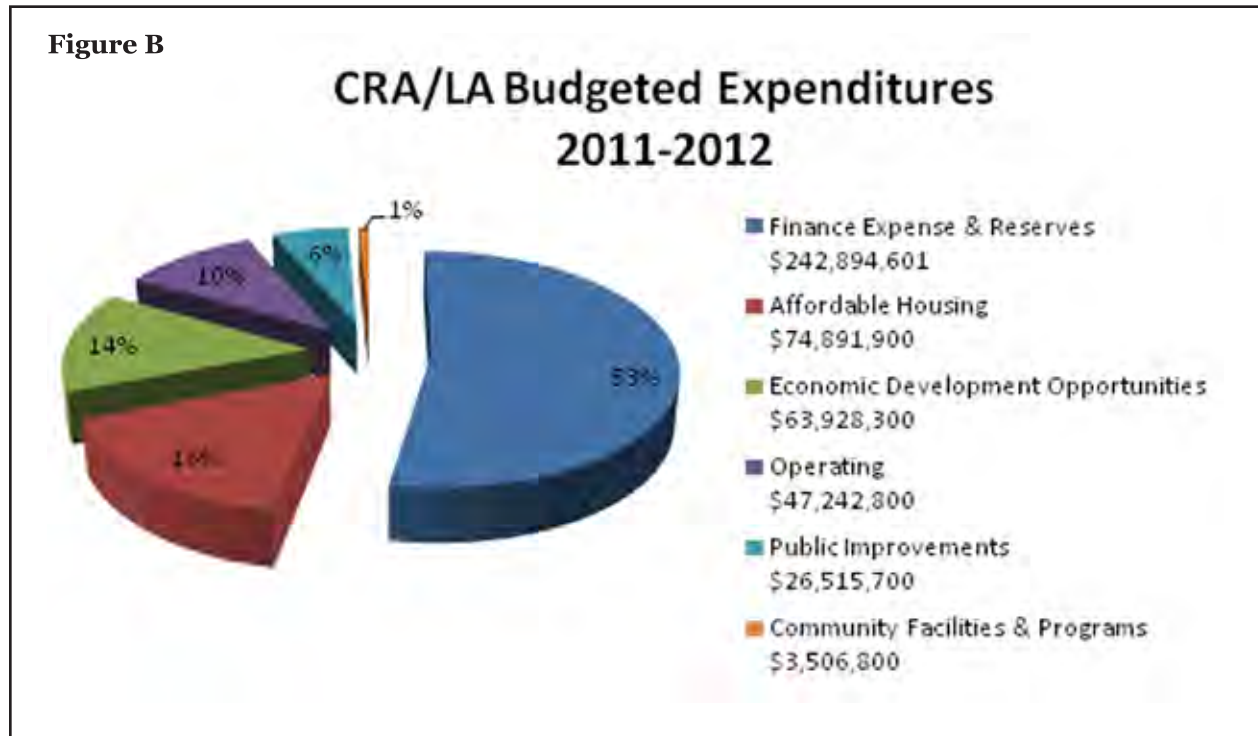
The redevelopment land use approval process provided a forum for resident input on important decisions affecting communities. In addition to the required City land use approval process, any project receiving redevelopment funding required approval from the agency's Board of Commissioners and the CAC or PAC, if applicable. Any property owner seeking a conditional use permit or a variance within a project area was also required to appear before these public bodies, regardless of whether the project received a public subsidy.

The extra layer of land use approval in project areas provided a unique opportunity for community members to organize and express their views before decision makers. In 2011, the CAC for the Council District 9 Project Area supported UNIDAD, a coalition of local community-based organizations in South LA that was negotiating a community benefits agreement with a developer around a proposed luxury housing development near an Expo Line station. In a city in which development approvals are often steamrolled through entitlements with little regard to community impact, the CAC's concern with respect to the project marked a turning point in the approval process, with advocates able to use CAC concerns to build additional leverage in negotiating for community benefits. Although the project did not receive public subsidy, the coalition succeeded in negotiating a wide range of benefits including medical services, an affordable housing trust fund, construction and permanent job programs for local residents, and small business rental subsidies.

*Financial Resources*

The redevelopment agency’s financial investment in Los Angeles neighborhoods was substantial. For the 2011-2012 Fiscal Year, the agency’s total budget was almost \$459 million. Debt service to pay off bonds used to finance earlier redevelopment projects comprised more than half of the budget, and the agency budgeted close to \$169 million for new redevelopment activities. As shown in Figure B below, the agency focused its investments on affordable housing, economic development, public improvements, and community facilities and programs, with affordable housing and economic development as top priorities.<sup>11</sup> Compared to other public subsidies, particularly federal funding sources, redevelopment dollars were flexible and could be spent nimbly in order to serve the community as strategically as possible.

The agency was able to leverage its property tax and bond revenues to obtain additional dollars. For example, in 2010, the agency received \$29.1 million in Proposition 84 Park Funds for development of seven new Los Angeles parks.<sup>12</sup> At the time of dissolution, the agency oversaw over \$30 million in grants from Los Angeles County Metropolitan Transit Authority for streetscape design, facilities for bicycles, and improvements to bus stops.<sup>13</sup> The agency also oversaw the federal New Market Tax Credits program through the Los Angeles Development Fund, a nonprofit Community Development Entity managed by the agency.<sup>14</sup>



*Creating Quality Jobs*

Several years prior to dissolution, in line with its goal to lift people out of poverty through the creation of quality jobs, the agency passed a Living Wage Policy that required its contractors to pay their employees the City’s Living Wage.<sup>15</sup> This policy could increase individual incomes by an average of 27%, providing enough to support a small family above the federal poverty threshold.<sup>16</sup> In 2008, the agency passed a Construction Careers and Local Hire Policy, the first of its kind in the nation. The policy ties together a local and disadvantaged hire policy with a Project Labor Agreement to ensure that new workers have access to union apprenticeship programs on covered redevelopment-funded projects.<sup>17</sup>



### **Construction Careers: Creating Opportunity**

*The redevelopment agency gave Tyrell a new beginning. A lifelong resident of South Los Angeles, Tyrell was able to get into the International Brotherhood of Electrical Workers apprenticeship program thanks to the local hire requirements of the construction careers policy. “I love it,” Tyrell says of the apprenticeship program. He’s particularly glad for the benefits it offers: “One of the best things about the job is the health insurance and pension.” In fact, Tyrell says that this is the first time in his adult life that he’s had a job that provided him with healthcare.*

*Because of his new job, Tyrell is able to afford his own place for the first time. Although he still has a few more years in the apprenticeship program before he’s a full-fledged electrical worker, he doesn’t mind—he knows that at the end of it all, he’ll earn enough money to live a middle class lifestyle, buy a home, and provide for his family. “My union salary will let me live comfortably,” he says. Tyrell is already thinking about the future: he has his baby names picked out, a house by the beach he wants to buy someday, and the promise of a good union job to help him achieve his dreams.*

In its 2009 five-year Strategic Plan, having noted that the City had lost over 50,000 jobs while gaining a million residents in the preceding 25 years, the agency set a goal of creating 40,000 construction career-path jobs and investing in projects to provide 2,000 permanent jobs.<sup>18</sup> In July 2011, 52 agency projects were under construction, which were estimated to create over 7,000 construction jobs and close to 4,700 permanent jobs. The agency also had an additional 97 projects in the pipeline, estimated to yield nearly 32,000 construction jobs and over 18,000 permanent jobs.<sup>19</sup> While some of these projects in the pipeline likely will go forward,\* the dissolution of redevelopment leaves a substantial gap in the City’s toolkit for creating career-path jobs with the potential to transform lives.

### *Building and Preserving Affordable Homes*

The redevelopment agency also worked to address the severe shortage of affordable housing in Los Angeles. Beginning in 2003, the agency set aside an additional 5% of tax increment revenue for affordable housing, above the 20% required by state law.<sup>20</sup> Over time, the agency helped to create over 28,000 units of housing in the City.<sup>21</sup> Conservative estimates are that the loss of redevelopment represents an annual loss of \$50 million for affordable housing in Los Angeles. At the time of the issuance of this report, the City has taken no action to direct additional General Fund money it will receive as a result of the dissolution of redevelopment to affordable housing.

Redevelopment funds have been vital in the development of affordable housing, especially during the economic downturn. In many affordable housing projects with agency support, redevelopment funds provided the first permanent funding source and were used to leverage other public financing. Its flexibility to be utilized as a source of funding during all phases of development (acquisition, predevelopment, construction, and permanent) made it a valuable coveted source in Los Angeles. According to Channa Grace, president of Women Organizing Resources Knowledge & Services (WORKS) the “loss of the 5% pot and the flexibility redevelopment dollars provided to close funding gaps, especially during the economic downturn, coupled with the decrease in federal funding sources, will make financing for future WORKS projects much more difficult.”

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*The landmark Construction Careers policy connected public investment, especially in affordable housing, to the creation of good middle-class construction careers. With the dissolution of the agency, we no longer have this important tool to address the twin problems of housing and career opportunities for communities most in need.*

*- Jackelyn Cornejo, Los Angeles Alliance for a New Economy*

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\*The agency is required to pay for and perform on certain existing obligations, which are known as “enforceable obligations.” Health & Safety Code § 34177.

## Redevelopment and Community Development Goals Did Not Always Align

Hard fought protections in existing law were still insufficient to ensure that in every case, the ultimate beneficiaries of redevelopment were the low-income residents of the blighted communities, rather than private interests. Enforcement of existing redevelopment law proved necessary to protect community members. As one of many such examples, the LA Coalition to End Hunger & Homelessness filed a lawsuit in 2002 to prevent the City Center Project Area Redevelopment Plan from going into effect, claiming that the Plan would have negatively impacted Skid Row residents by eliminating low-cost residential hotels, failing to provide relocation assistance, and hindering access to social services agencies in the area. The Coalition ultimately obtained a settlement that preserved existing residential hotel units in Skid Row, required the replacement of converted or demolished residences, established a no net loss policy for all residential units, and implemented a local hiring plan benefitting Skid Row residents.<sup>22</sup>

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- Channa Grace, President, WORKS

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Further, the substantial land use powers of the redevelopment agencies, combined with their vast financial resources and the incentive to do commercial projects to further increase the tax base, often resulted in large-scale, expensive projects that complied with the law but did not actually serve the needs of neighborhood residents. In January 2011, the agency approved up to \$52 million in funding for a parking garage and other improvements related to billionaire Eli Broad's art museum in the Downtown Civic Center area. The funding was approved in the rush to commit money to projects prior to dissolution. Unsurprisingly, the deal was criticized for the haste with which it was approved and for the agency's decision to direct needed funding to a project with little if any relationship to ending blight or strengthening economically disadvantaged communities.<sup>23</sup>

As mentioned, over time advocates fought for and successfully obtained changes to state law to address some of the misuses of power and inherent tension involved with redevelopment. A complex legal framework was created to help ensure that redevelopment mitigated negative consequences for the residents of impacted neighborhoods. For example, redevelopment agencies were required to construct homes to replace each unit of low-income housing destroyed or removed as a result of redevelopment activity.<sup>24</sup> At the time of dissolution, the legislature was considering a bill with further protections for residents, which would have limited administrative expenses from housing funds and directed more money toward homes for extremely low-income families.<sup>25</sup>

## REDEVELOPMENT AT WORK IN OUR NEIGHBORHOODS

A closer look at some of the neighborhoods affected by redevelopment illustrates both the strategies that worked and the potential impact of its loss. When the agency closely partnered with neighborhood-based developers and other community nonprofits, redevelopment had the capacity to transform communities and benefit residents.

### **Vernon-Central:**

#### *Spurring Business Development and Economic Activity*

The Vernon-Central neighborhood is located in South Los Angeles. Central Avenue, the eastern border of the neighborhood, is the home of several historic landmarks, such as the Historic 28th Street YMCA, Second Baptist Church, the Florence Mills Theater, and the Dunbar Hotel. Although Central Avenue was nationally known from the 1920s to the 1950s for its jazz music and performing arts, in the decades that followed, the area suffered from an exodus of affluent and middle-class African Americans, the absence of comprehensive planning and investment, and neglect.

Now, 39% of families have incomes below the poverty level and nearly 20% of residents are unemployed. The population is also quite young with 52% of the residents under 25 years old. Nearly 40% of residents between 18 and 24 years old lack a high school diploma and almost one third live in poverty. Educational attainment is also low among the adult population, with nearly 65% of adults over 25 years old never having finished high school.<sup>26</sup> Physically, the area is characterized by spot zoning, with residential and industrial uses often abutting one another. Large portions of the neighborhood are isolated from transit and left unserved by existing or proposed rail stations or rapid bus stops.

Community leaders note that the redevelopment agency has had a commendable level of success in the neighborhood, in large part due to its support of community-based organizations and the efforts of the agency's staff. Since adopting Council District Nine Corridors Project Area, the agency has contributed greatly to the neighborhood by creating jobs, bringing in needed commercial amenities, providing funding for affordable homes, and enhancing the neighborhood's physical appearance.

#### *A New Economic Future for Central Avenue*

When the project area was created in 1995, the agency identified a number of goals, including creating jobs, attracting retail facilities to the area, and producing affordable housing.<sup>27</sup> The agency's progress toward these goals is illustrated by the revitalization of Central Avenue, considered by long-time residents to be one of the agency's greatest achievements in the neighborhood.

For several years, families could not buy fresh fruits and vegetables locally because the neighborhood lacked a quality supermarket. This changed in 2009 when a Superior Grocers opened on the corner of Central and 20th as the anchor store in Central Village Apartments. The agency contributed \$3 million toward the 85 units of affordable housing in the mixed-use project. Soon after, a Fresh & Easy opened on the corner of Adams and Central in another mixed-use project with 79 units of affordable housing, to which the agency contributed \$4.5 million. The project also resulted in approximately 400 construction jobs and 100 permanent jobs.<sup>28</sup> Community activists describe the supermarkets as a major turning point in a neighborhood that had not seen a new supermarket in at least 30 years. Not only did the stores bring fresh food to the neighborhood, but the success of the stores encouraged other retail businesses, such as 7-11, to come to the area.

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*Redevelopment changed the way people view Vernon-Central. People no longer associate the neighborhood with high crime rates, but now view the neighborhood as a place where people and businesses should invest economically and socially.*

*- Mark Wilson, Executive Director,  
Coalition for Responsible  
Community Development*

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The agency also was instrumental in supporting the work of the Central Avenue Business Association (CABA), which offers small business development training and promotes business activity through marketing efforts. CABA has over 50 members, including representatives from City agencies, local business owners, and community-based organizations such as the Coalition for Responsible Community Development (CRCD), to whom the agency provided financial resources to help build the capacity of CABA over time. CABA is now exploring the feasibility of creating a Business Improvement District in the area. The agency launched a facade improvement program in 2006 to provide financial and technical assistance to property owners and tenants, improving the physical appearance of buildings on commercial corridors and creating jobs for local residents.<sup>29</sup>

The redevelopment agency's investment in Central Avenue has greatly improved the perception of the neighborhood. Mark Wilson, executive director of CRCD, explains that "by investing in small businesses, retail, and affordable housing, and through rehabilitating historic properties, redevelopment changed the way people view Vernon-Central. People no longer associate the neighborhood with high crime rates, but now view the neighborhood as a place where people and businesses should invest economically and socially."

### *Jobs and Homes for At-Risk Youth*

The redevelopment agency's recent investments in the area have produced hundreds of units of affordable housing, including South LA's first permanent supportive housing projects for transition age youth. The agency contributed \$3 million toward the restoration of the historic 28th Street YMCA (now known as 28th Street Apartments), developed by nonprofit Clifford Beers Housing and CRCD. The site, listed on the National Register of Historic Places, includes special needs housing for formerly homeless and transition age youth, as well as 10,000 square feet of community space. The agency also invested approximately \$2 million in the 36th and Broadway Apartments, a scattered-site development with permanent supportive housing units for transition age youth, jointly developed by Little Tokyo Service Center and CRCD. The project, which opened in 2011, includes ground-floor space for nonprofit offices and services. Together, these projects contribute over 70 units of needed housing for the neighborhood's youth population and created over 100 construction jobs.<sup>30</sup>

#### **36th Street Apartments: Providing Jobs and Homes**

*Not many Angelenos can claim that they built the home they now live in. One young woman, a tenant in CRA-funded 36th Street Apartments, can make such a claim. As a participant in Coalition for Responsible Community Development's South LA YouthBuild program, she received classroom-based and on-site job training. She and other youth helped rehabilitate the residential development, which dates from 1898, and now includes permanent supportive housing for transition age youth. In addition to being a tenant, she is also a youth intern, helping to provide supportive services to other tenants at the site.*



By partnering with the neighborhood-based CRCDC, the agency was able to create job opportunities for young people in the neighborhood, while CRCDC provided the workforce through its training and outreach programs. Young men and women enrolled in CRCDC's South LA YouthBuild program helped to rehabilitate and construct 36th Street and Broadway Apartments while also earning a certificate in the construction trade from Los Angeles Trade Technical College.<sup>31</sup> The agency also contracted with CRCDC to hire local youth to provide graffiti abatement, alley clean-ups, Central Avenue maintenance, and other services in the area.<sup>32</sup>

### *Unrealized Opportunities*

While the agency's accomplishments in Vernon-Central have been impressive, dissolution prevented it from realizing all of its goals for the neighborhood. For example, when the project area was established, the agency noted that many parcels had broken sidewalks, gutters, and curbs.<sup>33</sup> Beginning in 1997, the agency attempted to address this problem by creating an architectural and banner signage program.<sup>34</sup> In 2009, after convening a committee of CAC members and local residents, the agency completed a community-driven master streetscape plan for Central Avenue that aimed to use transportation improvements, transit, and pedestrian-friendly development to connect the community, redevelop vacant properties, and create in-fill housing and mixed-use projects. The total estimated cost of the planned improvements was \$20 million, which the agency had begun to raise from other sources. The agency was also working to underground utilities along Central Avenue, at a cost of \$10 million.<sup>35</sup> Without the promise of redevelopment dollars, it is uncertain whether the planned improvements will ever be fully completed.<sup>36</sup>

## **Exposition Park:**

### *Investments in Housing and Community Amenities*

The Exposition Park neighborhood is south of downtown and home to University of Southern California (USC) and Exposition Park. The neighborhood is primarily Latino, with African Americans the second most-prevalent ethnic group. More than half of the adults living in the neighborhood lack a high school education and the neighborhood has some of the lowest median household incomes in the City and County. Most residents rent their homes and there is a striking lack of housing affordable to lower income families.<sup>37</sup> There are also mounting concerns that gentrification will displace current residents.<sup>38</sup> The neighborhood overlaps with the communities of University Park, South Park, and Historic South Los Angeles, and was previously served by both the Exposition/University Park and Council District 9 Corridors Project Areas. The redevelopment agency partnered with community-based nonprofits to complete several projects in the neighborhood.

### *Innovative Housing Projects*

In response to recent trends showing a high incidence of kinship care in the neighborhood, the agency invested \$3 million in the Vermont Multigenerational Housing & Senior Center, which is under construction south of Exposition Park. The project will include 48 units of affordable housing targeted at grandparents that are the primary caregivers for their grandchildren, and will offer childcare and other supportive services.<sup>39</sup>

In 2010, the agency contributed \$13.8 million toward acquisition of a seven acre brownfield site just south of the neighborhood that will include park space, 80 units of affordable housing, and community-serving use. Development partners T.R.U.S.T. South LA and Abode Communities provided the balance. The agency was awarded a \$200,000 Environmental Protection Agency Brownfields Grant for environmental remediation and \$5 million in Proposition 84 money to develop the four acre park. The agency partnered with the two nonprofit developers to engage the surrounding community on the design process,

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*The redevelopment agency has been a vital partner in moving a complex project past innumerable barriers.*

*- Sandra McNeill, Executive Director,  
T.R.U.S.T. South LA*

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which resulted in a plan for a children’s water play area, community garden, picnic areas, basketball court, and a promenade for community resource fairs and food vending. According to Sandra McNeill of T.R.U.S.T. South LA, “The redevelopment agency has been a vital partner in moving a complex project past innumerable barriers.” Although the project will probably go forward, without the agency as a partner, it is possible that the planned community amenities in the original plan will fall through the cracks.<sup>40</sup>

The outlook for another mixed-use project, Bethune Crossroads, is still uncertain. The project is a proposed mixed-use housing and commercial development on the site of the former Bethune Library near USC. The two blocks adjacent to the property have experienced more than 80% turnover from families to students in recent years. The proposed site is slated to provide needed affordable housing for 55 families, as well as retail space which potentially could be used for a grocery store. Local community groups, such as T.R.U.S.T. South LA, have advocated for the project’s transfer to the Los Angeles Housing Department and are exploring other financing opportunities so that the development can be built as planned.<sup>41</sup>

### *Community Amenities and Improvements*

The agency invested in projects to strengthen community institutions in the Exposition Park area. In 2008, the agency provided \$1 million toward a major \$3 million renovation of Mercado La Paloma, a 34,000 square foot market owned and operated by Esperanza Community Housing Corporation. The Mercado houses entrepreneurs, small businesses, and nonprofits, and serves as a venue for community meetings and art and cultural activities. The agency loan allowed Esperanza to make vital upgrades to the Mercado, ultimately benefiting over a dozen businesses currently operating there.<sup>42</sup>

In 2010, the agency collaborated with Esperanza and the Urban and Environmental Policy Institute at Occidental College to study food access and transportation in South Los Angeles. South Los Angeles has the highest rate of poverty and obesity in Los Angeles County, as well as the lowest levels of access to supermarkets and fresh food. Although other recent studies have quantified and mapped fresh food availability in Los Angeles, this project was unique in that it involved extensive community engagement. The project team held community meetings where they learned where residents bought food for their families, mapped out transit routes to food sources, and voted on their favorite policy recommendations. Promotores (“health promoters”) trained by Esperanza conducted interviews with street vendors. The research team visited 98 corner and grocery stores throughout South Los Angeles and recorded what types of food were available for sale. The study concluded with several policy recommendations, which were voted on by community members.<sup>43</sup> The agency intended to use its study to support its ongoing efforts to increase access to healthy food in South Los Angeles through attracting grocery stores, improving existing corner stores, funding commercial facade improvements, and enhancing streetscapes.<sup>44</sup>

When most successful, the millions of dollars aimed at economic revitalization, affordable housing, and public improvements in Exposition Park were coupled with technical expertise and a willingness to engage with and respond to the community in designing projects. Going forward, Exposition Park, an area under constant siege by forces of gentrification, has lost not only the dollars redevelopment can invest in the community, but a strategic partner.



## Little Tokyo:

### *Preserving an Historical Neighborhood, Saving Cultural Resources*

Located between the Civic Center and the Los Angeles River, Little Tokyo is a 125-year-old downtown neighborhood with great cultural and historical significance. Little Tokyo thrived in the 1930s and early 1940s until Japanese Americans were sent to internment camps during World War II. In 1945, Little Tokyo was reborn along 1st Street and soon became the focus of the Japanese American community. Fearing that the neighborhood would be cleared to construct large-scale projects in Bunker Hill, the community turned to the redevelopment agency for assistance.<sup>45</sup> In 1970, the agency adopted the Little Tokyo Project Area with the goal of “reconstruct[ing] and preserv[ing] a mixed use, full service community that will continue to serve as the cultural, religious, social, and commercial center of the Japanese American Community in Southern California.”<sup>46</sup> Shortly after redevelopment agencies were dissolved, former redevelopment planner and member of the Little Tokyo Historical Society Yukio Kawaratani mused in the *Rafu Shimpo*, “Little Tokyo has gained and owes so much of its cultural, social and commercial development and success” to redevelopment.<sup>47</sup>

### *Saving Cultural Resources*

Since the earliest days of the Little Tokyo project area, the agency has helped preserve the cultural distinctiveness of the neighborhood. In the 1970s and 1980s, the expansion of the Civic Center threatened to demolish all remaining buildings on the north side of 1st Street. In response, the agency attained historical site status for the area in 1986, saving the area that is now the Little Tokyo Historic District.<sup>48</sup>

More recently, the agency has collaborated with the community-initiated Little Tokyo Community Council (LTCC) to carry out its planning and land use activities. LTCC, whose members include social service providers, religious organizations, nonprofit developers, cultural institutions, and business owners, has been the primary voice for planning and development issues in the neighborhood for the past ten years. Agency staff members have participated in LTCC meetings, often translating and explaining planning concepts in order to help the council articulate its desires for the community. In 2006, the agency sought input from LTCC in completing



### **Union Center for the Arts: A Cultural Gem**

*In 1998, LA's redevelopment agency helped Little Tokyo Service Center renovate the Union Center for the Arts, which began as one of the earliest Japanese American Christian churches in Los Angeles. The Center served as a gathering site for Japanese Americans who were taken to WWII internment camps. In the 1970s, the church congregation relocated and the aging building suffered from neglect. After the \$3.5 million renovation, the old church is now home to the nationally renowned East West Players Theater, which has featured many acclaimed shows and contributes greatly to the nightlife of Little Tokyo. The Center also houses a thriving art gallery and the nonprofit Visual Communications media group.*

Design Guidelines for the project area, which ensure that the neighborhood retains architectural elements, signage, and building materials that reflect the Japanese culture.<sup>49</sup> The agency's support was also critical in LTCC's successful campaign to pass an ordinance to prevent the over-proliferation of bail bond brokers in Little Tokyo and promote pedestrian-friendly retail.<sup>50</sup>

The Japanese American National Museum is yet another landmark that would not exist without the help of the redevelopment agency, which leased the former Nishi Hongwanji Temple to the museum for \$1 per year and provided \$1 million to renovate the building for museum use.<sup>51</sup> The agency also played a key role in the creation of the Japanese American Community and Cultural Center in 1985 by purchasing numerous small buildings and providing the Center with low-cost loans and grants. Unfortunately, a planned \$1 million renovation of the Center may not go forward as a result of the agency's dissolution.<sup>52</sup>

### *Hundreds of Affordable Homes*

Following the creation of the project area in 1970, the agency funded hundreds of units of affordable housing. At the time the plan was adopted, 35% of the population was over 62 years of age and living on fixed incomes.<sup>53</sup> The agency strived to meet Little Tokyo's specific needs by creating 300 units in the Little Tokyo Towers for low-income seniors. Redevelopment dollars also funded Casa Heiwa, a 100 unit affordable housing project with both studios and larger three- and four-bedroom units, to accommodate both seniors and families. A commercial childcare center and social service providers are located on the ground floor of Casa Heiwa. At the entrance sits a mixed media sculptural piece in the shape of a fan created by local Asian-American artist Nancy Uyemura, funded by redevelopment.<sup>54</sup>

### *Small Business Development*

The redevelopment agency channeled a large portion of its resources toward commercial development in the area. Significant projects included the Japanese Village Plaza, conceived as a shopping mall for small retail tenants displaced by redevelopment activities.<sup>55</sup> The agency also provided a number of operating grants to local, community-based organizations to enhance marketing and security measures in the neighborhood, and provided a planning grant to create and implement the Little Tokyo Business Improvement District.<sup>56</sup>

Not every redevelopment project in Little Tokyo proved beneficial to the neighborhood's low-income residents. Notably, the development of the New Otani Hotel and the Weller Court shopping complex in the 1970s resulted in the displacement of shop owners, social service providers, and low-income tenants in residential hotels in the area. Despite vigorous protests by tenant advocates, transnational corporations received the contracts to build the hotel and shopping mall.<sup>57</sup> In more recent years, however, the redevelopment agency has proved more receptive to nonprofit and resident input in its decision making process, as illustrated by its reliance on the Little Tokyo Community Council for feedback, input, and direction.

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*Without redevelopment's requirements and comprehensive planning framework, the future of Little Tokyo will be significantly impacted as investment in the downtown core continues to grow at the expense of our neighborhood's Japanese American culture, senior residents, and lower-income families.*

*- Dean Matsubayashi, Executive Director,  
Little Tokyo Service Center*

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### *What Next?*

An older project area with an expiration date in February 2013, Little Tokyo benefited from many more years of redevelopment investment compared to other, newer project areas. However, local community leaders express concerns that the end of redevelopment will expose Little Tokyo to the pressing economic, political, and social forces shaping downtown Los Angeles. For example, Metro's Regional Connector will cut directly through Little Tokyo, potentially displacing small businesses and encouraging private owners of affordable housing to convert their buildings to market rate. According to Dean Matsubayashi of Little Tokyo Service Center, "Without redevelopment's requirements and comprehensive planning framework, the future of Little Tokyo will be significantly impacted as investment in the downtown core continues to grow at the expense of our neighborhood's Japanese American culture, senior residents, and lower-income families."

### **Pacoima:**

#### *From Deterioration to Community Resources and Needed Infrastructure*

The community of Pacoima is located in the northeast San Fernando Valley. The Los Angeles Department of City Planning estimates that it has a population of over 80,000 people (although community leaders think there are likely more), of which over 85% are Latino. Over 60% of local residents have less than a high school education and roughly 17% of families live in poverty. Pacoima suffers from severe overcrowding with 21% of the population living in garages or renting rooms. Bordered by freeways on three sides, with industrial and residential building often situated side by side, the environmental hazards in the area have created serious health problems: over 20% of the residents suffer from asthma. Pacoima also suffers from a lack of green space, with just 54 acres of park space. Heart disease, cancer, stroke, and chronic lower respiratory disease are the leading causes of death in Pacoima. Twenty-nine percent of the youth suffer from obesity.<sup>58</sup>

Adopted in 1994 after the Northridge earthquake, the project area showed serious signs of deterioration, such as structural damage to buildings, inadequate fire and police facilities, and streets in disrepair and without adequate lighting.<sup>59</sup> The redevelopment agency has since worked with residents and community groups to improve conditions in the neighborhood.

#### *From Brownfields to Community Benefits*

Among the agency's major accomplishments was Plaza Pacoima, a 209,000 square foot LEED Certified retail center built on a formerly contaminated brownfield site. In 2002, the agency targeted the site for clean up after the property's soil had been contaminated from decades of industrial production activity. The agency's \$9.9 million investment in the project helped facilitate and provide leverage for a community benefits agreement with over 20 neighborhood stakeholders, including several community-based organizations. The agreement required the developer to provide \$300,000 to the Pacoima Cultural Facility Arts Trust Fund, comply with design standards, and ensure that local residents were hired at the Costco and Best Buy located at the development.<sup>60</sup> Despite the success of Pacoima Plaza, the area remains plagued by many brownfield sites that may never be cleaned up without the continued investment of redevelopment.



## *Upgrading Community Resources*

The redevelopment agency also launched a commercial facade program along Van Nuys Boulevard in Pacoima to rehabilitate commercial storefronts. The agency provided technical assistance and funding to the nonprofit Initiating Change in Our Neighborhoods Community Development Corporation (ICON), which, combined with an additional Environmental Justice grant from Caltrans, allowed ICON to complete a community-based Transportation Action Plan aimed at improving the Van Nuys Boulevard corridor. In the 2010/2011 fiscal year, construction was completed on the Pacoima Neighborhood Constituent Services Center, an \$18 million project to which the agency contributed \$3 million. The Center houses the Council District 7 field offices, constituent services, commercial space, and an outdoor plaza. From 2005 to 2009, the agency also provided financial assistance to complete 395 units of affordable rental housing throughout the project area, with a total investment of \$11,888,000 during the time period.<sup>61</sup>

## *Needed Infrastructure*

Pacoima suffers from inadequate sidewalks and substandard infrastructure. Along with the lack of trees for shade on sidewalks, streets are often unbearable under the hot San Fernando Valley sun. Since an estimated one out of every three Pacoima residents lacks access to a vehicle, the construction of walkable streets and public transit is important to the community. To that end, the agency has engaged in several projects aimed at creating safe space for pedestrians and repairing inadequate infrastructure.

In 2009, the agency began the CD 7 Sidewalk Improvement Project in order to create a safer, more attractive, and pedestrian-friendly walking environment. Later that year, the agency reported that it intended to spend over \$15 million in the next five years on improvements such as sewer replacement, street widening, lighting, storm water flow enhancements, and removing and replacing dilapidated wooden utility poles and overhead wires along major commercial corridors. In addition, the agency planned several million dollars of streetscape improvement projects in Pacoima, Panorama City, and Sylmar. In 2010, the agency received a grant of over \$3 million from the Economic Development Administration to make infrastructure improvements in the heavily industrialized Sun Valley. Fortunately, in the wake of the agency's dissolution, this grant has been transferred to the City and the improvements will likely go forward.<sup>62</sup> However, the portion of the streetscape and sidewalk improvement projects that would have been funded by bond revenues has been cut.<sup>63</sup> Given the scarce resources for streetscape improvement and infrastructure, Pacoima residents may find it increasingly difficult to address these problems in the future.

## **Boyle Heights:**

### *Creating Quality Homes and Infrastructure for Families*

Just east of downtown Los Angeles, Boyle Heights has long been a community known for welcoming new immigrants. Currently, 52% of residents are foreign-born, most hailing from Mexico and El Salvador. With a median age of 25 years old, Boyle Heights is also one of the youngest neighborhoods in Los Angeles County. Most adult residents lack a high school education.<sup>64</sup> Income levels in the community are quite low. The mean household income is approximately half of the County mean, and its poverty rate of 31% is about twice the County rate. The neighborhood is characterized by a strong sense of community due to long-standing residents, many of whom have lived in the neighborhood for a generation or more.<sup>65</sup>

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*Redevelopment brought hope to residents, small businesses, and industrial clusters by developing innovative strategies for job creation and commercial site development which improved economic conditions and the overall quality of life for people living and working in those communities. It is imperative that future planning and policy decisions for Los Angeles include accountability to low- and moderate-income areas like the redevelopment agencies did.*

*- Claudia Lima, Executive Director, Local Initiatives Support Corporation*

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In 1999, the redevelopment agency created the Adelante Eastside Project Area, encompassing Boyle Heights, with the goal of establishing new commercial and housing developments and improving existing shopping centers. At the time the project area was adopted, the neighborhood suffered from stagnant property values, high business vacancies, and low lease rates. A weak economy and aging building stock made it hard for local businesses to compete with newer developments outside the community.<sup>66</sup>

### *Affordable Housing for the Community*

One of the agency's most notable achievements in the neighborhood was its role in the recent rehabilitation and construction of over 240 affordable homes. On March 29, 2012, the community celebrated the grand opening of the Las Margaritas Apartments, a scattered site project with 42 deeply affordable units developed by the East LA Community Corporation (ELACC), which benefited from a \$2 million redevelopment loan. The agency also contributed \$1.55 million to the development of 25 units for the Cuatro Vientos Apartment complex. Cuatro Vientos received a certification from Enterprise Green Communities for its use of native landscaping, water conservation appliances and fixtures, low/no VOC paints, and green label certified floor covering. In the summer of 2012, ELACC completed the rehabilitation of the Victorian-era Boyle Hotel-Cummings Block into 51 units of affordable housing, a Mariachi cultural center, and retail space. The agency contributed \$3 million toward the project, which recently welcomed its first tenants. Currently under construction by Retirement Housing Foundation is the 57 unit Whittier Apartments.<sup>67</sup> Prior to dissolution, the agency intended to spend over \$14 million on developing even more affordable housing in the project area between 2010 and 2014.<sup>68</sup>

### *Living Streets*

In the years before its dissolution, the agency initiated public improvement projects aimed at improving the neighborhood's appearance and making it safer and more inviting for pedestrians. For example, redevelopment financed major public projects to resurface streets, install gutters, and improve curbs and landscaping in the Olympic Industrial District. The agency had also planned larger scale revitalizations of Cesar E. Chavez Avenue and 1st Street—the agency intended to invest over \$5 million for new sidewalks, curb extensions, trees, lighting, street furniture, and landscaping. In the projects' planning stages, the agency worked with community groups such as ELACC to design improvements that would meet the desires of the community.<sup>69</sup>



### **Las Margaritas: Transforming Lives**

*A year ago, Nora, her four children, and her husband were living in a one-bedroom apartment. Nora knew that moving into a bigger apartment would benefit her children, particularly her son with autism who Nora felt needed more space, but the family couldn't afford to move. Last fall, Nora's family got their wish, and moved into a three-bedroom apartment in Las Margaritas, a redevelopment-funded building developed by the East LA Community Corporation. Not only is the apartment significantly bigger, but it is cheaper as well! Nora already sees a difference in the family's quality of life, particularly with respect to her children. Her son is thriving like he never had before, and her other children are participating in Las Margarita's after-school tutoring program. "I'm very excited to belong to this community here at Las Margaritas," Nora says.*

### *TOD: Future of Boyle Heights*

With two Metro Gold Line stations in the project area, there are many opportunities in Boyle Heights for densely planned, mixed-use development along public transit corridors—transit-oriented development (TOD).<sup>70</sup> ELACC's Boyle Hotel-Cummings Block is a wonderful example of an affordable, mixed-use project within walking distance from two rail stations. However, community members are not certain that future TOD projects will respond to the needs of the community. Without the agency's affordable housing subsidy, inclusionary and replacement housing obligations, and accountability system, residents fear that new TOD projects could bring unaffordable market rate housing, large chain stores in place of independent businesses, or other projects that are neither wanted nor needed by the existing community.

Says Maria Cabildo of ELACC, "We don't know what will happen to the TOD sites without redevelopment. Will there be affordable housing? Small businesses? Who will be accountable to the low-income, Latino population that forms the heart of our community?"

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*We don't know what will happen to . . . TOD sites without redevelopment. Will there be affordable housing? Small businesses? Who will be accountable to the low-income, Latino population that forms the heart of our community?*

*- Maria Cabildo, Executive Director,  
East LA Community Corporation*

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### **Crenshaw Corridor:**

#### *Fostering an Affordable Community for Seniors*

Several historic African American neighborhoods are located near Crenshaw Boulevard, including Baldwin Hills, Jefferson Park, Leimert Park, West Adams, Windsor Hills, and View Park. While the Crenshaw area is a mixed-income community, the median income is low compared to that of the County, and the poverty rate is 28%. Close to one third of the households have an income below \$20,000, and the unemployment rate is high for Los Angeles County. Neighborhood residents are also concerned about gangs and gang-related violence.<sup>71</sup>

#### *Early Progress*

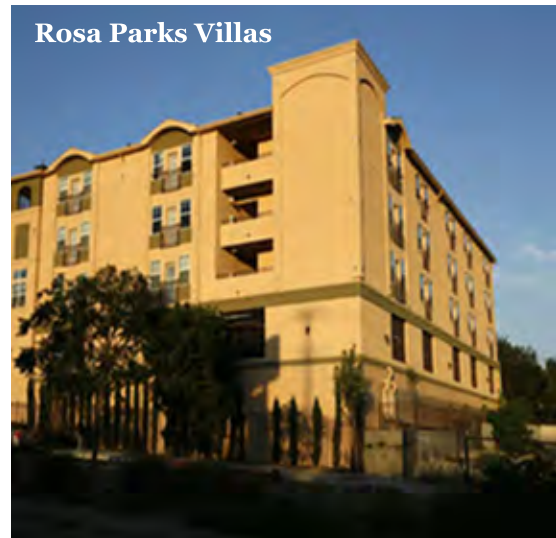
In 1984, the redevelopment agency adopted the Crenshaw Redevelopment Project to rehabilitate the former Crenshaw Shopping Center. In 1988, the neighborhood celebrated the construction of the new Baldwin Hills Crenshaw Plaza, with 850,000 square feet of retail space. In 1995, the shopping center added the Magic Johnson Theaters and a parking structure, creating about 1,100 permanent jobs. The project area expanded in 1994 in response to the 1992 civil disturbances with the goals of revitalizing Leimert Park Village and rehabilitating the Santa Barbara Plaza Shopping Center.<sup>72</sup> Two years later, the redevelopment agency established the Mid City Recovery Redevelopment Project Area which serves the northern portion of the neighborhood (above Martin Luther King Jr. Blvd).<sup>73</sup>

In 2002 the agency began commercial facade and signage improvements on Crenshaw Boulevard within Leimert Park Village. In 1999 the agency purchased the Vision Theater in Leimert Park and was working with the Department of Cultural Affairs to convert the former movie theater into a performing arts center.<sup>76</sup>

#### *Starts and Stops*

More recently, redevelopment efforts have suffered setbacks. The Marlton Square Mixed-Use Development Proposal to replace the Santa Barbara Plaza shopping center has been a significant but difficult project for the community. City officials identified the 22 acre site as a potential redevelopment site nearly two

decades ago and a development agreement was finalized in 2004 for a combination of housing and retail space. Unfortunately, the developer declared bankruptcy, halting all construction in 2008.<sup>75</sup> After years of trying to piece the project back together, the agency recently completed one portion of the project and the community celebrated the grand opening of the 70 unit Buckingham Place Senior Apartments immediately adjacent to the main Marlton Square project. The developer plans to build another 100 units on the site. Kaiser-Permanente recently closed escrow on a portion of land in Marlton Square with the intention to construct an outpatient medical office building. Meanwhile, the owners of Marlton Square and the agency are soliciting bids to sell the remainder of the site.<sup>76</sup>



### *Affordable Homes for Seniors*

In 2010 Rosa Parks Villas, a 4-story, 60 unit senior affordable housing development opened. The project, in the Mid-City Corridors Project Area, includes significant community space with lounges on every floor, a game room, garden court, and a 1,050 square foot community room. The project was inspired by Rosa Parks herself, who loved the thriving African American communities surrounding the area. The development team for the project consisted primarily of Minority and Women Business Enterprises and included WORKS and Ward EDC. The agency contributed \$2.1 million to the project, which created 121 construction jobs.<sup>77</sup>

### *Momentum Lost*

While the neighborhood was enhanced by the affordable housing funded by redevelopment dollars, commercial projects like Marlton Square faced an uphill struggle. Regardless of the setbacks, several community members expressed renewed optimism about commercial projects. The agency had plans for two mixed-use projects on Washington Boulevard and Jefferson Boulevard, which combined would bring 66,000 square feet of new residential and retail space.<sup>78</sup> According to Brenda Shockley, President of Community Build, “right when the community was encouraged because projects began to move, redevelopment agencies dissolved.”

## **Skid Row:**

### *Enabling Supportive Housing and Green Space for a Vulnerable Population*

Skid Row is located on the eastern edge of Downtown Los Angeles. While isolated demographic data for Skid Row is difficult to collect, the median income indices for Downtown LA offer some insight into the economic condition of Skid Row residents: median household income for Downtown LA residents is \$15,003, the lowest in the County of Los Angeles, and more than 57% of Downtown LA residents earn a median income of \$20,000 or less per year, the highest percentage in the County.<sup>79</sup> To address the needs of residents in the neighborhood, the redevelopment agency created the non-profit Skid Row Development Corporation (SRDC) in 1980 to provide social services and operate a shelter and two industrial centers, and the Single Room Occupancy Housing Corporation (SRO Housing) in 1983 to purchase and rehabilitate slum hotels.<sup>80</sup>

### *Skid Row Development Corporation*

SRDC operates numerous programs to assist Skid Row residents. The Norbo Hotel, Marion Hotel, and the Martin Luther King Boulevard Apartments provide housing for low-income adults and families. SRDC also operates transitional and emergency shelter services, and runs vocational training and job search programs. In the past 15 years, SRDC served over 16,000 economically disadvantaged individuals, and in the last three years placed an average of 60% of its clients into permanent housing, and 52% into full-time employment.<sup>81</sup>

### *Permanent Supportive Housing and Green Space*

Since SRO Housing's founding, the organization has coordinated considerable development in the neighborhood. In 2008, SRO Housing acquired a hotel notorious for drug and prostitution activity with redevelopment funding, and renovated it into the Ford Hotel: 151 contemporary studio apartments, private bathrooms, and kitchenettes with onsite supportive services.<sup>82</sup> Says SRO Housing CEO Anita Nelson: "It usually takes non-profits like SRO a long time to secure funding. The redevelopment agency provided acquisition funding that enabled us to close escrow in a reasonable amount of time." SRO Housing also recently acquired the 264 unit Rosslyn Hotel, a transaction that would not have been possible without the agency's financial support, and it plans to rehabilitate the property into affordable housing units with kitchenettes and showers.<sup>83</sup> The agency also invested over \$2 million in Skid Row Housing Trust's New Genesis Apartments, a LEED Platinum Certified building that, in addition to 80 units of permanent supportive housing for formerly homeless individuals, also includes studios and lofts for working artists and low-income tenants.<sup>84</sup>

For the past twenty years, SRO Housing has maintained the only green spaces in Skid Row, the San Julian and Gladys Parks. In 2006, the agency stepped in to fill a funding gap and provided financial support not only for the two parks but also for the neighborhood-serving James M. Wood Community Center.<sup>85</sup>

The dissolution of redevelopment will substantially impact SRDC, SRO Housing, Skid Row Housing Trust, and others that serve Skid Row. For example, while stopgap financial assistance has been secured for the San Julian and Gladys Parks, long-term funding is still needed. There is significant work to be done on Skid Row—the need for permanent supportive housing remains paramount here and across the City, and public subsidy is necessary to support current and future projects.

## **Cornfields Arroyo Seco:**

### *A Lost Opportunity?*

In 2010, in concert with efforts by the City Planning Department to adopt a specific plan for the area, the redevelopment agency began the process of creating a redevelopment plan for Cornfields Arroyo-Seco,<sup>86</sup> a neighborhood located just northeast of downtown, bounded by Chinatown to the west and Lincoln Heights to the east. A full 42% of households in Lincoln Heights, which constitutes a significant portion of the proposed project area, have incomes of \$20,000 or less. The neighborhood is 70% Latino and approximately one-quarter Asian.<sup>87</sup> The area is transit-rich, with residents having access to three Metro Gold Line Stations. Because transit development is often accompanied by gentrification, particularly in neighborhoods like Cornfields with a high proportion of renters, the low-income residents of the neighborhood face the possibility of displacement in the coming years.<sup>90</sup> In fact, signs of gentrification are already being to show; data from the 2006-2010 American Community Survey indicate that individuals moving into the area around the Chinatown metro station have median incomes more than twice as high as residents who have been there for two or more years.<sup>91</sup>

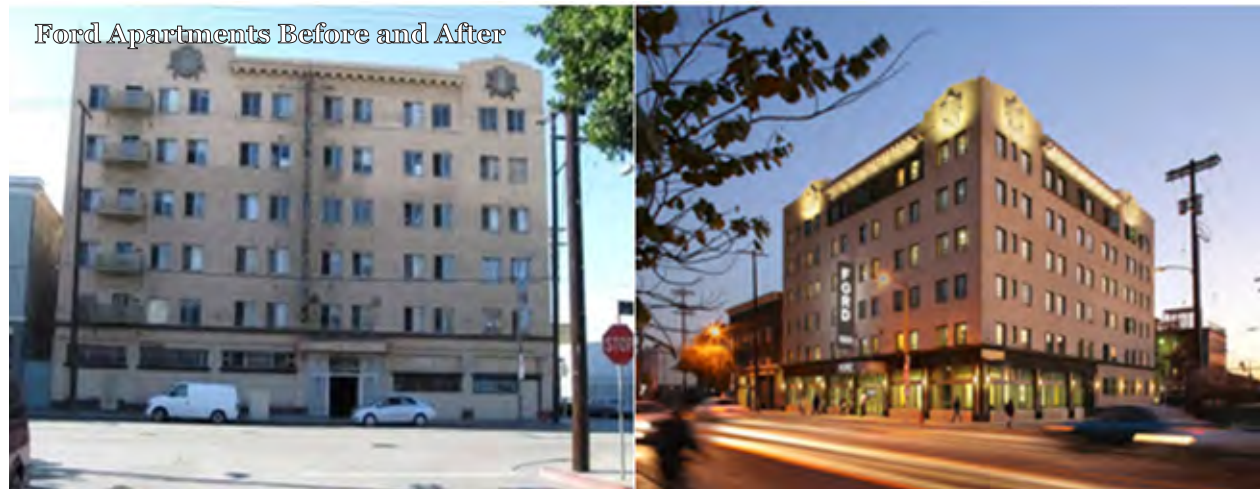
Residents hoped that the agency would bring affordable housing to stem the tide of gentrification and displacement. While the specific plan is expected to attract technology jobs, bringing new residents with higher levels of education to the area, existing low-income residents were also hopeful that redevelopment investment would bring food manufacturing and goods transportation jobs—well-paying jobs suited to residents’ skills and education and appropriate for the neighborhood given the large amount of industrially-zoned land and the neighborhood’s proximity to Union Station and freeways. Sissy Trinh, Executive Director of Southeast Asian Community Alliance says, “Cornfields is one of the last areas adjacent to downtown that has not yet seen significant gentrification. The dissolution of the redevelopment agency is a lost opportunity to build needed affordable housing and create quality jobs for our community.”

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*- Sissy Trinh, Executive Director, Southeast Asian Community Alliance*

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## THEMES

Redevelopment dollars revitalized Vernon-Central's commercial corridors and contributed to the first permanent homes for transition age youth in the neighborhood. In Exposition Park, the redevelopment agency partnered with nonprofit developers on innovative mixed-use housing projects and spurred economic development through its support of Mercado La Paloma. In Little Tokyo, the agency invested its financial and planning resources to create affordable homes and preserve the cultural distinctiveness of the rich, historical neighborhood. In Pacoima, the agency transformed a brownfield into a shopping plaza while facilitating a community benefits agreement, and invested resources into modernizing infrastructure and improving streetscape design to create a safer and more pedestrian-friendly neighborhood. Redevelopment dollars contributed toward the construction of affordable homes in Boyle Heights, including a mixed-use project located near a major transit stop. The agency supported senior housing projects in the Crenshaw neighborhood, and funded permanent supportive housing and the maintenance of parks serving Skid Row's homeless residents. These catalytic, community-serving projects would not exist without redevelopment. Examining the unique role that redevelopment played in these neighborhoods, several themes emerge:

**Redevelopment focused on vulnerable areas.** In general, redevelopment project areas have higher concentrations of poverty than the rest of the City and are characterized by other markers of economic disadvantage, including high youth populations and low educational attainment. As described, redevelopment investments have increased economic opportunity and improved quality of life for some of Los Angeles's most vulnerable populations. And there is still great need in these neighborhoods. In the wake of dissolution, specific projects are at risk, such as the Bethune Crossroads and the renovation of the Japanese American Cultural Center, and many problems remain unaddressed, such as the need for more commercial development in South LA neighborhoods and the substandard infrastructure in the East Valley.

**Partnerships with neighborhood- and community-based organizations are critical.** In its most transformative and community-serving projects, the agency actively sought input from nonprofits and other local stakeholders. Nonprofit community-based organizations often were the entities developing the projects and carrying out the vision for the community. In nearly every neighborhood described, the agency provided critical funding to neighborhood-based developers for the construction of affordable housing. Beyond housing, the agency worked closely with T.R.U.S.T. South LA on the site design for the Slauson and Wall park and housing project, collaborated with Esperanza and its promoters in its report on food access in South Los Angeles, and engaged ELACC in planning public improvement projects in Boyle Heights. The agency's partnership with CRCDC illustrates what is needed for job growth in Los Angeles; the agency's investment helped create jobs while community-based nonprofits, through targeted outreach and training, provided the skilled workforce.

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*Through public planning now underway, we can set guidelines for smart growth that is also fair growth, and neighborhood development that is true community development. We can improve more than just our buildings and streets; we can improve the lives of the people who live and work in our neighborhoods—the old and the new, the rooted and the recent.*

*- Gabriela Garcia, UNIDAD  
Community Organizer*

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**Redevelopment provided a needed public forum for local residents.** The agency's land use approval process and pre-set structures, including CACs and PACs, offered forums to enable residents to help design projects affecting their communities, and in some cases, to gain leverage in seeking community benefits to ameliorate the impact of development projects. The Plaza Pacoima and the UNIDAD Coalition community benefits agreements are just two examples of the community-serving outcomes these forums helped obtain.

**Transit corridor investment—framed as “Redevelopment 2.0”—offers both benefits and challenges to project areas.** While local, state, and federal governments are expected to invest billions in transit in the coming years, the policies that often accompany these investments fail to guarantee even the minimal legal protections that redevelopment offered to protect against abuse, gentrification, and displacement. Both local planning departments and the regional transit agencies that allocate these investments generally lack the capacity to engage in targeted, neighborhood specific economic development planning. In low-income immigrant neighborhoods, such as Cornfields Arroyo Seco or Boyle Heights, transit corridor projects and land use policies threaten to raise housing costs to levels unaffordable to current residents and displace locally owned small businesses. Furthermore, many of the poorest neighborhoods in Los Angeles, such as portions of Vernon-Central, are not served by rail or rapid bus, and may not benefit from the anticipated investment in transit.

## RECOMMENDATIONS

No matter the form of new economic development vehicles at the state and local level, the experience of redevelopment in Los Angeles’s poorest neighborhoods has demonstrated that certain principles should govern:

***Invest in Economically Disadvantaged Communities.*** The success of any regional growth model is dependent on a distinct strategy for improving economic outcomes in distressed urban areas,<sup>90</sup> like the redevelopment project areas in Los Angeles. The gains we have made are sure to be lost, cycles of poverty will perpetuate, and regional growth will suffer, unless we build enduring economic growth models targeted at investing in these geographic areas and the disproportionately vulnerable populations that live there—people in poverty, people of color, and families with children.

***Partner with Community-Based Non-Profits.*** Local nonprofits are rooted in the communities they serve. They provide necessities like homes, food, jobs and training, as well as critical social services that stabilize neighborhoods and improve lives. Many of the agency’s most catalytic, community-serving projects involved neighborhood nonprofit partners, which are best equipped to design and implement successful projects responsive to residents’ needs. These types of nonprofit partners have a demonstrated capacity to develop the workforce by helping under-skilled workers build skills and create entrepreneurial opportunities. Any new economic development entity should establish mechanisms to incentivize and foster partnerships with nonprofit community-based organizations.<sup>91</sup>

***Plan With, and For, the Community.*** An economic development entity has the ability to significantly change the landscape of a neighborhood. For economic growth strategies to be informed and generate equitable outcomes that create thriving communities for all residents, we need accountability to local residents, including low-income tenants. Future economic development models in Los Angeles should be structured with mission-oriented and neighborhood-focused decision-making vehicles that allow community members to meaningfully engage in shaping projects and focus on maximizing community benefits for local residents. Any state legislation creating new economic development vehicles should also require robust accountability to local residents.

***Protect Against Abuse.*** Redevelopment’s demise, a product of the budget crisis, was supported by unfortunate examples of abuse whereby state laws were disregarded, or projects were promoted simply to benefit private interests. To avoid these occurrences in the future, new state and local economic development programs should incorporate greater protections, in addition to existing inclusionary and replacement housing obligations, to ensure that subsidy helps, rather than harms, local residents. New economic development models should also contain strong accountability measures to prevent abuse, limit waste, and avoid unnecessary administrative expenses.

**Create Quality Jobs.** New economic development models should focus not simply on providing jobs, but on creating quality jobs that can lift people out of poverty, into the middle class. Future economic development tools should incorporate social benefit policies like the redevelopment agency’s Living Wage Policy and Construction Careers and Project Stabilization Policy in order to achieve the goal of creating well-paying jobs for people that need them most.

**Involve Community in the Formation of a New Development Entity.** The City of Los Angeles must engage its most impoverished communities as it moves forward in creating a new economic development model. Neighborhood-based developers, community-based nonprofit organizations, and local residents are most directly affected by these activities and understand best the strategies to achieve real, community-serving growth in their communities. It is critical that they are invited to shape the goals, policies, and structure of the new economic development entity.

## CONCLUSION

Redevelopment in Los Angeles represented an intentional investment in the City’s poorest, historically disadvantaged communities. The residents of those communities—disproportionately people struggling with poverty, people of color, and children—still exist. But the single greatest source of funding required to be invested in local community economic development strategies in these low-income neighborhoods is gone. Advocates have long recognized an inherent contradiction in redevelopment: the agency proved a powerful agent of community change and opportunity for residents, but abuses also existed and redevelopment by its very nature caused community disruption, displacement and gentrification. As described in this report, the agency in Los Angeles marked its greatest successes in revitalizing communities and helping residents of blighted areas through partnerships with local, community-based organizations that have had long ties to the neighborhood.

Now is a critical juncture for community development professionals to reconsider both what worked for our communities and what did not work. In the aftermath of the dissolution of redevelopment, new economic development models and tools can and should be developed in a manner consistent with the recommendations contained in this report—so that Los Angeles’s planning and investment strategies both deliver economic opportunity and leave no communities or residents behind.

## Endnotes

- <sup>1</sup> Cal. Health & Safety Code §§ 33031; 33035 – 33037; 33039 [all Code references are to California Codes, unless otherwise noted].
- <sup>2</sup> Health & Safety Code § 33320.1.
- <sup>3</sup> California Constitution, Article XVI, Section 16 (authorizing use of property tax increments for paying indebtedness of redevelopment agencies); Health & Safety Code §§ 33670 et seq.; David F. Beaty et al., *Redevelopment in California*, 3d. ed. (Point Arena, CA: 2004, Solano Press Books), 218-221.
- <sup>4</sup> California Redevelopment Association, *Frequently Asked Questions About Redevelopment in California*, 1-2 (“CRA FAQs”).
- <sup>5</sup> Health & Safety Code §§ 33334.2, 33334.3(a).
- <sup>6</sup> California State Controller, *Community Redevelopment Agencies Annual Report for Fiscal Year 2008-09*, xix-xx (25th ed. 2009); CRA FAQs, 3.
- <sup>7</sup> Health & Safety Code §33413(b).
- <sup>8</sup> CRA FAQs, 3.
- <sup>9</sup> According to the U.S Census Bureau, the official poverty rate in the U.S. was 15.1% in 2010. U.S. Census Bureau, *Income, Poverty and Health Insurance in the United States: 2010 – Highlights*, accessed October 25, 2012, <http://www.census.gov/hhes/www/poverty/data/incpovhlth/2010/highlights.html>.
- <sup>10</sup> Health & Safety Code § 33385.
- <sup>11</sup> Community Redevelopment Association of the City of Los Angeles, *Putting Los Angeles Back to Work: FY 2011-2012 Budget Revised (“CRA/LA 2011-2012 Budget”)*. The agency’s budget is not a traditional annual budget, but a multi-year budget planning for redevelopment projects in the future which might change. This entails quite a bit of unpredictability. According to the agency it is not uncommon to see a budget which plans for the agency to spend 75% of a \$500 million redevelopment project and program in a budget year, only to realize expenses of 30% or less in the current year. *Id.* at 3.
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- <sup>13</sup> CRA/LA, A Designated Local Authority, “Memorandum from Christine Essel to Governing Board Re: Transfer of Metro Call For Project Grants With CRA/LA Matching Funds, June 21, 2012 (“Metro Call for Project Grants Staff Report”).
- <sup>14</sup> Los Angeles Development Fund at a Glance, accessed October 25, 2012, <http://www.crala.org/internet-site/Other/upload/LADF%20fact%20sheet%2010%2018%2010%20new%20address.pdf>.
- <sup>15</sup> Community Redevelopment Agency of the City of Los Angeles, “Living Wage Policy,” October 28, 2003.
- <sup>16</sup> Patrick Burns, Daniel Flaming & Brent Haydamack, *Benefits of CRA/LA Social Equity Policies (Los Angeles: Economic Roundtable, 2004)* (prepared for the Community Redevelopment Agency of the City of Los Angeles), 2, 26-32.
- <sup>17</sup> Community Redevelopment Agency of the City of Los Angeles, “Construction Careers and Project Stabilization Policy,” April 23, 2008; Jackelyn Cornejo, *Moving LA Forward: Promoting Construction Careers at Metro (Los Angeles: Los Angeles Alliance for a New Economy, 2011)*, 19. In early 2012, community and labor coalition succeeded in establishing a construction careers policy/project labor agreement applicable to any project funded by the Los Angeles County Metropolitan Transportation Authority with a life-of-project budget of \$2.5 million or more. See Los Angeles County Metropolitan Transportation Authority, “General Management Construction Careers Policy,” adopted January 26, 2012.
- <sup>18</sup> Community Redevelopment Agency of the City of Los Angeles, *CRA/LA Strategic Plan*, May 1, 2009 to June 30, 2014, 20.
- <sup>19</sup> Community Redevelopment Agency of the City of Los Angeles, *CRA/LA Activity Report Summary as of July 2011*, accessed October 25, 2012, <http://www.crala.org/internet-site/upload/ActivityReportJuly2011.pdf>.
- <sup>20</sup> Community Redevelopment Agency of the City of Los Angeles, “CRA/LA Housing Policy,” August 4, 2005, 12.

- <sup>21</sup> “Housing Programs Overview,” CRA/LA: A Designated Local Authority, accessed November 5, 2012, [http://www.crala.org/internet-site/Other/Housing\\_Programs.cfm](http://www.crala.org/internet-site/Other/Housing_Programs.cfm). Although investment in affordable housing by the local redevelopment agency has produced thousands of homes for low-income families, the affordability covenants on many of these units expire in the near future. Over 40% of the units for which redevelopment was the primary funding source are set to expire between 2013 and 2018. Los Angeles Department of City Planning, Housing Element of the General Plan 2006-2014 (Adopted January 14, 2009), Appendixes A and B.
- <sup>22</sup> “L.A. Coalition to End Hunger & Homelessness Sues City Over Downtown Redevelopment,” PR Newswire, July 16, 2010, <http://www.thefreelibrary.com/L.A.+Coalition+to+End+Hunger+%26+Homelessness+Sues+City+Over+Downtown...-a089021125>; Jocelyn B. Stewart, “Homeless Advocates Sue L.A. Over Downtown Plan,” Los Angeles Times, Aug. 21, 2002; Legal Aid Foundation of Los Angeles, “Downtown Skid Row, October 2011,” LAFLA Matters: Frontline Focus, November 2011, [http://www.lafla.org/newsletter\\_FF.php](http://www.lafla.org/newsletter_FF.php).
- <sup>23</sup> Jessica Garrison & David Zahniser, “Community Redevelopment Agency panel fast-tracks new Broad museum parking plan,” Los Angeles Times, January 21, 2011.
- <sup>24</sup> Health & Safety Code § 33413.
- <sup>25</sup> Senate Bill 450, 2011-2012 Reg. Session (Cal. 2011).
- <sup>26</sup> American Community Survey 2006-2010; California Employment Development Department, Labor Market Information Division, Current Economic Statistics; “About Us,” Coalition for Responsible Community Development, accessed October 25, 2012, <http://www.coalitionred.org/about.html>.
- <sup>27</sup> Community Redevelopment Agency of the City of Los Angeles, Redevelopment Plan for the Council District Nine Corridors South of the Santa Monica Freeway Recovery Redevelopment Project, Adopted December 19, 1995, Los Angeles City Ordinance 170.807, 2-3.
- <sup>28</sup> Community Redevelopment Agency of the City of Los Angeles, Council District Nine Corridors South of the Santa Monica Freeway Recover Redevelopment Project Area 5-Year Implementation Plan, 2011-2015, Adopted December 16, 2010, 4-6 (“CD9 2011 Implementation Plan”); Scott Gold, “Central Avenue is dreaming again: A new supermarket could be a part of the fabled thoroughfare’s rebirth,” Los Angeles Times, Sept. 25, 2009.
- <sup>29</sup> CD9 2011 Implementation Plan, 6.
- <sup>30</sup> CD9 2011 Implementation Plan, 3-5, 14; CRA/LA, Activity Report: Downtown Region: Council District 9, November 8, 2010, 4 (“CD9 November 2010 Activity Report”).
- <sup>31</sup> Elizabeth Duffrin, “Hard Hat High,” The Institute for Comprehensive Community Development, October 1, 2012, <http://www.instituteccd.org/news/4437>.
- <sup>32</sup> CD9 2011 Implementation Plan, 9.
- <sup>33</sup> “Council District Nine Corridors South of the Santa Monica Freeway Recover Redevelopment Project Fact Sheet,” CRA/LA: The Community Redevelopment Agency of Los Angeles, California, accessed October 25, 2012, <http://www.crala.org/internet-site/Projects/CD9/upload/cd9.pdf>.
- <sup>34</sup> Community Redevelopment Agency of the City of Los Angeles, Council District Nine Corridors South of the Santa Monica Freeway Recover Redevelopment Project Area 5-Year Implementation Plan, 2005-2010, Adopted January 18, 2007, 6.
- <sup>35</sup> CD9 2011 Implementation Plan, 9, 34-35.
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- <sup>37</sup> “Mapping L.A., Exposition Park,” Los Angeles Times, accessed October 25, 2012, <http://projects.latimes.com/mapping-la/neighborhoods/neighborhood/exposition-park>; “Mapping L.A., Historic South-Central,” Los Angeles Times, accessed October 25, 2012, <http://projects.latimes.com/mapping-la/neighborhoods/neighborhood/historic-south-central>; “Mapping L.A., South Park,” Los Angeles Times, accessed October 25, 2012, <http://projects.latimes.com/mapping-la/neighborhoods/neighborhood/south-park>; “Mapping L.A., University Park,” Los Angeles Times, accessed October 25, 2012, <http://projects.latimes.com/mapping-la/neighborhoods/neighborhood/university-park>; Los Angeles Department of City Planning, USC Development Plan Nexus Study: Rental Housing Affordability in the Nexus Study Area, February 17, 2012.
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- <sup>40</sup> CD9 2011 Implementation Plan, 10-11, 18, 30; Community Redevelopment Agency of the City of Los Angeles, California, "Memorandum from Christine Essel to CRA/LA Board of Commissioners Re: Slauson-Wall Project," January 20, 2011.
- <sup>41</sup> Nandini Ruparel, "South L.A. Residents Feel The Effects Of CRA/LA's Demise," Neon Tommy Annenberg Digital News, February 1, 2012, <http://www.neontommy.com/news/2012/02/south-la-residents-feel-effects-cralas-demise>.
- <sup>42</sup> CD 9 2011 Implementation Plan, 7.
- <sup>43</sup> Mark Valliantos, Giulia Pasciuto, Melinda Swanson & Amanda Shaffer, Bringing people to good food and good food to people: Enhancing food access through transportation and land use policies (Los Angeles: Urban & Environmental Policy Institute, CRA/LA, Esperanza Community Housing Corporation, 2011).
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- <sup>46</sup> Little Tokyo Fact Sheet, 1.
- <sup>47</sup> Kawaratani.
- <sup>48</sup> Kawaratani; Little Tokyo Fact Sheet, 1.
- <sup>49</sup> Little Tokyo Draft Implementation Plan, 5.
- <sup>50</sup> See Anne Riley-Katz, Little Tokyo Would Just as Soon Skip Bail, Los Angeles Business Journal, Jan. 15, 2007.
- <sup>51</sup> Kawaratani.
- <sup>52</sup> Kawaratani; CRA/LA, Little Tokyo Draft Implementation Plan, 16. Public documents from the Designated Local Authority, the successor agency to the former redevelopment agency, indicate that the Community Center project has been cancelled. CRA/LA, A Designated Local Authority, "Memorandum from Christine Essel to Governing Board Re: Rescission of Conditionally Approved CRA/LA Projects," February 16, 2012, Exhibit A.
- <sup>53</sup> Little Tokyo Fact Sheet, 1.
- <sup>54</sup> Kawaratani; Iris Yokoi, "Little Tokyo: Casa Heiwa Passes Financing Hurdle," Los Angeles Times, Feb. 20, 1994; "Art Projects: Nancy Uyemura Harmony, CRA/LA: A Designated Local Authority, accessed October 25, 2012, [http://www.crala.org/internet-site/Other/Art\\_Program/artist\\_list/nancy\\_uyemura.cfm](http://www.crala.org/internet-site/Other/Art_Program/artist_list/nancy_uyemura.cfm).
- <sup>55</sup> Kawaratani.
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- <sup>57</sup> Kawaratani.
- <sup>58</sup> "Mapping LA, Pacoima," Los Angeles Times, accessed October 25, 2012, <http://projects.latimes.com/mapping-la/neighborhoods/neighborhood/pacoima>; Pacoima Beautiful, Pacoima Wash Vision Plan: Imagining a new Multipurpose Greenway for the Northeast San Fernando Valley, 13-14, accessed October 25, 2012, [http://www.pacoimabeautiful.org/wp-content/uploads/2010/12/Pacoima-Wash-Vision-Plan-Book\\_FINAL.pdf](http://www.pacoimabeautiful.org/wp-content/uploads/2010/12/Pacoima-Wash-Vision-Plan-Book_FINAL.pdf).; "Pacoima Wash," Pacoima Beautiful, accessed October 25, 2012, <http://www.pacoimabeautiful.org/pacoima-wash>.
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- <sup>60</sup> Community Redevelopment Agency of the City of Los Angeles, CA, Earthquake Disaster Assistance Project for Portions of Council District 7 Redevelopment Project Area 5-Year Implementation Plan, 2010-2014, Adopted December 17, 2009, 4 ("Pacoima Implementation Plan"); CRA/LA, "Costco Groundbreaking Celebrated January 8 at Plaza Pacoima: Work Begins on

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- <sup>62</sup> CRA/LA, Activity Report: East Valley Region: Pacoima/Panorama City, July 23, 2010, 9; Pacoima Implementation Plan, 19-21;
- <sup>63</sup> CRA/LA 2011-2012 Budget, 42; CRA/LA 2010-2011 Budget, 44; Pacoima February 2011 Activity Report, 11-14; CRA/LA, A Designated Local Authority, "Memorandum From Christine Essel to Governing Board Re: Transfer of Sun Valley EDA Public Improvements Grant With Matching Funds," July 19, 2012. CRA/LA, A Designated Local Authority, "Memorandum from Christine Essel to Governing Board Re: Recognized Obligation Payment Schedule – Actions regarding Third Party Claims," Appendix A, March 29, 2012.
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- <sup>68</sup> Adelante Implementation Plan, 13.
- <sup>69</sup> Adelante Implementation Plan, 7; Adelante July 2010 Activity Report, 7, 11, 18. Both the Chavez and 1st street projects were partially funded by Metro grants which will likely be assigned to other City departments for implementation. Metro Call for Project Grants Staff Report.
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- <sup>86</sup> Los Angeles City Council, Verbal Motion Adopted August 11, 2010, Council File 10-1270.
- <sup>87</sup> Mapping LA, Lincoln Heights, Los Angeles Times, accessed October 25, 2012, <http://projects.latimes.com/mapping-la/neighborhoods/neighborhood/lincoln-heights>; “Mapping L.A.: \$20,000 or less,” Los Angeles Times, accessed October 25, 2012, <http://projects.latimes.com/mapping-la/neighborhoods/income/20-or-less/neighborhood/list>.
- <sup>88</sup> Proximity to transit has been demonstrated to have a premium value increase on nearby properties compared to similar properties in the same city that are not located near transit. Keith Wardrip, “Public Transit’s Impact on Housing Costs: A Review of the Literature,” Center for Housing Policy: Insights from Housing Policy Research, August 2011. Rise in property values is a key determinant in demographic changes and displacement. This is especially true for areas with a higher initial proportion of rental properties, as neighborhoods with a large number of renters are more susceptible to displacement. Stephanie Pollack, Barry Bluestone & Chase Billingham, Maintaining Diversity in America’s Transit- Rich Neighborhoods: Tools for Equitable Neighborhood Change (Boston: Dukakis Center for Urban and Regional Policy, 2010).
- <sup>89</sup> “Affordable Housing & Gentrification Near Transit: Case Studies in Housing Policy and Impacts in Los Angeles” (report by students at University of Southern California Price School of Policy, July 1, 2012) (on file with authors), 33.
- <sup>90</sup> For background, see Teresa Lynch and Adam Kamins, Creating Equity: Does Regionalism Have an Answer for Urban Poverty? Can It? (Boston: Initiative for a Competitive Inner City, August 2012).
- <sup>91</sup> The City of Santa Monica, in its Housing Trust Fund Guidelines, requires a non-profit affordable housing developer as the borrower or general partner in every project. City of Santa Monica Housing Division, Housing Trust Fund Guidelines, (Amended June 19, 2007), 17-30.

**Cover pictures, clockwise from top left:**

*Historic Far East Building, consisting of café and affordable housing, renovated by Little Tokyo Service Center.*

*Community residents engaged in site design for Slauson and Wall, a mixed-use project in South LA. Photo courtesy of T.R.U.S.T. South LA.*

*Resident of Las Margaritas, affordable housing project in Boyle Heights developed by East LA Community Corporation, photo courtesy of developer.*

*Historic 28th Street YMCA in South LA, built to provide community space for African-American residents and recently transformed by developers Clifford Beers Housing and the Coalition for Responsible Community Development into affordable homes for transition age youth. Photo courtesy of CRCD.*



