

A Rapid Health Impact Assessment of the City of Los Angeles' Proposed University of Southern California Specific Plan

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Conducted by:
Human Impact Partners
In conjunction with a panel of impacted residents



With support from:
Strategic Actions for a Just Economy (SAJE)
Esperanza Community Housing Corporation



CONTRIBUTORS

Jennifer Lucky, MPH – Human Impact Partners

Jonathan Heller, PhD – Human Impact Partners

And impacted residents living near the University of Southern California:

Maria Edith Alvarez, Federico Asturias, Esperanza Carrillo,
Norma Castillo, Carolina Garcia, Ivan Gonzalez, Lucero
Herrera, Jesús Lopez, Margarita Mendez, Augustin Moreno,
Orinio Opinaldo, Francisco Perez, Fatima Ramirez, Maria
Magdalena Ramirez, Genovevo Reyes, Maria Elena Rivas.

With support from:

David Robinson – Political Director, Strategic Actions for a Just Economy

Paulina Gonzales – Executive Director, Strategic Actions for a Just Economy

Nancy Halpern Ibrahim – Executive Director, Esperanza Community Housing

Informed by:

Gayle Haberman – Los Angeles County Department of Public Health

Joan Ling – Lecturer at UCLA and Occidental College

Manuel Pastor – Program for Environmental and Regional Equity, USC

Richard Platkin – Urban planning consultant

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Human Impact Partners (HIP)

Human Impact Partners' primary expertise is using Health Impact Assessment (HIA) to increase the consideration of health and equity in decision-making arenas that typically do not consider health. HIP has conducted HIAs on local, state and federal levels with communities across the country, from Hawaii to Maine. The findings from HIP's HIAs have been integrated into numerous policy-making and planning processes. To date, HIP has conducted over a dozen HIAs on land use and transportation plans and development projects, and has trained over 1000 individuals around the country in HIA processes and methods. HIP is considered a leader in the field of Health Impact Assessment in the U.S., spearheading efforts to convene HIA practitioners from across North America and chairing the newly formed Society of Practitioners of Health Impact Assessment (SOPHIA), an international association of those involved with HIA. HIP has been funded by major foundations such as The California Endowment, Pew Charitable Trusts, and the W.K. Kellogg Foundation to conduct HIAs and build the capacity of others to do so. HIP has also been funded by public agencies, including the Los Angeles Metropolitan Transportation Authority and the U.S. Environmental Protection Agency to conduct HIA work.

Strategic Actions For A Just Economy (SAJE)

SAJE is an economic justice and tenants' rights organization located in the northern portion of South Los Angeles. Since our founding in 1996, we have been building economic opportunities for working-class and low-income people in our local area and throughout Los Angeles with a combination of community education, outreach, and organizing; grassroots leadership development; policy development and advocacy; and coalition organizing. Our mission is to change public and corporate policy in a manner that provides concrete economic benefits to working-class people, increases working-class people's rights, and builds grassroots leadership through a movement for economic justice. We work with local residents to combat slum housing, organize residents to engage in the City of LA's land-use planning process in order to increase the amount of affordable and safe housing in South LA, organize to halt illegal evictions and the ongoing displacement of Los Angeles' working families, and lead a coalition of local organizations to increase residents' access to better jobs. In partnership with ally organizations, from churches to labor unions, we do our utmost to make sure the fate of city neighborhoods is decided by those who live there. We are one of the founding organizations, and the current convener, of the UNIDAD Coalition (United Neighbors In Defense Against Displacement).

Esperanza Community Housing Corporation

Founded in 1989 out of a successful community organizing campaign to save six homes, Esperanza has since grown into a multi-faceted organization impacting tens of thousands of people within the Figueroa Corridor and the larger South Central region of Los Angeles. Esperanza works to achieve comprehensive and long-term community development. Together with community members, the agency develops and implements health, housing, education and economic development projects.

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EXECUTIVE SUMMARY

Background

As one of the premier universities on the west coast of the United States, the University of Southern California (USC) is attracting more students than ever. USC has over 38,000 undergraduate, graduate, and professional students enrolled at the University Park Campus and the Health Sciences Campus. Whereas in years past the University had often been characterized as a commuter school, over the past 10–15 years it has become more of a traditional residential university with students wishing to live close to campus, especially those studying at the University Park campus.¹ This transition from commuter to residential school, combined with USC's steady increase in enrollment, without the university providing substantial student housing, has been the major cause of large-scale displacement of local families.^{2 3}

USC Specific Plan Proposal

Over the next 20 years, USC has proposed the following as part of their new University Park Master Plan, to be regulated by the City of Los Angeles' (LA) proposed USC Specific Plan. USC has proposed over five million square feet of development. Chief among the varied elements of this large-scale growth and development project are:

- Increase the USC student body by more than 5000 students;
- Create more jobs;
- Develop more academic buildings on campus;
- Increase “university-affiliated housing” in walking distance of campus, including:⁴
 - the development of 5,400 beds of new student housing;
 - the demolition of 1,162 beds in existing USC-owned student housing; and
 - the addition of 418 beds of new faculty housing (250 units);
- Enhance the “park-like” feel of campus with new/improved open space, pedestrian amenities, and parking improvements;
- Demolish & replace the existing University Village with developments including a new supermarket, a hotel, and other new businesses.

¹ The figure of 38,000 comes from the “Facts and Figures” page of USC's website (<http://about.usc.edu/facts/>).

² According to year-by-year enrollment data previously provided on USC's website as recently as 2008 (according to SAJE's David Robinson) but no longer available there, USC increased its student enrollment by an average of 660 students each year between 2000 and 2008, for a total **increase in yearly enrollment of 4,623 students between 2000 and 2008**, and by possibly another 7,000 between 2009 and 2011.

³ IBI Group in association with Meléndrez and Strategic Economics, “Los Angeles TOD Plans and Market Studies: Appendices,” submitted to the City of Los Angeles Department of City Planning, July 2011

⁴ City of Los Angeles, Department of City Planning. Nexus Study for the USC University Park Specific Plan. July, 2011.

Issues of Concern

Given trends of displacement, the growing demand for housing in the areas surrounding the USC campus, as well as USC's proposed expansion, residents have become increasingly concerned about: the affordability and availability of non-student housing in the neighborhoods surrounding the campus; whether the proposed development will result in the continued and/or intensified displacement of existing residents; and whether or not the University will increase communication with residents about proposed development activities and/or implement measures to avoid or mitigate any adverse impacts of the proposed Specific Plan on local residents.⁵ There is additional concern regarding the lack of attention in the Environmental Impact Report (EIR) and associated Nexus Study to current and past trends that are predictors of displacement and gentrification, and that impact housing conditions in the areas around the university.

Although a step in the right direction, the net number of beds being proposed in the Specific Plan is inadequate to meet existing or future demand based on the size of the student body. In addition, USC proposes to build only a small portion of these units in the first 20 years of the Plan.

Health Impact Assessment

Protecting and improving the health and well-being of all communities is an important responsibility for decision-makers. Health Impact Assessment (HIA) is a process that aims to create healthier communities by providing decision-makers with an understanding of the potential health impacts of a proposed plan, policy, or project, and recommendations to ensure that policy and project dollars provide the greatest benefits to health.

In response to existing concern about the potential impacts of the proposed USC Specific Plan development on local residents, SAJE and Esperanza Community Housing Corporation, in collaboration with UNIDAD, a broad-based coalition of residents and community-based organizations working in the area surrounding USC, asked Human Impact Partners (HIP), a nonprofit organization specializing in Health Impact Assessment, to conduct an HIA. HIP designed and conducted a first-of-its-kind rapid Health Impact Assessment that includes significant community engagement. The HIA examined how the proposed Specific Plan development would impact measures of housing, gentrification, and displacement, and how these impacts could lead to changes in health for the communities around the USC campus, particularly low-income and vulnerable populations.

The process of conducting the rapid HIA took place over the period of two months, and was oriented around three day-long meetings attended by a panel of residents who would be impacted by the USC Plan (the Impacted Residents Panel), four subject-matter experts, and other stakeholders. During these

⁵ Enterprise. University Park Housing Study. September 2007.

meetings the Impacted Residents Panel discussed and came to consensus about the potential impacts of the proposed USC Plan on housing, gentrification, and displacement as well as recommendations that would help to ensure that the Plan maximize benefits to the health of local residents. Based on these meetings and relevant available data, this HIA report with the findings and recommendations of the Impacted Residents Panel was produced.

The goal of the HIA was to ensure that USC's plans for growth and development account for likely impacts to low-income and vulnerable populations, with regard to housing, gentrification, and displacement in particular, and to propose appropriate actions that can be taken to mitigate potential negative impacts to health as a result of the proposed Specific Plan. Below, some of the primary findings and recommendations of this HIA are highlighted.

HIA Findings About Current Conditions in the Communities Around USC

Health Conditions

- More than 1/3 of residents in the USC Project Area rated their health status as "fair or poor" compared with 1/5 in the City of Los Angeles.
- Rates of hypertension, diabetes, overweight, and obesity are higher in the USC Plan area than the average rates in the City and County of Los Angeles.

Gentrification and Displacement

- Existing residents of gentrifying communities most often experience the adverse effects of redevelopment, such as being forced out of the community due to changes in the housing market that increase availability for one population and reduce availability for others as property values and rents rise with demand.
- Displacement can lead to physical, mental, and social stress on the displaced populations, as well as costly school and job relocations and increased risk for substandard housing and overcrowding that contributes to disparities among vulnerable groups, including the poor, women, children, the elderly, and members of racial/ethnic minority groups.

Demographic Trends

- The median household incomes in all of the census tracts that comprise the USC Nexus Study area are either in the very low income or extremely low income categories based on average household size.
- From 2000–2010, zip code 90007 (closest to the USC campus) experienced:
 - a decrease in population including family households, while surrounding zip codes saw an increase in this population;
 - nearly three times the decrease in the populations under 5 years and 10–14, and two times the decrease in children ages 5 to 9 compared to the City of Los Angeles and surrounding areas, while experiencing a much higher increase in the population ages 20 to 24, which includes college-age students than those areas;

- a more significant decrease in the Black population than surrounding areas; and
- a decrease in the Hispanic population, while the City, including the areas surrounding 90007, saw an increase in Hispanic population.

Employment

- Displacement poses a serious risk of forcing residents to live further away from their jobs, which puts them at risk of losing their jobs, paying more for commuting, and/or longer commutes.
- There are nearly twice the percent of blue collar workers in the zip codes around USC than in the City of LA overall.
- While the California minimum wage is \$8.00/ hour, it is estimated that the cost of living “self-sufficiently” in Los Angeles for one adult with one preschool-age child is \$26.41 per hour.

Housing

In communities near the USC campus:

- There is a higher concentration of renter-occupied units.
- Average rents are not affordable to households at the median household income level, and between 2005 to 2009, more than 1/3 of renters were estimated to be spending in excess of 30% of their income on housing costs.
- An individual would have to earn 3.2 times the California minimum wage of \$8.00 in order to afford the current fair-market rent.
- There are an increasing number of USC students, faculty, and staff residing in rental units and a great deal of competition for housing from USC students who have a desire to live close to campus and generally have more financial resources than local residents. This rising demand has made it increasingly difficult for community residents to find affordable, quality housing.
- Of the small inventory of affordable housing that currently exists, a majority (almost 1300 units) has the potential of being lost in the next 5 years and the City of Los Angeles Housing Department (LAHD) concludes that the rate of potential loss of affordable housing units far outpaces any reinvestment the City can hope to accomplish.
- Over 1/3 of owner-occupied units and 2/3 of renter households have been classified as severely overcrowded.
- There is a large gap between what existing residents can afford and the cost of purchasing a home, making home ownership infeasible.

HIA Findings About Impacts of the USC Specific Plan

The Impacted Residents Panel came to consensus that the following are likely and important impacts of the proposed USC Specific Plan that would negatively affect the health of local residents.

Displacement

If the USC Plan goes forward without important changes, displacement is certain to increase. The displacement will mostly impact Latino and Black populations, low-income people, families, young children, and seniors, as well as individuals who are permanently disabled, and it will disproportionately impact people living in neighborhoods close to USC.

Health impacts of displacement include: impairment of mental health, increase in chronic disease, income- and education-related negative health outcomes, and impairment of social cohesion.

Poverty/Income ~ Household Budget

If the USC Plan is implemented without ensuring enough housing for people of all income levels, the financial resources of low-income households will be even more severely limited, and poverty is certain to increase. This will mostly impact Latino and Black populations, families, young children, and seniors, as well as individuals who are permanently disabled, and it will disproportionately impact people living in neighborhoods close to USC.

Health impacts related to reductions in household budgets and increases in poverty include: impairment of mental health, increase in chronic disease, income- and education-related negative health outcomes, and reduced access to medical care.

Jobs

If the USC Plan is implemented without important changes, the mismatch between wages earned by community members and housing costs is certain to get worse; housing costs will increase while wages will not. This will mostly impact Latino and Black populations, families, young children, and seniors, as well as individuals with lower educational attainment, and it will disproportionately impact people living in neighborhoods close to USC.

Health impacts related to the mismatch between wages and housing costs include: reduced access to medical care and impairment of health outcomes associated with housing conditions and quality.

HIA Recommendations

Based on these findings the Impacted Residents Panel came to consensus that the following recommendations would mitigate negative health impacts without leading to additional adverse impacts.

Housing

- USC should pay 5% of the total specific plan development budget into an Affordable Housing Trust Fund dedicated to the greater USC Specific Plan area (i.e., the Nexus Study area). The Trust Fund should have community oversight and community organizations should be involved in its implementation.
- USC should finance the preservation of the 1300 currently affordable units

whose covenants will expire in the next five to twenty years.⁶ Though USC's plans do not directly impact these units, indirect and historical impacts of USC's development have led and will continue to lead to reduced housing affordability in the area, which these units help to alleviate.

- USC should protect tenants rights by providing legal support to and financing services for tenants, especially those living in rent-stabilized housing. This support could be used, for example, to stop landlords from unfairly evicting tenants in rent-stabilized apartments.

Jobs

- USC should improve the local hiring policies in the USC Specific Plan and Development Agreement for all temporary jobs (i.e., all construction-trade jobs, not just laborers) by targeting at least 10% of these jobs for residents in the 90007, 90037, and 90011 zip codes and at least 50% of these jobs for residents in the City of Los Angeles. USC should require contractors hired for the projects in the Specific Plan to have pre-apprenticeship programs that start at the beginning of the Specific Plan timeframe. Furthermore, USC should follow best practices in local hiring, especially by partnering with local organizations with experience in local hiring.⁷
- For new jobs being created on campus or on university-owned properties, USC should pay, at a minimum, a living wage, and hire 50% local, non-student residents for these jobs.⁸ Furthermore, a card-check neutrality agreement should be put in place, allowing workers in these jobs to organize if they wish.
- USC should create a robust at-risk local hiring program in collaboration with local groups (e.g., Home Boy Industries). At-risk groups targeted by the program should include immigrants, people with limited English proficiency, and people who have been incarcerated.
- USC should provide job training for permanent jobs it creates and open an office at the University that focuses on job placement for local residents.
- USC should make space available to local residents for opening small businesses in new commercial and mixed-use developments.
- USC should assist local cooperatives with developing economic opportunities for local residents, especially immigrants and people with limited English proficiency.
- USC should offer on-site child care for all USC workers to assist those hired from the local community.
- In addition to the Affordable Housing Trust Fund described above, USC

⁶ Los Angeles Housing Department. Affordable Housing Addendum to Report Back Relative to the University of Southern California (USC) Development Agreement Nexus Study. February 27, 2012.

⁷ The Impacted Residents Panel did not come to agreement as to whether 10% or 20% of these jobs should be targeted to local residents.

⁸ The Impacted Residents Panel did not come to agreement as to whether, and to what degree, these jobs should be open only to non-student residents or to low-income student residents as well.

should create a social investment fund (modeled on Guatemala's Fondo de Inversion Social and Mexico's Fondos Municipales de Solidaridad; similar to a community benefits agreement) to address issues such as poverty and education in the local community. This fund should also have community oversight.

- The City should contract with a labor compliance program to monitor USC's conformity with these jobs-related policies. Reports should be made to the community, the city, and USC at the same time (e.g., by posting them online). Compliance monitoring should be based on man-hours by job classification, and advancement opportunities should also be tracked. If the University is found to be out of compliance, it should be fined substantially (based on the hours out of compliance), and qualified local job applicants who are denied work should be compensated. Fines should be used to fund programs to support at-risk youth in the local community.

Conclusion

As the USC Specific Plan and concurrent developments in the area spur economic development, increased property values, and more aesthetically designed communities, the potentially adverse impacts that can affect existing populations in the community must be considered. It is the legal, professional, and ethical responsibility of city planners to analyze and plan for these various factors and their interaction, and to include measures to avoid or mitigate likely negative impacts. This Health Impact Assessment addresses the lack of analysis of and potential mitigations for negative impacts presented in previous analyses related to the USC Specific Plan. Moving forward, analysis of potential health impacts needs to be an integral part of city planning, particularly for projects that will impact communities that are highly vulnerable and have limited resources to conduct research on their own or to intervene successfully in the decision-making process.

1. INTRODUCTION AND BACKGROUND

In 2011 the City of Los Angeles, in conjunction with the University of Southern California (USC), drafted a Specific Plan and Development Agreement (also referred to throughout this report as “the USC Plan”) to facilitate the university’s growth and expansion through 2030, encompassing more than 5 million square feet of development involving new academic buildings, retail space, restaurants, a hotel, student housing, and more; an expansion of the boundaries of the University Park Campus; and an expansion of the student body. Local residents and community organizations, whose members and clients will be affected by proposed USC Specific Plan activities have expressed concern that the Plan has failed to recognize important potential impacts to the health of the surrounding community, particularly related to housing, displacement, and gentrification. Additionally, the lack of attention in the Environmental Impact Report (EIR) and associated Nexus Study to current and past trends that are predictors of displacement and gentrification, and that impact housing conditions in the areas around USC, demonstrate a need for additional analysis to help inform decision-makers and local communities about the potential impacts of USC’s proposed expansion.

1.1 Health Impact Assessment

To provide a more comprehensive analysis of plan impacts on health (related to housing in particular), a Health Impact Assessment was conducted. Health Impact Assessment, or HIA, as defined by the National Research Council, is:

“a systematic process that uses an array of data sources and analytic methods and considers input from stakeholders to determine the potential effects of a proposed policy, plan, program or project on the health of a population and the distribution of those effects within the population. HIA provides recommendations on monitoring and managing those effects.”⁹

This report reflects the findings from a “Rapid” HIA process that took place between February and April 2012. Human Impact Partners (HIP) conducted the HIA at the request of SAJE and Esperanza Community Housing Corporation, with significant guidance and input from residents living in the USC area. Funding was provided by The California Endowment.

For this HIA, a novel and “rapid” approach was developed to maximize the engagement and empowerment of the impacted community. Specifically, a panel of fifteen residents who would potentially be impacted by the proposed USC Specific Plan was formed to actively participate in and guide the research process. This novel approach was developed for several reasons, including: 1) two of the underlying values of HIA are equity and democracy; the process

⁹ National Academy of Sciences. Committee on Health Impact Assessment; National Research Council. Improving Health in the United States: The Role of Health Impact Assessment. 2011.

developed was intended to increase the consideration of equity-related outcomes as well as to better engage local residents in the democratic processes that influence their lives; and 2) a recognition that “Any serious effort to reduce health inequities will involve political empowerment – changing the distribution of power within society and global regions, especially in favour of disenfranchised groups and nations.”¹⁰

This Impacted Residents Panel met on February 11, 2012 to learn about HIA and the USC proposal, and to identify key questions on which the HIA would focus (also known in the HIA process as “Scoping”). The panel met again on March 10 and 11, 2012 to review existing conditions data collected by HIP, hear from a panel of subject-matter experts about the potential impacts of the USC Plan, to come to consensus on the likely impacts of the Specific Plan on health, and to identify a set of recommendations that could mitigate potentially negative health impacts. The Impacted Residents Panel met for approximately six hours each day and, because impacted residents were primarily Spanish speaking, all meetings were conducted simultaneously in Spanish and English. HIP’s role was to: 1) design a process in which the Impacted Residents Panel could learn, engage, deliberate, and come to consensus, as well as 2) provide data and 3) write this report.

This Rapid HIA report includes the following:

- (1) Assessment of the existing conditions in the neighborhoods near USC;
- (2) Assessment of the potential impacts of the proposed USC Specific Plan on these existing conditions; and
- (3) Recommendations that could be implemented to mitigate potential impacts of the USC Specific Plan on the populations living in these neighborhoods.

The goal of this HIA is to ensure that USC’s plans for growth and development account for impacts to low-income and vulnerable populations, with regard to housing, gentrification, and displacement in particular, and that appropriate actions are taken to mitigate any negative health impacts as a result of changes to housing, similar to the way in which the USC Specific Plan EIR proposes mitigations for issues such air quality, noise, and parking.

1.2 HIA Scope: Housing in the Communities Surrounding USC

Housing has historically been and continues to be a pressing issue for residents living in the South Los Angeles communities that surround USC, in particular for those who are low-income and face other vulnerabilities (in terms of health and other social support). As key factors that contribute to the determination of health outcomes and quality of life, it is important that the impacts of the proposed USC Specific Plan on housing availability and housing quality be

¹⁰ Commission on Social Determinants of Health (2008). Closing the gap in a generation: health equity through action on the social determinants of health. Final Report of the Commission on Social Determinants of Health. Geneva, World Health Organization.

recognized, and that mitigation measures to avoid any potential negative outcomes in these areas be adopted and monitored.

As one of the premier universities on the west coast of the United States, the University of Southern California is attracting more students than ever from across the country and from overseas. USC has over 38,000 undergraduate, graduate, and professional students enrolled in its programs at the University Park Campus and the Health Sciences Campus. Whereas in years past the University had often been characterized as a commuter school, over the past 10–15 years it has become more of a traditional residential university with students wishing to live close to campus, especially those studying at the University Park campus.¹¹ This transition from commuter to residential school, combined with USC's steady increase in enrollment, without the university providing substantial student housing, was the major cause of large-scale displacement of local families during this period.^{12 13}

Given such recent and continuing displacement, the still-growing demand for housing in the areas surrounding the USC campus, and given USC's proposed expansion outlined in the draft USC Specific Plan and Development Agreement, residents have become increasingly concerned with the affordability and availability of non-student housing in the neighborhood; whether the proposed development will result in the continued and/or intensified displacement of existing residents; and whether or not the University will increase communication with residents about proposed development activities or implement measures to avoid or mitigate any adverse impacts of the proposed Plan on local residents.¹⁴ For these reasons and because many other impacts of the USC Plan were addressed elsewhere in the planning documents, housing was chosen as the focus of this HIA

1.3 Report Organization

This HIA report is organized to include the following information:

- **Section 2. HIA Methods** – describes methods employed and primary data sources used to conduct this HIA.
- **Section 3. Proposed USC Specific Plan** – describes the proposed USC Specific Plan and related development activities.

¹¹ The figure of 38,000 comes from the "Facts and Figures" page of USC's website (<http://about.usc.edu/facts/>).

¹² According to year-by-year enrollment data previously provided on USC's website as recently as 2008 (according to SAJE's David Robinson) but no longer available there, USC increased its student enrollment by an average of 660 students each year between 2000 and 2008, for a total **increase in yearly enrollment of 4,623 students between 2000 and 2008**, and by possibly another 7,000 between 2009 and 2011.

¹³ IBI Group in association with Meléndrez and Strategic Economics, "Los Angeles TOD Plans and Market Studies: Appendices," submitted to the City of Los Angeles Department of City Planning, July 2011.

¹⁴ Enterprise. University Park Housing Study. September 2007.

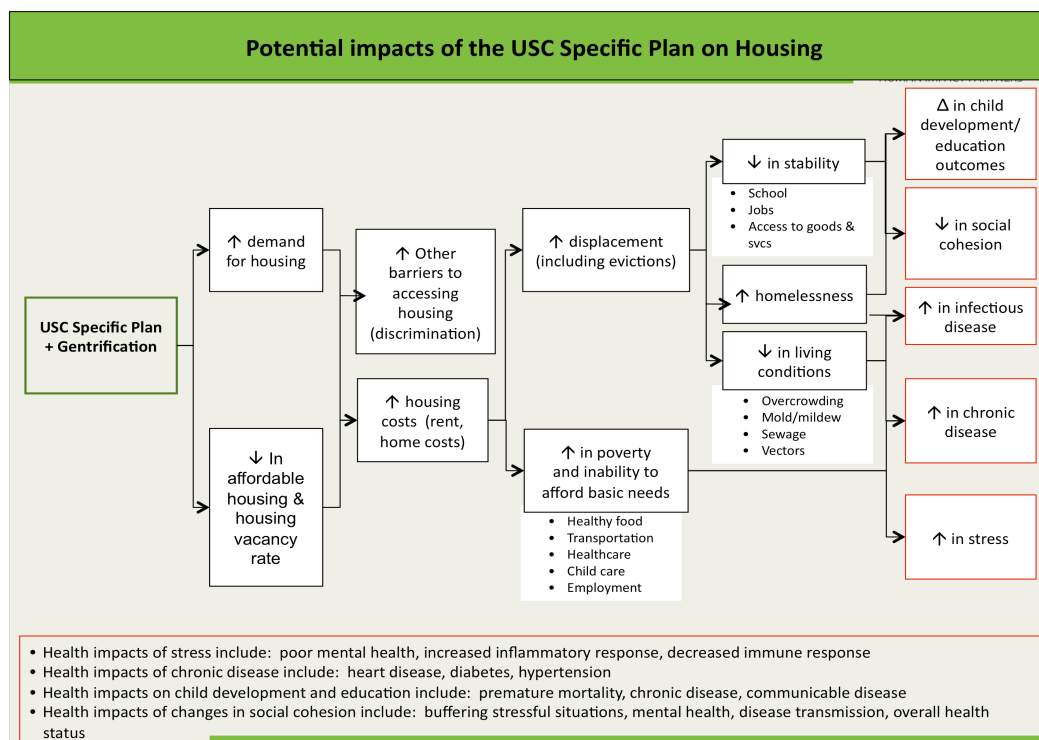
- **Section 4. Existing Standards, Guidelines, and Policies relevant to the USC Specific Plan** – highlights goals, plans, and policies from key guiding documents and processes in the City of Los Angeles that are relevant to the issue of focus in this Rapid HIA.
- **Section 5. Existing Conditions** – provides a summary of research and literature describing health conditions, demographics, gentrification/displacement, and housing.
- **Section 6. Impact Analysis** – describes the consensus reached among the impacted residents about the potential health impacts that could result from the implementation of the USC Specific Plan.
- **Section 7. Recommendations** – describes the consensus reached among the impacted residents on a set of recommendations to mitigate significant impacts to low-income and vulnerable populations residing in the study area.

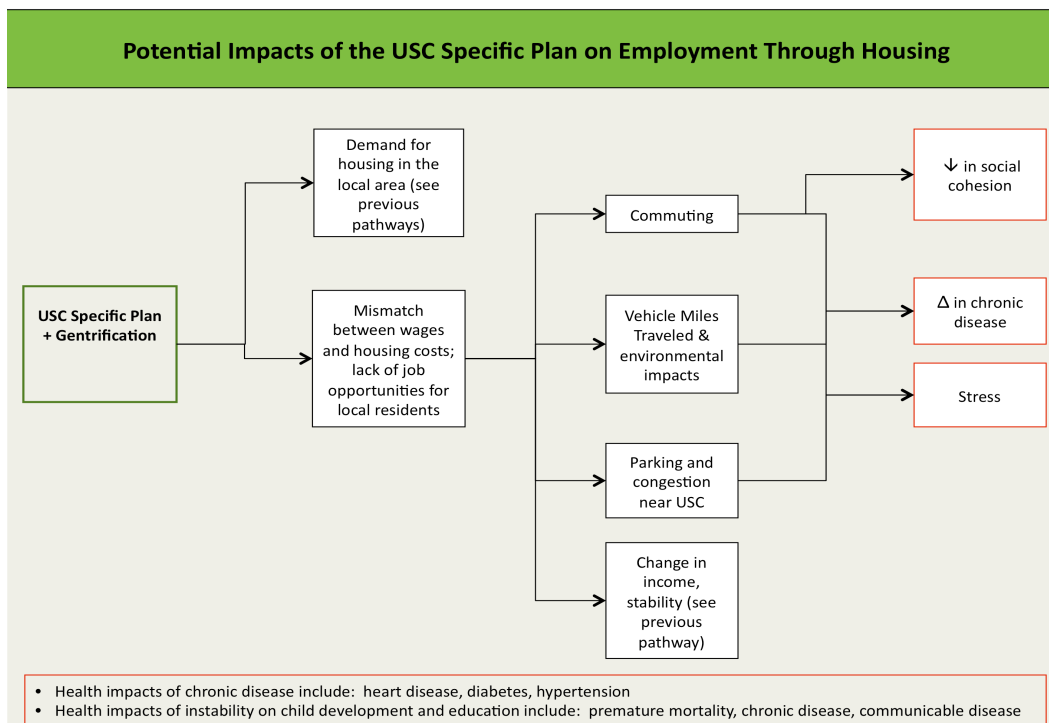
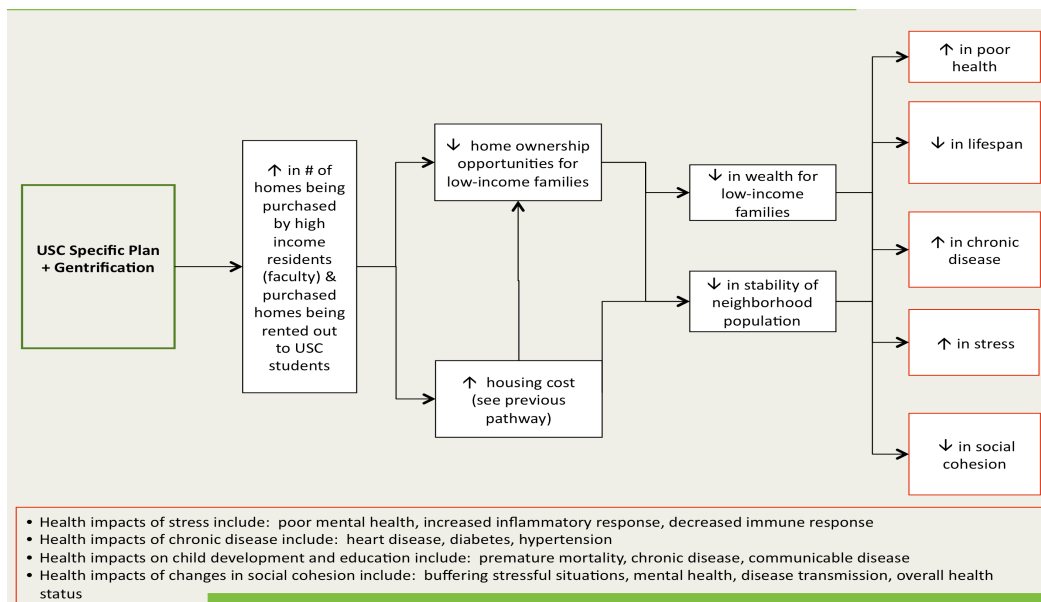
2. HIA METHODS

As described above, this Rapid HIA was conducted by HIP with significant input and guidance from potentially impacted residents of the neighborhoods near USC. HIP employed the methodologies described in Section 3 of this report and shared findings with the impacted residents. The Impacted Residents Panel then deliberated on these findings and came to consensus about the likely impacts of the USC Plan and recommendations to mitigate likely adverse impacts of the proposed plan.

The main concern among residents was how housing in their community would be impacted by the USC Plan and how that could lead to changes in community health. Additionally, residents and local community organizations were concerned about the lack of attention in the EIR and Nexus Study to previous and current trends associated with displacement, gentrification, and changes to housing conditions, and wanted to ensure that the HIA provided information about these trends to inform decision-makers and other stakeholders in the USC Specific Plan process. To develop a Scope, HIP prepared pathway diagrams to illustrate the potential links between the proposed USC Specific Plan and health outcomes as mediated through housing and employment (see Figure 1 below). Based on a review by residents, HIP then developed a set of research questions to guide the HIA, to identify indicators on which to collect data, and to ultimately provide information on which the residents could deliberate.

Figure 1. Pathway Diagrams Demonstrating Links Between the USC Plan and Residents' Health, via Housing and Employment





After the HIA Scope was developed, literature supporting or refuting the connections between demographics, housing, employment, and health was reviewed and data was gathered from publicly available sources to characterize existing conditions in the study area and the City of Los Angeles. Data sources included the US Census, Healthy City's 2009 report "Gentrification and Displacement Mapping and Analysis of the City of Los Angeles & the Figueroa Corridor Community,"¹⁵ the 2007 Enterprise study of University Park Housing,

¹⁵ See Appendix B for the Healthy City Report on Gentrification and Displacement in the Figueroa Corridor

and health data from the Los Angeles County Department of Public Health. The majority of the indicator data used in this HIA falls within two sets of boundaries: 1) the USC Nexus Study area and 2) the zip codes that most directly surround the USC campus.

Where possible the USC Specific Plan and related environmental documents (the Draft and Final EIR and the Nexus Study) as well as:¹⁶

- The City of Los Angeles Department of City Planning's Status Report on Housing Affordability Analysis in the USC Nexus Study Area, released February 17, 2012; and
- Los Angeles Housing Department's (LAHD) Affordable Housing Addendum to Report Back Relative to the University of Southern California (USC) Development Agreement Nexus Study, released February 27, 2012;

were also used as information sources for this Rapid HIA.

One significant difficulty with the preparation of this HIA was that figures in the EIR, Nexus Study, and associated documents from the City of Los Angeles and USC for the proposed USC Specific Plan were incongruent. The scope of the USC development project differs (by more than 700,000 square feet of development) between the EIR and the Specific Plan. At the time of the writing of this report, SAJE, Esperanza, and other community groups were unable to obtain a satisfactory explanation or reconciliation of such conflicting figures from the LA City Planning Department.¹⁷

With the Impacted Residents Panel, qualitative assessments about the consequences of the Plan for existing residents were made and recommendations were developed to address any identified adverse impacts.

2.1 The USC Nexus Study Area

The City of Los Angeles Planning Department has prepared a Nexus Study for the larger community area surrounding USC. This area is bounded by the following Streets: Washington Blvd. to the north, Grand Ave. to the east, Normandie Ave to the west, and Vernon Ave. to the South.¹⁸ There are 21 census tracts based on the 2000 Census that generally correspond to these boundary streets:

221600, 221710, 221810, 221820, 221900, 222100, 222200,
222600, 222700, 224020, 224410, 224420, 224600, 224700,
231100, 231210, 231220, 231600, 231710, 231720, 231800

¹⁶ See Appendix C for the Status Report on Housing Affordability Analysis in the USC Nexus Study Area, and the LAHD Affordable Housing Addendum to the USC Nexus Study.

¹⁷ For instance, the EIR for the USC Specific Plan estimates USC's student population to be significantly smaller (more than 7,000 students) than the estimates presented by USC on their "Facts and Figures" page of their official website (<http://about.usc.edu/facts/>).

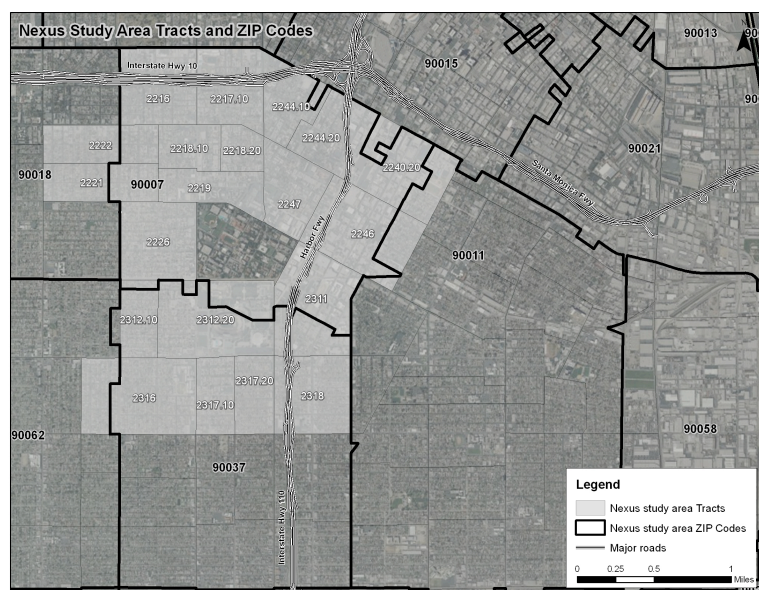
¹⁸ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

It should be noted that the majority of the Nexus Study area census tracts are located in zip codes 90007 and 90037; therefore when findings from the Nexus Study are mentioned in this report, they refer primarily to these areas.

Zip Codes Surrounding USC

Zip code 90089 has been designated specifically for the use of the USC main campus. The zip codes 90007, 90011, 90037, which encompass the Nexus Study area census tracts, directly surround zip code 90089.

Figure 2. Nexus Study Census Tracts and Surrounding Zip Codes



3. PROPOSED USC SPECIFIC PLAN

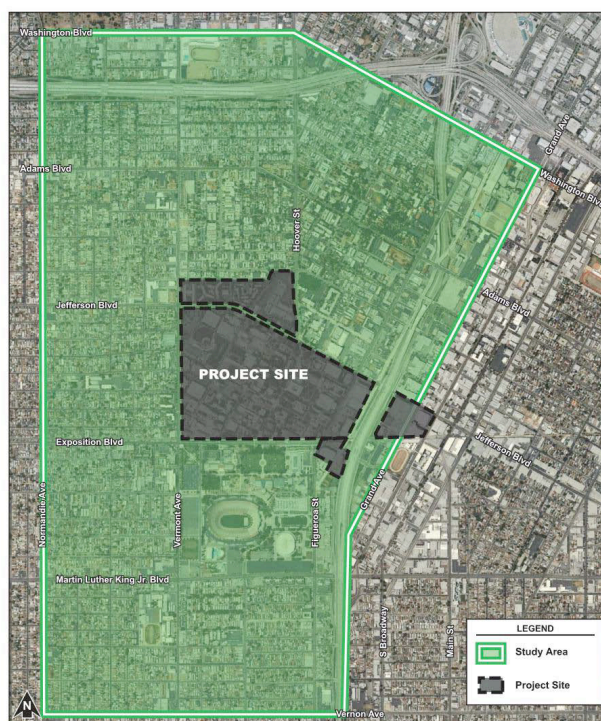
The USC Specific Plan proposal (as described in the draft USC Specific Plan, the EIR, and the Nexus Study) includes more than 5 million square feet of development, and encompasses a wide variety of elements. Of relevance to this HIA are the following:

- Gradually increase the USC student body to over 5,000 more students by 2030
- Increase academic buildings on campus
- Increase “university-affiliated housing” in walking distance of campus
 - some by USC, some by private developers
 - mostly for students, some for faculty and some for staff
- Enhance the “park-like” feel of campus with new or improved open space
- Create pedestrian-oriented community
- New landscaping and “beautification” along major roads to campus
- New businesses near campus
- Parking improvements
- Traffic improvements
- Create several thousand more jobs

The Plan also proposes to demolish and replace the existing University Village with developments including the following:

- A new supermarket(s)
- A hotel
- New businesses

The Specific Plan and Development Agreement also mention a new “University-affiliated K–8 laboratory school and community educational academy,” but provide no details other than square footage (80,000 feet).

Figure 3. USC Specific Plan Area¹⁹

According to the draft Development Agreement prepared by The City of Los Angeles and the University of Southern California, USC would be allowed to develop the following in order to accommodate the above Plan elements:²⁰

- up to approximately 2,500,000 square feet of academic and University-serving uses;
- up to approximately 350,000 square feet of retail/commercial uses;
- up to approximately 2,135,000 square feet of residential development; and
- a 165,000 square foot hotel and conference center.

The Nexus Study for the USC Specific Plan also states that the proposed project will include:²¹

- the development of 5,400 beds of new student housing;
- the demolition of 1,162 beds in existing USC-owned student housing; and
- the addition of 418 beds of new faculty housing (250 units).

Construction for the proposed developments within the USC Specific Plan would be implemented in phases over a number of years extending to 2030.

¹⁹ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

²⁰ Development agreement by and Among The City of Los Angeles and the University of Southern California. Preliminary Draft. February 2012.

²¹ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

However, it should be noted that key documents in which the various elements of the USC Plan are enumerated and evaluated present unclear or conflicting figures regarding areas of primary concern to the local community, including housing and jobs. One particular area of concern is that even after USC builds more student beds, there will still be more USC students looking for housing than USC or USC-affiliated developers are planning to provide, leaving students to compete for housing with residents from the local community. Although a step in the right direction, the number of beds being proposed in the Specific Plan is inadequate to meet existing or future demand based on the size of the student body. In addition, USC proposes to build only a small portion of these units in the first 20 years of the Plan.

It should also be recognized that USC's 20-year expansion is taking place in a multifactorial context, where several additional known factors are impacting and will continue to impact the surrounding neighborhoods. These factors include the historic trends of displacement set in motion by USC's housing policies over the past decade, as well as concurrent developments such as efforts to increase the attractiveness of the neighborhoods surrounding USC for students, faculty, and staff, as well as downtown workers; new Community Plans for South and Southeast LA; and the development of the new Exposition Light Rail.²²

The last of those elements deserves special mention. Studies have shown that housing costs can rise around light-rail stations, causing displacement of current residents.²³ Regarding the Expo Line in particular, a study of the USC area, commissioned by the LA City Planning Department, found that "The Exposition Line is likely to make the study area considerably more attractive for new residents by connecting it with downtown, Culver City, and eventually Santa Monica." The study goes on to discuss how new demand in the area from middle- or upper-income households could be generated as a result of features such as proximity and connectivity to major job centers, new amenities, and an architecturally historic housing stock, and how this demand may cause displacement of existing low-income residents as housing prices and the cost of living increase.²⁴

²² IBI Group in association with Meléndrez and Strategic Economics, "Los Angeles TOD Plans and Market Studies: Appendices," submitted to the City of Los Angeles Department of City Planning, July 2011.

²³ Dukakis Center for Urban and Regional Policy at Northeastern University, "Maintaining Diversity in America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change," October 2010.

²⁴ IBI Group in association with Meléndrez and Strategic Economics, "Los Angeles TOD Plans and Market Studies: Appendices," submitted to the City of Los Angeles Department of City Planning, July 2011.

4. EXISTING STANDARDS, GUIDELINES, AND POLICIES RELEVANT TO THE USC SPECIFIC PLAN

There are a number of existing standards, guidelines, and policies relevant to the USC Plan that should be considered as setting the context for this HIA. Below we describe several of those, including the City of Los Angeles General Plan Framework, the Housing Element of the City of LA's General Plan, the South Los Angeles Community Plan, and the Southeast Los Angeles Community Plan.

One of the stated purposes of the proposed USC Specific Plan is to:

“Assure compatibility between University campus uses and the surrounding neighborhood, fostering a unified vision that benefits the campus and the surrounding community as a whole.”²⁵

Additionally, the Status Report on Housing Affordability Analysis in the USC Nexus Study Area states in its introduction that:

“The goal of the Specific Plan is to foster a unified vision that benefits both the University and the surrounding community.”²⁶

Addressing the housing needs for and health of the local community when considering future development is an important goal that also appears in many of the City of Los Angeles' planning guidance documents, as evidenced by the following:

The City of Los Angeles General Plan Framework, prepared and maintained by the Department of City Planning, is a comprehensive, long-range declaration of purposes, policies, and programs for the development of the City of Los Angeles. Specific elements that are relevant to this HIA include:

- Element 4.1. Plan the capacity for and develop incentives to encourage production of an adequate supply of housing units of various types within each City subregion to meet the projected housing needs by income level of the future population to the year 2010.²⁷
- Element 4.4. Conserve scale and character of residential neighborhoods.

The Housing Element of the City of LA's General Plan identifies four primary goals and associated objectives, policies, and programs. The goals are:²⁸

²⁵ University of Southern California University Park Campus Specific Plan. Preliminary discussion draft. February 2012.

²⁶ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

²⁷ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

²⁸ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

- (1) a City where housing production and preservation result in an adequate supply of ownership and rental housing that is safe, healthy, sanitary and affordable to people of all income levels, races, ages, and suitable for their various needs;
- (2) a City in which housing helps to create safe, livable and sustainable neighborhoods;
- (3) a City where there are housing opportunities for all without discrimination; and
- (4) a City committed to ending and preventing homelessness

The Housing Element's objectives include:

Objective 1.1. Plan the capacity and develop incentives for the production of an adequate supply of rental and ownership housing for households of all income levels and needs.

Objective 2.2. Promote sustainable neighborhoods that have mixed-income housing, jobs, amenities, services and transit.

Objective 2.4 Promote livable neighborhoods with a mix of housing types, quality design and a scale and character that respects unique residential neighborhoods in the City.

Objective 3.1 Assure that housing opportunities are accessible to all residents without discrimination on the basis of race, ancestry, sex, national origin, color, religion, sexual orientation, marital status, familial status, age, disability (including HIV/AIDS), and student status.

South Los Angeles Community Plan and Southeast Los Angeles Community Plan's overarching residential goal is to provide for a safe, secure, and high quality residential environment for all economic, age, and ethnic segments of the community. Specifically, the Community Plan strives to preserve and enhance the positive characteristics of existing residential neighborhoods while providing a variety of compatible new housing opportunities, including Policy 1-5.2: "Ensure that new housing opportunities minimize displacement of the residents."

Other Measures Related to Housing (Affordable and Market-Rate)

The USC Nexus Study outlines three specific changes in development regulations that it states intend to "expand the housing supply, includ[ing] the supply of affordable housing, in the general vicinity of the Nexus Study Area" (B-32):

- North University Park-Exposition Park-West Adams Neighborhood; Stabilization Overlay (NSO) District, Ordinance #180218;
- General Plan Amendment for Commercially Designated Properties on Figueroa Street and the West Side of Flower Street from the Santa Monica Freeway on the North to Martin Luther King Jr. Boulevard on the South (Council file 06-3236); and

- Greater Downtown Housing Incentive Ordinance.

However, the Nexus Study provides no data or evidence to demonstrate that any of these measures have achieved the intention of expanding the supply of affordable housing in the area. On the contrary, given the scale of displacement documented by community groups,²⁹ it is difficult to see how any of these policies have been successful in this regard. The Nexus Study also mentions two citywide policies that promote affordable housing:

- Density Bonus Ordinance
- Rent Stabilization Ordinance (RSO)

The former, however, is significantly undercut in the Nexus Study area by the General Plan Amendment for Figueroa and Flower, and the latter allows units to be raised to market rate when a tenant moves out (“vacancy decontrol”).

Additional information about these measures and their potential impacts on housing can be found in Appendix D.

²⁹ Figueroa Corridor Community Land Trust and Figueroa Corridor Coalition for Economic Justice, “Voices of the Community/Voces de Comunidad: Estrella Community/Comunidad Estrella,” July 2008, documented more than a third of the Estrella community’s buildings shifting from community (non-USC) use to USC use between 1998 and 2008. (The Estrella neighborhood, north of USC, is bounded by Adams, Hoover, the 10 Freeway, Washington, and Figueroa).

5. EXISTING CONDITIONS

In this section, after summarizing our findings, we provide existing conditions information on the following HIA Scope categories:

- **5.1 Health Conditions** – This section begins with a summary of research and literature describing the built environment, and social and environmental factors that can influence population health. Data on the health conditions in communities surrounding the USC campus is then presented for the following measures: self reported health status, hypertension, heart disease, diabetes, overweight, obesity, asthma, mortality, life expectancy, and access to health care services.
- **5.2 Demographics; Gentrification and Displacement** – This section begins with a summary of research findings on how health outcomes and demographic characteristics of a community can be impacted by the built environment and public policies, with information divided into the following categories: income and wealth, employment, and gentrification/displacement. Existing demographic and employment data for the communities surrounding the USC campus is then presented for the following measures, highlighting changing trends over the past decade where possible: population change, family households, population age, age/ethnicity, educational attainment, income and poverty, unemployment, distribution of jobs by sector, local jobs and the self-sufficiency wage, and jobs-housing balance.
- **5.3 Housing** – This section begins with a summary of research that links housing to health conditions and then presents data on current housing conditions in the communities surrounding the USC campus for the following measures: housing affordability, proportion of renter-occupied and owner-occupied housing, proportion of households paying more than 30% of their income on housing, proportion of housing stock that is affordable, affordable housing creation and loss, housing vacancy, proportion of households living in overcrowded conditions, housing costs, housing wage as a percent of minimum wage, proportion of housing occupied by students, housing quality, housing code violations, homelessness and evictions, and foreclosures.

Summary of Existing Conditions Findings

Health Conditions

- More than 1/3 of residents in the USC Project Area rated their health status as “fair or poor” compared with 1/5 in the City of Los Angeles.
- Rates of hypertension, diabetes, overweight, and obesity are higher in the USC Plan area than the average rates in the City and County of Los Angeles.

Gentrification and Displacement

- Existing residents of gentrifying communities most often experience the adverse effects of redevelopment, such as being forced out of the community due to changes in the housing market that increase availability for one population and reduce availability for others as property values and rents rise with demand.
- Displacement can lead to physical, mental, and social stress on the displaced populations, as well as costly school and job relocations and increased risk for substandard housing and overcrowding that contributes to disparities among vulnerable groups, including the poor, women, children, the elderly, and members of racial/ethnic minority groups.

Demographic Trends

- The median household incomes in all of the census tracts that comprise the USC Nexus Study area are either in the very low income or extremely low income categories based on average household size.
- From 2000–2010, zip code 90007 (closest to the USC campus) experienced:
 - a decrease in population including family households, while surrounding zip codes saw an increase in this population;
 - nearly three times the decrease in the population under 5 years, and two times the decrease in children ages 5 to 14 compared to the City of Los Angeles and surrounding areas, while experiencing a much higher increase in the population ages 20 to 24, which includes college-age students than those areas;
 - a more significant decrease in the Black population than surrounding areas; and
 - a decrease in the Hispanic population, while the City, including the areas surrounding 90007, saw an increase in Hispanic population.

Employment

- Displacement poses a serious risk of forcing residents to live further away from their jobs, which puts them at risk of losing their jobs, paying more for commuting, and/or longer commutes.
- There are nearly twice the percent of blue collar workers in the zip codes around USC than in the City of LA overall.
- While the California minimum wage is \$8.00/ hour, it is estimated that the cost of living “self-sufficiently” in Los Angeles for one adult with one preschool-age child is \$26.41 per hour.

Housing

In communities near the USC campus:

- There is a higher concentration of renter-occupied units.
- Average rents are not affordable to households at the median household income level, and between 2005 to 2009, more than 1/3 of renters were estimated to be spending in excess of 30% of their income on housing costs.
- An individual would have to earn 3.2 times the California minimum wage of \$8.00 in order to afford the current fair-market rent.
- There are an increasing number of USC students, faculty, and staff residing in rental units and a great deal of competition for housing from USC students who have a desire to live close to campus and generally have more financial resources than local residents. This rising demand has made it increasingly difficult for community residents to find affordable, quality housing.
- Of the small inventory of affordable housing that currently exists, a majority (almost 1300 units) has the potential of being lost in the next 5 years and the City of Los Angeles Housing Department concludes that the rate of potential loss of affordable housing units far outpaces any reinvestment the City can hope to accomplish.
- Over 1/3 of owner-occupied units and 2/3 of renter households have been classified as severely overcrowded.
- There is a large gap between what existing residents can afford and the cost of purchasing a home, making home ownership infeasible.

5.1 Health Conditions

5.1.1 Literature Review Findings

While access to medical care when sick is important, health does not start at the doctor's office. Health starts—long before illness—in our neighborhoods, homes, schools, and jobs. Patterns of health and disease outcomes reflect patterns of social and economic circumstances.^{30 31} Chronic and acute health problems also impact quality of life and long-term health. Having to struggle with poor health makes populations more vulnerable to other adverse conditions and circumstances they may be exposed to, environmentally, socially, economically, and politically.

Those living in poorer neighborhoods may have limited access to health care, less opportunity to participate in health-promoting activities, and fewer resources to fall back on when crises occur.³²

Gentrification can lead to increases in housing costs, which can threaten food security and financial security, and lead to overcrowded living conditions, displacement, and acceptance of substandard housing conditions.³³ In turn, overcrowding and substandard housing conditions increase risks for mortality, infectious disease, poor mental health, and poor childhood development.^{34 35 36} For adults, displacement and relocation can disrupt social ties and result in job loss and loss of health-protective social networks.^{37 38} Conversely, strong

³⁰ McGinnis M, Williams–Russo P. *Journal of Health Affairs*, v. 21 (2). 2002.

³¹ California Newsreel. Backgrounders from the unnatural causes health equity database; 2008. Available at <http://www.unnaturalcauses.org/assets/uploads/file/primers.pdf>.

³² Los Angeles County Department of Public Health, Office of Health Assessment and Epidemiology. Life expectancy in Los Angeles: How long do we live and why? A city and communities health report. July 2010.

³³ Pollack C, Egarter S, Sadegh–Nobari T, Dekker M, Braveman P. Where We Live Matters for our Health: The Links Between Housing and Health. Robert Wood Johnson Foundation: Issue Brief No. 2; 2008. <http://www.rwjf.org/files/research/commissionhousing102008.pdf>. Accessed June 2011.

³⁴ Krieger J, Higgins DL. Housing and health: time again for public health action. *American Journal of Public Health*. 2002; 92(5): 758–68.

³⁵ Krieger JW, Takaro TK, & Rabkin JC. Healthcare disparities at the crossroads with healthcare reform. In Williams RA eds. *Breathing Easier in Seattle: Addressing Asthma Disparities Through Healthier Housing*. New York: Springer; 2011.

³⁶ Jacobs DE, Wilson J, Dixon SL, Smith J, & Evens, E. The relationship of housing and population health: A 30-year retrospective analysis. *Environmental Health Perspective*. 2009; 117(4): 597–604.

³⁷ Keene DE, & Geronimus AT. “Weathering” HOPE VI: The importance of evaluating the population health impact of public housing demolition and displacement. *Journal of Urban Health*. 2011; 88(3): 417–435.

³⁸ Bhatia R, & Guzman, C. The case for housing impacts assessment: The human health and social impacts of inadequate housing and their consideration in CEQA policy and practice. San Francisco Department of Public Health. Program on Health, Equity, and Sustainability. San Francisco: Department of Public Health. 2004.

neighborhood ties, lower levels of perceived stress, and more positive health outcomes are associated with neighborhoods that have high levels of stability.³⁹ Increased mobility in childhood has been linked to stress, the risk of developing depression, academic delay, school suspensions, and emotional and behavioral problems.^{40 41 42} The threat of displacement can also lead to stress, both financial and as a result of loss of social support, and the negative health impacts associated with stress, such as suppressed immune function.

5.1.2 Data Findings

In order to understand how the proposed USC Specific Plan will impact the health of the local low-income community, it is important to understand health issues that existing residents currently face. The data below highlight important measures of health status for current residents living in the USC area.

Data from the 2005 and 2007 Los Angeles County Health Survey conducted by the Los Angeles County Department of Public Health reveals that **more than 32% of residents in the USC Project Area rated their health status as “fair or poor” compared with 20.3% in the City of Los Angeles and 19.5% in the County.**

³⁹ Schulz A, Zenk S, Israel B, et al. Do neighborhood economic characteristics, racial composition, and residential stability predict perceptions of stress associates with the physical and social environment? Findings from a multilevel analysis in Detroit. *Journal of Urban Health*. 2008; 85(5): 643–660.

⁴⁰ Gilman SE, Kawachi I, Fitzmaurice GM, & Bika SL. Socio-economic status, family disruption and residential stability in childhood: relation to onset, recurrence and remission of major depression. *Psychological Medicine*. 2003;33, 1341–55.

⁴¹ Guzman C, Bhatia R, & Durazo C. Anticipated effects of residential displacement on health: Results from qualitative research. San Francisco: Department of Public Health. Retrieved November 9, 2011, from http://www.sfphes.org/publications/reports/Trinity_Focus_Groups.pdf. 2005.

⁴² Leventhal T & Newman S. Housing and child development. *Children and Youth Services Review*. 2010; 32(9): 1165–1174.

Table 1. Los Angeles County Health Survey Findings, 2005 & 2007 ⁴³

	USC Project Area*	City of LA	County of LA
Hypertension	25.5%	23.2%	24%
Heart disease	6.7%	6.6%	7.3%
Diabetes	13%	8.3%	8.4%
Overweight	45.2%	36.0%	35.7%
Obesity	26.3%	20.3%	21.5%
Source: 2005 & 2007 Los Angeles County Health Survey; Office of Health Assessment and Epidemiology, Los Angeles County Department of Public Health.			
* The USC Project Area was defined by census tracts of 221600, 221710, 224410, 224420, 224020, 222200, 221810, 221820, 222100, 221900, 224700, 224600, 222600, 222700, 231210, 231220, 231100, 231600, 231710, 231720, and 231800, as well as zip codes of 90007 and 90089.			

More specifically, rates of hypertension, diabetes, overweight, and obesity are significantly higher in the USC Nexus Study area than the average rates in the City and County of Los Angeles. In addition, asthma affects one in 13 children and one in 12 adults in South Los Angeles.⁴⁴

Mortality data from the Los Angeles County Department of Public Health shows that heart disease and cancer are the primary causes of death in the zip codes around USC (90007, 90011, 90015, 90037), and that between 2000 and 2006 homicides increased in all of these zip codes but 90015, where they decreased from accounting for 11% of deaths to 4%.⁴⁵

In Los Angeles County, life expectancy has risen from 75.8 years in 1991 to 80.3 years in 2006. However, substantial disparities continue to exist, with cities and communities with higher levels of economic hardship tending to have lower life expectancies. In 2006, the communities surrounding the USC campus, which are included in both Los Angeles City Council Districts 8 and 9, were found to have a life expectancy at birth of 75.2 years and 77 years, respectively. **In a ranking of 103 cities and communities, where one indicates the longest and 103 the shortest life expectancy, in 2006 Council District 8 ranked 102nd and Council District 9 ranked 96th.**⁴⁶

Data from 2008 indicates that there is only one pediatrician practicing in the South LA community for every 10,000 children, more than five times less than

⁴³ Office of Health Assessment and Epidemiology, Los Angeles County Department of Public Health. Los Angeles County health survey; 2005 & 2007.

⁴⁴ Los Angeles County Department of Public Health. Key indicators of health. 2009.

⁴⁵ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. 2009.

⁴⁶ Los Angeles County Department of Public Health, Office of Health Assessment and Epidemiology. Life expectancy in Los Angeles: how long do we live and why? A city and communities health report. July 2010.

the average for Los Angeles County.⁴⁷ There is also a high rate of uninsured individuals (20.9% for adults and 9.7% for children) in South Los Angeles.⁴⁸ **The LA County Health Survey indicates that more than half (53.4%) of the residents in the USC Project area have difficulty accessing medical care, compared to 30.8% in the City of LA, and 28.7% in the County.** Additionally, the percentage of residents who, in the last year, were unable to afford to see a doctor for a health problem, mental health care or counseling, dental care or needed prescription medication was higher in the USC Plan area compared to the City or County of Los Angeles.

For more about these LA County Health Survey results, see Appendix A.

5.2. DEMOGRAPHICS; GENTRIFICATION & DISPLACEMENT

5.2.1 Literature Review Findings

Economic, political, social, and physical forces impact the demographics of a neighborhood. Examples of these forces include economic development policies that encourage certain businesses to locate in an area and determine the kinds of jobs available to local residents, market trends that shape employment opportunities and housing costs, housing policies that facilitate or inhibit the development and preservation of residences of different sizes and affordability ranges, real estate and loan practices that promote or discourage racial segregation, and social networks that encourage residents to locate and stay in certain neighborhoods near friends and family. The historic policies that sustained racial segregation and housing and loan discrimination in the mid-20th Century (i.e., “red-lining”) are an example of these forces.⁴⁹ These led to the creation of many of the inequities in neighborhood quality and the distribution of wealth that communities continue to experience today.⁵⁰

The quality of social, economic, and physical environments all have a profound impact on health and quality of life. Where people live can have an impact on financial security, school quality, job opportunities, safety, as well as access to goods and services. These factors have demonstrated relationships with health outcomes.

In addition to the economic, political, social and physical factors that contribute to racial segregation and neighborhood poverty, race/ethnicity and income have proven links to health in and of themselves. Many people of color experience a wide range of serious health issues at higher rates than do whites, including breast cancer, heart disease, stroke, diabetes, hypertension, respiratory illness and pain-related problems. On average, African Americans,

⁴⁷ Community Health Councils. South Los Angeles health equity scorecard; 2008.

⁴⁸ Los Angeles County Department of Public Health. Key indicators of health. 2009.

⁴⁹ See: <http://salt.unc.edu/T-RACES/mosaic.html>

⁵⁰ California Newsreel. Backgrounders from the unnatural causes health equity database; 2008. Available at <http://www.unnaturalcauses.org/assets/uploads/file/primers.pdf>.

Native Americans, Pacific Islanders and some Asian American groups live shorter lives and have poorer health outcomes than whites. According to the Centers for Disease Control and Prevention, African American men in the United States die on average 5.1 years sooner than white men (69.6 vs. 75.7 years), while African American women die 4.3 years sooner than white women (76.5 vs. 80.8 years). People of color are likely to be less wealthy, less educated, and more likely to live in segregated communities with underfunded schools, insufficient services, poor transportation and housing, and higher levels of exposure to toxic and environmental hazards.⁵¹

Income and Wealth

For individuals, income is one of the strongest and most consistent predictors of health and disease in the public health research literature.⁵² Numerous studies have shown that income inequality, a measure of the distribution of income, is strongly and independently associated with decreased life expectancy and higher mortality, as well as reduced self-rated health status and higher rates of violence. Nationally, individuals with the lowest average family incomes (\$15,000–\$20,000) are three times more likely to die prematurely than those with higher family incomes (greater than \$70,000). It has also been shown that every additional \$12,500 in household income buys one year of life expectancy (up to an income of \$150,000). Poorer adults are also three times as likely to have a chronic disease that limits their activity, twice as likely to have diabetes, and are nearly 50% more likely to die of heart disease.⁵³ Additionally being low-income is also a risk factor for low birth weight birth, injuries and violence, most cancers, and children in low-income families are seven times as likely to be in poor or fair health as compared to high-income families.^{54 55} The relationship between income and health is mediated through nutrition, employment conditions, parenting resources, leisure and recreation, housing adequacy, neighborhood environmental quality, and community violence and stress.

For children, the impact of wealth on health is cumulative, and the greater proportion of life a child spends at the upper end of the class spectrum, the more benefits accrue. Children from affluent families are more likely to grow up in a house owned by their parents and to live in a neighborhood with healthy food options, safe places to play, good schools, libraries and other quality

⁵¹ California Newsreel. Backgrounders from the unnatural causes health equity database; 2008. Available at <http://www.unnaturalcauses.org/assets/uploads/file/primers.pdf>.

⁵² Yen I & Bhatia R. How Increasing the Minimum Wage Might Affect the Health Status of San Francisco Residents: A Discussion of the Links Between Income and Health, Working Paper, February 27, 2002.

⁵³ California Newsreel. Backgrounders from the unnatural causes health equity database; 2008. Available at <http://www.unnaturalcauses.org/assets/uploads/file/primers.pdf>.

⁵⁴ California Newsreel. Backgrounders from the unnatural causes health equity database; 2008. Available at <http://www.unnaturalcauses.org/assets/uploads/file/primers.pdf>.

⁵⁵ Yen IH & Syme SL. The social environment and health: a discussion of the epidemiologic literature. Annual Review of Public Health. 1999; 20: 287–308.

public services, all of which help set them on the path to a successful, healthy life. Children from less affluent families lack these advantages and are more likely to experience conditions that limit their health such as injuries, inadequate or delayed health care, physical inactivity, poor nutrition, insecure or substandard housing, and exposure to toxins, high lead levels, and violence.⁵⁶

Factors that contribute to people living in poverty include low levels of education, inadequate job skills, unemployment or underemployment at minimum wage, and language barriers. Poverty imposes many difficult issues on residents and families, including living in overcrowded and substandard housing, overpaying for housing, and inadequate income to provide for basic necessities such as food, clothing, and healthcare.⁵⁷

Employment

The nature and stability of employment conditions also have a strong impact on our health. In general, those at the top of the job ladder live longer, healthier lives than those in the middle, who in turn, fare better than those at the bottom. While much of this advantage is tied to wealth, it is also affected by how much power and autonomy people have at work, their job security, job design, safety of work conditions, and the respect their occupational status commands. The lowest wage earners are also the least likely to have control over their tasks or schedule, job security, “say” in the workplace, supervisor support and benefits, and are more likely to have hazardous work conditions, debt, worries about their children’s safety and future, trouble balancing the demands of work and home, and access to fewer healthy avenues for stress relief.⁵⁸

Gentrification and Displacement

Gentrification and displacement are interlinked processes that are currently taking place in many low-income, vulnerable communities. Gentrification is a pattern of neighborhood change in which a previously low-income neighborhood experiences reinvestment and revitalization, accompanied by increasing home values and/or rents. When gentrification leads to displacement, higher-income households displace lower-income residents of a neighborhood. In addition to the negative impacts on particular individuals and families, this combination of gentrification and displacement can change the essential character and flavor of the neighborhood.⁵⁹ Gentrification is often

⁵⁶ California Newsreel. Backgrounders from the unnatural causes health equity database; 2008. Available at <http://www.unnaturalcauses.org/assets/uploads/file/primers.pdf>.

⁵⁷ City of Long Beach Consolidated Plan 2005–2010.

⁵⁸ California Newsreel. Backgrounders from the unnatural causes health equity database; 2008. Available at <http://www.unnaturalcauses.org/assets/uploads/file/primers.pdf>.

⁵⁹ Kennedy M & Leonard P. Dealing with neighborhood change: a primer on gentrification and policy choices. A Discussion Paper Prepared for The Brookings Institution Center on Urban and Metropolitan Policy and PolicyLink. April 2001. Available at: <http://www.brookings.edu/es/urban/gentrification/gentrification.pdf>.

spurred by private development and can result in the revitalization of economically declining neighborhoods. The positive outcomes of this process are increased economic vitality, improved living conditions in the area, and more aesthetically designed neighborhoods. However, these positive outcomes are enjoyed only by the population that ends up living in the gentrified area.

Abundant research, which forms the consensus within the latest literature, reveals that gentrification often has a negative impact on vulnerable populations, despite the intent to improve communities. While increasing property values, economic vitality, and aesthetics appeal to new residents, the replacement of existing populations simultaneously unravels long-built social, health, and overall community networks amongst existing populations. Existing residents of gentrifying communities most often experience the adverse effects of redevelopment, such as being forced out of the community due to changes in the housing market that increase availability for one population and reduce availability for others as property values and rents rise with demand.⁶⁰

Displacement can lead to physical, mental, and social stress among the displaced populations, as well as costly school and job relocations and increased risk for substandard housing and overcrowding that contributes to disparities among vulnerable groups, including the poor, women, children, the elderly, and members of racial/ethnic minority groups.^{61 62}

To measure whether gentrification is occurring, a set of nationally recognized indicators has been developed.⁶³ These indicators include:

- Rising rents and home values;
- Decreased racial diversity;
- An influx of higher-income residents/outmigration of lower-income residents;
- Increases in educational attainment of area residents; and
- Conversion of apartments to condominiums.

A separate set of indicators has been developed to identify neighborhoods that are at risk for gentrification.⁶⁴ These indicators include:

⁶⁰ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁶¹ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁶² Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁶³ Kennedy M; Leonard P. Dealing with Neighborhood Change: a primer on gentrification and policy choices. A Discussion Paper Prepared for The Brookings Institution Center on Urban and Metropolitan Policy and PolicyLink. April 2001. Available at: <http://www.brookings.edu/es/urban/gentrification/gentrification.pdf>.

⁶⁴ Chapple K. Center for Community Innovation at the Institute of Urban and Regional Development. Mapping susceptibility to gentrification: the early warning toolkit. 2009. <http://communityinnovation.berkeley.edu/reports/Gentrification-Report.pdf>.

- Close proximity to transit;
- High density of amenities including youth facilities and public space;
- High percent of workers taking public transit;
- High percent of non-family households;
- High percent of buildings with three or more units;
- High number of renter vs. owner occupancy; and
- High number of households paying a large share of household income for housing (Housing Cost Burden).

However, the demographic indicators that identify a person likely to be a gentrifier in a downtown community can be different and do not necessarily apply to the typical college-age gentrifier, as is relevant to the areas around the USC campus. Gentrifying populations in college communities are relatively younger (eighteen to twenty-four years old), have not yet obtained a college degree, and generally have low median household incomes or are unemployed. College-age gentrifiers are also attracted to different types of properties and businesses, potentially driving up land and rent values, but not necessarily affecting the housing stock and economic vitality in the same way young professionals would in a downtown area. Vulnerable populations tend to have low educational attainment, low median household incomes, and unemployment rates similar to those of college student gentrifiers. These perceived demographic similarities make it more difficult to distinguish between gentrifiers and vulnerable populations in college communities, further masking potential indications that the gentrification process is taking place. This difficulty in identifying populations also presents a challenge to showing concrete evidence with statistics of a particular population rising and another declining as part of the same or a subsequent process.

Some ways to control for the similarities between gentrifiers and vulnerable populations in college communities might be looking at race/ethnicity and at foreign-born status. Caucasians and native-born persons are more likely to be gentrifiers, which is often the case in college communities as well as in downtown areas. Conversely, ethnic minorities and recent immigrants are generally members of the vulnerable populations, pushed out by young college students.⁶⁵ In addition, college-age gentrifiers demand more rental units, which are often initially shared with community residents, but allow for the gradual replacement of those residents over a period of time. Moreover, a steady turnover of residents (as is common in areas with high concentrations of college students, who typically leave the area soon after they finish their schooling) can often mask the course of gentrification so it does not appear as stark as it does in a downtown area that is undergoing gentrification.⁶⁶

⁶⁵ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁶⁶ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

5.2.2 Data Findings

Demographics

The South Los Angeles community surrounding the USC campus has historically been a place of gradually transforming demographics, population migration, and shifting land use patterns, creating a community with mixed residential, industrial, and commercial uses. The area has faced demographic changes over past decades much like many other communities throughout the City of Los Angeles. However, the wave of population and community conversion that has taken place over the last ten years and continues to expand reveals a more rapid process of change resulting from 1) USC's conversion to a residential rather than commuter institution without providing for the housing needs of students attracted to the area, and 2) City revitalization efforts that have spurred development south of Downtown.

While precise figures are not available, there is ample evidence that these trends have already resulted in the displacement of large numbers of low-income residents and are a potential threat to existing low-income and vulnerable communities.^{67 68} An independent study of USC student housing needs and conditions ("University Park Housing Study") commissioned by USC and carried out by Enterprise Community Partners in 2007, described the phenomenon as follows:

While the displacement of residents has not been a direct result of USC forcing out residents to make room for students, the majority of displacement has occurred because of market factors that stem in part from the fact that USC has not provided its own housing for students. In the past 10–15 years more and more USC students have wanted to live closer to campus but without any large-scale construction of new USC-owned student housing, this growing demand has been met by the private sector. As a result, the increased overall demand has led to rent increases that poorer longtime residents can no longer afford. It has also created a financial incentive for landlords and property managers to push out, under sometimes suspect reasons, lower rent paying tenants, so that they can raise the rent and take on USC students as tenants. Single-family homes are also being bought from local families and rather than being owner-occupied, they are rented out to multiple students who can provide owners with larger financial returns. So in this way, the lack of construction by the university to provide ample housing for students has contributed to market conditions that have displaced local residents.⁶⁹

⁶⁷ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁶⁸ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁶⁹ Enterprise. University park housing study. September 2007.

Population change

According to Los Angeles Department of City Planning estimates presented in the Nexus Study, there were 86,294 people residing in the 21-census tract Nexus Study Area as of 2008.⁷⁰ The larger area encompassed by zip codes 90007, 90011, 90037, which include the study area and surround the USC campus, had a total population of 207,088 in 2010.⁷¹

Table 2. Percent Change in Total Population from 2000 to 2010

Zip code	2000*	2010†	% Change
90007	45,021	40,920	-9.1
90011	101,214	103,892	2.6
90037	56,691	62,276	9.9
City of LA	3,694,820	3,792,621	2.6
* Data from Decennial 2000 Census Summary File 1.			
† Source: Decennial 2010 US Census Demographic Profile Summary File.			

As Table 2 shows, the population in 90011 follows the trend of an increasing population in the City of Los Angeles. **Zip code 90037 experienced a much higher than Citywide increase in population from 2000 to 2010, and during this time period the population decreased significantly in zip code 90007.**

Family households

Data from the 2010 US Census shows that, compared to the City of Los Angeles, there is a much higher percentage of family (vs. non-family) households in the zip codes (90007, 90011, 90037) around the USC campus (61.2% in the City of LA compared to 74.1% in the three zip codes).⁷² For more detail about household data for these areas, see Appendix A.

Data from the US Census shows that from 2000 to 2010, while family households increased at a higher rate in zip codes 90011 (4%) and 90037 (7.7%) compared with the City of LA (1.1%), **the percent of family households in zip code 90007 decreased 17.8%.**

⁷⁰ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

⁷¹ U.S. Census. Data from Decennial 2010 Census Demographic Profile Summary File.

⁷² The US Census defines a household that has at least one member of the household related to the householder by birth, marriage, or adoption to be a "Family Household." "Nonfamily households" consist of people living alone, and households that do not have any members related to the householder.

Population age

In 2010, compared to the City of Los Angeles, the population in zip codes 90007, 90011, and 90037 has a higher percentage of residents under the age of 24 years old, and a lower percentage of persons over the age of 24 years old.⁷³ For more detail about the age of the population in these areas, see Appendix A.

Between 2000 and 2010, the US Census shows that the City of Los Angeles experienced a decrease in the populations under age 14, and from ages 25 to 44. For populations in the younger age categories, this trend was similar in the areas around USC, but much more pronounced **for zip code 90007, where there was nearly three times the decrease in the populations under 5 years and 10 to 14, and double the decrease in children ages 5 to 9.** Zip code 90007 was also the only one of the three zip codes in the immediate area that saw a decrease in population age 15–19, while conversely, zip code 90037 saw an 18% increase in population this age. **Zip Code 90007 also saw a much higher increase in the population ages 20 to 24, which includes college-age students (24.7% compared to 4.9% in the City of LA).**

Table 3. Percent Change in Population by Age from 2000 to 2010

	90007	90011	90037	City of LA
Years	% change	% change	% change	% change
Under 5	-32.2	-10.2	-9.1	-12.2
5 to 9	-41.1	-20.6	-20.8	-22.3
10 to 14	-27.0	1.1	-4.3	-7.1
15 to 19	-40.7	9.3	18.1	9.0
20 to 24	24.7	-9.5	9.6	4.9
25 to 34	-10.7	-8.0	8.2	-5.2
35 to 44	-15.6	15.9	10.2	-2.3
45 to 54	2.3	39.9	50.3	17.3
55 to 59	30.4	67.6	84.7	43.9
60 to 64	35.8	57.9	47.1	44.5
65 to 74	7.7	19.1	12.5	11.7
75 to 84	8.3	-0.9	-1.7	2.2
85 and over	28.7	-9.5	7.8	33.5
* Decennial 2000 Census Summary File 1.				
† Source: Decennial 2010 US Census Demographic Profile Summary File.				

⁷³ U.S. Census. Decennial 2010 Census Demographic Profile Summary File.

Race/ethnicity

Data from the 2010 US Census shows that more than half (53.6%) of the population in the City of Los Angeles is White. However, around the USC campus in zip codes 90007, 90011, and 90037 the percentage of White residents is just 36%. The City of Los Angeles also has nearly three times the percent of residents that are Asian compared to these zip codes (12.8% vs. 4.1% respectively). These zip codes have a significantly higher percentage of residents who are Black (14.4%) and Hispanic (78.2%) compared to the City (as of 2010 just 10.6% of the City's residents were Black and 48.5% were Hispanic). For more detail about race/ethnicity in these areas, see Appendix A.

Table 4. Percent Change in Race/Ethnicity from 2000 to 2010

	90007	90011	90037	City of LA
Race	% change	% change	% change	% change
White	6.9	20.2	34.8	7.4
Black or African American	-20.3	-26.8	-17.2	-9.5
American Indian and Alaska Native	-13.5	-6.2	17.8	2.2
Asian	30.8	21.4	52.5	18.7
Native Hawaiian and Other Pacific Islander	-19.8	31.8	14.8	14.4
Some other race	-31.0	-0.7	13.4	-8.5
Hispanic or Latino (of any race)	-15.4	7.6	22.3	7.0
* Decennial 2000 Census Summary File 1.				
† Source: Decennial 2010 US Census Demographic Profile Summary File.				

Table 4 shows that from 2000 to 2010 the population of White residents increased in the three zip codes around USC, as well as in the City of LA overall. The Asian population also increased in all of these areas, though more so in the zip codes near USC than in the City. It is notable that zip code 90037 experienced more than a 50% increase of its Asian population during this time. **However, the decrease in the Black population around USC was about twice that in the City. The Hispanic population also decreased by over 15% in zip code 90007, but grew in the City of LA (7%), as well as in zip codes 90011 (7.6%) and 90037 (22.3%).**

Another 2009 study of zip codes encompassing the Nexus Study area shows that while a majority of residents in the area are recognized as Native Born US

citizens, a significant proportion of the population in the area are also defined as “Not a Citizen”, and an average of 66.8% of persons over five years old speak Spanish in their home.^{74 75} The characteristics of citizenship and language spoken are often barriers to particular types of services, and can be especially inhibiting when it comes to housing rights advocacy, indicating that non-citizen and limited-English speaking populations are vulnerable groups that would most likely experience direct impacts of gentrification.⁷⁶

The 2009 Healthy City report on gentrification and displacement (included in Appendix B) shows similar trends for changes in the race/ethnicity of residents of the areas surrounding USC. This report concludes that the rise in the White and Asian populations could correlate with overall expansion of the USC population. Conversely, the increase in the Hispanic population in some areas (west and south of the Figueroa Corridor) supports the hypothesis that the existing Latino population is being pushed to surrounding neighborhoods south of the Figueroa Corridor.⁷⁷

Educational attainment

Educational attainment is an important socio-economic characteristic, since higher wage jobs are generally associated with the completion of college education, or at a minimum, high school. **Overall, the educational attainment levels of the population aged 18 and older in the Nexus Study Area increased between 2000 and 2005 – 2009;** the number of residents with no high school diploma decreased from 60% to 52% and there was a slight increase in the number of residents with a college education. However, as the table below shows, when compared to the City of Los Angeles from 2005 – 2009, educational attainment in the Nexus Study Area was lower. About twice as many (52%) of the residents of the Nexus Study Area had not received a high school diploma when compared to the City as a whole (26%).⁷⁸

⁷⁴ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁷⁵ This study included ZIP codes 90007, 90011, 90015, and 90037.

⁷⁶ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁷⁷ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁷⁸ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

Table 5. Educational Attainment in the Nexus Study Area and the City of Los Angeles, 2005–2009⁷⁹

Educational Attainment (highest level)	Nexus Study Area	% of Total	City of Los Angeles	% of Total
No high school diploma	20,069	52%	647,603	26%
High school graduate	8,192	21%	473,917	19%
Some college no degree	4,806	12%	454,067	18%
Associate degree	1,410	4%	143,912	6%
Bachelor's degree	2,733	7%	506,173	20%
Post-Grad or Prof. degree	1,631	4%	255,568	10%
Total	38,841	100%	2,481,240	100%
Source: US Census, S1901: 2005–2009 American Community Survey 5–Year Estimates				

The 2009 Healthy City report on gentrification and displacement in the Figueroa Corridor found that from 2000 to 2008, zip codes around USC (90007, 90011, 90015, and 90037) saw **an increase in the population with four or more years of college, but also saw an increase in the population with no high school diploma**, indicating that while gentrifying-type populations, identified by educational attainment levels, may be increasing, the area still remains a place where vulnerable populations are residing and migrating into.⁸⁰

Income and poverty

As of 2008, Los Angeles County Service Planning Area (SPA) 6, where USC and surrounding communities that are a focus of this report are located, had the highest number of adults living in poverty (under 200% of the Federal Poverty Line) in Los Angeles County.⁸¹ Data from the US Census shows that between 2000 and 2010 the percent of individuals living below the poverty line remained relatively stable in zip codes 90007, 90011, and 90037, but decreased from 22.1% to 19.5% during this time period in the City of LA. For more detail about this data, see Appendix A.

Each year the U.S. Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development (HCD) sets limits for extremely low, very low, low, and moderate levels of household income for each county in the U.S. These limits are used to calculate affordable housing costs for households of varying sizes. **The median household**

⁷⁹ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

⁸⁰ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁸¹ South Los Angeles Homelessness Prevention and Intervention Collaborative. Taming the perfect storm addressing the impact of public health, housing and law enforcement policies on homelessness and health in South Los Angeles. July 2008.

incomes in all of the census tracts that comprise the Nexus Study area are either in the very low or extremely low income categories based on average household size. The median income in 2011 ranged from \$8,368 for census tract 231100 to \$32,830 for census tract 222100. In comparison, the median income in 2011 for the City of Los Angeles was \$50,685 and average household size was about 2.84 persons per household.⁸²

Table 6 below shows the number of households by range of annual household income in the Nexus Study Area during 2000 and 2005 – 2009. Overall the percentage of households with annual household incomes of less than \$35,000 decreased during this time period, from 74% to about 66%. However, more than two thirds of Nexus Study Area households were still earning less than \$35,000 annually. For comparison, in the City of Los Angeles, about 38% of households had annual household incomes of less than \$35,000 from 2005 to 2009.⁸³

Similarly, a 2009 study on gentrification and displacement in the area around USC found that **a majority (55.6%) of households in zip codes 90007, 90011, 90015, and 90037 earn less than \$25,000 per year**, which is a significantly higher percentage compared to the City of Los Angeles overall. Additionally, in 2008, zip codes 90011 and 90037 ranked number 1 and 8, respectively, in the top ten zip codes in Los Angeles County with the highest numbers of families living in poverty.⁸⁴

⁸² City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 17, 2012.

⁸³ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

⁸⁴ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

Table 6. Annual Household Income in the Nexus Study Area from 2000 to 2005–2009 ⁸⁵

Household Income Range	2000	% of Total	2005–2009	% of Total
Less than \$10,000	6,049	29.0%	4,019	18.8%
\$10,000 to \$14,999	2,590	12.4%	3,080	14.4%
\$15,000 to \$24,999	3,900	18.7%	4,179	19.6%
\$25,000 to \$34,999	2,918	14.0%	2,723	12.7%
\$35,000 to \$49,999	2,419	11.6%	2,802	13.1%
\$50,000 to \$74,999	1,581	7.6%	2,691	12.6%
\$75,000 to \$99,999	772	3.7%	1,008	4.7%
\$100,000 or more	606	2.9%	872	4.1%
Total	20,835	100%	21,374	100%
% Less than \$35,000		74.2%		65.5%
Source: US Census, 2000; S1901: Income in the Past 12 Months (In 2009 Inflation-Adjusted Dollars) 2005–2009 American Community Survey 5-Year Estimates				

In a 2006 report from the Los Angeles County Department of Public Health, an Economic Hardship Index was generated combining measures including crowded housing, percent of persons living below the federal poverty level, unemployment, education, and income. Cities and communities in Los Angeles County were ranked from having the least (1) to the greatest (101) level of economic hardship. The communities surrounding the USC campus, which are included in both Los Angeles City Council Districts 8 and 9, earned rankings on this index of 81 and 100, indicating a very high level of economic hardship. The report found that economic hardship was correlated with shorter life expectancy, which is consistent with a large body of evidence demonstrating that a person's risk of death and risk for many negative health outcomes is higher among those who are poor, who have less education, and who have less social support and fewer economic resources.⁸⁶

⁸⁵ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

⁸⁶ Los Angeles County Department of Public Health, Office of Health Assessment and Epidemiology. Life expectancy in Los Angeles: how long do we live and why? A city and communities health report. July 2010.

The high proportion of lower income and residents of color indicates that the area surrounding USC's campus is currently home to a vulnerable population that faces greater risk for poor health outcomes. Residents are more susceptible to neighborhood conditions such as unaffordable or substandard housing, poor quality schools, lack of appropriate job opportunities, unsafe streets, and inaccessible goods and services, because they lack the resources to improve their living and working conditions.

Employment Measures

Unemployment

As of 2008, more than 14% of the residents living in the greater South Los Angeles area were unemployed, a rate that is 37% higher than in Service Planning Area 4, the area with the next highest unemployment rate.⁸⁷ Data from the US Census shows that for the combined zip codes 90007, 90011, and 90037, the median percent of unemployed persons declined from 13.8% in 2000 to 10.6% in 2010. The unemployment rate for the City of Los Angeles decreased as well, but from only 9.3% in 2000 to 9.1% in 2010. For more detail about unemployment data see Appendix A.

Distribution of jobs by sector

From 2000 to 2008, data show that there was an increase in the total number of people in the workforce in the zip codes around USC, which corresponds to the overall rise in population in these areas. A significant proportion of workers in the area are part of the informal economy (e.g., street vendors) and are not represented by employment statistics.⁸⁸

A 2009 report found that 42% of the working population in the zip codes around USC was classified as blue collar compared to 23% of workers in the City of Los Angeles.^{89 90} The same study showed that the percentage of blue collar workers in this area had been on the rise since 2000; however, just north of the USC campus, in what is referred to as the Estrella Neighborhood (along the 110 freeway and south of the 10 freeway), there was a significant increase in white collar workers. The trend highlights the concurrent presence of gentrifying populations alongside vulnerable populations, as well as the idea that gentrification and displacement can occur at different paces within adjacent communities.⁹¹

⁸⁷ South Los Angeles Homelessness Prevention and Intervention Collaborative. Taming the perfect storm addressing the impact of public health, housing and law enforcement policies on homelessness and health in South Los Angeles. July 2008.

⁸⁸ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁸⁹ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁹⁰ This study included ZIP codes 90007, 90011, 90015, 90037

⁹¹ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

The February 2012 Nexus Study analysis showed that as of 2000, the majority of the residents of the Nexus Study area were employed in Educational Services and Manufacturing occupations, with estimated average annual salaries of \$29,565 and \$37,689, respectively. The 2009 Healthy Cities report also found that jobs in the food and service sectors were heavily represented in this area.⁹²

⁹² Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

Table 7. Employment by Sector for Nexus Study Area Residents⁹³

Industry Sector	# of Jobs	% of Total	Avg. Annual Salary (2000 \$)	Avg. Annual Salary (2009) \$
Mining	–	0.0%	81,513	109,544
Management of companies	–	0.0%	54,398	73,105
Agriculture, forestry, fishing & hunting	45	0.2%	20,955	28,161
Utilities	88	0.3%	63,871	85,835
Finances and Insurance	422	1.6%	64,083	86,121
Arts, entertainment and recreation	478	1.8%	67,552	90,782
Real estate, rental and leasing	495	1.9%	36,221	48,677
Public administration	552	2.1%	41,641	55,961
Professional, scientific and technical	842	3.2%	56,642	76,120
Wholesale trade	934	3.5%	39,787	53,470
Information industry	1,019	3.8%	64,353	86,484
Transportation and warehousing	1,058	4.0%	36,884	49,567
Construction	1,226	4.6%	36,470	49,011
Admin. & support, waste mgmt.	1,418	5.3%	23,513	31,599
Accommodation and food services	1,859	7.0%	14,115	18,969
Health care and social services	2,143	8.1%	34,318	46,119
Retail trade	2,182	8.2%	24,232	32,565
Other services except public admin.	2,289	8.6%	18,227	24,495
Educational services	3,854	14.5%	29,565	39,731
Manufacturing	5,694	21.4%	37,689	50,649
	26,598	100.0%	\$42,302	\$56,848
Sources: 2000 U.S. Census, based on census tracts that define Nexus Study area boundaries. And California Employment Development Department, May 2005				

⁹³ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

Local jobs and the self-sufficiency wage

The self-sufficiency wage measures how much income is needed for a family of a certain composition (in terms of number of adults and children), living in a particular county to adequately meet minimal basic needs without public or private assistance. Costs taken into account in the self-sufficiency wage calculation include those that families face on a daily basis, such as housing, food, child care, health care, transportation, and other necessary spending.⁹⁴ In contrast, the Federal Poverty Line is based solely on the cost of food – assuming that food represents one-third of a family's budget – and does not vary with local cost of living. For families, whether in a higher cost market like Los Angeles or a more affordable market, the poverty line remains the same.

In 2010, the self-sufficiency wage in LA County for one adult with one preschool-age child was \$26.41 per hour. The combined self-sufficiency wage for two adults, one preschool-age child and an infant was \$37.50 per hour. Even though California's minimum wage (\$8.00) is higher than the federal minimum wage (\$7.25), it is still not high enough to meet the self-sufficiency standard.

Table 8 below illustrates the distribution of median wages for various occupations in comparison to the wages necessary for self-sufficiency in Los Angeles County. As the data shows, many occupations do not pay enough to cover a family's basic expenses. For additional information about these calculations, see Appendix A.

⁹⁴ For more information see: the Insight Center for Community Economic Development <http://www.insightccd.org/index.php?page=ca-sss>; and the Center for Women's Welfare <http://www.selfsufficiencystandard.org/standard.html#whatis>.

Table 8. Comparison of Self-sufficiency Wage to Hourly Median Wages for Selected Occupations, Los Angeles County, 1st Quarter Earnings, 2011

Occupations	Median Hourly Wage
Food Preparation and Serving-Related Occupations	\$9.31
Farming, Fishing, and Forestry Occupations	\$9.40
Personal Care and Service Occupations	\$10.88
Building and Grounds Cleaning and Maintenance Occupations	\$11.52
Production Occupations	\$12.49
Healthcare Support Occupations	\$12.77
Transportation and Material Moving Occupations	\$12.96
Sales and Related Occupations	\$12.80
Office and Administrative Support Occupations	\$16.36
Protective Service Occupations	\$17.10
Installation, Maintenance, and Repair Occupations	\$21.21
Construction and Extraction Occupations	\$22.72
Community and Social Services Occupations	\$22.35
Education, Training, and Library Occupations	\$25.51
Self-sufficiency wage for one adult with a preschooler	\$26.41
Arts, Design, Entertainment, Sports, and Media Occupations	\$26.77
Life, Physical, and Social Science Occupations	\$30.66
Business and Financial Operations Occupations	\$32.25
Healthcare Practitioners and Technical Occupations	\$35.03
Combined self-sufficiency wage for 2 adults, 1 preschooler, and 1 infant	\$37.50
Computer and Mathematical Occupations	\$37.81
Architecture and Engineering Occupations	\$41.69
Legal Occupations	\$55.09
Management Occupations	\$52.02

Sources: 2009 Occupational Employment Statistics (OES) survey; LA-Long Beach Metropolitan Division

Jobs-housing balance

The mismatch between the location of affordable and available housing and jobs can lead to lengthy commute times, which can affect the physical and emotional well-being of workers. Data from the US Census shows that the commute time to work between 2000 and 2008 remained relatively stable in the zip codes around USC and Citywide. However, commute time data does reveal a sense of the overall jobs and housing imbalance that is prevalent across the City of Los Angeles. While many city residents spend less than thirty minutes commuting to work, a significant percentage of workers travel between

thirty minutes and over an hour to their jobs, demonstrating the existence of a job and housing imbalance the City overall.⁹⁵

Because residents displaced from the Nexus Study neighborhoods over the past decade have not been tracked, it is impossible to say whether low-income families and individuals who have been displaced were able to retain their jobs or not, or whether they now face longer or shorter commute times. However, it is clear that **displacement poses a serious risk of forcing residents to live further away from their jobs, which puts them at risk of losing their jobs, paying more for commuting, and/or longer commutes.**

5.3. HOUSING

5.3.1 Literature Review Findings

California and, in particular, its coastal metropolitan areas like Los Angeles face a deepening housing crisis. Housing construction has not kept pace with continuing growth in population and employment, leaving California with one of the tightest and most expensive housing markets in the nation. Projections show that almost all future California population and household growth will occur in metropolitan areas, and most of that will occur in Southern California. According to the Southern California Association of Government's (SCAG) 2008 regional growth forecast, Los Angeles County alone is projected to add about 2.1 million people and about 791,000 households between 2005 and 2030.⁹⁶

The Los Angeles Housing Department, in their affordable housing addendum to the Nexus Study, states that: "the tenure and condition of the multi-family stock in the USC area must be considered as the City moves forward in the approval of the USC Development Plan."⁹⁷ According to federal and state programs, to be affordable, housing costs should be no more than 30% of one's annual income. High housing costs relative to the income of an individual or household can threaten food and financial security, lead to overcrowded living conditions and acceptance of lower-cost, substandard housing, and can also force people to move to where housing costs are lower or possibly become homeless. Spending a high proportion of income on rent or a mortgage means fewer resources for heating, transportation, health care, childcare, and food.

⁹⁵ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

⁹⁶ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

⁹⁷ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

Residential stability has been identified as one of the most important predictors of community health.^{98 99 100} Moving can result in job loss, difficult school transitions, and the loss of health protective social networks.

Substandard housing, which is often available at lower cost, can increase exposure to numerous health hazards, such as waste and sewage, physical hazards, mold spores, poorly maintained paint (often containing lead), cockroach antigens, old carpeting, inadequate heating and ventilation, exposed heating sources and wiring, and broken windows. These all can lead to negative health outcomes.

Overcrowding can seriously impair quality of life. Sharing housing can mean crowded conditions with higher risks for mortality, infectious disease, and poor child development.^{101 102 103} For children, overcrowding has also been shown to lead to an increased risk of ear infection. Exposure to one or more environmental risks – for example, overcrowding or noise – has been shown to increase urinary cortisol and epinephrine, biomarkers of chronic stress.^{104 105} Overcrowding and poor-quality housing also have a direct relationship to poor mental health, developmental delay, and heart disease.¹⁰⁶

To avoid these negative impacts on health, it is essential that quality affordable housing be available for low-income residents of any city.

⁹⁸ California Newsreel. Backgrounders from the unnatural causes health equity database; 2008. Available at <http://www.unnaturalcauses.org/assets/uploads/file/primers.pdf>.

⁹⁹ San Francisco Department of Public Health, Program on Health, Equity, and Sustainability. The case for housing impacts assessment: the human health and social impacts of inadequate housing and their consideration in CEQA policy and practice. May 2004.

¹⁰⁰ Rauh V, Landrigan P, Claudio L. Housing and health: intersection of poverty and environmental exposures Ann NY Acad Sci. 2008; 1136: 276–288.

¹⁰¹ Krieger J, Higgins DL. Housing and health: time again for public health action. American Journal of Public Health. 2002; 92(5): 758–68.

¹⁰² Krieger JW, Takaro TK, & Rabkin JC. Healthcare disparities at the crossroads with healthcare reform. In Williams RA eds. Breathing Easier in Seattle: Addressing Asthma Disparities Through Healthier Housing. New York: Springer; 2011.

¹⁰³ Jacobs DE, Wilson J, Dixon SL, Smith, J, Evens E. The relationship of housing and population health: A 30-year retrospective analysis. Environmental Health Perspective. 2009; 117(4): 597–604.

¹⁰⁴ Antunes JL, Waldman EA. The impact of AIDS, immigration and housing overcrowding on tuberculosis death in Sao Paulo, Brazil, 1994–1998. Soc Sci Med. 2001;52(7): 1071–1080.

¹⁰⁵ Bhatia R, Guzman C. The case for housing impacts assessment: the human health and social impacts of inadequate housing and their consideration in CEQA policy and practice. San Francisco, CA: Department of Public Health; 2004.

¹⁰⁶ Blake KS, Kellerson RL, Simic A. Measuring overcrowding in housing. Bethesda, MD: US Department of Housing and Urban Development; 2007.

5.3.2 Data Findings

Housing affordability

Housing is a key measure of quality of life, and a consistently pressing issue for South Los Angeles communities living in areas around the USC campus. As described above, the population living in these areas consists of a majority of low-income residents in need of quality, affordable housing in order to prevent overpayment for housing, overcrowding, displacement, and other adverse conditions that can impact health outcomes.

There are an increasing number of USC students, faculty, and staff residing in rental units in areas around the USC main campus. More than in decades past, there is a great deal of competition for housing from USC students who have a greater desire to live close to campus and have generally more financial resources than local residents.¹⁰⁷ This increasing demand has made it increasingly difficult for community residents to find affordable, quality housing.¹⁰⁸ As housing units and property values in the area show a dramatically sharp increase, the necessity to maintain affordable units for local community residents is reinforced.

In their addendum to the USC Nexus Study released February 27, 2012, the Los Angeles Housing Department describes the profile of housing in the Nexus Study area as having a high number of multi-family housing properties, a high number of rent stabilized (RSO) properties, substandard housing conditions, and a high number of foreclosed single- and multi-family housing units.

Proportion of renter- and owner-occupied housing

The Nexus Study Area has a much higher concentration of renter-occupied units than in the City of Los Angeles overall.¹⁰⁹ The 2009 Healthy City report found that renter-occupied units heavily outweigh those that are owner-occupied in the greater area that surrounds USC's main campus as well (zip codes 90007, 90011, 90015, 90037).¹¹⁰ Renter-occupied units in the Nexus Study area tend to have lower median rents than in the City as a whole, but are also concentrated more heavily in older buildings, and are more overcrowded.¹¹¹ For more detail about housing occupancy in the areas

¹⁰⁷ Enterprise. University park housing study. September 2007.

¹⁰⁸ Miller D. Student housing adjacent to USC 'recession proff': five-unit, 1925 Apartment Building is bought for \$1.2 million. LA Business Journal. April 14 2008.

¹⁰⁹ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

¹¹⁰ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

¹¹¹ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

surrounding the USC campus, see Appendix A.

Proportion of households paying more than 30% of their income on housing

Households spending more than 30% of their income on gross housing costs (including rent/mortgage payments, utilities, taxes, insurance, and related costs) are considered to be overpaying for housing according to state and federal programs. Based on rental cost burden, South Los Angeles has the highest percentage of people at risk for eviction and therefore at risk for homelessness compared to any other part of Los Angeles County. Nearly three out of ten tenants (29.2%) in South Los Angeles pay over 50% of their household income for rent.

Data from the 2000 Census shows that both owner- and renter-occupied households in the Nexus Study Area reported paying a larger share of their income for housing costs than was the case for households in both the City and the County for that year. As shown in Table 9 below, large proportions of the lowest income households were housing-cost burdened. **From 2005 to 2009, approximately 37% of renters in the Nexus Study Area were estimated to be paying in excess of 30% of household income for housing costs.**¹¹²

Table 9. Housing Cost Burden by Income Category, City of Los Angeles, 2000¹¹³

Household Type	Households paying > 30% of income on housing costs	Households paying > 50% of income on housing costs
Extremely Low Income (less than 30% of MFI)	73.7%	62.3%
Very Low Income (30%–50% MFI)	76.6%	36.7%
Low Income (50%–80% MFI)	49.8%	16.4%
Moderate Income & Above (> 80% MFI)	19.3%	4.4%
MFI= U.S. Department of Housing and Urban Development (HUD) Median Family Income		
Source: City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.		

A 2007 survey of the University Park neighborhood near the USC campus found that, of the USC staff coming from households earning less than \$25,000, 48%

¹¹² City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

¹¹³ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

were paying more than \$1,000 in rent which is significantly more than 30% of their monthly salary (or \$625). Survey results also showed that 25% of USC staff have a household income of less than \$50,000 and, given current rental rates, households earning up to \$50,000 may have difficulties meeting their housing needs, especially if those households have additional costs associated with having children and a family.¹¹⁴

The Nexus Study Housing Affordability Analysis presents data from a 2011 survey showing market-rate rents in the Nexus Study area. The survey found that the monthly asking rents range from a low of \$600 to a high of \$6,000 in zip code 90007, and from \$569 to \$2,395 in zip code 90037. The average rent for a 1-bedroom unit in the Nexus Study Area was \$1,176 and the average rent for a 5-bedroom unit was about \$3,733.¹¹⁵

Maximum affordable gross monthly rents are also established by the state Department of Housing and Community Development, and vary by number of bedrooms per unit and income category. The table below shows these amounts for 2011 by number of bedrooms for a 4-person household. The data shows, for example, that an extremely low-income 4-person household can afford rents of no more than \$336 to \$518 per month, depending on the number of bedrooms.¹¹⁶ **Given the low median income levels in the zip codes around USC, it is clear that many households living in the area are currently overburdened by housing costs.**¹¹⁷

¹¹⁴ Enterprise. University Park Housing Study. September 2007.

¹¹⁵ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

¹¹⁶ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

¹¹⁷ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

Table 10. Annual Household Income Standards and Monthly Maximum Affordable Rents, Los Angeles County, 2011¹¹⁸

Category	4-person Household Income Standard	# of Bedrooms				
		–	1	2	3	4
Extremely Low	\$ 25,600	\$336	\$384	\$432	\$480	\$518
Very Low	\$42,700	\$560	\$640	\$720	\$800	\$864
Lower	\$68,300	\$672	\$768	\$864	\$960	\$1,037
Moderate	\$76,800	\$1,232	\$1,408	\$1,584	\$1,760	\$1,900
Source: California Department of Housing and Community Development operatives as of June 23,2001						

Proportion of housing stock that is affordable

The 2009 Healthy Cities report found that approximately 20,000 of the 62,970 total housing units in zip codes 90007, 90011, 90015, and 90037 were considered to be affordable housing or low-income units, and that there were 10,800 rent stabilized buildings in the area. It is important to note, however, that the large majority of these buildings are located outside the USC Nexus Study area and have time limits related to their low-income affordability status.¹¹⁹ Figures presented by the city are inconsistent regarding the percentage of rent-stabilized buildings in the Nexus Study area. The Nexus Study as well as the Planning Department's "Status Report on Housing Affordability" states that 11.4% of the buildings in the area are rent-stabilized, but the Housing Department's "Affordable Housing Addendum" states that 45% are rent-stabilized.

The existence of rent-stabilized units does not mean those units are necessarily affordable to very low-income or extremely low-income residents. The Planning Department's "Status Report on Housing Affordability" demonstrates that most of the private-market housing in the area (whether rent-stabilized or not) is not affordable to such residents, who make up the great majority of the area's population.

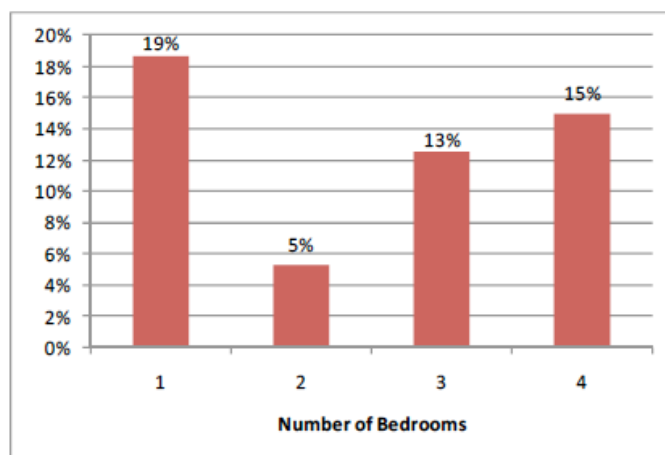
Figure 4 below shows the percentage of units by number of bedrooms that are affordable to lower income households in the Nexus Study area. About 19% of the 1-bedroom units in the sample would be affordable, while only 5% of the 2-

¹¹⁸ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

¹¹⁹ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

bedroom units would be considered affordable to lower income residents.¹²⁰

Figure 4. Percent of 1-, 2-, 3- and 4-Bedroom Units at Affordable Rent for Lower Income Households in the Nexus Study Area¹²¹



Considering that affordable annual housing rent expenditures are defined as not exceeding more than 30% of the annual household income, and that many households within the Nexus Study Area census tracts are within the extremely low-income and very low-income categories, the Nexus Study finds that average rent for units in the area are not affordable to these households.^{122 123}

Affordable housing creation and loss

As documented in LAHD's "Affordable Housing Addendum" to the Nexus Study, **"Of the small inventory of affordable housing that currently exists in the USC Study Area, a majority has the potential of being lost in the next 5 years, further reducing the availability of affordable housing in the area."**¹²⁴ Of the total housing stock in the Nexus Study area (25,114 units), **1,299 units** that currently are affordable due to federal, state, or local funding will cease to be affordable within the next five years due to the expiration of their affordability covenants or guarantees in the case that their primary source of

¹²⁰ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

¹²¹ City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

¹²² City of Los Angeles Department of City Planning. Status report on housing affordability analysis in the USC nexus study area. February 2012.

¹²³ Data used for this analysis is limited to medians and averages, meaning that a portion of the rental inventory would be priced below these levels and could be affordable to some of the households.

¹²⁴ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

funding is not replaced.¹²⁵ Many of these at-risk properties are located in the neighborhoods just north and northwest of USC's campus.

The LAHD Affordable Housing Addendum also states that “[t]he nearly 1,300 housing units with affordability restrictions set to expire in the next five years house families and individuals with household incomes earning as little as 30 percent of the area median income to up to 80 percent of the area median income. In the ensuing 20 years almost 500 additional restricted units are set to lose their affordability restrictions.”¹²⁶ Additionally, the vast majority of rent-stabilized units in the area are found in properties containing five or more units, where there is a high concentration of extremely-low and very-low income tenants, underscoring the need to protect the existing rent stabilized (RSO) housing stock and the ability for existing renters to remain in the area.¹²⁷

While the City of Los Angeles has invested in creating some affordable housing in the Nexus Study area¹²⁸, this investment, in terms of dollars invested and units yielded, is significantly less than the large number of vulnerable properties, whose affordability restrictions will expire in the next five years. The **City of Los Angeles Housing Department concludes that the rate of potential loss of affordable housing units far outpaces any reinvestment the City can hope to accomplish on its own in this area.**¹²⁹

Housing vacancy

From 2000 to 2008 zip codes 90007, 90011, and 90037, like the City of Los Angeles, saw only a gradual increase in the total number of housing units. The 2009 Healthy City report concludes that this may be in part due to condo/loft conversions that have steadily replaced many older apartment buildings with new, and almost always more expensive, housing units.¹³⁰

According to Department of City Planning estimates, 22,881 of the 24,626 total housing units (93%) in the Nexus Study area were occupied as of 2008. US

¹²⁵ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

¹²⁶ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

¹²⁷ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

¹²⁸ 442 units of affordable housing have been created in the Nexus Study Area since 2003 through the Affordable Housing Trust Fund

¹²⁹ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

¹³⁰ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

Census data from 2000 and 2010 for the zip codes around USC show that the percent of vacant housing units decreased in zip codes 90011 (from 8.6% to 5.9%) and 90037 (from 10% to 7.7%). In zip code 90007 the vacancy rate increased slightly from 6.1% to 6.4%, which was still lower than the overall percent of vacant housing units in the City of LA (6.8%).¹³¹ The 2009 Healthy City report also found that between 2000 and 2008 the vacancy rate decreased across the city and in zip codes 90007, 90011, 90015, and 90037.¹³² This data draws attention to the continuing decline in adequate and affordable housing in the area. Lower vacancy rates disproportionately impact lower-income populations as they lead to increases in rental prices and subsequent consequences such as overcrowding. Additionally, not all of the units that are considered to be vacant or even affordable are available or appropriate for extremely low-, very low-, or low-income renters.¹³³ For more detail about housing vacancy data from the US Census, see Appendix A.

Proportion of households living in overcrowded conditions

Overcrowding, as defined by the U.S. Department of Housing and Urban Development (HUD), is having greater than one person per habitable room in a household, and severe overcrowding occurs when there are more than 1.5 occupants per habitable room. The cost of housing is directly related to the pervasiveness and severity of housing problems in a community. If housing costs are relatively high in comparison to household income, there will likely be a correspondingly higher prevalence of overcrowding.

According to the 2000 US Census, over one-third (39.1%) of owner-occupied units in the Nexus study area and two-thirds (70.0%) of renter households were classified as severely overcrowded.¹³⁴

Between 2000 and 2010, severe overcrowding decreased in the census tracts in the Nexus Study area. However, overcrowding increased for both renter- and owner-occupied units in the Nexus Study census tracts even though the City of LA overall saw a decrease in overcrowding for owner-occupied housing and no change in overcrowding for renter-occupied housing. For more detail about overcrowding data from the US Census, see Appendix A.

¹³¹ U.S. Census. Decennial 2000 Census Summary File 1.

¹³² Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

¹³³ National Low-Income Housing Coalition. The shrinking supply of affordable housing. February 2012. Volume 2, Issue 1.

¹³⁴ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

Table 11. Overcrowding, 2000 to 2010

		Nexus Study Area Census Tracts			City of LA		
Occupants per Room		2000*	2010†	% change	2000*	2010†	% change
Owner-Occupied	Overcrowded	12%	15%	+25%	6%	4%	-33%
	Severely Overcrowded	20%	4%	-80%	8%	1%	-87%
Renter-Occupied	Overcrowded	10%	11%	+10%	9%	9%	0%
	Severely Overcrowded	35%	16%	-54%	24%	10%	-58%
* Dennial 2000 Census Summary File 3 † Source: US Census 5-year 2010 American Community Survey							

Housing costs

Key findings from Healthy City's report of the City of Los Angeles and the Figueroa Corridor community conducted in 2009 show dramatic changes in property values in the Figueroa Corridor (which includes the area surrounded by the USC campus) between 2000 and 2008.¹³⁵ **The percentage of housing stock with property values under \$300K dropped from 95% in 2000 to 22% of the housing stock in 2008. Conversely, the percentage of the housing stock with property values over \$300K increased from 6% to 79% in the same timeframe, with the highest percentage of housing being over \$500K.**¹³⁶

While median home prices in the Nexus Study area still remain lower than in the City of Los Angeles overall, local residents are less likely to be able to afford to purchase homes as prices increase.¹³⁷ Home prices can also have a direct impact on the rental market, demanding higher rents as property values and taxes increase.

Based on the median household income in the Nexus Study Area (\$23,423), the housing purchasing capacity for local residents is an estimated \$105,349, which is about one-third of the median-priced home in the Nexus Study area.¹³⁸ **This large gap between what residents in the Nexus Study area can afford and the cost of purchasing a home makes home ownership**

¹³⁵ Figueroa Corridor was defined in this study as being comprised of zip codes 90007, 90011, 90015, 90037.

¹³⁶ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

¹³⁷ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

¹³⁸ Per the Nexus Study, the median -priced home in the Nexus Study area in 2008 was \$308,000

infeasible for many of the existing residents in area. For more information about the housing purchasing capacity calculation, see Appendix A.

Housing wage as a percent of minimum wage

Comparing the cost of renting or owning a home with the maximum amount that households of different income levels can pay for housing can provide a picture of who can afford what size and type of housing, as well as indicate the type of households that would likely experience overcrowding or overpayment.

Current housing costs in the 90007, 90011, and 90037 zip codes around the USC campus would require an individual to earn an annual income of approximately \$53,200 (or a wage of \$25.58 an hour) to afford a two-bedroom rental unit. This translates into **an individual having to earn 3.2 times the California minimum wage of \$8.00, or a two-worker household needing to earn 1.6 times the minimum wage in order to afford the current fair market rent.** For additional detail about the calculation of the housing wage, see Appendix A.

Proportion of housing occupied by students

Many community-occupied housing units are gradually becoming predominantly student-occupied.¹³⁹ A community survey of housing units in the Estrella Neighborhood, north of USC, noted a complete turnover of 32% of the neighborhood's residential buildings from community-occupied to USC student-occupied, and a partial turnover of an additional 10% of the residential buildings, between 1998 and 2008.¹⁴⁰

The results of a 2007 survey show that the vast majority of housing units located directly to the north of the USC campus are occupied by students. In the areas between Hoover and Figueroa Streets and between Hoover and Vermont Streets, students were estimated to comprise roughly 90% of area residents.¹⁴¹

The increasing demand for student housing in the neighborhoods around the USC campus has led to a decrease in the availability of rental and homeownership opportunities for community members. One way in which this occurs, for example, is that private landlords rent out apartments and houses by the room or bed and earn significantly more than they could if renting to an individual or family. In a 2007 study, small houses were found to be for sale far above the market price for the community. Often these houses were being marketed as potential student housing investment properties.^{142 143}

¹³⁹ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

¹⁴⁰ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

¹⁴¹ Enterprise. University park housing study. September 2007.

¹⁴² See, for example, Daniel Miller, "Student Housing Adjacent to USC 'Recession Proof': Five-Unit 1925 Apartment Building is Bought for \$1.2 million," LA Business Journal April 14, 2008.

Observations recorded in a 2007 study of the University Park area indicate that the majority of new construction and rehabilitation of units is geared towards housing for USC students. Residents indicated seeing buildings that receive a new coat of paint and a sign declaring the building as “student housing,” and then within a short period of time the whole building becomes occupied by students.¹⁴⁴

Housing quality

As the Nexus Study area is one of the oldest neighborhoods in the City of Los Angeles, housing stock is generally old, with approximately 30% of units constructed prior to 1940.¹⁴⁵ The 2009 Healthy City report finds, similarly, that for zip codes 90007, 90011, 90015, and 90037, there is a significant amount of old and very old housing stock, with nearly 40% of structures built before 1950 and 28% before 1939.¹⁴⁶

The table below shows LAHD housing inspection data from 2006–2009 for properties in the Nexus Study area that received low scores based on the RISE rating system.^{147 148} LAHD found that there are nearly 1,000 units with low RISE scores in the Nexus Study Area. More of the units found in low-scoring RISE properties were found to be within properties of five or more units.

Table 12. Housing Inspection Data, 2006–2009¹⁴⁹

	Properties	Units
Two to Four Units	145	421
Five or More Units	71	571
Total	216	992
Source: Los Angeles Housing Department, 2006–2009		

Data from REAP, an LAHD program that aims to encourage landlords to

¹⁴³ Enterprise. University park housing study. September 2007.

¹⁴⁴ Enterprise. University park housing study. September 2007.

¹⁴⁵ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

¹⁴⁶ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

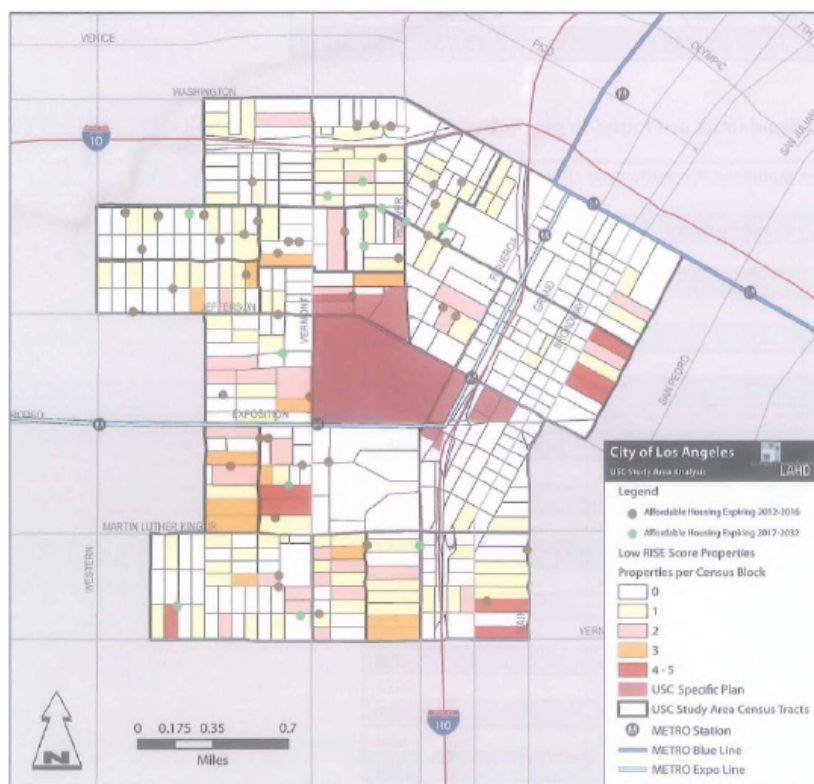
¹⁴⁷ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

¹⁴⁸ Points are deducted from RISE scoring for: cases taking over 120 days for compliance; violations in excess of 5 per unit; the property having more than 3 valid complaints; the case requiring a GM hearing; the property having been issued a substandard order.

¹⁴⁹ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

maintain their properties and to bring properties that have existing violations into compliance, shows that roughly 75% of units in a property referred to REAP are in substandard, uninhabitable condition, and that the median age of REAP properties in the Nexus Study area is just under 100 years old (97 years).¹⁵⁰ The map below generated by LAHD shows the REAP properties in the Nexus Study Area, highlighting that the highest concentration of REAP properties as well as properties with low RISE scores are located in the census blocks just southwest of the USC Specific Plan Area, particularly just south of the Metro Expo Line. Census blocks shaded in pink, goldenrod, and red have anywhere from two to five properties with a low RISE score. LAHD concludes from this data that **the area southwest of the USC Specific Plan Area is particularly poor quality, with the highest concentration of housing stock that is either already in or likely to fall into REAP.**

Figure 5. REAP Properties in the Nexus Study Area¹⁵¹



A 2007 study of the University Park area found the quality of current USC housing to generally be very good, both in its own right, and also in comparison to the private housing that is found in the area. USC-owned housing was found to be generally well maintained, safe, and students

¹⁵⁰ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

¹⁵¹ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

appreciate living there. In an online survey done in conjunction with this same study, only 6% of the 1263 respondents in USC housing labeled the physical structure of their building as “poor.” Students indicated that they felt their housing was safer than what was found in the private stock in the University Park area, as 93% labeled their buildings as “very” or “adequately” safe, compared to only 81% of those in private area housing. The study also indicated that, in the University Park area, 33% of multi-unit student housing was rated to be of high quality, whereas only 11% of community multi-unit housing was rated to be of high quality. Conversely, only 4% of multi-unit student housing was rated as poor, while 38% of community multi-unit housing was rated as poor.¹⁵² Study participants also indicated that much of the poorer-quality community housing is owned by absentee owners, many of whom are not responsive to complaints from residents about housing conditions.¹⁵³

Housing code violations

Housing Code violations are a good indicator for the quality and state of the housing stock. According to LAHD 2008 inspection data for buildings located in the Nexus Study Area, there were 1,333 violations noted, which account for 2.1% of all violations in the City of Los Angeles.¹⁵⁴ Three hundred eighty-one (381) of these violations were in the “maintenance” category, followed by “plumbing” (224) and “fire safety” (187).¹⁵⁵

Homelessness and evictions

Next to downtown (Metro Los Angeles, or SPA 4), South Los Angeles (the area that includes the neighborhoods around the USC campus) has the largest population of homeless individuals in Los Angeles County. Nearly 12,000 homeless people (16% of the total homeless population in Los Angeles) reside in South LA. With more than 9 out of every 10 homeless individuals being unsheltered, South Los Angeles has the highest percentage of unsheltered homeless in the County.¹⁵⁶

¹⁵² **High Quality** indicated that housing shows signs of recent rehabilitation or new construction. Extremely well-maintained. No signs of trash, damage to property, or safety hazards. No security issues or problems with its infrastructure (power, water, sewer, etc.); **Decent Quality** indicated that housing shows regular maintenance and very little exterior blemishes. Property is clean and there are no health or safety issues. The building has a functional infrastructure and adequate amenities; **Poor Quality** indicates that housing shows limited/poor maintenance. Signs of significant exterior damage are apparent. Standing trash is noticeable. May exhibit signs of health and safety problems. May lack basic functional safety features.

¹⁵³ Enterprise. University park housing study. September 2007.

¹⁵⁴ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

¹⁵⁵ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

¹⁵⁶ South Los Angeles Homelessness Prevention and Intervention Collaborative. Taming the perfect storm addressing the impact of public health, housing and law enforcement policies on homelessness and health in South Los Angeles. July 2008.

Poverty, unemployment, escalating housing costs, and foreclosures/sub-prime mortgages are all risk factors for homelessness in South Los Angeles. In a survey of over 360 homeless individuals in South Los Angeles, 42% of those who had rented a housing unit in the last five years became homeless because they were unable to afford a rent increase. Additionally, nearly 3 in 10 homeless individuals surveyed had experienced an eviction.¹⁵⁷

As student demand for housing has increased, non-student residents have experienced a rise in legal and illegal evictions, landlord harassment, and fair housing violations.¹⁵⁸

Foreclosures

South Los Angeles has also become an epicenter of the recent foreclosure crisis. In 2004, South Los Angeles was the only area in the County where the majority (52.9%) of home purchase mortgage loans were financed by sub-prime lenders. Rates of home repossessions increased 797% in South Los Angeles between 2006 and 2007.¹⁵⁹

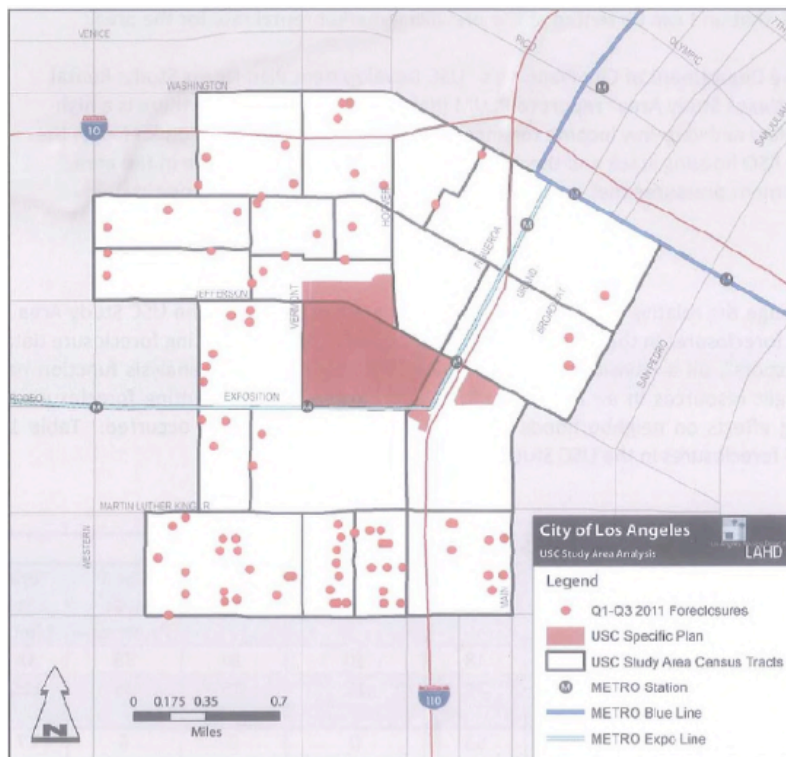
Since 2007, the majority of foreclosures in the Nexus Study area occurred among small multi-family properties. On a per-census tract basis, the incidence of foreclosures in the Nexus Study Area occurs at a higher rate in the census tracts south of the USC Specific Plan Area. Between Quarters 1 and 3 of 2011 ninety properties containing 231 units were foreclosed upon in the Nexus Study area.¹⁶⁰

¹⁵⁷ South Los Angeles Homelessness Prevention and Intervention Collaborative. Taming the perfect storm addressing the impact of public health, housing and law enforcement policies on homelessness and health in South Los Angeles. July 2008.

¹⁵⁸ IBI Group in association with Meléndrez and Strategic Economics, "Los Angeles TOD Plans and Market Studies: Appendices," submitted to the City of Los Angeles Department of City Planning, July 2011

¹⁵⁹ South Los Angeles Homelessness Prevention and Intervention Collaborative. Taming the perfect storm addressing the impact of public health, housing and law enforcement policies on homelessness and health in South Los Angeles. July 2008.

¹⁶⁰ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

Figure 6. Foreclosures in the Nexus Study Area in 2011¹⁶¹

¹⁶¹ Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

6. IMPACT ANALYSIS

6.1 Process

After Human Impact Partners gathered the existing conditions data described above, the Impacted Residents Panel, the subject matter experts, SAJE, Esperanza, and HIP reconvened on March 10 and 11 with the goal of coming to consensus on the likely impacts of the USC Specific Plan and on recommendations that would mitigate adverse impacts. During the meeting, the impacted residents: reviewed information from the scoping meeting; heard presentations from the subject matter experts about their analysis of the strengths, weaknesses, and potential impact of the City's draft USC Specific Plan and Development Agreement; asked the subject matter experts questions; reviewed existing conditions data; deliberated and came to consensus on the likely impacts of the proposal related to displacement, housing costs, and impacts on household budgets; and deliberated and came to consensus on recommendations that would mitigate these impacts.

The subject matter experts were:

- (1) Manuel Pastor, Program for Environmental and Regional Equity at USC, who discussed the impacts of the plan on displacement, housing, and jobs;
- (2) Joan Ling, lecturer at UCLA and Occidental College, former Executive Director of Community Corporation of Santa Monica, and a recent Commissioner at the Community Redevelopment Agency of LA, who discussed the impacts of the plan on housing affordability;
- (3) Gayle Haberman, Policy Analyst in the PLACE Program at the LA County Department of Public Health, who discussed the impacts of displacement and housing on health; and
- (4) Richard Platkin, an urban planning consultant and a former city planner in the Los Angeles Department of City Planning, who discussed the City's planning process and responses to community concerns regarding the USC Plan.

6.2 Impact Analysis Findings

The Impacted Residents Panel came to consensus on the impacts described below. These findings are supported by HIP's understanding of the USC Specific Plan, relevant guidelines and standards, existing conditions, and the public health literature.

Summary of the Context for Impact Analysis

- Census and other data detailed above indicate that the 90007 zip code around USC has been experiencing gentrification since 2000. The data show that low-income and Hispanic and Black populations as well as families with children have been displaced.
- The Planning Department's USC Specific Plan, other land use and transportation projects (e.g., the Expo line), and other factors (e.g., population growth) in the area will bring improvements and changes to the neighborhood as well as new jobs. However, these plans do nothing to protect existing affordable housing or build new affordable housing. Furthermore, the plans do not provide an adequate supply of student housing for USC's growing student body, and many of the jobs likely to be created by the USC Plan that are accessible to low-income residents are expected to pay no more than minimum wage.
- Combined, if no mitigations are implemented, these changes create a high risk of further gentrification, low vacancy rates, and associated increased housing costs in the communities that surround the University, all of which will fuel further displacement of current low-income residents. The USC Plan will be directly responsible for these impacts.

6.2.1 Displacement

Displacement is a highly important issue for the community. If the USC Specific Plan goes forward without including mitigations, displacement is certain to increase. The displacement will mostly impact Latino and Black populations, low-income people, families, young children, and seniors, as well as individuals who are permanently disabled, and it will disproportionately impact people living in neighborhoods close to USC.

As discussed in the earlier sections of this HIA, displacement negatively impacts:

- Mental health—for example, leading to depression and stress;
- Chronic disease—for example, leading to diabetes and respiratory illness;
- Income-related health outcomes through changes in jobs and schedules—for example, lifespan;
- Education-related health outcomes through changes in quality of education and educational attainment—for example, children who change schools frequently will not do as well in school, and children who have poor health outcomes will miss school more frequently; educational attainment is tied to income and, both through income and separately, to many health outcomes, including risky behavior;
- Social cohesion, as a result of breaking up social networks—by providing mental and financial support, social cohesion impacts both mental and

physical health.

The information presented by the subject matter experts and from the literature, as well as the impacted residents' lived experiences, fully support these predictions about displacement.

6.2.2 Poverty/Income ~ Household Budget

Poverty and low incomes are highly important issues for the community. If the USC Specific Plan is implemented without ensuring enough housing for people of all income levels, the financial resources of low-income households will be even more severely limited, and poverty is certain to increase. This will mostly impact Latino and Black populations, families, young children, and seniors, as well as individuals who are permanently disabled, and it will disproportionately impact people living in neighborhoods close to USC.

Reductions of household budgets and increases in poverty are certain to negatively impact:

- Mental health—for example, depression and stress;
- Chronic disease—for example, diabetes and respiratory illness;
- Income related health outcomes through changes in jobs and schedules—for example, lifespan;
- Education-related health outcomes through changes in quality of education and educational attainment—educational attainment is tied to income and, both through income and separately, to many health outcomes, including risky behavior;
- Access to medical care, as the cost of medical care will be unaffordable, leading to poor overall health as well as other outcomes such as increased emergency-room usage.

The information presented by the subject matter experts and from the literature, as well as the impacted residents' lived experiences, fully support these predictions about reduced household budgets.

6.2.3 Jobs

The current mismatch between wages earned by community members and housing costs is also a highly important issue for the community. If the USC Specific Plan is implemented without important changes, this mismatch is certain to get worse; housing costs will increase while wages will not. This will mostly impact Latino and Black populations, families, young children, and seniors, as well as individuals with lower educational attainment, and it will disproportionately impact people living in neighborhoods close to USC.

The mismatch between wages and housing costs are certain to negatively impact:

- Access to medical care, as the cost of medical care will become

unaffordable, leading to poor overall health as well as other outcomes such as increased emergency-room usage;

- Housing conditions as low-income residents may be forced to live in sub-standard housing or in overcrowded conditions, which can lead to numerous negative health impacts—for example, to increased asthma (e.g., from mold exposure), lead poisoning, asbestos exposure, stress, and infectious disease.

The information presented by the subject matter experts and from the literature, as well as the impacted residents' lived experiences, fully support these predictions about the mismatch between wages and housing costs.

7. RECOMMENDATIONS

Based on the findings described above, the Impacted Residents Panel came to consensus on the following recommendations that would mitigate negative health impacts without leading to additional adverse impacts. The panel and HIP believe that these recommendations are specific, actionable, able to be monitored, enforceable, technically and economically feasible, and known to be effective.

7.1 Housing

Because housing costs and conditions as well as displacement will be impacted by the USC Specific Plan:

- USC should pay 5% of the total Specific Plan development budget into an Affordable Housing Trust Fund dedicated to the greater USC Specific Plan area (i.e., the Nexus Study area). The Trust Fund should have community oversight and community organizations should be involved in its implementation.
- USC should finance the preservation of the 1,300 currently affordable units whose covenants will expire in the next five to twenty years.¹⁶² Though USC's plans do not directly impact these units, indirect and historical impacts of USC's development have led and will continue to lead to reduced housing affordability in the area, which these units help to alleviate.
- USC should protect tenants rights by providing legal support to and financing services for tenants, especially those living in rent-stabilized housing. This support could be used, for example, to stop landlords from unfairly evicting tenants in rent-stabilized apartments.

7.2 Jobs

Because there will continue to be a mismatch between housing costs and wages, including wages at many of the jobs that will be created by the USC Plan:

- USC should improve the local hiring policies in the USC Specific Plan for all temporary jobs (i.e., all construction-trade jobs, not just laborers) by targeting at least 10% of these jobs for residents in the 90007, 90037, and 90011 zip codes and at least 50% of these jobs for residents in the City of Los Angeles. USC should require contractors hired for the projects in the Specific Plan to have pre-apprenticeship programs that start at the beginning of the Specific Plan timeframe. Furthermore, USC should follow best practices in local hiring, especially by partnering with local

¹⁶² Los Angeles Housing Department. Affordable housing addendum to report back relative to the University of Southern California (USC) development agreement nexus study. February 2012.

organizations with experience in local hiring.¹⁶³

- For new jobs being created on campus or on university-owned properties, USC should pay, at a minimum, a living wage, and hire 50% local, non-student residents for these jobs.¹⁶⁴ Furthermore, a card-check neutrality agreement should be put in place, allowing workers in these jobs to organize if they wish to.
- USC should create a robust at-risk local hiring program in collaboration with local groups (e.g., Home Boy Industries). At-risk groups targeted by the program should include immigrants, people with limited English proficiency, and people who have been incarcerated.
- USC should provide job training for permanent jobs it creates and open an office at the University that focuses on job placement for local residents;
- USC should make space available to local residents for opening small businesses in new commercial and mixed-use developments;
- USC should assist local cooperatives with developing economic opportunities for local residents, especially immigrants and people with limited English proficiency;
- USC should offer on-site child care for all USC workers to assist those hired from the local community;
- In addition to the Affordable Housing Trust Fund described above, USC should create a social investment fund (modeled on Guatemala's Fondo de Inversion Social and Mexico's Fondos Municipales de Solidaridad; similar to a community benefits agreement) to address issues such as poverty and education in the local community. This fund should also have community oversight;
- The City should contract with a labor compliance program to monitor USC's conformity with these jobs-related policies. Reports should be made to the community, the city, and USC at the same time (e.g., by posting them on-line). Compliance monitoring should be based on man-hours by job classification, and advancement opportunities should also be tracked. If the University is found to be out of compliance, it should be fined substantially (based on the hours out of compliance), and qualified local job applicants who are denied work should be compensated. Fines should be used to fund programs to support at-risk youth in the local community.

¹⁶³ The Impacted Residents Panel did not come to agreement as to whether 10% or 20% of these jobs should be targeted to local residents.

¹⁶⁴ The Impacted Residents Panel did not come to agreement as to whether, and to what degree, these jobs should be open only to non-student residents or to low-income student residents as well.

7.3 Additional Recommendations

Given the limited time available for conducting this HIA, the Impacted Residents Panel was not able to consider as many recommendations as desired. The impacted residents were concerned to learn that prior studies contained recommendations that would directly address issues of displacement and poverty that had not been included in the USC Plan.

In its review of prior studies, HIP encountered the following recommendations that directly address the residents' concerns regarding both displacement and poverty/income, but that there was insufficient time to discuss with the impacted residents panel:

- From the 2007 “University Park Housing Study” by Enterprise Community Partners, commissioned by USC:
 - o USC should “[c]onsider a rental assistance program for lower-income staff.”
 - o USC should “[use its] financial strength to help community organizations develop affordable housing in the University Park neighborhood. This could include loaning acquisition funds to nonprofit housing developers, using bonding authority to raise loan funds for a community development loan fund or making direct donations through land or funding to local organizations using a community land trust model.”
 - o USC should “[h]ire USC staff to help with housing code enforcement in the University Park neighborhood.”
- From the appendices to the 2011 “Los Angeles TOD Plans & Market Studies,” by IBI Group in association with Meléndrez and Strategic Economics, commissioned by the City of LA Planning Department:
 - o “Parking requirements for affordable housing should be reduced.”
 - o “[I]nclude 'by-right' zoning for desirable development, particularly affordable housing, in the Community Plans and USC Specific Plan.”
 - o “Establish a dedicated Property Acquisition Fund that can be used to assemble land; purchase expiring at-risk, subsidized rental housing; and multi-family properties targeted for affordable housing.”
 - o “Explore applying first-right-of-refusal laws to expiring Section 8 properties.”
 - o “Consider efforts, like offering tax abatements, for private owners of expiring Section 8 contracts, if they renew their participation in the program.”
 - o “Explore the potential for limited equity co-ops to purchase expiring buildings.”
 - o “Aggressively address complaints of tenant intimidation by increasing funding for tenant organizing and assistance, and improving

enforcement of the existing housing code, rent stabilization ordinance, and housing discrimination laws.” It is important to note that through such partnership on tenants’ rights organizing and assistance, USC could play a substantial role in helping protect the remaining rental units in the area that are subject to the Rent Stabilization Ordinance but that have not yet escalated to market-rate (via “vacancy decontrol”).

SAJE, Esperanza and HIP urge policymakers to consider these recommendations, in addition to those made by the panel of impacted residents, as they are in keeping with the spirit and substance of the conclusions reached and recommendations made by the impacted residents panel.

8. CONCLUSION

As the USC Specific Plan and concurrent developments in the area spur economic development, increased property values, and more aesthetically designed communities, the potentially adverse impacts that can affect existing populations in the community must be considered. Examining characteristics and trends in neighborhoods where these changes are proposed can identify potential negative impacts and guide the adaptation of plans so that they address these impacts as well as existing residents' needs, and, in doing so, promote benefits to the health of local communities.¹⁶⁵

It is the legal, professional, and ethical responsibility of city planners to analyze and plan for these various factors and their interaction, and to include measures to avoid or mitigate likely negative impacts of proposed plans. While the Nexus Study for the USC Specific Plan does acknowledge that there will be an increase in housing demand from the net increase in students, faculty, and staff over the timeframe of the Specific Plan, similar to the EIR for the Specific Plan, it does not take into account available research about the dynamics of gentrification and displacement. Additionally, the USC Specific Plan itself does not identify any mitigation measures to offset its significant impacts on the availability of affordable and quality housing for the most vulnerable residents living in the local community.¹⁶⁶

This Health Impact Assessment is an effort to address the lack of analysis of and potential mitigations for negative impacts presented in previous analyses related to the USC Specific Plan. The HIA findings highlight past and current trends of displacement and gentrification in the communities surrounding the USC campus, and are supported by findings in additional analyses such as the IBI Group/Meléndrez/Strategic Economics Report and Appendices on the Expo Line TOD area that predict the strong possibility of a continuing rise in housing demand, rents, and property values in the neighborhoods around USC, given the combined influence of the USC Plan and Expo Line TOD.¹⁶⁷ Such trends will inevitably result in the displacement of low-income residents that cannot keep up with rising housing costs, unless measures are put in place that protect affordable housing and existing populations in the community.¹⁶⁸

Moving forward, analysis of potential health impacts needs to be an integral part of city planning, particularly for projects that will impact communities that are highly vulnerable and have limited resources to conduct research on their own or to intervene successfully in the decision-making process.

¹⁶⁵ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.

¹⁶⁶ City of Los Angeles, Department of City Planning. Nexus study for the USC University park specific plan. July 2011.

¹⁶⁷ See Appendix E for the "Los Angeles TOD Plans & Market Studies".

¹⁶⁸ Healthy City. Gentrification and displacement mapping and analysis of the City of Los Angeles & the Figueroa Corridor community. January 2009.