



November 2, 2015

Attn: Erin Strellich
Major Projects & EIR Section
City of Los Angeles Department of City Planning
200 North Spring Street, Room 750
Los Angeles, CA 90012-2601

Via email (erin.strellich@lacity.org)

Re: Draft Environmental Impact Report for the Reef Project
(City Case No. ENV-2014-1773-EIR; SCH No. 2014071054)

Dear Ms. Strellich:

On behalf of the United Neighbors in Defense Against Displacement Coalition (UNIDAD), and the undersigned, we submit these comments on the Draft Environmental Impact Report (DEIR) for The Reef Project (Project). We have identified significant flaws in the DEIR for the proposed development, in violation of the California Environmental Quality Act (CEQA), and have serious concerns regarding the development as a whole. The DEIR fails to properly describe the Project, fails to adequately analyze a range of potential impacts, fails to mitigate these impacts to the level required by CEQA, and fails to select the environmentally superior alternative. Further, the DEIR's analysis is brimming with conclusory statements which do not give an opportunity for review of the methodology employed. Because these flaws have precluded meaningful public review of the Project and its potential impacts, the DEIR for the Project should be revised and recirculated in compliance with CEQA¹.

Furthermore, the DEIR comment process has not provided local residents an opportunity to fully review and respond to the Project's potential impacts on their community. The UNIDAD coalition – along with other groups, including the local neighborhood council – requested an extension of the comment period from 47 days to 90 days. These multiple requests were made well in advance and were accompanied by substantial rationale for an extension, including the scale of the project, the length and technical nature of the DEIR and the lack of a Spanish translation for the majority Spanish-speaking local population. Despite being well within the law and preceded by numerous other instances where extensions have been granted, these requests were denied. It is gravely disappointing that such a relatively small request was denied in light of the massive size of the proposed

¹ Cal. Code Regs. tit. 14 § 15088.5.

project and its anticipated impacts on local residents and businesses.² We submit our comments on the DEIR here, but fear the lack of flexibility on the part of the City to work with community members requesting additional time to provide input has meant many other comments will not make it under the short timeline. This is contrary to the spirit of CEQA, which prioritizes fully-informed public review.

I. The DEIR's Project Description is Inaccurate

The DEIR contains an inaccurate Project Description. The Project Description section of the DEIR describes the location of the Project as “in downtown Los Angeles.”³ As explained in these comments, this is particularly misleading, as the Project is actually located in South LA, an area with a different population, demographic, and character than downtown LA.⁴ The recirculated DEIR should include an accurate description of the geographic area in which the Project will be built, which will allow for meaningful public comment. An accurate project description is critical to proper environmental review of the Project; CEQA requires that a project description provide sufficient detail about a project for evaluation and environmental review, including the precise boundaries and location of the project.⁵ Despite this requirement, the DEIR states numerous times the Project may utilize the Design Guidelines, which “allow for, among other things, the relocation of buildings within the site...” The DEIR simultaneously relies on the specific proposed configuration of Project buildings to conclude there will be no significant impacts in various categories, while going on to state that the Project will have flexibility in the ultimate location of these buildings. Similarly, the DEIR repeatedly states that the Project includes a Land Use Equivalency Program which allows for the planned land uses within the Project to change. However, the accurate evaluation of many Project impacts depends on the precise location of the various Project buildings and their associated land uses. The DEIR's preservation of “flexibility” for the project does not ensure that all potential impacts have been included in the EIR and mitigated to the maximum feasible extent, and for that reason, the Project Description is flawed. The DEIR should be recirculated with a corrected, accurate project description.

Additionally, a recirculated DEIR must correct the inaccurate and self-serving characterization of the proposed SUD.⁶ Notwithstanding the project proponent's interest in glamorizing the proposed 234,000 plus square feet of illuminated and animated signage, the proposed signage not only threatens the City's ability to preserve its ban on off-site billboards, but the SUD presents numerous public health threats. These include

² In addition to these requests being well within CEQA law, Los Angeles General Plan Framework Element Policy 3.1.9 calls on the City to “[a]ssure that [sic] fair treatment of people of all races, cultures, incomes and education levels with respect to the development, implementation and enforcement of environmental laws, regulations, and policies, including affirmative efforts to inform and involve environmental groups, especially environmental justice groups, in early planning stages through notification and two-way communication.”

³ DEIR, p. II-1.

⁴ See sections III and V.

⁵ Cal. Code Regs. tit. 14 § 15124.

⁶ DEIR, p. II-9.

severe traffic hazards associated with electronic billboards visible from highways - in this case the I-10 and I-110. Moreover, it is well established that electronic billboards pose a serious threat to human health, with their nighttime lighting linked to increase risk of cancer, obesity, diabetes, depression and sleep disorders.⁷ No doubt the prospect of an electrified community would appeal to those who stand to financially benefit from such excessive outdoor advertising, but for the local residents, freeway travelers and the entire City of Los Angeles, the proposed signage constitutes billboard blight. Accordingly, in the recirculated DEIR, a revised description of the proposed SUD reflecting the reality of the proposal must replace the inaccurate SUD description contained in the DEIR. Additionally, the recirculated DEIR must contain a traffic study that analyzes the health and safety impacts of the proposed SUD and signage.

Furthermore, correction must be made to the proposed Sign District Criteria Figures II-15 and 16. First, with respect to Vertical Sign Levels 1 and 2, the proposed criteria guidelines describe certain proposed "unrestricted animation" and "light color animation" signs as "Digital Display signs and Integral Electronic Display Signs that are in encapsulated areas that are no more than incidentally visible from the public right of way." However, according to the project design, none of the signage in Level 1 and 2 would be "in encapsulated areas that are no more than incidentally visible from the public right of way." The DEIR repeatedly touts the Project's open design with all sides visible from a public right of way. In fact, the only differences between the signs proposed at these levels versus "integral electronic display signs" proposed at Level 3 is that they are lower and would run 24 hours a day. The recirculated DEIR must correct the mischaracterization of the signage proposed for Levels 1 and 2.

II. The DEIR Fails to Account for the Indirect Displacement and Growth-Inducing Impacts of the Project, and to Incorporate Corresponding Mitigation Measures, In Violation of CEQA

a. A Proper Analysis of the Growth-Inducing Impacts of the Project Should Have Been Included in the DEIR

The Reef Project is a 1,664,000 square foot, 9.7 acre mixed use development in South Los Angeles (LA), which will contain residences, a hotel, retail stores and restaurants, a gallery, event space, grocery store, and fitness center.⁸ The Project's objectives indicate that growth is forecasted in the region, and the Project is planned to foster and facilitate that growth; at least eight of the eleven objectives stated in the DEIR refer to population growth and the creation of an urban center.⁹ Consequently, according to CEQA, the DEIR was required to include an analysis of the growth-inducing impacts of the Project, including an analysis of the indirect displacement that the Project will cause.¹⁰ The

⁷ See, e.g., Ron Chepesiuk, Jan. 2009, "Missing the Dark: Health Effects of Light Pollution," Environmental Health Perspectives, 117(1): A20-A27.

⁸ DEIR, p. II-11.

⁹ DEIR, II-40.

¹⁰ Cal. Code Regs. tit. 14 § 15126.2.

DEIR's minimal discussion of the Project's growth-inducing impacts, which merely reiterates the description of employee growth from the Population, Housing and Employment section, falls short of the full analysis of growth-inducing impacts required under CEQA.¹¹

CEQA requires that "in evaluating the significance of the environmental effect of the project the lead agency shall consider...reasonably foreseeable indirect physical changes in the environment."¹² An indirect physical change is defined as "a physical change in the environment which is not immediately related to the project but which is caused indirectly by the project."¹³ An example of an indirect physical change provided in the text of the statute includes the construction of a new sewage plant, which *may facilitate population growth* and thereby cause an increase in air pollution.¹⁴ CEQA directs that a growth-inducing impacts analysis must be conducted, and should include a discussion of "the ways in which the project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment."¹⁵

The project has been variously described as a "catalytic" and "transformative" project, and there is evidence that its growth-inducing impacts will be significant. For example, the DEIR notes that the buildings in the Project area range from one to fourteen stories in height; the Project proposes to construct buildings of twenty, thirty-two, and thirty-five stories in height, among others. This could drastically alter the development landscape in the Project area, facilitating the approval and construction of taller and denser buildings in the Project area in the future. Similarly, the Project proposes various street improvements, which could facilitate increased traffic and development in the Project area. The growth-inducing impacts section also lacks a discussion of the Project's potential to impact community service facilities, as required by CEQA.¹⁶ Despite these and other possibilities, no substantial analysis of these potential impacts is provided. As stated in the CEQA Guidelines, "[i]t must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment."¹⁷ Therefore, the DEIR for the Project must be recirculated and disclose and analyze the Project's potential growth-inducing impacts in compliance with CEQA.

b. The DEIR Should Analyze and Mitigate The Project's Indirect Displacement Impacts, a Significant Effect According to CEQA

The Reef Project DEIR did not include a section on indirect displacement or the true growth-inducing impacts of the Project. The DEIR did not include an explanation of these effects in the Population, Housing and Employment section; rather, the DEIR came

¹¹ DEIR, p. V-2.

¹² Cal. Code Regs. tit. 14 § 15064(d).

¹³ Cal. Code Regs. tit. 14 § 15064(d)(2).

¹⁴ *Id.*

¹⁵ Cal. Code Regs. tit. 14 § 15126.2(d).

¹⁶ *Id.*

¹⁷ *Id.*

to the faulty conclusion that “because no residential units currently exist on site, development of the Project would not remove existing housing; thus, no housing would be displaced.”¹⁸ However, the DEIR fails to adequately address the question of whether housing will be displaced, as opposed to demolished, by the Project. The DEIR, without analysis, simply reaches the conclusion that because no housing exists on-site, no housing will be demolished by the construction of the project, and so no housing will be displaced. This analysis ignores the real possibility that the Project could indirectly displace existing housing through its operation, and this potential should be examined in the DEIR.

Further, the CEQA guidelines provide two distinct questions for determining displacement impacts; one addresses displacement of housing and the other addresses displacement of people.¹⁹ However, the DEIR conflates the two, and concludes that because no on-site residences will be displaced by the Project, no people will be displaced, without further analysis. This violates CEQA. The relevant measure of these impacts is whether displacement, regardless of whether it occurs on-site or off-site, would be a result of the Project. CEQA is clear that not only direct impacts of a proposed project should be analyzed in an EIR, but also those indirect impacts which are reasonably foreseeable outcomes of the project. “Direct and indirect significant effects of the project on the environment shall be clearly identified and described, giving due consideration to both the short-term and long-term effects.”²⁰ This includes the economic effects of a project that will foreseeably lead to physical changes in the environment. “When there is evidence... that economic and social effects caused by a project... could result in a reasonably foreseeable indirect environmental impact, such as urban decay or deterioration, then the CEQA lead agency is obligated to assess this indirect environmental impact.”²¹

In reality, the Project potentially threatens to displace over 43,000 South LA residents.²² Currently, the South LA community is comprised mainly of low-income renters, many of whom relocated to South LA after experiencing discrimination, violence, and displacement in other areas. The recently published health impact report on the Reef Project evaluated the economics and vulnerability of South LA residents.²³ This report is included as an appendix to this letter, and fully incorporated herein. The health impact report shows that the median rent in South LA is significantly lower than median rents in the City or County (\$852/month versus \$1,830/month), but most South LA residents are already living in overcrowded and substandard rental units.²⁴ Apartment units in the

¹⁸ DEIR, p. IV.L-8.

¹⁹ Cal. Code Regs. tit. 14, Appendix G, XIII(c).

²⁰ Cal. Code Regs. tit. 14 § 15126.2.

²¹ *Anderson First Coalition v. City of Anderson* (2005) 130 Cal.App.4th 1173, 1182.

²² Human Impact Partners, “Assessing Health and Equity Impacts of the Reef Development Project in South Central Los Angeles” (October, 2015), p. 19-20.

²³ Human Impact Partners, “Assessing Health and Equity Impacts of the Reef Development Project in South Central Los Angeles” (October, 2015).

²⁴ Human Impact Partners, “Assessing Health and Equity Impacts of the Reef Development Project in South Central Los Angeles” (October, 2015), p. 16-17.

Project are estimated to cost at least \$2,000 per month, a rate that is entirely unaffordable for residents of the community, who are already struggling to pay their relatively low rents.

The potential for higher-income development such as the Project to influence property values and displacement in surrounding neighborhoods, particularly where such development abuts relatively low-income areas, has been documented.²⁵ As the DEIR indicates repeatedly, the Project is being built to foster and accommodate growth in South LA. The type of demographic that the Project will attract, as implied by the price of a residence, will be of a significantly higher income level and level of education than current South LA residents. This will lead to upward pressure on property values and housing costs throughout the Project area. As a result of the Project, low-income residents of South LA may not be able to afford housing in the area, and may be forcibly displaced as a direct result.

Los Angeles has a well-documented shortage of housing affordable to lower-income families and individuals. For example, covenants for many affordable units in the Project area and across the City are set to expire in the coming years; in 2015 alone, there are approximately 128 properties with CRA/LA covenants set to expire, many of which are situated in the Project area.²⁶ Given the extreme lack of affordable housing in Los Angeles, there is a reasonable likelihood that the Project's potential displacement effects will spur the development of housing and other resources for displaced individuals in surrounding areas, a factor that indicates a significant impact according to CEQA.²⁷ In addition, such displacement could result in increased homelessness in the Project area, resulting in increased demand on social services agencies, community organizations providing services to homeless individuals, and public resources. Despite the overwhelming demonstrated need, the Project does not include any mechanism to create or preserve affordable housing or to minimize its catalytic impacts on increased housing prices and speculation, and the DEIR requires no mitigation in this area. The DEIR specifically includes the goal of creating an urban center **that is compatible with and complementary to** currently ongoing growth. In order to truly achieve this goal, the Project must include strategies and mitigation measures that take into account the local community. Without an analysis of the indirect displacement that is likely to occur as a result of the Project, as well as corresponding mitigation measures that address such displacement, the DEIR fails to comply with CEQA.

There are several measures that the Project can incorporate to address potential displacement and avoid contributing to the City's affordable housing crisis. For example, the Project should include a strong affordable housing component, as part of the Project design, to counter the Project's displacement impacts by allowing current residents to remain part of the South LA community. Other feasible measures to mitigate

²⁵ See, e.g., Guerrieri, Hartley, & Hurst, 2013. "Endogenous gentrification and housing price dynamics," *Journal of Public Economics*, Elsevier, vol. 100(C), pp. 45-60.

²⁶ See "All Expiring 2015 CRA/LA Properties: Citywide," HCIDLA Public Policy and Research Unit, 2014. Available at: <http://hcidla.lacity.org/expiring-cra-properties-2015>.

²⁷ Cal. Code Regs. tit. 14 § 15126.2(d).

displacement include zoning and other land use controls to limit drivers of displacement in the Project area, tools to address threatened housing stock such as increased code enforcement, local and targeted hiring for low-income Project area residents, measures to ease pressures on local small businesses, and neighborhood-based programs which marshal community resources such as local nonprofit organizations to provide comprehensive solutions for residents at risk of displacement.

III. The DEIR Fails to Properly Analyze Potential Urban Decay Caused by the Project, In Violation of CEQA

Similarly, the Project's numerous new retail stores and restaurants may predictably result in the displacement of local commercial tenants and small businesses, but the DEIR fails to include any analysis of the Project's potential impacts with regard to urban decay. "Under CEQA, a lead agency must address the issue of urban decay in an EIR when a fair argument can be made that the proposed project will adversely affect the physical environment."²⁸ Here, the health impact report analyzing the Project has documented the relative vulnerability of commercial tenants and small businesses in the area that may be placed at risk of displacement by the Project.²⁹ This represents a potential for the Project to have significant urban decay impacts, and this potential should be evaluated in the EIR. As drafted, the DEIR contains no discussion of urban decay impacts, nor has any type of study been included in the appendices to demonstrate that these impacts have been examined. The urban decay impacts of the Project must be discussed and mitigated in compliance with CEQA.

IV. The DEIR did not Adequately Analyze or Mitigate the Aesthetic Impacts of the Project, In Violation of CEQA

a. Visual Appearance and Character

South Los Angeles is currently composed of residents who have lived in the neighborhood for many years and established a unique culture and cherished community. The overwhelming majority of buildings in the area are several-story, older residential and commercial buildings, inhabited for lengthy periods of time by the same tenants. The tallest building in the Project area currently is 14 stories tall. In contrast, the Project, as proposed, will cover two full city blocks, totaling 9.7 acres, and 1,664,000 square feet. It will include four high rise buildings, each with between 12 and 35 stories, and two parking structures with over 2,500 parking spaces.³⁰ It would be visible from the freeways, as well as most parts of the existing South LA community.

CEQA Guidelines explain that an aesthetic impact would be considered significant if the Project would "substantially degrade the existing visual character or quality of the site

²⁸ *California Clean Energy Committee v. City of Woodland* (2014) 225 Cal. App. 4th 173, 188.

²⁹ Human Impact Partners, "Assessing Health and Equity Impacts of the Reef Development Project in South Central Los Angeles" (October, 2015), p. 34-35.

³⁰ DEIR, pp. II-11, 14, 17.

and its surroundings.”³¹ The Reef Project would be drastically out of scale with other development in the surrounding community, and would substantially alter the character of the current community by transforming the area into an upscale urban center. Although the DEIR clearly points out that the Project Site is located within the Southeast Los Angeles Community Plan and the Council District 9 Redevelopment Project area,³² the DEIR repeatedly suggests that the Project Site is part of greater Downtown Los Angeles, and that the Project, therefore, fits in with the aesthetics of “the area.”³³ This assertion is false and misleading. Downtown Los Angeles is a separate district, which contains several of the tallest buildings in the region, thousands of businesses, and a completely different demographic, cultural and visual character from South LA. In an effort to minimize the negative aesthetic and other impacts of the Project, the DEIR inaccurately characterizes South LA as part of Downtown, rendering the analysis deficient.³⁴

In outlining the Project objectives, the DEIR identifies the need to take the current population of South LA and its goals into account. The objectives reference serving the needs of the community and ensuring compatibility with the resident population, but the Project, as proposed, does not take the current population into account at all; the size, height, and style of the Project will be discordant with the current aesthetic of South LA.³⁵ A development of this size and magnitude would be larger and more prominent than any other building or development in South Los Angeles.³⁶ The volume of visitors, level of traffic, and scale of development that the Project would bring would change the nature of the community and degrade the existing visual character and quality of the site and its surroundings in the eyes of many of the current residents and stakeholders. As the DEIR states, “the totality of the development would establish a new visual identity for the otherwise non-descript Project Site and surrounding area, and would serve as a visual focal point for the area.”³⁷ Despite this, the DEIR still inaccurately concludes that impacts would be less than significant. Aesthetic impacts from height, mass, and character changes should be reanalyzed and properly mitigated in conformance with CEQA.

b. Signage

The amount, size, and type of signage proposed for the Project is unprecedented in the Project area. According to the DEIR, signs will be located on each of the four multi-story buildings, totaling 234,067 square feet of signage.³⁸ Many of the signs will be massive, animated, and placed high up on the buildings, where they will be clearly visible from a

³¹ Cal. Code Regs. tit. 14, Appendix G, I(c).

³² DEIR, p. IV.B.1-10.

³³ e.g., DEIR, p. IV.B.1-1.

³⁴ In the Aesthetics section alone, the word downtown is mentioned 31 times.

³⁵ DEIR, p. II-40.

³⁶ See Figure IV.B-11, (depicting Southeast LA with the proposed Project, without views of Downtown in the background.)

³⁷ DEIR, p. IV.B.1-22.

³⁸ DEIR, p. IV.B.1-20.

distance of at least 2.5 miles away.³⁹ In addition, signs, including animated signs, will be in operation throughout the day and evening, from dawn until 2 a.m.

The DEIR identifies several factors that would indicate significant impacts in terms of lighting, including whether Project lighting would interfere with the performance of an off-site activity, and whether the Project would result in substantial changes to existing artificial light conditions. Although the lighting may not be bright enough to impair drivers' vision (as the DEIR suggests), animated lighting and large signs are extremely distracting for a number of groups and activities, most notably local and regional drivers, families and individuals who live near the Project site, and students who will be in classes within feet of the Project. Light pollution at night can cause sleep disruption in children and adults, and can lead to other health problems, including issues with behavioral and cognitive function. Studies have shown that even small changes in ordinary light exposure during the late evening hours can have significant effects on sleep and the biological clock.⁴⁰ Several studies have also linked excessive use of artificial light at night to health problems including cancer.⁴¹

The substantial changes to existing artificial light conditions are obvious, as the current site and area contains virtually no signage.⁴² Views of the Project signage will be visible at a distance from the Project site, and could extend up to 420 feet vertically. The impacts of the proposed signage on the surrounding environment are extremely significant and potentially harmful. Even areas incorrectly deemed by the DEIR to have less than significant impacts would still be visible and prominent in the immediate vicinity of the Project, areas in which schools and residences are located. The DEIR explicitly points out that the effects and impacts of the signage are “dependent primarily upon the size, concentration, and animation associated with the proposed signs,”⁴³ yet instead of reducing the size, concentration, and animation of the signage, the Project proponents chose to retain and ignore the significant impacts. The aesthetics analysis is deficient and inaccurate with regards to signage, and must be revised to fully study all impacts and include appropriate mitigation measures in order to comply with CEQA.

c. Light

The impacts of light from the Project in several zones and from a number of directions would be significant.⁴⁴ Light and glare from digital billboards have been shown to significantly increase the risk of driving accidents, in addition to the other distractions

³⁹ DEIR, p. IV.B.1-22.

⁴⁰ James M. Zeitzer, Derk-Jan Dijk, et. al., “Sensitivity of the Human Circadian Pacemaker to Nocturnal Light: Melatonin Phase Resetting and Suppression,” *Journal of Physiology*, 2000, pp. 695-702.

⁴¹ Kevin J. Gaston, Marcel E. Visser, and Franz Holker, “The Biological Impacts of Light at Night: From Molecules to Communities,” *Philosophical Transactions B*, May 5, 2015.

⁴² DEIR, p. IV.B.1-27.

⁴³ DEIR, p. IV.B.2-19.

⁴⁴ DEIR, pp. IV.B.2-27-31.

and health risks discussed above.⁴⁵ The single mitigation measure provided, which only slightly limits the signage operating hours to hours when most people are asleep, is not sufficient to address this impact. Additional mitigation measures should be incorporated to reduce the effects of the lighting from the signage on the surrounding environment. These may include, but are not limited to, fewer signs, smaller signs, locating signs in only specific areas, limiting the intensity of sign illumination, and limited hours of operation.

V. The Proposed Air Quality Mitigation Measures are Inadequate and Must Be Strengthened

Los Angeles air quality is already extremely poor as a result of the geography of the region, a legacy of non-attainment of air quality standards, and the high number of vehicle trips and resultant exhaust emissions. The majority of Volatile Organic Compound (VOC) and Nitrogen Oxide (NOx) emissions that the DEIR reports will be significant and unavoidable are generated by exhaust from mobile sources, in addition to industrial and point sources. The Reef Project will be located in close proximity to four major freeways, including “heavily trafficked segments” of the Santa Monica Freeway (the I-10), which runs only one block from the Project site, and the I-110 freeway, which is 2.5 miles from the Project site.⁴⁶ The Project will also attract visitors, during both the construction and operational phases, which will increase traffic and emissions, further impacting the air quality in the area. A range of diesel-fueled construction machinery and vehicles will be utilized during Project construction.

VOCs and NOx are particularly harmful pollutants, each of which can produce devastating health effects, both in the short term and after chronic exposure. Inhalation of VOCs and NOx can cause severe health problems including asthma, skin irritation, respiratory illness, aggravation of respiratory illness, increased susceptibility to infections, cancer, and death. Sensitive receptors, including young children and the elderly, are more susceptible to the effects of these pollutants, and there is increased risk for asthma and other pulmonary diseases in these populations. The Reef site is located within 305 feet of three schools and in close proximity to hundreds of residential units, where the impacts of the Project will be felt most strongly. In addition, the community in which the Project is proposed is made up mostly of low-income residents of color. Many of these residents already face poor health, high levels of stress, and limited access to adequate, affordable health services. It is critical that the Project incorporates mitigation measures to address the increased pollution and emissions at the sensitive receptors surrounding the Project, and in the community at large.

Although the DEIR repeatedly refers to the building phase of the Project as “short-term,” construction will take at least 60 months, or five years, a period of time that for air quality and health risk purposes is long enough to cause severe pollution-related health

⁴⁵ Tania Dukic, et al., “Effects of Electronic Billboards on Driver Distraction,” *Traffic Injury Prevention*, July 8, 2012.

⁴⁶ DEIR, p. II-4, p. IV.C-9.

problems. Further, the DEIR states that Project development is expected to occur between 2016 and 2035.⁴⁷ The mitigation measures proposed for the construction phase of the Project are entirely inadequate and fail to address the impacts of the Project on the surrounding population, and the characterization of impacts as temporary is misleading. While the Project does incorporate building features that protect the projected residents, employees, and visitors to the development, all of the mitigation measures focus solely on the future Reef population and there is not a single measure dedicated to protecting residents of the surrounding area from the increase in pollutants that the Project will directly cause.

The mitigation measures for air quality and health risk in the DEIR do not address the impacts to the community and area surrounding the Project, in violation of CEQA. The DEIR must fully mitigate potential air quality impacts for both future Project residents and current residents of the surrounding community, who will bear the brunt of the air quality and health risks during construction and the life of the Project. This is particularly important given the sensitive receptors in the area, which are located in extremely close proximity to the Project. .

VI. The DEIR's Analysis of Impacts to Cultural Resources is Flawed and the DEIR Improperly Defers Study and Mitigation of Project Impacts

The DEIR's analysis of the Project's potential impacts on cultural resources contains several flaws, including improper deferral of mitigation and a failure to analyze impacts with sufficient specificity. For example, the DEIR concludes that the height of the two towers proposed as part of the Project are "considerably taller than surrounding development," but that potential impacts to historic resources derived from the scale of the Project are mitigated by "the open space on the site, the variety of size and massing proposed for the new construction, and the isolation of the tower elements to the north and south of the Project Site."⁴⁸ However, the DEIR goes on to explain that the Project may utilize the Design Guidelines, which "allow for, among other things, the relocation of buildings within the site..."⁴⁹ The DEIR simultaneously relies on the specific proposed configuration of Project buildings to conclude there will be no significant impacts to historic resources due to the scale of the Project, while going on to state that the Project will have flexibility in the ultimate location of these buildings. This does not ensure that all potential impacts have been included in the EIR and mitigated to the maximum feasible extent.

Similarly, the DEIR improperly defers study and mitigation of potential impacts to historic resources from the proposed signage for the Project. The DEIR concludes that the proposed signage "would not constitute an impact with respect to the immediate surroundings of potential historic resources in the Project vicinity," because all signage

⁴⁷ DEIR, p. IV.L-10.

⁴⁸ DEIR, p. IV.E-18.

⁴⁹ DEIR, p. IV.E-19.

will be subject to the proposed Reef Project Sign District.⁵⁰ However, the proposed sign district for the Project has not yet been approved, let alone finalized, and must go through a separate public hearing process, where specific aspects of the sign district will be decided. As stated in the DEIR, “the Reef Project Sign District would establish the maximum square footage of signs, provide for commercial advertising standards, and establish illumination and animation standards to properly limit and regulate the proposed integral electronic displays.”⁵¹ However, none of these aspects of the sign district have been finalized, and therefore the DEIR’s reliance on these limitations to conclude that Project signage will not constitute an impact to historic resources is an inappropriate deferral. Under CEQA, the City must require “that measures to mitigate or avoid significant effects on the environment are fully enforceable through permit conditions, agreements, or other measures;”⁵² this is not the case with the proposed Reef Project Sign District, which has not been finalized, let alone adopted.

VII. The DEIR’s Transportation Analysis is Flawed and Lacks Adequate Mitigation Measures

Traffic in Los Angeles is particularly severe, and creates substantial stress and difficulties for commuters and travelers throughout the region. The Project, as proposed, will create 1,428 residential units, 21 live-work units, a 208 room hotel, as well as retail stores, swimming pools, a fitness center, a grocery store, restaurants, and a gallery. The current Reef building will be altered to include a new restaurant and event space. Over 5,000 parking spots will be provided for residents, employees and visitors. In addition, the Project objectives clearly indicate that the Project is being built in order to “attract top notch events,” “create an urban center...complimentary to...ongoing growth,” “promote[] the creation of a vibrant and dynamic 24-hour activity center,” “provide site access and sufficient parking,” “provide an integrated mixed-use project,” and “to provide flexibility to respond to changes in demand and urban growth patterns.”⁵³ Impacts caused by the Project’s increased traffic must be adequately mitigated.

Construction of the Project would take place over at least 60 months. On average, there would be 125 construction workers at the site each day, and up to 500 workers at peak construction times.⁵⁴ For the first three months of construction, the equivalent of 360 car trips **per hour** would enter and exit the Site. During this time, no mitigation measures would be implemented, as the DEIR indicates that mitigation measures would be phased in later in the Project life. This is wholly inappropriate, as CEQA requires all feasible mitigation measures to be included in order to mitigate a project’s impacts to a less than significant level, regardless of whether those impacts are short-term or long-term.⁵⁵ As a

⁵⁰ DEIR, p. IV.E-18.

⁵¹ *Ibid.*

⁵² Cal. Pub. Res. Code § 21081.6(b); *see also California Clean Energy Committee v. City of Woodland* (2014), 225 Cal.App.4th 173.

⁵³ DEIR, p. II-40.

⁵⁴ DEIR, p. IV.N-19.

⁵⁵ Cal. Pub. Res. Code § 21081

result, current South LA residents will face significant unmitigated traffic increases, and consequent longer commutes, as well as encumbrances to walking in their neighborhood.

The DEIR predicts that the Project will increase traffic to and from the Site during peak hours by more than 1200%. More than 900 trips will be generated during the morning peak hour and over 1,200 will be generated during the evening peak hour. However, it is likely that these figures underestimate the true increase in traffic that the Project will cause. The DEIR based part of its transportation analysis on a “recent Downtown Los Angeles Demographic Study,” which indicated that 56% of Downtown residents work in downtown and that downtown residents desired more stores and restaurants to which they could walk.⁵⁶ Again, this statement and basis for analysis is flawed and misleading. Downtown is a separate area, which houses an entirely different demographic than South LA.⁵⁷

Because the Project will increase traffic and congestion dramatically, the implementation of adequate mitigation measures is critical. The mitigation measures proposed in the DEIR are inadequate. The first four measures are merely compliance measures, required by City standards. Improvement measures are appreciated, but considering the increase in traffic that the Project will bring, both directly and indirectly, they are insufficient to reduce Project impacts to a less than significant level. Similarly, vehicle trip reduction measures do not guarantee a reduction in motor vehicle travel, particularly because of the lifestyle of the demographic which is expected to inhabit the Development. The Project should include measures to fully mitigate its impacts on transportation, including traffic relief measures and measures to provide increased access to transit and additional transportation options for residents.

In California, extremely low-income households living near transit are less than half as likely as higher income households to own a car, and drive less than half as many miles as higher-income households. Low-income households living near transit are also more likely than their higher-income neighbors to utilize such transit.⁵⁸ Locally, approximately 75% of Metro’s transit ridership is composed of households dependent on transit whose income is less than \$25,000 per year⁵⁹. Despite this reality, the DEIR does not include a proper analysis of the effects of the Project’s demographics on the Project’s transportation impacts, and fails to include related mitigation measures such as incorporating an affordable housing component into the Project.

⁵⁶ DEIR, p. IV.N-23.

⁵⁷ DCBID Downtown LA Demographic Study (2013) (available at: <http://www.downtownla.com/survey/2013/results/DTLA-Demo-Study-2013.pdf>).

⁵⁸ California Housing Partnership Strategy & Transform, “Why Creating and Preserving Affordable Homes Near Transit Is a Highly Effective Climate Protection Strategy” (2014), p. 3. *Available at:* <http://www.transformca.org/transform-report/why-creating-and-preserving-affordable-homes-near-transit-highly-effective-climate>.

⁵⁹ L.A. Hous. Dep’t & Reconnecting Am., “Preservation in Transit-Oriented Districts: A Study on the Need, Priorities, and Tools in Protecting Assisted and Unassisted Housing in the City of Los Angeles” (2012). *Available at:* <http://reconnectingamerica.org/assets/PDFs/20120524LAHDTODPreservationFinal.pdf>.

VIII. The DEIR's Noise Analysis is Flawed and Fails to Incorporate Adequate Mitigation Measures for Noise Impacts

Project construction is expected to last at least five years. Although the DEIR repeatedly refers to this time period as “temporary,” at least five years of construction noise can result in severe impacts, particularly for nearby sensitive receptors; furthermore, the DEIR states that Project development is expected to occur between 2016 and 2035.⁶⁰ The DEIR identified five sensitive receptors, four of which are within less than 310 *feet* of the Project site. In addition, three of the sensitive receptors are schools, all of which will be in session throughout the construction and operation of the Project.

Further, the DEIR ignores evidence that noise impacts may be more extensive than it concludes. The DEIR contains information, for example, regarding the potential noise generation of equipment to be utilized during Project construction, but chooses to estimate that generation at a lower level which it contends is more representative of average construction activity, due to the fact that construction equipment does not always run at full power.⁶¹ However, this creative calculus runs afoul of CEQA, which requires analysis of both short-term and long-term impacts, including “spikes” in noise generation from construction equipment which may be operating at full power, however temporarily.

IX. The Land Use and Planning Section Is Severely Inadequate, In Violation of CEQA, and Must Be Recirculated

CEQA requires that a DEIR “discuss any inconsistencies between the proposed project and applicable general plans, specific plans, and regional plans.”⁶² In order to determine whether there are inconsistencies, the CEQA Guidelines provide questions that should be analyzed, including whether the project would conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project adopted for the purpose of avoiding or mitigating an environmental effect.⁶³ The Project DEIR fails to account for significant inconsistencies and discrepancies between the Project and current land use plans and policies, and requested zoning permits.

The DEIR does not evaluate the Project's many conflicts with existing zoning requirements and fails to provide *any analysis whatsoever* of the Project's consistency (or lack thereof) with a number of highly relevant General Plan policies. Likewise, the DEIR does not evaluate the Project's compatibility with the City's Industrial Land Use Policy (ILUP), and fails to identify significant inconsistencies with the ILUP's Community Benefits requirements. Where the DEIR does purport to discuss the Project's consistency with General Plan policies and programs, much of the analysis is circular, conclusory and wholly inadequate for a meaningful review. The DEIR also fails to include an adequate

⁶⁰ DEIR, p. IV.L-10.

⁶¹ DEIR, p. IV.K-18.

⁶² Cal. Code Regs. tit. 14 § 15125(d).

⁶³ Cal. Code Regs. tit. 14, Appendix G, X(b).

evaluation of the Project's consistency with the Draft Southeast Los Angeles Community Plan and Community Plan Implementation Overlay (CPIO). Further, the DEIR fails to address the SUD Sign District's inconsistency with the Southeast Los Angeles's Community Plan's goals and objectives. This inadequate analysis must be corrected along with meaningful mitigation measures relating to the significant impacts associated with land use consistency in order to satisfy CEQA.

a. The DEIR Fails to Address the Project's Consistency with Existing Zoning Requirements and City Plans and Regulations

The DEIR's land use analysis unjustifiably assumes that the Project will be constructed in a manner that is patently inconsistent with existing zoning requirements and numerous current land use plans and policies that apply to the Project Site. Specifically, the Project involves the construction of a mixed-use development with 1,444 housing units on a site that is currently zoned for limited manufacturing. The DEIR briefly acknowledges that as proposed, the Project "would not be consistent with the existing General Plan land use designation and zoning of the Project site."⁶⁴ However, this is presented merely as the explanation behind the Project's request for an extensive list of discretionary land use approvals. Rather than evaluating the existing land use inconsistency and analyzing the on-the-ground impacts that the proposed land use changes will have on the community, the DEIR simply concludes "the zone change would result in the entire parcel being singularly zoned for the mix of uses that [sic] proposed for the mixed-use development."⁶⁵ This circular logic severely undermines environmental review.

The DEIR completely removes Project's proposed land use changes from any meaningful scrutiny. The DEIR repeatedly implies that existing land use regulations are inappropriate and suggests that once the current regulations are amended to permit the Project, then all of the Project's land use impacts will somehow be resolved. In other words, the DEIR proceeds from the flawed assumption that the Project should dictate land use laws, not the other way around. By assuming that the approval of the Project's numerous discretionary land use entitlement requests are a foregone conclusion,⁶⁶ the DEIR fails to comply with the CEQA requirement that the EIR identify the significant environmental effects of the project based on "the existing physical conditions in the affected area."⁶⁷

⁶⁴ DEIR, p. IV.J-70.

⁶⁵ *Id.*

⁶⁶ The Los Angeles Municipal Code clearly states the General Plan Amendments – including those limited to a specific property – must be initiated by the City Council, the City Planning Commission, or the Director of Planning; not the applicant. LAMC 11.5.6.B; Los Angeles City Charter Section 555. It appears that this process was initiated in May, 2014, by Councilmember Price. However this motion is still pending in Planning and Land Use Management Committee, and has not been approved by Council as required by the Code and Charter. See Council File 14-0620. Without such approval, the DEIR analysis is premature.

⁶⁷ Cal. Code Regs. tit. 14, § 15125(e); § 15126.2.

b. The DEIR Fails to Evaluate the Project's Inconsistency with Relevant General Plan Policies

The City of Los Angeles CEQA Thresholds Guide provides five factors for consideration in determining significant impacts related to land use consistency including “whether the proposal is inconsistent with the General Plan or adopted environmental goals or policies contained in other applicable plans.” Despite these clear directives, the DEIR fails to adequately evaluate consistency with many relevant General Plan policies, goals and objectives.

While DEIR Tables IV.J-3, IV.J-4, IV.J-5, and IV.J-7 selectively consider *some* policies, the corresponding “evaluation” provides only a perfunctory analysis and includes many conclusory statements of consistency without providing adequate evidence or analysis to support. Moreover the DEIR inexplicably *neglects altogether* to evaluate numerous other General Plan policies that are essential to understanding the Project's environmental impacts.⁶⁸ Perhaps unsurprisingly, the Project as proposed is in fact inconsistent with many of these General Plan policies that go unanalyzed in the DEIR. As a result, a complete and accurate analysis of consistency with the General Plan, as well as mitigation measures to address potential significant impacts relating to land use inconsistency, should be conducted.

c. The DEIR fails to evaluate the Project's consistency with the City's Industrial Land Use Preservation Policy (ILUP) and the ILUP Community Benefits Requirements

The Project site is located in the M1-2-O zone and has a General Plan land use designation of Limited Manufacturing with Oil District Overlay and Height District 2. While Height District 2 permits an FAR of 6:1, the M1 zone does not permit the uses proposed by the Project. To aid the proposed development of 1,444 residential units, 90,000 square feet of retail uses, 46,000 square feet of restaurant/bar uses, a 208-key hotel; 18,000 square-foot gallery, and 8,000 square-foot yoga/fitness studio and approximately 2,733 parking spaces, the Applicant is requesting a General Plan Amendment to change the designation to Community Commercial, and a corresponding zone change from M1-2 to C4-2.

Ten years ago, an onslaught of industrial-to-residential conversions -- just like the one requested here -- caused a rapid loss of job-supporting industrial land throughout the city. In response, the Department of City Planning (DCP) and Community Redevelopment Agency embarked on the Industrial Land Use Policy project (the “ILUP”). Consequently, a comprehensive study evaluated the viability of the City's industrial districts and created four distinct typologies of existing industrial zoned land, ranging from districts that

⁶⁸ The relevant General Plan policies that go unanalyzed in the DEIR include, but are not limited to Housing Element Objective 1.2, Policies 1.1.2, 1.2.2, 1.2.8, 2.2.3, 2.5.1, and Programs 8, 54, 73, 99 and 101; Health Element Policy 1.7 and Program 86, Southeast Los Angeles Community Plan Policies 1.5-2 and 11-2.3; Framework Element Policies 3.14.6 and 4.2.1.

should be preserved to parcels that are appropriate for conversion.⁶⁹ The ILUP project culminated in a 2008 memorandum to DCP staff (“Staff Directive”).⁷⁰ This policy document includes very specific direction and guidance regarding the evaluation of entitlement applications for proposed developments on industrial zoned land. The ILUP, and this Staff Directive in particular, outline the process and procedures that DCP staff must now follow when evaluating the general plan amendment and zone change requested for this Project.

The ILUP is a touchstone of city land use policy and unquestionably applies to this Project. And yet, the DEIR Land Use and Planning section fails to even mention this policy, let alone adequately evaluate the Project’s consistency with it. This is a significant oversight. Given the dramatic transformation of industrial land to support residential use that is being proposed for this Project, the DEIR must evaluate the project’s consistency with the city’s ILUP. Without this analysis, the DEIR fails to meet CEQA’s requirement of consistency with City plans and policies.⁷¹

The ILUP also calls for the inclusion of certain meaningful Community Benefits as part of any land use change on this property. Although omitted entirely from the DEIR analysis, this requirement for meaningful community benefits is actually reiterated throughout the City’s Industrial Land Use Policy. For example, the ILUP Staff Directive calls for City Planning staff to “recommend approval of applications for changes of use or zone ***provided Community Benefits are incorporated ...***”⁷² The Staff Directive then instructs: “[w]hen considering approval of projects within ***“Industrial Mixed Use” and “Transition” Districts, staff recommendations should include Community Benefits set forth below.***”⁷³ The ILUP Staff Directive outlines specific Community Benefits, including the provision of Affordable Housing.⁷⁴

Because it lacks any acknowledgment of the ILUP’s clear directive for community benefits, the DEIR is incomplete.⁷⁵ This failure to adequately evaluate the Project’s inconsistency with the ILUP should be corrected through a recirculated DEIR. In considering mitigation measures, the DEIR should refer to the ILUP Community Benefits

⁶⁹ Department of City Planning and Community Redevelopment Agency of the City of Los Angeles, “Los Angeles’ Industrial Land: Sustaining a Dynamic City Economy,”

⁷⁰ Los Angeles Industrial Land Use Policy, Staff Direction Memorandum Regarding Industrial Land Use and Potential Conversion to Residential or Other Uses [hereafter, “Staff Directive.”]
http://planning.lacity.org/Code_Studies/LanduseProj/Industrial_Files/StaffDirections.pdf

⁷¹ See, e.g., City of Los Angeles CEQA Thresholds Guide, H.1.

⁷² Staff Directive, 5.

⁷³ *Id.* at 8.

⁷⁴ *Id.*

⁷⁵ See, e.g., City of Los Angeles CEQA Thresholds Guide, H.1. A determination of significance regarding land use consistency should be made considering the following factors: “Whether the proposal is inconsistent with the adopted land use/density designation in the Community Plan, redevelopment plan or specific plan for the site; and “Whether the proposal is inconsistent with the General Plan or adopted environmental goals or policies contained in other applicable plans.” Here, the Project is clearly inconsistent with the Site’s existing industrial zoning and use regulations, and is also inconsistent with the City’s existing policy framework that is intended to inform land use planning for industrial zoned property.

requirements and recommend proper mechanisms to effectuate appropriate community benefits.

d. The DEIR Does Not Adequately Evaluate the Project's Consistency with the Draft Southeast Los Angeles Community Plan

The Department of City Planning is currently in the process of updating the Southeast Los Angeles Community Plan. The most recent draft of the plan was revised and released in October 2014, with a corresponding draft of the Community Plan Implementation Overlay (CPIO).⁷⁶

The DEIR highlights that under the current draft of the Community Plan, the Project Site would be designated for Community Commercial Use. While claiming consistency with the Plan's vision for a mixed-use TOD district along the Blue Line, the DEIR only briefly acknowledges the Project's inconsistency with the Draft Plan's density provisions.⁷⁷ The DEIR neglects to mention that the Project as proposed is also fundamentally inconsistent with many of the Draft Plan's policies and objectives.

The DEIR indicates that the project will have a FAR of at or just below 6:1. It is the intent of the CPIO to allow density above 1.5 FAR on the Project Site for projects that provide affordable housing.⁷⁸ In addition, consistent with the structure of the City's Density Bonus Ordinance and the Downtown Housing Incentive (and in keeping with Housing Element policy), the Draft CPIO would allow a parking reduction only for residential projects that include affordable housing.⁷⁹ Because the Project as proposed would have a floor area ratio at 6:1 and enjoy parking reductions without including any affordable housing, it is inconsistent with the provisions of the Draft Southeast Los Angeles CPIO.

In addition to the affordable housing provisions in the CPIO, the Draft Community Plan also contains a number of broader goals and policies that are potentially inconsistent with the Project and go unaddressed in the DEIR. For example:

- **Policy LU5.6** "Prioritize housing that is affordable to a broad cross-section of income levels and that provides the ability to live near work."
- **Policy LU13.3** "Prioritize new housing for the transit-dependent community and discourage upscale luxury housing at TODs in Southeast Los Angeles, which has a large transit-user and low income population."
- **Policy LU13.4** "Promote and incentivize mixed income and/or affordable housing in TODs"

⁷⁶ Available at: <https://sites.google.com/site/seastlanep/>.

⁷⁷ DEIR, p. IV.J-58-59.

⁷⁸ Draft Southeast Los Angeles Community Plan Implementation Overlay, p. 8.

⁷⁹ Draft Southeast Los Angeles Community Plan Implementation Overlay, p. 38. In addition to mixed income housing incentives, parking reductions are offered as incentives for sit-down restaurants, full service grocery stores and Federally Qualified Health Centers.

- **Policy LU16.3** “Encourage job training and local hiring for community residents.”
- **Program 34** “Consistent with the goals and policies of the City’s Housing Element, the Plan supports the maintenance and enhancement of the existing affordable housing stock for existing residents.”
- **Program 63** “Encourage businesses to hire locally, and require local hiring for discretionary projects with Development Agreements to the extent feasible.”

These policies and programs call for the City to do more than just indiscriminately green-light any project that creates mixed-use development in the general vicinity of transit. Rather, the Draft Plan clearly contemplates and advances a more comprehensive vision for transit-oriented development in the Southeast LA Community Plan Area. The Draft Plan calls for TOD projects that include housing opportunities for low-income core riders and contribute economic opportunities to local residents. Lacking an affordability component or detailed programs to ensure jobs for local residents, the Project is inconsistent with the vision laid out in the Draft Community Plan. It also threatens the kind of community destabilization that directly contradicts the goals and objectives outlined above.

The DEIR Land Use & Planning section should acknowledge that the Draft Community Plan and CPIO reflect a current visioning process for the community, and should be evaluated for alignment with the Project. Since inconsistencies are significant, a recirculated Land Use & Planning section should evaluate possible mitigation measures like affordable housing.

- e. The DEIR’s Dangerously Deficient Supplemental Use District for Signage Land Use Assessment Leads to False Conclusions and Risks Invalidating the City’s Signage Ordinance

According to the DEIR’s Project Description, the REEF looks to introduce 234,067 square feet of electronic signage into an area where virtually none exists. So dominate and overwhelming are the sought environmental alternations, the Project must break the proposed electronic signage onslaught into five sign zones, each broken into three vertical signage subzones. The signage proposed is a dizzying array of offsite advertising stacked 500 feet high, like a massive vertical TV showroom. Not only would these proposed signs negatively impact in the most profound way the quality of life for the residents living, working and going to school just feet away, the signage would pull the attention of every driver along the 10 and 110 freeways away from the road and toward the animated advertising, creating untold hazards for every person obliged to drive in the Project’s vicinity.

Despite having devoted nearly half its Project Description (Section II) to describing the proposed Supplemental Use District for Signage, the DEIR mustered an anemic paragraph for the same topic in its Land Use & Planning analysis, of which two sentences address the Project’s impacts on signage regulations and policies. Specifically, the

DEIR's Land Use & Planning analysis on the Supplemental Use District (SUD) for Signage obliquely reads:

The potential environmental impacts of The Reef Project SUD are evaluated in this EIR. Therefore, the Project would have less than significant impacts with regards to signage regulations and policies.

This circular assessment gives new meaning to the phrase "environmental window dressing." The DEIR's assessment is as wrong as it is inadequate for the following reasons.

The history and status of our City's signage regulations play a controlling role in the Project's request for a SUD for Signage. Yet the DEIR is utterly silent on both. In fact, the DEIR Land Use & Planning analysis does not even mention which signage ordinance it believes applies to its Project. The DEIR fails to acknowledge that the City is in the process of establishing new sign regulations and that SUD Sign District's applications are, for all intents and purposes, on hold until the new regulations are adopted. This shortcoming is all the more troubling given that the DEIR incorrectly asserts that it "would have less than significant impacts with regard to signage regulations and policies."⁸⁰ This statement holds no water under either the current sign ordinance or the revised ordinance recently approved by the City Planning Commission. The public should not be left to guess what sign ordinance the DEIR reviewed, if any.

Additionally, the DEIR ignores significant signage restrictions that form the bedrock of the City's signage policy with respect to aesthetic and public safety. Specifically, the DEIR fails to address the fact that the Project violates the City's ban on signage within 2000 feet of a freeway that would be viewed primarily from a main traveled roadway of a freeway or an on-ramp/off-ramp.⁸¹ Not only does this gaping oversight stand as a powerful indictment of its inadequacy, the DEIR fails to account for how its Project's signage threatens to invalidate the City's hard fought ban of freeway facing signage – an environmental impact of monumental significance. Although emerging victorious in *World Wide Rush, LLC et al v. City of Los Angeles*, the Ninth Circuit cautioned the City that although the Staples Center and the Fifteenth Street SUD exemptions to the freeway ban did not invalidate the ordinance, additional exceptions could "break the link between Freeway Facing Sign Ban and the City's objectives in traffic and aesthetics."⁸²

The Project has all the elements of a sign district that would invalidate the City's ban of freeway facing signs ordinance. Its fully animated billboards would be highly visible from multiple freeways. Thus, the Project threatens the City's continued ability to ban freeway-facing signs, and opens up the entire length of every freeway to signage the City has fought so hard to ban. The City's arguments of blight and improving traffic safety

⁸⁰ DEIR, p. IV J-72.

⁸¹ Article 4.4, Section 14.4.6 and Section 14.4.5 of draft Signage Ordinance approved by the City Planning Commission.

⁸² *World Wide Rush et al., v. City of Los Angeles* (9th Cir. 2010) 606 F.3d 676.

available for the Staple Center and Fifteenth Street SUD are absent. Thus, the Project threatens the City's continued ability to ban freeway facing signs, and opens up the entire length of every freeway to signage the City has fought so hard to ban. The environmental impacts of such a risk are immensely significant. Yet the DEIR fails to acknowledge and analyze this environmental impact. Accordingly the DEIR is inadequate and must be recirculated.

Moreover, the City's current sign ordinance clearly prohibits signage that constitutes a hazard to safe and efficient operation of vehicles upon a street or a freeway.⁸³ With its proposed over-200,000 square feet of animated signage pulsing over the 10 and 110 freeways, the proposed Project undoubtedly poses a serious hazard to traffic safety. The environmental impacts of such a risk are immensely significant. Consequently, the DEIR's land use analysis is deficient and this chapter must be recirculated to account for all discrepancies, and include all relevant regulations and policies.

X. The DEIR Should Have Included An Environmental Justice Analysis with Corresponding Mitigation Measures

Projects that are likely to have a significant and disproportionate effect on surrounding low-income communities are encouraged to include an environmental justice analysis in their environmental impact reports; further, "specific provisions of CEQA and its Guidelines require that local lead agencies consider how the environmental and public health burdens of a project might specially affect certain communities."⁸⁴ The Reef Project is proposed to be built in a particularly low-income community of color⁸⁵, where many residents are rent-burdened, work multiple jobs, and have limited access to adequate, affordable health services. The DEIR acknowledges that even after mitigation measures, there will be significant impacts to air quality, noise, traffic and transportation, aesthetics; there are further impacts, such as indirect impacts from gentrification and consequent displacement, which are not analyzed in the DEIR. These Project-related impacts will seriously affect the lives of current South LA residents, a population that is already overburdened with stress, mental and physical health problems, poor air quality, and a lack of means. A Project's particular social and economic effects, while not considered environmental impacts themselves, may be a determining factor in whether a particular physical change caused by the project is considered significant.⁸⁶ Therefore, the DEIR should have analyzed the environmental justice impacts of the proposed Project and implemented mitigation measures to reduce the potential harm that may disproportionately result from Project impacts.

⁸³ Sign Ordinance, Los Angeles, Chapter 62 § 91.6205.5.

⁸⁴ Office of the California Attorney General, "Environmental Justice at the Local and Regional Level" (2012), p. 3. Available at http://oag.ca.gov/sites/all/files/agweb/pdfs/environment/ej_fact_sheet.pdf.

⁸⁵ For example, LA Times reports the Historic South Central median income is \$30,882. See <http://maps.latimes.com/neighborhoods/neighborhood/historic-south-central/>.

⁸⁶ Cal. Code Regs. tit. 14 § 15131; Office of the California Attorney General, "Environmental Justice at the Local and Regional Level" (2012), p. 4. Available at http://oag.ca.gov/sites/all/files/agweb/pdfs/environment/ej_fact_sheet.pdf.

XI. The DEIR's Population, Housing and Employment Analysis is Flawed

The DEIR's analysis of potential impacts to Population, Housing and Employment is riddled with inappropriate conclusory and speculative statements. For example, the DEIR states regarding Project construction-related employment that "[i]t is likely that the skilled workers anticipated to work on the Project already reside within the Los Angeles region and would not need to relocate as a result of employment."⁸⁷ However, the DEIR does not include a listing (or even examples) of what type of skilled positions would be offered in connection with the Project, what other local projects may require the same type of skilled workers, or the number or residence of existing skilled workers located in and around the Project area able to fill Project positions. Similarly, the DEIR's analysis of the projects employment impacts contains minimal analysis of the types of positions generated by the Project's operation and how these compare to the skill level and educational attainment of Project area residents, despite the fact that the health impact report has found a potential imbalance between existing residents and the jobs which may be produced as a result of the Project.⁸⁸ "The environmental impact report (EIR) must contain facts and analysis, not just the bare conclusions of the agency. An EIR must include detail sufficient to enable those who did not participate in its preparation to understand and to consider meaningfully the issues raised by the proposed project."⁸⁹ Despite this, the DEIR does not include such detail, nor does it include any appendices to support its conclusions with regard to Population, Housing, and Employment impacts.

With respect to Project-related housing impacts, the DEIR concludes that because the number of additional units to be constructed as part of the Project "would be within the projections for housing unit growth Citywide and within the Community Plan area," impacts related to housing growth would be less than significant.⁹⁰ However, the DEIR relies on a simplistic analysis and inappropriate sources of information in reaching this conclusion. The DEIR notes that the current Housing Element for the City of Los Angeles projects that while Los Angeles is on track to exceed its need for new construction of market rate housing units, it is projected to fall short of its need for the construction of affordable units⁹¹. Despite this, no consideration is given to the unit mix of the Project or the income levels they would potentially serve. The Project has proposed to build exclusively market-rate or luxury housing, with no affordable housing units or other contributions to affordable housing in the City or the Project area.

The development of housing may have different impacts due to the income levels it proposes to serve. Here, the Project would serve higher-income individuals and households, despite the fact that there is a desperate need citywide for affordable housing and despite the fact that the City is on track to exceed its need for higher-income housing. This could result in a situation where increasing numbers of higher-income individuals

⁸⁷ DEIR, p. IV.L-7.

⁸⁸ Human Impact Partners, "Assessing Health and Equity Impacts of the Reef Development Project in South Central Los Angeles" (October, 2015), p. 34.

⁸⁹ *Bakersfield Citizens for Local Control v. City of Bakersfield* (2004) 124 Cal. App. 4th 1184, 1197.

⁹⁰ DEIR, p. IV.L-10.

⁹¹ DEIR, p. IV.L-5.

are attracted to the Project area, while existing lower-income Project area residents are left without adequate housing supply. It is crucial that the DEIR include a discussion of the effect of housing price, as well as the number of units, proposed for the Project. This is consistent with CEQA's mandate to examine the economic effects of a project where such effects may produce a corresponding physical impact on the environment⁹².

In addition, the DEIR partly bases its analysis of Project-related housing growth and population impacts on the Draft Southeast Los Angeles Community Plan (Draft Community Plan), because the adopted Southeast Los Angeles Community Plan is outdated and does not cover the period of Project development. However, reliance on the Draft Community Plan is inappropriate, and does not ensure an accurate account of potential Project impacts. The Draft Community Plan has yet to be finalized, and has not gone through the CEQA review and public comment process. Therefore, it is possible that the Draft Community Plan will be revised, and that an analysis based on the current draft could be rendered inaccurate. Further, because the Draft Community Plan's potential environmental impacts have not yet been assessed and mitigated, the Project's impacts falling within the Draft Community Plan's projections does not necessarily lead to the conclusion that Project impacts will be less than significant. Because the Draft Community Plan may be revised, and its impacts have not been mitigated, basing the conclusion that Project impacts would be less than significant on the Draft Community Plan improperly defers mitigation of the Project's potential impacts.

Finally, the DEIR fails to take into account the share of projected Project area growth which would be facilitated by the Project. It is noted that the Project-related population growth represents up to 28.4 percent of projected population growth in the Southeast Community Plan Area through 2035.⁹³ No consideration is given to what potential impacts may occur from consolidating almost one-third of Community Plan Area growth into a single project, despite the fact that the addition of other projects in the future could push population growth beyond what is projected as a direct result of the Project's absorption of a large share of projected growth. A more robust analysis is required to properly identify, evaluate, and mitigate the Project's potential impacts in the areas of Population, Housing, and Employment.

XII. The DEIR's Cumulative Impacts Analyses are Flawed, in Violation of CEQA

The discussion of "related projects" within the Environmental Setting is inadequate and inappropriately limited. CEQA requires analysis of cumulative impacts, and these are defined as "the change in the environment which results from the incremental impact of the project when added to other closely related past, present, and reasonably foreseeable probable future projects. Cumulative impacts can result from individually minor but collectively significant projects taking place over a period of time."⁹⁴ A list of "related projects" is used in the EIR's analysis of cumulative impacts under each impact category,

⁹² Cal. Code Regs. tit. 14 § 15126.2.

⁹³ DEIR, p. IV.L-11.

⁹⁴ Cal. Code Regs. tit. 14 § 15355.

to determine whether the Project will have a cumulatively considerable impact in each of those categories.

The “related projects” which are analyzed together with the Project in order to determine cumulative impacts under each impact category should include all projects which, taken together with the Project, would have the potential for a cumulative impact in *that* category. “A cumulative impact consists of an impact which is created as a result of the combination of the project evaluated in the EIR together with other projects causing related impacts.”⁹⁵ For example, in determining the Project’s potential for cumulative air quality impacts, the EIR should analyze the project together with any projects which may be related by virtue of their potential impacts on Project area air quality.

Despite this, the list of “related projects” developed for the DEIR and utilized to determine cumulative impacts under every impact category was developed solely in consideration of traffic impacts. As stated in the EIR, “[a] list of proposed development projects (the ‘related projects’) that could affect traffic conditions in the Project area by adding traffic volumes to study area intersections was prepared... [The] related projects are included in the analyses of cumulative impacts provided under each impact category in Section IV (Environmental Impact Analysis) of this EIR.”⁹⁶ It is conceivable that a proposed project that would not affect traffic in the study area would nonetheless produce a cumulative impact on, for example, water quality, when taken together with the Project. The fact that only projects determined to be related to the Project with respect to traffic were analyzed for the purposes of determining the Project’s cumulative impacts under each environmental impact category renders the cumulative impacts analyses in every impact category flawed. Cumulative impacts in each environmental impact category should be analyzed in light of the Project’s incremental impacts which, when combined with other projects which may have related impacts in that category, may be cumulatively considerable.

XIII. The DEIR Fails to Account for and Mitigate the Project’s Impacts to Public Services

a. Fire Protection and Police Protection

Regarding the Project’s potential construction-related impacts to fire protection services, the DEIR concludes that Project impacts would be less than significant. This conclusion is partly based on the assertion that “construction impacts are temporary in nature and do not cause lasting effects to impact LAFD fire protection services.”⁹⁷ However temporary, the EIR is still required to study such impacts and determine their significance. Under CEQA, “effects of [a] project on the environment shall be clearly identified and described, giving due consideration to both the short-term and long-term effects.”⁹⁸ The

⁹⁵ Cal. Code Regs. tit. 14 § 15130.

⁹⁶ DEIR, pp. III-3-4.

⁹⁷ DEIR, p. IV.M.1-5.

⁹⁸ Cal. Code Regs. tit. 14 § 15126.2.

fact that construction impacts may be temporary, therefore, does not justify a conclusion that they will therefore be less than significant. Even a fleeting impact may have great significance. Furthermore, the DEIR's characterization of construction impacts as "temporary"; construction of the Project is expected to last five years, and the DEIR states that Project development is expected to occur between 2016 and 2035.⁹⁹ Justifying a conclusion that construction-related impacts to fire protection services will be less than significant based on those impacts' "temporary" nature is wholly inappropriate where those impacts will potentially be ongoing for 19 years.

As a basis for its conclusion that impacts to police and fire protection services would be less than significant with respect to both Project construction and operation, the DEIR states in multiple places that lane closures and traffic generated by the Project "would not greatly affect emergency vehicles, the drivers of which normally have a variety of options for avoiding traffic, such as using their sirens to clear a path of travel or driving in the lanes of opposing traffic."¹⁰⁰ This speculation falls short of the level of analysis required by CEQA; an EIR must include sufficient detail to allow the reviewing public an opportunity to examine the methodology used to arrive at such a conclusion. The DEIR contains no discussion of the possibility that the traffic and lane closures generated by the Project could render, for example, "using their sirens to clear a path" a less viable option. The DEIR also fails to consider feasible mitigation measures such as restricting partial lane closures to certain times, restricting construction-related trips to non-peak hours, and limiting the frequency of construction-related trips.

With respect to police protection services specifically, the DEIR fails to sufficiently examine potential impacts to crime and demand for police services. The DEIR states that "the scale of the Project could potentially result in increased demand for police protection services... and impacts would be potentially significant... However, such calls are typical in the existing neighborhoods in the Project area and do not represent unique law enforcement issues specific to the Project."¹⁰¹ The fact that such calls are typical for local law enforcement, however, does not necessarily imply that an increase in the amount of such calls would not result in significant impacts to police services. The DEIR relies on similar speculative statements about the nature of the Project area for its conclusions, noting that "[c]urrently, the Project site is covered with dark surface parking lots that could attract crime," that the Project's "increase in population and nighttime activity could lower street crime," and pointing out crime-reducing features which the Project "could include."¹⁰² Such speculation could easily be replaced with actual analysis, but the DEIR fails to discuss, for example, actual current numbers of police calls to the Project site as compared with anticipated calls after Project construction, and fails to incorporate specific crime-reducing Project design features as mitigation measures. Furthermore, those mitigation measures which are included should be more specific in order to ensure proper mitigation; for example, while on-site security personnel are required, no mention is made of the number of guards required or at what hours they are required to be present.

⁹⁹ DEIR, p. IV.L-10.

¹⁰⁰ DEIR, pp. IV.M.1-5-7, IV.M.2-6

¹⁰¹ DEIR, p. IV.M.2-4.

¹⁰² DEIR, p. IV.M.2-4-5.

b. Parks and Recreation

The community surrounding the Project area has 0.42 acres of neighborhood and community park acreage per 1,000 people, which is dramatically lower than the City's standard ratio of four acres per 1,000 people. The DEIR should require measures such as additional open space and recreation opportunities for current residents, given the already limited resources in the area, in order to ensure Project impacts to parks and recreation do not exacerbate the current situation.

The DEIR concludes the Project will not have significant impacts to parks and recreation, but this conclusion is partly based on the fact that the Project's common open space "includes areas that would be fully open to the public." No attempt is made, however, to guarantee that the public will actually access and use the facilities provided, and the majority of Project open spaces are comprised of "passive" open space. Project design features should be included which advertise the availability of Project open space to the public, direct the public to resources available to them, and which foster an environment of open and inclusive use of the open space by all members of the community. Further, such open spaces should accommodate the specific open space and recreational needs of the local community, such as including active recreation opportunities.

XIV. The DEIR Should Have Chosen the Environmentally Superior Alternative to the Project, As Required by CEQA

CEQA clearly indicates that "public agencies should not approve projects as proposed if there are feasible alternatives or feasible mitigation measures which would substantially lessen the significant environmental effects of such projects."¹⁰³ The DEIR analyzed five alternative projects, and found that the Reduced Height/Reduced Signage alternative would be environmentally superior to the Project, and "would meet most of the objectives of the Project, to the same degree as the Project." The DEIR concludes that the Reduced Height/Reduced Signage alternative would avoid the significant and unavoidable impacts of the Project with regard to visual quality, light and glare, and cumulative traffic noise, and it would decrease the air quality, freeway health risk, and transportation impacts. Because this alternative is feasible and would substantially lessen the environmental effects of the Project, CEQA requires that it be adopted instead of the proposed project. Public agencies are prohibited by CEQA from approving the Project as currently proposed.

XV. Conclusion

In conclusion, we believe that the DEIR is flawed, and fails to account for a number of significant impacts and corresponding mitigation measures. The DEIR must be revised to fully correct the deficiencies outlined herein, and must be recirculated with an extended public comment period to provide for meaningful public review of the Project. Incorporated into these comments by reference are the health impact study for the Project

¹⁰³ Cal. Code Regs. tit. 14 § 15021(a)(2).

prepared by Human Impact Partners and attached to this letter¹⁰⁴, and the entire record for the Project, including the written and oral record of all hearings and submissions.

Thank you for your consideration. Please contact Alexander Harnden (Legal Aid Foundation of Los Angeles) at (213) 640-3851, or Joseph Donlin (Strategic Actions for a Just Economy), at (213) 745-9961, with any questions or requests.

Sincerely,

The Blazers
CDTech
Esperanza Community Housing
Corporation
LA Black Worker Center
Natural Resources Defense Council
Physicians for Social Responsibility -
Los Angeles

PVJOBS
St. Agnes Church
St. Francis Center
St. John's Well Child & Family Center
St. Mark's Lutheran Church
Strategic Actions for a Just Economy
T.R.U.S.T. South LA
United University Church

¹⁰⁴ Human Impact Partners, “Assessing Health and Equity Impacts of the Reef Development Project in South Central Los Angeles” (October, 2015).

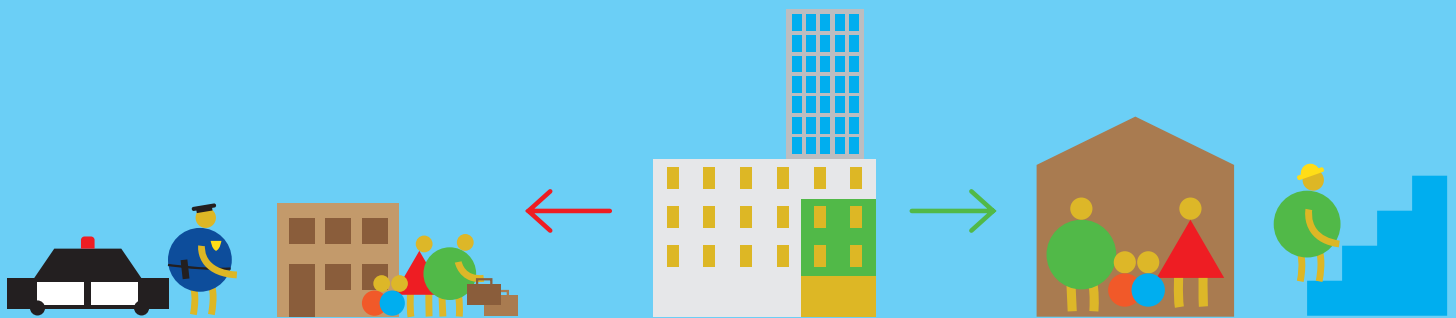
ATTACHMENT

Human Impact Partners

“Assessing Health and Equity Impacts of the Reef
Development Project in South Central Los Angeles”

October, 2015

Assessing Health and Equity Impacts of the Proposed Reef Development Project in South Central Los Angeles



ACKNOWLEDGEMENTS

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TABLE OF CONTENTS

ACKNOWLEDGEMENTS	2
TABLE OF CONTENTS	3
INTRODUCTION	4
FINDINGS	4
WHY THIS MATTERS TO HEALTH	4
THE CONTEXT	4
RECOMMENDED ACTIONS	5
ABOUT THIS STUDY	10
GOALS AND PURPOSE	10
FRAMEWORK	10
METHODS	10
OUR PERSPECTIVE ON HEALTH	10
HISTORICAL CONTEXT OF SOUTH CENTRAL LOS ANGELES	11
THE REEF DEVELOPMENT PROJECT IN THE CONTEXT OF SOUTH CENTRAL LOS ANGELES TODAY	13
DEMOGRAPHICS	14
HEALTH STATUS	14
TRANSIT AND COMMUTING	15
HOUSING	16
HOUSING AFFORDABILITY	16
HOMELESSNESS	17
PROLONGED CIVIC DISINVESTMENT	17
POLICING/SECURITY	18
THE EFFECTS OF THE REEF DEVELOPMENT PROJECT ON GENTRIFICATION, FINANCIAL STRAIN, AND DISPLACEMENT	19
INCREASE IN FINANCIAL STRAIN AND DISPLACEMENT OF CURRENT RESIDENTS	19
INCREASES IN PHYSICAL AND MENTAL ILLNESS	21
UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, FINANCIAL STRAIN, AND HEALTH	22
GENTRIFICATION	22
GENTRIFICATION AND FINANCIAL STRAIN	22
FINANCIAL STRAIN AND AFFORDABILITY OF HOUSEHOLD NECESSITIES	23
FINANCIAL STRAIN AND HOUSING INSTABILITY	23
FINANCIAL STRAIN AND SUBSTANDARD HOUSING	23
FINANCIAL STRAIN AND OVERCROWDING	24
FINANCIAL STRAIN AND HOMELESSNESS	25
HEALTH AND EQUITY IMPACTS OF FINANCIAL STRAIN	25
MENTAL HEALTH IMPACTS	25
PHYSICAL HEALTH IMPACTS	25
IMPACTS ON CHILDREN	26

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, DISPLACEMENT, AND HEALTH	28
GENTRIFICATION AND DISPLACEMENT	28
DISPLACEMENT IMPACTS ON THE SOCIAL ENVIRONMENT	29
SOCIAL COHESION	29
PLACE ATTACHMENT	30
SERIAL FORCED DISPLACEMENT	30
ROOT SHOCK	31
HEALTH AND EQUITY IMPACTS OF DISPLACEMENT	31
HEALTH IMPACTS	31
IMPACTS ON SCHOOLS	32
THE SMALL BUSINESSES OF SOUTH CENTRAL LOS ANGELES: A SIMILAR STORY	33
LONGEVITY OF SMALL BUSINESSES IN SOUTH CENTRAL	33
SOCIAL COHESION AMONG SMALL BUSINESSES AND THE SOUTH CENTRAL COMMUNITY	33
IMPACTS OF GENTRIFICATION AND DISPLACEMENT ON SMALL BUSINESSES	34
THE EFFECTS OF GENTRIFICATION ARE ALREADY HAPPENING FOR MANY SMALL BUSINESSES IN SOUTH CENTRAL	35
SMALL BUSINESSES IN SOUTH CENTRAL HAVE EXPERIENCED SERIAL FORCED DISPLACEMENT	35
HEALTH IMPACTS ON SMALL BUSINESSES IN SOUTH CENTRAL	35
RECOMMENDATIONS	36
TRAUMA-INFORMED AND ASSET-BASED COMMUNITY BUILDING	36
PRODUCE AND PROTECT AFFORDABLE HOUSING	37
PREVENT DISPLACEMENT	37
HOUSE AND PROTECT THE HOMELESS	38
CREATE GOOD JOBS AND CAREER PATHWAYS FOR LOCAL RESIDENTS	39
SUPPORT SMALL BUSINESSES	40
MAINTAIN PUBLIC TRANSIT USE BY LOCAL RESIDENTS	41
PROTECT THE SAFETY AND SECURITY OF THE COMMUNITY	41
PROVIDE GREEN SPACE FOR NEIGHBORHOOD RESIDENTS	42
REFERENCES	43

EXECUTIVE SUMMARY

INTRODUCTION

The Reef Development Project plans for the total renovation and expansion of a commercial area in South Central Los Angeles – an area that is located in the Southeast Los Angeles Community Plan Area and the City's 9th Council District. The project would cover 9.7 acres, and would include a 208-room hotel, two high-rise condominium towers, 528 mid-rise residential units, and 21 low-rise live/work residential units.

This research project, informed by a Health Impact Assessment framework, was conducted to provide empirical data on the potential health and equity impacts that the proposed Reef Development Project could have on the South Central Los Angeles community, and to propose recommendations to the developers and the City. The study was conducted with the additional goal to engage and empower community members, including neighborhood residents and stakeholders, to participate in the development process.

Key Finding: The Reef Development Project will place thousands of South Central Los Angeles residents at high or very high risk of financial strain or displacement.

FINDINGS

Gentrification often results when developments like the Reef Development Project occur in neighborhoods like South Central. Gentrification can lead to financial strain and **indirect displacement** – a kind of displacement that occurs when residents and businesses are gradually priced out of the area and must involuntarily leave.

An estimated 4,445 renters who live within ½ mile of the proposed Reef Development Project are already experiencing housing cost burdens and could be at high or very high risk of financial strain or displacement as a result of the development. An additional 39,311 renters who live between ½ mile and 2 miles of the project could be at moderate risk. Overall, 52% of the nearly 84,000 residents living within 2 miles of the project could be at risk of financial strain or displacement as a result of the Reef Development Project.

Some focus group participants from the area anticipate they may become homeless.

"I keep thinking, 'What am I going to do if this doesn't work out? Where am I going to go? Am I going to see my neighbors again? Where am I going to find this kind of community again? Going to have to start over. Going to be homeless, without a family.'"
– Anayetzy

WHY THIS MATTERS TO HEALTH

Community residents who experience financial strain and/or displacement may experience a wide variety of chronic stress-related physical and mental illnesses, including anxiety, depression, hypertension, heart disease, obesity, diabetes, and sleep disorders. Additional constraints on health-protecting resources and exposures to health-damaging environments such as substandard and overcrowded housing could further contribute to a variety of negative health outcomes. Disruption of social networks can lead to additional health challenges, including exposure to fragmented social environments that have higher rates of violence and sexually transmitted diseases.

Multi-generational traumas can result from serial forced displacement resulting in a condition called "**root shock**". Black and Latin@ residents who located to South Central Los Angeles to escape racial and political discrimination and violence brought with them the memories and traumas of previous displacements, which could be exacerbated by this project.

THE CONTEXT

Displacement and financial pressures from the Reef Development Project will happen within the context of ongoing challenges with housing affordability and homelessness that are happening in the area.

- Los Angeles lost 65% of state and federal funding for affordable housing between 2009 and 2014
- Over half a million affordable rental homes are needed in the city
- Lack of affordable housing is the main cause of homelessness in the U.S.
- Los Angeles has the largest homeless population of any urban area in the U.S.

Most South Central Los Angeles households are occupied by renters and nearly half of residents are in poverty. On average, neighborhood residents earn half the household income as the City as a whole. Many businesses do not have leases for their business spaces, or have leases that will expire soon.

	South Central	City of Los Angeles
Average household income*	\$36,830	\$77,000
Residents in poverty*	45%	22%
Renters*	79%	62%
Median monthly rent for 1 bdrm apt**	\$1000	\$1830
> 1 person per room (overcrowded)*	41%	14%
Workers who took transit to work*	26%	11%
Workers who drove alone to work*	49%	67%

* 2009-2013 American Community Survey

** *Zumper.com*, Sept. 2015

Residents are already struggling intensely to afford housing, and are engaging in a variety of methods to address this problem: by making difficult choices on what necessities to do without, by living in overcrowded and substandard housing, and by looking for additional sources of income.

Despite these challenges, residents and small business owners in the neighborhood have developed strong social ties and a sense of attachment to the area, and they want to stay. Many of the residents and businesses in South Central have been in the neighborhood for 10-20 years or more.

Residents of the neighborhood came to South Central seeking economic opportunity, and built a thriving community. Over time, however, the city began to engage in a variety of different policies that led to increased segregation, concentrated poverty, and limited opportunity. This was followed by prolonged civic disinvestment that has perpetuated poverty and segregation to this day.

RECOMMENDED ACTIONS

The developers of the Reef Development Project and the City of Los Angeles have a unique opportunity to develop this property in a way that reduces the potential to further traumatize and harm the physical and mental health of current residents through increased financial strain and displacement.

Rather than continuing the legacy of racism and segregation through the replacement of current residents with those who hold more economic and political power, the developers and the City have an opportunity to engage in a cutting-edge trauma-informed approach to community development. Trauma Informed Community Building (TICB) is a new innovative approach to development that recognizes the existing community as assets and uses these assets as the building blocks for the future. Developers and the City of Los Angeles should work together to ensure that the Reef Development Project is developed using the four guiding principles of TICB: 1) Do no harm, 2) Acceptance, 3) Community empowerment, and 4) Reflective process. Findings from this study show that the community already has assets such as social cohesion among community members and among small business owners and the community. The development should be structured in a way that honors and enhances these assets.

The project should be developed in collaboration with community members to ensure that economic opportunities and affordable housing options are incorporated into the plan. As Benjamin Torres, President and CEO of CDTech states, "South LA residents aren't trying to keep outsiders out of their backyards; they just want a fair opportunity to be able to stay." In addition to these overarching recommendations to take a TICB approach and to develop the project with community members, we also recommend a number of specific actions for the developers to implement directly and/or through a community benefits agreement, and also for the City to consider.



"If they're going to go forward with [the Reef development], ... take us into account and [have] opportunities for us. Don't leave us out. Don't discriminate against us. We're human beings and we have needs. We are not living for free. We are paying our rent with the sweat from our brows. Right now, we aren't making it. We aren't even living day-to-day. I want this to be considered. But they're not going to take us into account. They're pushing us to the brink."

– **Natividad**



"We gotta remember that this used to be a healthy community. We gotta work on rebuilding up what we used to have." – **Cynthia**

ABOUT THIS REPORT

This study is based on a Health Impact Assessment (HIA) framework. HIA is a public engagement and decision-support tool that can be used to assess project plans and make recommendations to improve health outcomes associated with those plans. The fundamental goal of HIA is to ensure that health and health inequities are considered in decision-making processes using an objective and scientific approach, and engaging stakeholders in the process.

The following methods were employed in this project:

- Review of the scientific (peer-reviewed) and grey (non peer-reviewed) literature;
- Analysis of existing data sources, such as the American Community Survey and from the Los Angeles County Department of Public Health;
- Focus groups with residents of South Central Los Angeles; and
- Interviews with small business owners, the principal of a local school, a researcher from the University of Southern California, and a pastor from a local church.

This project was conducted by Human Impact Partners of Oakland, CA in partnership with Esperanza Community Housing Corporation and Strategic Actions for a Just Economy. Further guidance, direction, content, and framing was provided by advisory committee members from: Community Development Technologies, TRUST South LA, Physicians for Social Responsibility – Los Angeles, Natural Resources Defense Council, Public Counsel, St. Francis Center, Advancement Project, All People's Community Center, Los Angeles County Public Health Department, Occidental College, and a community advocate/column writer.

This project was supported by funding from The California Endowment.

Human Impact Partners works to transform the policies and places people need to live healthy lives by increasing the consideration of health and equity in decision-making.

For more about Human Impact Partners or to access the full report and sources cited in this summary, visit: www.humanimpact.org.

RECOMMENDATIONS



Produce and Protect Affordable Housing:

Affordable housing should be provided, with a diverse strategy of both producing new on- and off-site units and preserving old units. An emphasis should be put on providing housing for families, and a significant portion of housing should be set aside for extremely low income people.



Through Developer

New on-site units at levels of affordability that reach very low income and extremely low income residents.

Example: On-site housing: 25% of units affordable to very low income households.

Total rental apartments for renters: 15% for residents with very low incomes (those who make less than 50% of the area median income) and 10% for residents with extremely low incomes (those who make less than 30% of the area median income).



Through Developer & Community Benefits Agreement

Funds for acquiring land and building new off-site units.

Funds to preserve and rehab existing units.

Example: \$20,000,000 paid to City Affordable Housing Trust Fund or community benefits fund for affordable housing.



City

Target new investments and policies to achieve new off-site affordable units.

Preserve old/existing affordable units.



Prevent Displacement:

Programs should be put in place to prevent the displacement of local residents from their homes. Measures should include staffing for renter advocacy and organizing initiatives, funds for tenant associations and emergency rental assistance, enforcement of existing renter protections,

and the establishment of new renter protections in the surrounding neighborhoods.

To achieve neighborhood stabilization goals, resources should prioritize residents who are most vulnerable to displacement in the areas closest to the project site.



Through Developer & Community Benefits Agreement

Funds for staffing tenant organizing/advocacy and legal services initiatives.

Funds for tenant associations and emergency rental assistance.

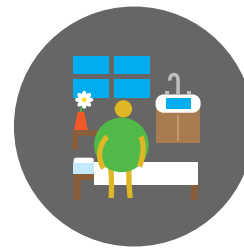


City

Funds for tenant associations and emergency rent relief.

Enforcement of existing renter protections.

Establish enforceable “anti-displacement/no net loss” zones within a 1-mile radius of the project site. Create a community-City partnership to monitor and collaborate around anti-displacement efforts.



House and Protect the Homeless:

Funding should be provided to house and protect the homeless in the area. In addition to producing/financing permanent supportive housing, their rights to rest and to maintain possessions in encampments must be protected and they should be provided with facilities and case management services.



Through Developer

Provide on-site rent-free facilities for case management services. Maintain rent-free status for 20 years.



Through Developer & Community Benefits Agreement

Funds for permanent supportive housing for chronically homeless residents.

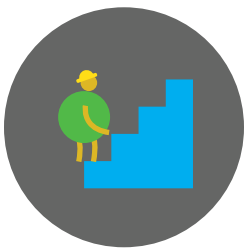
Funds for case management services.



City

Provide facilities and case management services.

Enforce/enact policies to protect the rights of the homeless.



Create Good Jobs and Career Pathways for Local Residents:

A Community Jobs Training and Placement program should be created to provide jobs for local residents, including construction jobs created by the development and permanent jobs with the businesses located on site after construction.

Funding should be provided for workforce development and job pipelines. Local high schools should be partners in developing career pathways for students, and the community should have an ongoing role in monitoring jobs programs.



Through Developer

Examples:

Construction jobs for the development: 40% local hiring, with 20% for disadvantaged residents including those who are homeless or aged-out foster youth.

Future retail jobs: 50% local hiring, with 30% for disadvantaged residents.

Maintenance jobs: 100% local residents and require a living wage.



Through Developer & Community Benefits Agreement

Establish a policy through the CBA for community-based monitoring and enforcement of local and targeted hiring policies. Provide funding to support this activity.

Funds for workforce development and job pipelines, including community-based training and placement programs.

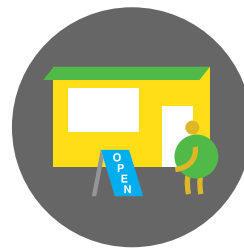
Example: \$300,000 to community benefits fund to support Jobs Coordinator and the creation of a Community Jobs Training and Placement program.



City

Funds for workforce development and job pipelines to supplement project-related funds.

Leverage existing City services to bolster Community Jobs Training and Placement program.



Support Small Businesses:

Small businesses, both on- and off-site, should be supported with funding, support, and technical assistance. Care should be taken to support existing community-serving small businesses in the neighborhood. Innovative models that enhance economic security for residents vulnerable to displacement – such as cooperative businesses run by local residents – should be supported.



Through Developer

Example: Create incubator space for local and community-based small businesses.

Provide a percentage of retail space at discounted rent levels for community-serving businesses that are culturally and economically accessible to local residents.



Through Developer & Community Benefits Agreement

Funds for support and technical assistance for both on-site and off-site small businesses.

Example: 10% of retail space for community-serving businesses at discounted rent.

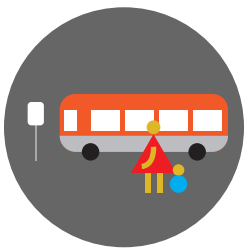
\$300,000 for small business support fund.



City

Support and technical assistance for both on-site and off-site small businesses.

Establish programs/policies to protect off-site businesses from displacement due to rising rents.



Maintain Public Transit Use by Local Residents:

Access to public transit should be maintained for those who most utilize it and depend upon it – the current residents of the neighborhood. Utilize actions listed above for housing and economic development to avoid replacing current transit-users living in a transit-oriented neighborhood with new residents who will be less likely to use transit.



Through Developer

Provide monthly transit passes to tenants living in affordable housing units on site.



Through Developer & Community Benefits Agreement

Funds to provide monthly transit passes to tenants living in affordable housing units off site.



City

Maximize City, County and transit agency services for low-income transit riders in the area.



Protect the Safety and Security of the Community:

The safety and security of the community should be protected. Police should be available to protect the residents of the area, but at the same time, programs should be put in place to make sure that neighborhood residents, including homeless residents, are not criminalized or targeted by police or other security staff.



Through Developer

Create event programming on site to raise awareness and build capacity among community members and security professionals around anti-criminalization practices.

Rules and regulations should be put in place so that low-income residents are not discriminated against, by management or other residents, within the development.



Through Developer & Community Benefits Agreement

Programs should be put in place to make sure that neighborhood residents are not criminalized or targeted by security staff.

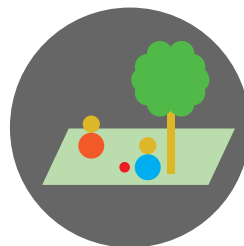
Establish a community board overseeing the policies and practices of on-site and off-site security.



City

Work in collaboration with the on-site community oversight board to extend the anti-criminalization policies and practices to include City and County police forces.

Police should be available to protect the residents of the area, but at the same time, programs should be put in place to make sure that neighborhood residents are not criminalized or targeted by police or other security staff.



Provide Green Space for Neighborhood Residents:

Green space created by new development should be made public and open to neighborhood residents, with space planned for community gardens and local produce sales. Funding should be provided to create and improve off site parks and to carry on active programming for children and families.



Through Developer

Green space created by the development should be made public and open to neighborhood residents, with space planned for community gardens and local produce sales.



Through Developer & Community Benefits Agreement

Funding should be provided to create and improve off site parks and to carry on active programming for children and families.



City

Funding should be provided to create and improve off site parks and to carry on active programming for children and families.

ABOUT THIS STUDY

GOALS AND PURPOSE

The purpose of this report is to provide empirical data on the potential health and equity impacts that the proposed Reef Development Project (also called the “Reef Project”) could have on the South Central Los Angeles community and to propose recommendations to developers and the City to address those impacts. An additional goal is to engage and empower community members, including neighborhood residents, and stakeholders to participate in the development process.

FRAMEWORK

This study is based on a Health Impact Assessment (HIA) framework. HIA is a public engagement and decision-support tool that can be used to assess policy proposals and make recommendations to improve health outcomes associated with those proposals. The fundamental goal of an HIA is to ensure that health and health inequities are considered in decision-making processes using an objective and scientific approach, and engaging stakeholders in the process.

METHODS

This report focuses on understanding the effects of the proposed development on gentrification, financial strain, and displacement. We employed the following methods:

- Review of the scientific (peer-reviewed) and grey (non peer-reviewed) literature;
- Analysis of existing data sources, such as the American Community Survey (2009-2013) and data from the Los Angeles County Department of Public Health (2011);
- Focus groups with 41 residents of the South Central Los Angeles neighborhood; and
- Interviews with six subject matter experts, including small business owners, the principal of a local school, a researcher from the University of Southern California, and a pastor from a local church.

The data collection area for what is referred to as South Central for this study was established through consultation with community partners that work in the area. Partners from Esperanza and SAJE

identified census tracts to use, and a contact from the Office of Health Assessment and Epidemiology at the Los Angeles County Department of Public Health identified the community planning area most closely aligned with the collection of their health data.

Additional data was obtained, analyzed, and utilized from a survey of South Central neighborhood residents conducted by SAJE in 2015 and a survey of small business owners conducted by CDTech in 2015.

See Appendices A-C for more information on the HIA, stakeholder engagement, and methods used.

The report will be submitted in response to the Draft Environmental Impact Report that was released on September 17, 2015.

OUR PERSPECTIVE ON HEALTH

This project brings a public health and equity perspective to the decisions about the Reef Development Project in South Central. Given this, it is important to understand what is meant by “health” in this report. We use the World Health Organization’s definition: “Health is a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity.”¹

While health is influenced by our genes and the personal choices we make, **over 50% of our health and well-being** is determined by social and environmental conditions, such as where we live, whether we have a job, and larger social and political forces like racism and sexism.² The public health community calls these the social determinants of health, or the circumstances in which people are born, grow up, live, learn, work, and age and the systems in place to deal with illness. These circumstances are shaped by a wider set of economic and social policies, and there are many opportunities for such policies to promote health and build healthy communities.³

In this context, we recognize that the social and economic factors that influence housing conditions, gentrification and displacement could also influence the health and equity impacts of new development on the residents currently residing in the community. Therefore, this report includes a discussion of the social and economic factors that determine our health.

HISTORICAL CONTEXT OF SOUTH CENTRAL LOS ANGELES

The City of Los Angeles, which was once a part of Mexico, has always included Latin@ⁱ residents. In more recent history, the neighborhood of South Central Los Angeles has reflected changing demographics and city landscapes. For at least the last 80 years, residents of South Central have primarily been people of color who relocated to the neighborhood to seek economic opportunity and to escape discrimination and violence in other areas.

Los Angeles became a major destination for African Americans during the 1940s, with the increase in demand for wartime manufacturing jobs drawing people away from areas of discrimination and violence in other parts of the U.S.⁴ The African American population in Los Angeles leaped from 75,000 in 1940 to 650,000 in 1965.⁵ Leading up to WWII, South Central developed into the most predominant of several concentrated African American regions in Los Angeles, home to primarily middle-class homeowners. South Central was one of the only parts of Los Angeles where African Americans could own property, owing to the existence of racially restrictive covenants on property in most of the city.⁶ After race-based zoning was found unconstitutional in 1917, these covenants, enforced by law, became one of the primary mechanisms to produce segregation.⁴

African American residents developed South Central into an active community, with thriving businesses, including many jazz and R&B clubs.⁶ Pastor Epps, who leads the Second Baptist Church, located in South Central Los Angeles approximately one mile southeast of the Reef project area, describes the context of when his church was built and what the African American community was like at the time, and for the decades to follow.

ⁱ Latin@ is used throughout this report to represent Latino/Latina

ⁱⁱ For the purposes of this report, the terms South Central Los Angeles and South Los Angeles are considered to reflect the same general area, though South Los Angeles may incorporate more area than the study area defined as South Central.

“[Second Baptist Church was] organized in 1885 – it is the oldest black Baptist church in LA, uninterrupted for the last 130 years.... [The current] location was built in 1926 by noted black architect Paul Williams... It is a cultural landmark and it is designated by the Department of the Interior as a historic site... When the property was purchased and the building was erected, this was the hub of the black community. The only hotel where black entertainers could stay when they came to the City was nearby, there was a black newspaper in the area... People would walk to church... there was involvement in civil rights, and MLK spoke here...”
– Pastor Epps, Second Baptist Church

White residents, fueled by fears about declining property values and enticed by public subsidies available for suburban homeownership, began to move to suburban areas farther away from the urban core in a migration pattern that became known as “white flight.”^{7,4} The shift in population resulted in a further concentration of low-income people of color in increasingly disinvested urban centers, with African American residents making up the majority population of South Los Angelesⁱⁱ, and Latin@s concentrating primarily throughout East Los Angeles cities.⁸ As a result, inner-cities like South Central came to represent areas of isolation for low-income communities of color in neighborhoods that lacked viable economic and social opportunities and services that are “critical for full participation” in society.⁹

Though the U.S. Supreme Court struck the right to enact restrictive covenants on real estate based on race in 1948, allowing African Americans some movement into the more suburban areas of Los Angeles, public and private entities continued to segregate people of color in the inner cities of South and East Los Angeles.⁸ The U.S. postwar period and the decades to follow were infused with programs that relied on practices such as redlining and slum clearance to ‘clean up’ disinvested urban neighborhoods.¹⁰ These urban renewal programs were and are widely criticized for being fundamentally discriminatory against low-income people and people of color, as so many of these programs revolved around the razing of low-income residential areas to construct residential, retail, entertainment, and office spaces that were unaffordable to existing residents.¹⁰ These

HISTORICAL CONTEXT OF SOUTH CENTRAL LOS ANGELES

unaffordable amenities were developed amidst inner city public housing dwellings that were not maintained and did not meet the housing demand that was left as a result of slum clearance and the razing of blighted areas. This “persistent civic neglect, compounded by the postwar outmigration of much of the community’s middle and upper middle classes” further developed South Central into an area of concentrated poverty and social isolation for its predominantly African American population.¹¹

The 1965 Watts uprising occurred in South Central over a span of nearly one week. The uprising was in response to an incident of police brutality that took place in the Watts neighborhood on the night of August 11. The McCone Commission, however, released a report that focused on other factors that led to the uprising such as the “spiral of failure” that Los Angeles and other urban zones in the U.S. were producing.⁵ The report referred to the lack of adequate education and employment opportunities in neighborhoods like Watts and other areas in South Central that led to a spiral of frustrations, stress, violent outbreaks, and a lack of social success or mobility for those who lived in such disinvested and disadvantaged areas. The report addressed the “de facto segregation in the urban core,” and the difference in life outcomes that segregation produces for low-income people of color in relation to their wealthier White counterparts.⁵ Another response to the Watts uprising was the outmigration of some African Americans to more eastern parts of the county like Compton, which was at the time a suburban, middle class area.⁴ This then sparked the migration of Latin@ residents into South Central, which took place gradually over the next couple of decades.⁸

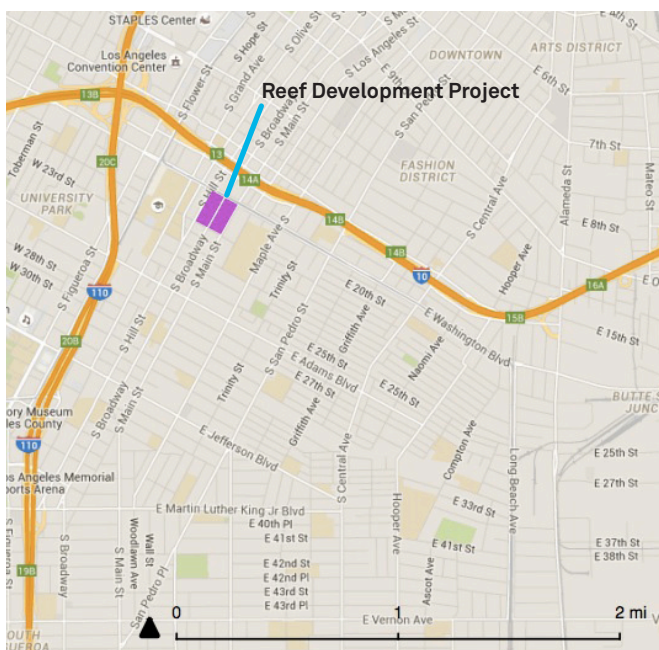
Nearly thirty years later, the pattern repeated. The area experienced continued extreme economic inequality and racial tension due to persistent civic disinvestment. Another act of police brutality – this time the beating of Rodney King and the complete acquittal of all LAPD officers involved in the incident – was met with the 1992 Los Angeles uprising.¹² Author Joy DeGruy explained that these actions could be a manifestation of “post traumatic slave syndrome” when people experience hopelessness, depression, and anger as a result of multigenerational trauma and oppression, coupled with a lack of opportunity to heal or access resources available in society.¹³

In the 1980s, South Central once again became a neighborhood where people of color relocated to seek economic opportunity and to escape discrimination and violence in other areas. As African Americans moved away from the inner cities to developing suburban areas like Riverside and Palmdale,¹⁴ South Central became a primary destination for incoming Latin@ immigrants seeking refuge from domestic political violence that was largely a result of U.S. intervention.¹⁵ South Central transformed from a demographic comprised of 20% Latin@ in 1980 to nearly 40% Latin@ in 1990.¹² These migrants were in search of affordable housing and work, which they could only find in manufacturing and low-wage service jobs—the two industries most accessible in South Central. Therefore, Latin@ residents came to represent the majority of the working poor in South Central and other inner cities of Los Angeles.¹¹ Today, South Central is home to a resident population that is over 80% Latin@,¹⁶ primarily representing families originating from México and Central America. Los Angeles’ history of discriminatory zoning that led to segregation, along with prolonged civic disinvestment in its urban core, has had deep and sustained impacts on the current state of poverty and social isolation in South Central Los Angeles.¹¹ Consequently, the City of Los Angeles—and the South Central neighborhood, in particular—continues to be an area of racial and ethnic tension and inequality, that perpetuates residential segregation and poverty concentration, specifically for low-income people of color.^{7,9,17}

THE REEF DEVELOPMENT PROJECT IN THE CONTEXT OF SOUTH CENTRAL LOS ANGELES TODAY

The Reef Project plans for the total renovation and expansion of the existing Reef building which is located in the City's 9th Council District in a commercial area in South Central Los Angeles. Currently the Reef is a 12-story building with 860,000 square feet of space located at 1933 S. Broadway (see Figure 1). It houses LA Mart, a showroom for premium "gift, home furniture, and lifestyle lines," Maker City LA, a co-working space with access to shared media and design tools, and the Magic Box, an event venue.¹⁸

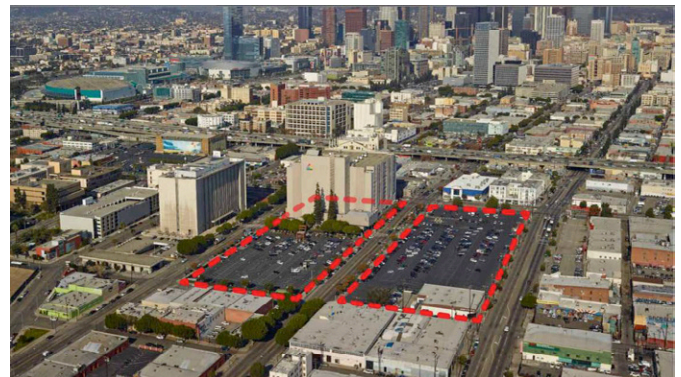
Figure 1: Location of proposed Reef Development Project



The expanded Reef Project proposes modifications to the existing Reef building, along with construction of 1.7 million square feet of new development on space currently occupied by surface parking lots and a warehouse, which would be demolished.¹⁹ As described in the Initial Study for environmental review, the proposed mixed-use development would contain multiple buildings ranging from 85 to 420 feet in height, and a wide variety of uses, including residential, commercial, retail/restaurant, hotel, grocery store, public open space, and at least 2,733 off-street parking spaces.¹⁹ In total the Project would cover 9.7 acres, and would include a 208-room hotel, two high-rise condominium towers, 528 mid-rise residential

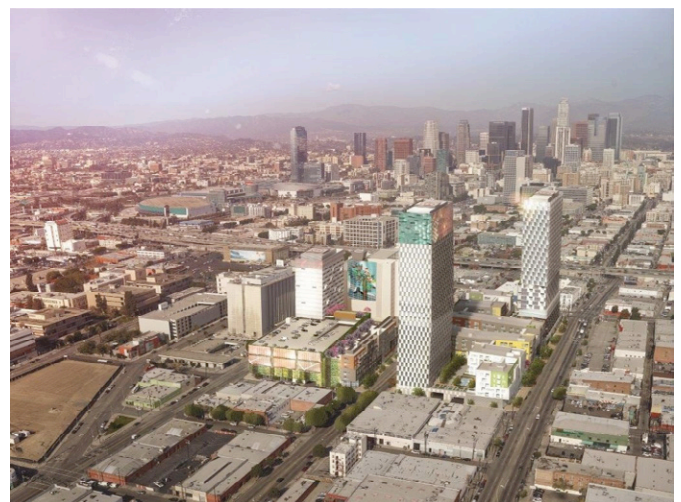
units, and 21 low-rise live/work residential units.¹⁹ According to a local real estate blog, the development of the Reef Project has the potential to bring an "Arts-District-style reboot" to the neighborhood.²⁰

Figure 2: Location of the proposed Reef Development Project. Currently zoned industrial, the project will require numerous public entitlements, including a general plan amendment and zone change.



To help understand the larger social context that the Reef project is taking place in – and the needs of the immediate community – in this section we describe who lives in the area and their health status; transit and housing characteristics of residents; and homelessness, disinvestment, and policing.

Figure 3: A rendering of the proposed Reef Development Project, showing a mix of low-rise and high-rise buildings.

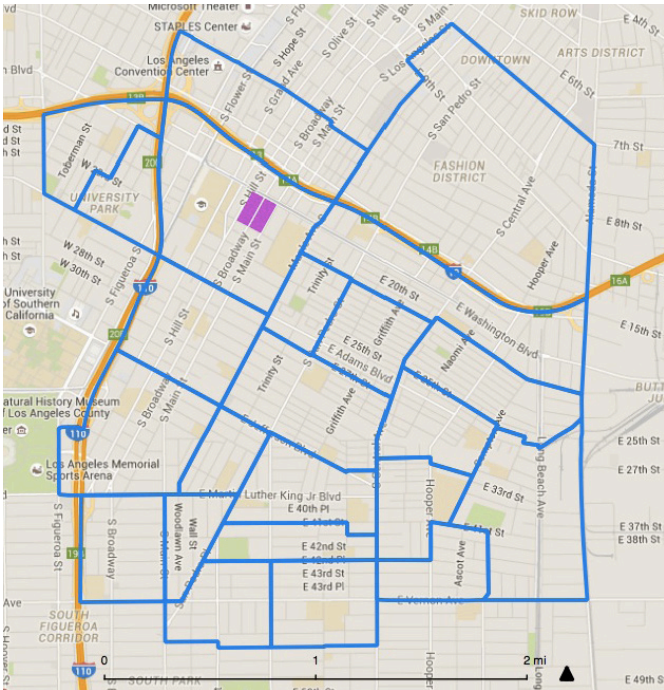


THE REEF DEVELOPMENT PROJECT IN THE CONTEXT OF SOUTH CENTRAL LOS ANGELES TODAY

DEMOGRAPHICS

Demographics for the area surrounding the project are based on the census tracts shown in Figure 4. Collectively, these census Tracts comprise the area know as South Central.

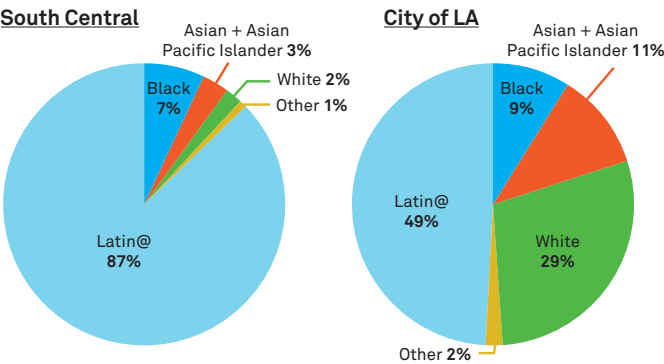
Figure 4: Project area census tracts and Southeast Community Planning Area



- Reef Development Project
- South Central Study Area Census Tracts

South Central has a significantly higher population of Latin@ residents (87%) as compared to Los Angeles as a whole (49%) (Figure 5).

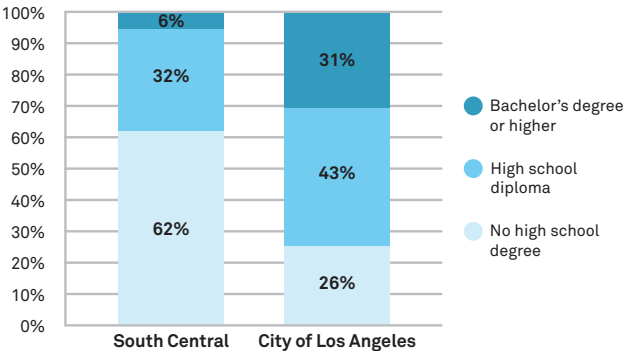
Figure 5: Race/Ethnicity in South Central and City of Los Angeles, 2009-2013



Source: U.S. Census, American Community Survey 2009-2013

Educational attainment is lower in South Central than in Los Angeles, with 62% of residents having no high school diploma and only 6% with a Bachelor's degree (Figure 6).

Figure 6: Educational Attainment in South Central and City of Los Angeles, 2009-2013



Source: U.S. Census, American Community Survey 2009-2013

South Central residents also earn less than half of their Los Angeles counterparts. From 2009-2013 the mean household income in South Central was about \$36,830 as compared to \$77,000 in Los Angeles. Respondents to the survey conducted by SAJE reported very low incomes, with 45% of the 131 respondents reporting making under \$10,000 a year (Table 1).

Table 1: Incomes Reported by Respondents to SAJE survey (N = 131)

Annual income	Percent of responses
Less than \$10,000	45%
\$10,001-\$20,000	40%
\$20,000-\$30,000	15%

Poverty rates are also high in the South Central: 45% of residents were in poverty compared to 22% in Los Angeles from 2009-2013.

HEALTH STATUS

The Los Angeles County Health Survey, conducted in 2011 by the County Department of Public Health, provides data on the health status of South Central residents.²¹ Health outcomes are reported for the Southeast Community Planning Area (CPA) and compared to the County of Los Angeles (rather than the City.) The Southeast CPA covers a considerably larger area than the census tracts used to report demographic data, and also does not include several of the northern tracts, as shown below in Figure 7.

THE REEF DEVELOPMENT PROJECT IN THE CONTEXT OF SOUTH CENTRAL LOS ANGELES TODAY

Figure 7: Southeast Community Planning Area (CPA) in relation to South Central census tracts

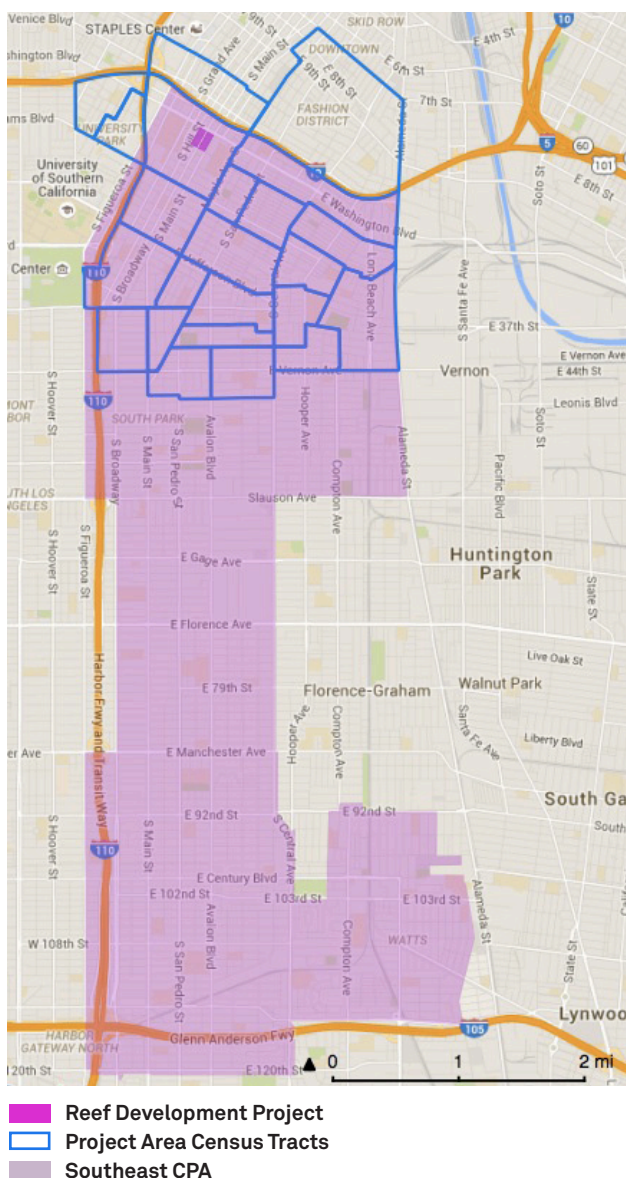
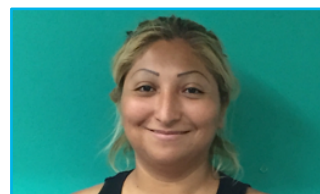


Table 2: Health Indicators for the Southeast Community Planning Area and Los Angeles County

	Southeast CPA	Los Angeles County	Year
Adults diagnosed with diabetes	8.3%*	9.5%	2011
Adults diagnosed with hypertension	24.6%	24.0%	2011
Adults reporting "fair" or "poor" health status	34.5%	20.7%	2011
Death Rate per 100,000 people	698	581	2012
* Estimate is statistically unstable			

TRANSIT AND COMMUTING

The 2014 Southeast Los Angeles Community Plan states that mixed-use areas, especially those developed in public transit rich neighborhoods, are designed to produce a "community where people can shop, live and work with reduced reliance on the automobile."²³ The neighborhood is served by the Metro Blue Line, the most heavily used light rail line in Los Angeles,²⁴ with the Line station located one block from the site.



"I like that everything is accessible and everything is around me. Laundromat, stores... I don't need a car, I can walk everywhere... the buses are accessible."
– Verónica

"I don't even have a car. I walk everywhere. Fortunately things are close by." – Flavia

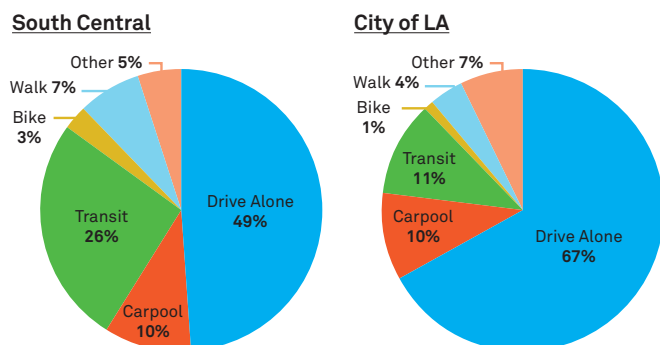
Table 2 describes the health of residents in the Southeast CPA and the County for several common measures of well-being. While there are little differences for chronic diseases such as diabetes and hypertension, a much higher percentage of adults report that their health is "fair" or "poor" (rather than "excellent," "very good," or "good") in the Southeast CPA than in the County as a whole. Self rated health status is widely considered to be a good predictor of illness and death.²²

Indeed the death rate is also significantly higher for the Southeast CPA than in the County, with 698 deaths per 100,000 people as compared to 581 deaths.

Census data confirms that residents of South Central are much more likely to take transit, and less likely to drive alone when commuting to work than residents of Los Angeles as a whole. As shown in Figure 8, 26% of workers in South Central took transit to work, as compared to 11% in the City as a whole. These data do not capture how residents travel for other purposes, such as running errands, although residents in focus groups discussed their reliance on walking and transit for a variety of trip types.

THE REEF DEVELOPMENT PROJECT IN THE CONTEXT OF SOUTH CENTRAL LOS ANGELES TODAY

Figure 8: Commute Mode in South Central and the City of Los Angeles, 2009-2013



Source: U.S. Census, American Community Survey 2009-2013

HOUSING

Renter households dominate South Central, to a much greater extent than the City of Los Angeles. From 2009-2013, 79% of occupied housing units in South Central were home to renters, compared to 62% in Los Angeles. Among the households surveyed by SAJE, 93% rented their homes, and many respondents reported having lived in their homes for many years.

Table 3 shows that of the 104 respondents, more than half have lived in their homes for over 10 years. The average length of residency in the neighborhood for focus group participants was 21 years.

Table 3: Years Living in Home Reported by Respondents to SAJE survey (N = 104)

Years living in home	Percent of respondents
<2 years	17%
5-10 years	34%
10-15 years	14%
15-20 years	14%
>20 years	21%

Zumper, a rental real estate market trend and real estate listing company, reports that rents in the City of Los Angeles reached an all time high in September of 2015. Median asking rent for one-bedroom apartments in Los Angeles was \$1,830.²⁵ In comparison, median rent for a one-bedroom in South Central was \$1,000, one of the lowest neighborhood rents in the City. Respondents to the SAJE survey reported lower rents: an average monthly rent of \$852, for a variety of apartment sizes. This is likely a reflection of the fact that many respondents live in rent stabilized apartments, and have been living in these apartments for many years.

HOUSING AFFORDABILITY

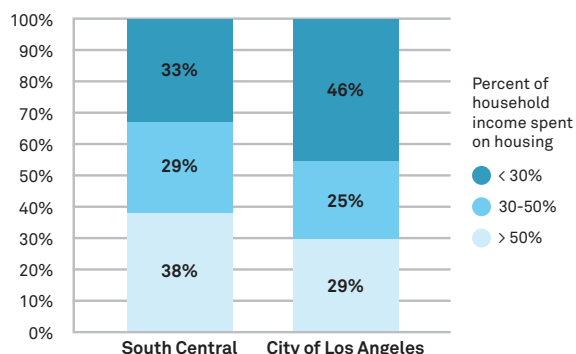
Housing affordability is generally defined by how much income a household pays towards their housing costs (e.g. rent or mortgage, utilities, etc.) According to the U.S. Department of Housing and Urban Development (HUD), households are considered housing “cost burdened” if over 30% of their income is used to pay for housing, and extremely cost burdened if over 50% of income goes to housing.²⁶ Generally housing is referred to as affordable if a household pays under 30% of their income towards housing costs, whether they live in market rate or subsidized housing. While these definitions are used in public policy contexts, they have serious limitations. This definition does not account for differences in household composition (e.g. single adults vs. families with children) and also does not consider how much money a household has left over after paying for housing.²⁷ For a wealthy household, paying 30% or more of income towards housing could leave them with plenty of money to cover other needs, while a very low income household is likely to have trouble making ends meet.²⁷

In early 2015, the Southern California Association of Non-Profit Housing estimated that a family would need to earn \$34 an hour, or almost \$72,000 per year, to rent the average apartment in Los Angeles County and pay no more than 30% of their income.²⁸ While the city of Los Angeles recently voted to bring its minimum wage up to \$15 over the next five years, the current minimum wage is \$9 an hour. At this rate, it would require about 3.75 full-time minimum wage jobs to pay for the average Los Angeles County apartment.

Los Angeles is the 9th most expensive rental market in the country.²⁹ As rents have been rising, renter household income has been declining: after adjusting for inflation, rents in Los Angeles County increased 27% from 2000 to 2013, while median renter incomes declined by 7%.³⁰ In order to meet the needs of the lowest income households, over half a million affordable rental homes are needed. Due to cuts in state and federal funds, Los Angeles lost 65% of funding for affordable housing between 2009 and 2014.³⁰ In South Central the majority of households experience housing cost burdens, and many face extreme cost burdens, a reflection of both low incomes and rising housing costs. Figure 9 shows that 38% of households pay over half their income towards housing costs in South Central, compared with 19% in Los Angeles.

THE REEF DEVELOPMENT PROJECT IN THE CONTEXT OF SOUTH CENTRAL LOS ANGELES TODAY

Figure 9: Percent of Cost-Burdened Households in South Central and the City of Los Angeles, 2009-2013



Source: U.S. Census, American Community Survey 2009-2013

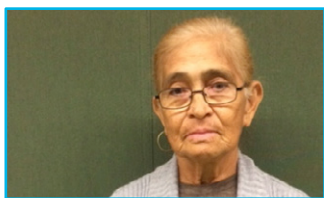
Focus group participants report that people in the neighborhood are already struggling to pay for housing.



"I regularly have to ask to borrow money to cover rent, otherwise I don't pay other bills ... I usually ask friends, relatives, acquaintances." – Ana

"Rent is totally out of this world... The rent for a single is \$800. When you're only bringing home ... minimum wage, it's a rat race. Constantly chasing our tails." – Yolanda

"I look at what home costs are now, even rental prices, it's nearly impossible for a person to work in the community and purchase a home, especially for young people. And a lot of the homes are ... so expensive." – Angélica



"Sometimes it takes two or three months to pay rent, but they know that the income isn't stable. They don't come knocking on our door or anything because they know that when we have money we will pay it. We're not not paying because we don't want to. But either way, the worry is there. I feel terrible. Sometimes, when I see them I rush inside because I'm embarrassed. But I've been here for 35 years and they know I'll pay." – Antonia

HOMELESSNESS

Los Angeles County has the largest homeless population of all urban areas in the U.S., with a disproportionately large percentage of the population remaining unsheltered.³¹ The City of Los Angeles estimated that 52% of their City's recorded need for shelter went unmet in 2014.³² Though Los Angeles officials state that they expect the overall homeless population to "decrease moderately" in the next year, they also expect that the emergency resources that they have to provide shelter to homeless individuals and families will "decrease substantially."³²

In 2015, 25,686 people were counted as homeless in the City of Los Angeles, which represents a 12% increase since 2013.³³ Council District 9 has the second largest Council District homeless population in the City, counted at 2,395 people. Council District 9 includes both the Reef Development Project area and Skid Row (an area said to contain nearly 3% of the County's homeless population, while only making up .0001% of its land area).³⁴ Seventy percent of those who are homeless in Los Angeles County remain unsheltered and makeshift shelters (e.g. tents and vehicles) have increased by 85% in the past four years.³³ The standard monthly public cost for homeless individuals is \$2,879, a cost five-times greater than their counterparts who have received housing.³¹

PROLONGED CIVIC DISINVESTMENT

People who live in the neighborhood report experiences that represent prolonged and sustained civic disinvestment in South Central, indicating that the historical context is still relevant today.



"The city's out there giving out all these parking tickets. As long as they're getting their ticket money out of South Central, it's alright. The City's perpetuating the whole thing. They don't make sure that people are doing their jobs and picking up the trash. Its institutional racism, and its directed at South Central." – Wallace

THE REEF DEVELOPMENT PROJECT IN THE CONTEXT OF SOUTH CENTRAL LOS ANGELES TODAY

"They need to sweep the streets, especially around the commercial places, for there to be more lights, more security. They need to paint all the tagged streets. Our neighborhood looks terrible... We do pay our taxes, but they don't do anything."

– **Georgina**

"They tell us that we can call a phone number and they'll come pick that old sofa you don't need, but if 2-3 weeks pass and no one picks up the sofa? We need an answer to our calls, we need to make sure those services are there." – **Patricia**

POLICING/SECURITY

The issue of policing and security in the neighborhood is complex, with many residents mentioning that they would like a greater sense of security in the neighborhood, and at the same time acknowledging that sometimes the greatest threat they feel in the neighborhood comes from the police. Some reflect on how they have seen a greater police presence in the neighborhood now that higher income groups have started to move in.

"They don't police these streets enough."

– **Carthon**

"I do like to see that other people are moving in here in the neighborhood because you do see more protection, safety, more police patrolling."

– **Salvador**

"I'm worried about getting harassed and shot. And that's by the police. Every time I pass the corner store, I'm thinking, 'Don't shoot.'" – Wallace



"If we recall how downtown LA looked 20-30 years ago... now it's completely different... there's more security, perhaps because the capitalists have the funds to improve security and we don't have that."

– **Julio**

THE EFFECTS OF THE REEF DEVELOPMENT PROJECT ON GENTRIFICATION, FINANCIAL STRAIN, AND DISPLACEMENT



Based on the current Reef Development Project proposal, data about the current context of South Central where the development is proposed to occur, and the research on the relationships between gentrification, financial strain, and displacement that is detailed in the chapters that follow, we predict that the Reef Development Project would have the effects that are described below.

INCREASE IN FINANCIAL STRAIN AND DISPLACEMENT OF CURRENT RESIDENTS

Large developments like the Reef project in neighborhoods like South Central often result in gentrification, which can drive housing costs up, and add to the financial strain of those in the area. Residents are already struggling immensely to afford housing, and are engaging in a variety of methods to address this problem, by making difficult choices about what necessities to do without, by living in overcrowded and substandard housing, and by looking for additional sources of income.

Despite these challenges, people in the neighborhood have developed strong social ties and a sense of attachment to the area. Business owners have also developed strong ties to their customers. Gentrification driven by the Reef Project could lead residents and businesses to be displaced as they are priced out of the area. Many of the residents of South Central have likely experienced serial forced displacement, perhaps even through multiple generations. This experience can have a cumulative impact resulting in a condition called root shock that is a source of trauma. Recent research indicates that intergenerational trauma can have such significant health impacts that it can alter genes to make them more susceptible to stress in subsequent generations.

When focus group participants were asked what they thought about developments like the Reef Project, some reflected on the context discussed above.



"There has to be an impact, whatever it is. Of course there's gonna be a lot of changes. And it would be great if those changes happened in a way that was going to help the neighborhood, like creating jobs for example. But it doesn't usually happen that way... makes you feel like they don't care." – **Francisco**



"It's frustrating when you see people move in and just drop the cash. It's privilege." – **Anayetzy**

In order to assess vulnerability to rising housing costs and displacement, we calculated the number of cost-burdened renter households living in proximity to the Reef Project. Specifically, we looked at households located within ¼ mile, ½ mile, 1 mile and 2 miles of the development, in South Central, as shown in Figure 10.

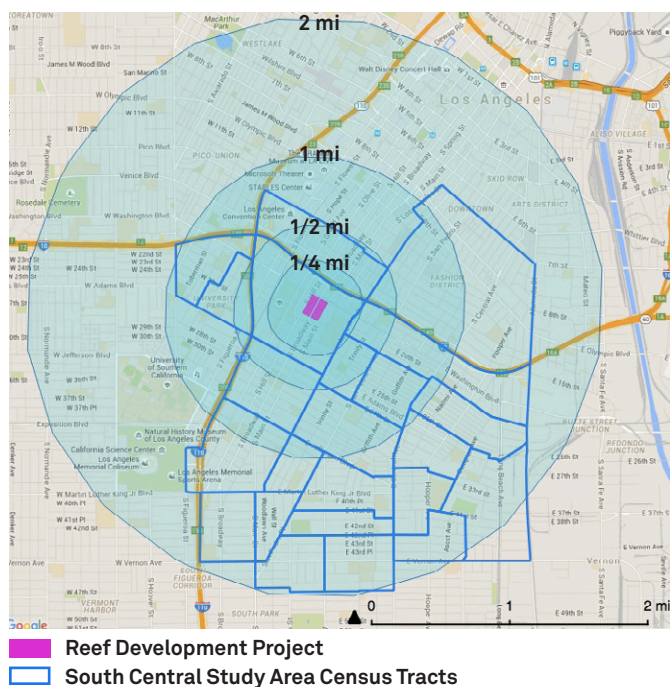
We found that an estimated 4,445 renters who live within ½ mile of the proposed Reef Development Project are already experiencing housing cost burdens and could be at high or very high risk of financial strain or displacement as a result of the development. An additional 39,311 renters who live between ½ mile and 2 miles of the project could be at moderate risk. Overall, 52% of the nearly 84,000 residents living within 2 miles of the project could be at risk of financial strain or displacement as a result of the Reef Development Project. (See Table 4).

THE EFFECTS OF THE REEF DEVELOPMENT PROJECT ON GENTRIFICATION, FINANCIAL STRAIN, AND DISPLACEMENT

Table 4: Rent-burdened households in proximity to the Reef Development Project

Likelihood of property value increase	Reef tracts in buffer	All cost burdened renter households	All people in cost burdened renter households	Risk Level for financial strain and/or displacement	Total people per risk category
Very high	1/4 mile	403	1,294	Very High	1,294
High	1/4 - 1/2 mile	976	3,151	High	3,151
Moderate	1/2 - 1 mile	3,469	12,799	Moderate	39,311
Moderate	1 - 2 miles	6,172	26,512	Moderate	
Total					43,756

Figure 10: Buffer Zones Surrounding the Reef Project



Another category of people who could be vulnerable to displacement are those who live in currently deed-restricted housing that is at risk of converting to market-rate units because of expiring subsidies. We analyzed data provided by the California Housing Partnership Corporation³⁵ on subsidized affordable housing and identified 1,068 units in South Central funded through federal and state programs. This does not include public housing or any housing that may have been funded exclusively through local programs. **Of these units, 152 are potentially at risk of converting to market-rate within the next 10 years.** For-profit owners of currently subsidized units are likely to have greater incentives for converting those units to market-rate as rents appreciate.

This study has demonstrated the significant housing affordability challenges that residents in South Central

are already facing, and the increased pressures residents will face as a result of the Reef project.

Project sponsors, however, do not see it as their responsibility to respond to these challenges. The Reef Development Project plan currently contains “no mention of affordable housing for this low-income neighborhood.”³⁶ Furthermore, the Draft Environmental Impact Report (DEIR)³⁷ states the following: “...Because no residential units currently exist on-site, development of the Project would not remove existing housing; thus, no housing would be displaced. Therefore, impacts related to housing growth and housing displacement would be less than significant,” (p. IV.L-10). The DEIR also states, “The Project would not displace substantial numbers of people, necessitating the construction of replacement housing elsewhere,” (p. IV.A-9).

This approach to measuring displacement is woefully inadequate. Given the extensive research indicating how the process of indirect displacement occurs through financial strain and lack of affordable housing options, the project cannot only look at its effects on direct displacement – even if that is in compliance with the local law. With thousands of people at risk of displacement due to this project – and the historical context of development, segregation, and trauma experienced by the community – project sponsors have a responsibility to examine how their project can mitigate its potential effects through the provision of affordable housing in response to the existing need and through displacement prevention strategies.

Many residents have already engaged in many different strategies to help them afford housing at current prices. When asked where they would move if they could no longer afford to stay, many people said they could not think of another place.

THE EFFECTS OF THE REEF DEVELOPMENT PROJECT ON GENTRIFICATION, FINANCIAL STRAIN, AND DISPLACEMENT

"We've gone to look at houses in Lancaster. How far are we gonna go? We get so far to the point where it just makes no sense. It would take me 2 hours to get home, 2 hours to get back, and it just makes no sense." – Angélica

"They're pushing everyone out to Palmdale, Lancaster—I don't know about the rest of you but I'm not going to San Bernardino. I grew up in the hood." – Yolanda



"There's really no place to go. If we move, we have to pay for two months of rent plus that same month's rent, so there's no other option of where to go." – Margarita

Some said they would move out of the City.

"I would move out of LA to another city." – Ana

"I would move from the area." – Juana

And some anticipated they would become homeless.

"I can't work because nobody will be with [my son, who is sick]. I live off of SSI. Medical doesn't cover diabetes medication. It comes out of pocket. My son is 3 years old. If the rent goes up and this continues I'm gonna be homeless." – Berenice

"I keep thinking, 'What am I gonna do if this doesn't work out? Where am I gonna go? Am I gonna see my neighbors again? Where am I gonna find this kind of community again? Gonna have to start over. Gonna be homeless, without a family.'" – Anayetzy

"You ask where are we going? A lot of us say: the streets." – Yolanda

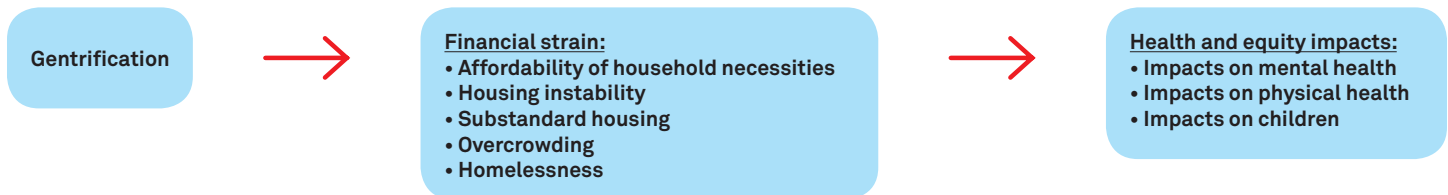
INCREASES IN PHYSICAL AND MENTAL ILLNESS

Community residents who experience financial strain and/or displacement may experience a wide variety of chronic stress-related physical and mental illnesses, including anxiety, depression, hypertension, heart disease, obesity, diabetes, and sleep disorders. Additional constraints on health-protecting resources and exposures to health-damaging environments such as substandard and overcrowded housing could further contribute to a variety of negative health outcomes, including hunger, inadequate childhood nutrition, and poor childhood growth, higher risks for respiratory diseases, infectious disease, lead poisoning, injuries, and mortality. Disruption of social networks through forced serial displacement and root shock can lead to additional health challenges including exposure to fragmented social environments that have higher rates of violence and sexually transmitted diseases. Multi-generational traumas of this nature can potentially influence the genetic makeup of future generations, leaving them more physiologically susceptible to the impacts of stress.

This study demonstrates that communities surrounding the proposed project are vulnerable to financial strain and displacement and associated adverse impacts to physical health and mental health. While these relationships are well documented, Reef project sponsors do not consider the indirect effects of the project on physical and mental health in the DEIR.

The following chapters provide greater detail on the relationship between gentrification, financial strain, and displacement, followed by recommendations for the developer and the City to mitigate the predicted harmful effects just discussed.

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, FINANCIAL STRAIN, AND HEALTH



The following chapter summarizes research that explains the relationship between gentrification and financial strain, and the relationship between financial strain and health.

GENTRIFICATION

This history of South Central Los Angeles has resulted in prolonged public and private disinvestment from infrastructure, social services, and economic opportunities. Gentrification is a process that often begins at this place - when an urban neighborhood has experienced long periods of public and private disinvestment. Vacant or underutilized land and relatively low housing costs may exist in an area that still has some desirable qualities, such as access to job centers or transportation.^{38,39} This produces a rent gap, or “an economic gap between actual and potential land values in a given location.”³⁹ One driver of gentrification is when developers purchase inexpensive land in disinvested areas and then use the land to construct new, higher-quality amenities. This leads to increased value of the newly developed property and the surrounding properties in the neighborhood.^{39,40} These new amenities – which often do not respond to the immediate needs of the local community – whether they are retail-related, residential, educational, or other occupational developments, have the potential to attract an influx of new consumers, workers, and residents.^{39,41,40}

Gentrification can refer to shifts in the socio-economic, physical, and cultural characteristics of an area, but generally entails a shift to wealthier residents, workers, and/or consumers.⁴⁰ With this introduction comes the potential for displacement of existing residents, workers, and/or consumers.⁴² Original residents can be directly or indirectly pushed out of their neighborhoods as a result of the rising costs of living, growing cultural irrelevance, illegal practices by residential and commercial property

owners, and/or the forcible removal from or destruction of original housing that can result from redevelopment and revitalization projects.^{41,43}

GENTRIFICATION AND FINANCIAL STRAIN

A core part of gentrification is that it puts upward pressure on property values and housing costs and, as a result, housing becomes even less affordable for lower income residents.^{39,40} Increases in property values and policies that benefit land and homeowners can benefit property owners and increase property tax revenues within a city. However, low-income renters, who make up the majority of South Central households, may instead experience rising rents that lead to greater cost burdens. Urban economists argue that luxury residential development that attracts wealthy residents to an area can spur other property owners to disinvest from more affordable properties, converting them to higher-end and higher-priced units.

Megaprojects such as the Reef Development Project and other large-scale mixed-use revitalization projects in urban areas have been found to increase surrounding property values, even before actual construction begins. Researchers have shown increased property values in proximity to the Atlanta Beltline, which includes both transit, greenway, and residential and commercial development; Baltimore’s Inner Harbor redevelopment;⁴⁴ and in proximity to large scale mixed-use redevelopment in downtown Oakland.⁴⁵ These analyses have generally found that property values increase the most in the immediate vicinity of revitalizations projects, for example within 1/8 – 1/4 of a mile, but that price premiums can extend for up to two miles.⁴⁶ Economic analyses in Portland, Oregon have also shown that upscale retail amenities, including grocery stores and coffee shops, are associated with housing price premiums.⁴⁷

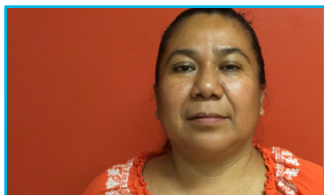
UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, FINANCIAL STRAIN, AND HEALTH

Once financial strain occurs, it can start to influence a variety of determinants of health by contributing to: reduced ability to afford other household necessities, housing instability, living in substandard housing, overcrowding, and homelessness.

Financial Strain and Affordability of Household Necessities

When a person or household undergoes financial strain due to an increased housing cost burden, they are forced to sacrifice other vital necessities. Housing—shelter—is one of the most basic human needs for survival. Therefore, when faced with unaffordable housing costs that leave an individual with an inadequate amount of income left to allocate to the cost of other needs, lower income people must make difficult trade-offs for themselves and their families.⁴⁸

Focus group participants confirmed that when people in the neighborhood do not have enough money for everything they need, they have to make difficult choices.



“My older son gets two pairs of shoes for the entire year, my daughter also gets two pairs of shoes a year. The little one, when he gets home, he takes off his shoes, puts on the old ones and goes out to play.” – Lourdes

“What are our options? Stop paying the bills, borrow money, don’t purchase our kids’ school uniform, or the supplies that teachers ask us to get them when school is about to begin?... I need internet for my job, but I have to make the choice between paying for internet or my children’s uniform...” – Patricia

“My daughter ... wanted ... ballet lessons, ballet is her dream, but I can’t give her that. I can’t even provide clothes.” – Juana

Financial Strain and Housing Instability

Unsustainable housing cost burdens and a lack of affordable housing can lead low-income households to move more often, through what researchers have called “churning moves,” frequent moves to similar or lower quality housing.⁴⁹ Housing instability often leads to additional housing problems for families, who may temporarily double up or experience periods of homelessness.⁵⁰ Less extreme types of instability, such as getting behind on rent, mortgage, or utility payments, can also lead to stress and lower levels of well being.⁵⁰

Financial Strain and Substandard Housing

When quality housing is made unaffordable and thus, inaccessible to lower income people, residents (and in particular, low-income people of color) are forced to inhabit substandard housing at a disproportionately high level.⁵¹ The California Health and Civil Code defines housing as substandard or ‘uninhabitable’ if it lacks working utilities, if the housing infrastructure and fixtures are in disrepair, or if the dwelling lacks maintenance to the extent that it provides unsanitary and unsafe living conditions.

Thirty percent of the respondents in the SAJE resident survey (47/155) mentioned problems with housing conditions.

83% - roaches
38% - holes
34% - defective plumbing
32% - mold
26% - rats
17% - humid walls
17% - defective electrical wiring

Other problems mentioned:
Damaged floor and walls
Peeling paint

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, FINANCIAL STRAIN, AND HEALTH

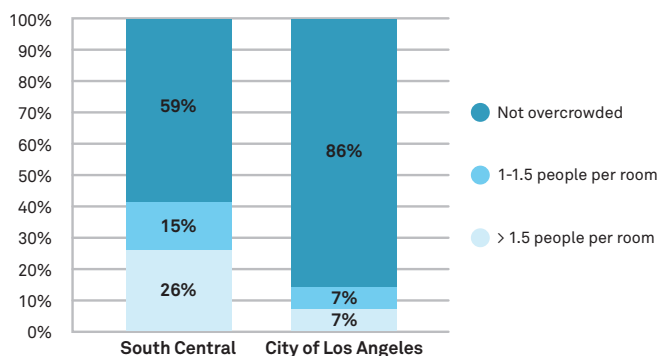
Financial Strain and Overcrowding

When an individual or family has difficulty paying the cost of rent, they may decide to move into housing that is smaller and more affordable, but not adequately large enough to accommodate the size of their household. In other instances of overcrowding, multiple families decide to live together to combine incomes to help afford the cost of rent.

Overcrowding or ‘housing consolidation’ is a perpetual issue in Los Angeles. The Los Angeles Department of Housing and Urban Development defines crowding as any living quarters consisting of more than two persons per bedroom or more than one person per room.⁵² Immigrant households experience the greatest rate of overcrowding in Los Angeles.¹⁷ Based on these HUD criteria, 54% of those who responded to the 2015 SAJE survey are living in overcrowded living conditions, with 29% of the households surveyed renting rooms within apartments.

Overcrowding is especially prevalent in South Central. A Los Angeles Times analysis of 2008-2012 census data found that zip code 90011, which aligns closely with the census tracts used for the area defined as South Central, had the highest rate of overcrowding in the entire United States. Figure 11 shows that in South Central, 26% of households were severely overcrowded, with over 1.5 people per room.⁵³

Figure 11: Percent of Households Experiencing Overcrowding in South Central and the City of Los Angeles, 2009-2013



Source: U.S. Census, American Community Survey 2009-2013

Focus group participants shared personal experiences of people in the neighborhood living with others in overcrowded conditions to be able to afford housing.

“I pay about 40% of my personal income and split bills with the other person. It’s not stable since I’m a day laborer and my income also fluctuates.”
– **Moisés**

“In our apartments we’re piled on top of each other—imagine, two families have to live under one roof and split the rent. With my 5 children, I put them in the bedroom and their dad and I sleep in the living room.” – **Lourdes**

“I used to live with three other people at the apartment, we used to split the rent. But one day they just left and I stayed there alone with no help. That same month, the landlord raised the rent. At one point I lived with other families in the same apartment to share rent.” – **Juana**

People in the neighborhood also take on multiple jobs or look for other sources of income to help pay for housing and other bills.

“I recycle stuff like bottles and cans.” – **María**

“I found myself recycling cans, and I realize that everyone does that, so there’s not even cans anymore.” – **Berenice**

“I rented out a property that I have in the back, have considered renting rooms out, anything I can possibly do to make extra income with taking on new jobs and taking in strangers to my home.” – **Cynthia**

“I gotta make extra money just to get the eggs that I want. People are trying more and more ways to make some extra income. We ain’t got no choice but to try it cause we’re suffering down here.”
– **Yolanda**

Some people in the neighborhood also do without certain necessities in order to make ends meet.

“I limit my food consumption and what I earn is for rent and food.” – **María R.**



“After food and rent, we had \$20. Then we had to wash clothes, so I washed them by hand.” – **Berenice**

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, FINANCIAL STRAIN, AND HEALTH

Financial Strain and Homelessness

One of the most extreme results of financial strain is homelessness. Research in New York has found that increases in homelessness are associated with the rapid rise in housing costs in gentrifying neighborhoods.⁵⁴ Homelessness is directly tied to what the National Law Center on Homelessness and Poverty has called an ‘affordable housing crisis,’ in which the demand for affordable housing far outweighs the supply.⁵⁵ For example, the 2008 U.S. housing market provided approximately 37 affordable units for every 100 households in need.⁵⁵ Across the 25 cities cited in the Conference of Mayors 2014 Report on Homelessness, 83% of the cities reported a lack of affordable housing as a driver of homelessness.³² This same report estimated that 22 percent of the need for emergency shelter went unmet.³²

The quality of life for those who are able to receive emergency shelter is quite low. Officials remark that in order to accommodate a growing demand for emergency shelter services, shelter management resorts to “increasing the number of persons or families that can sleep in a single room; consistently having clients sleep on overflow cots, in chairs, in hallways, or using other subpar sleeping arrangements; and distributing vouchers for hotel or motel stays because shelter beds were not available.”³² Therefore, emergency shelter environments also cause some of the same negative health impacts as those discussed in our section on substandard housing, such as overcrowding and more.

HEALTH AND EQUITY IMPACTS OF FINANCIAL STRAIN

Studies show that housing is a major social determinant of health for individuals and communities.⁵⁶ Access to housing that is secure, habitable, and affordable has far-reaching positive health impacts for family and public health.^{56–58} Affordable housing helps to free up family resources that can then go toward health promoting needs like nutritious foods and healthcare services.⁵⁶ When quality housing is stable, households experience a greater sense of control, security, and sense of attachment, all of which leads to positive mental health outcomes especially in terms of reducing overall stress level for adults and children.^{56,58} Access to affordable, quality housing also means that households are less exposed to physical hazards and toxins and are thus at a lower risk of disease and injury.^{56,59} The reverse of all of these things can also be true. Reduced ability to afford other household necessities, housing

instability, living in substandard housing, overcrowding, and homelessness are all determinants of poor health that can be caused by the financial strain of gentrification. These health determinants can have negative impacts on mental and physical health for adults, and can also specifically impact children.

Mental Health Impacts

The pressures of making involuntary concessions on vital necessities create a living situation filled with stress for struggling households. Housing instability — having to change residence multiple times without the ability to settle into one home for an extended period — also perpetuates high stress levels in adults and children. Substandard housing can further impact stress and anxiety levels as a result of uninhabitable living conditions. This stress has a direct impact on overall health, including mental health problems such as anxiety and depression.^{60,57 61 62}

Focus group participants provided personal descriptions of the stress and depression that can result from chronic financial strain of unaffordable housing.

“In my case, my husband had two heart attacks. Now with this situation, neither of us sleep. That’s called depression, that’s what I’ve been told. My hair is also falling out... How are we going to continue? Well, burning the midnight oil trying to think how we’re going to get out of this situation.”
– Natividad



“It’s hard, I feel impotent and I get depressed. I don’t know where I would go if rent increased. I feel terrible because I can’t meet the basic needs of the children and family. I’m also very sad... The other thing about stress is that it increases my sense of desperation. I also tend to overeat when I’m feeling this way. Right now I just ate, in a little bit I’ll want to eat again. My eye twitches and my hands tremble and I always want to cry.” – Juana

Physical Health Impacts

The financial strain of unaffordable housing causes lower income people to make trade-offs regarding such things as food and healthcare needs, insurance, and other activities and resources that support

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, FINANCIAL STRAIN, AND HEALTH

their physical and psychological health.^{57,60,63,48} These trade-offs negatively impact physical health in the form of cheaper, less nutritious foods, infrequent or no healthcare, the inability to afford activities that serve as emotional and physical outlets. There are significant associations between high housing costs and hunger, inadequate childhood nutrition, and poor childhood growth.^{64,65,66}

Overcrowding can lead to higher risks of mortality, infectious disease, poor child development and school performance, poorer self-rated health, increased stress, noise, and fires, poor mental health, developmental delay, heart disease, and even short stature.^{67,51,68,69} People with housing instability have poorer access to health care and higher rates of acute health care utilization than other populations with stable housing.⁷⁰

When a housing unit is substandard it may be infested with pests and mold, it may contain lead poisoning hazards and other hazardous materials and have poor quality air filtration systems. Also, dependence on substandard facilities and household utilities that are meant to provide such crucial needs as water and air filtration negatively impacts physical health and childhood development. Mold, for example, is linked to cases of asthma, pneumonia, and other respiratory diseases.^{51,60} Lead poisoning can cause brain damage, and behavioral disorders such as hyperactivity and heightened aggression, plus other learning disabilities, all of which can go relatively undiagnosed and untreated.⁶⁰ In addition to respiratory disease and neurological and behavioral disorders, much research connects substandard housing features to high incidence of malnutrition, slow or impeded physical development, and physical injury.^{58,60} Studies also link poor housing quality to a host of neurological, behavioral, and psychological deficiencies, as well as infectious and chronic disease.^{51,59,60}

Each of the impacts above can lead to chronic stress, leaving residents vulnerable to a variety of stress-related physical health problems, in addition to the mental health challenges mentioned above. Research suggests that chronic stress is strongly linked to the development of hypertension and other chronic diseases, and may cause physical problems including cardiovascular phenomena, such as hypertension; metabolic disorders, such as obesity, type-2 diabetes, and cardiovascular disease; osteopenia and osteoporosis; and sleep disorders, such as insomnia or excessive daytime sleepiness.^{61,62}

Focus group participants shared how stress and limited choices have been harming their physical health too.

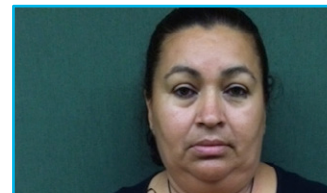
“Definitely, all this impacts health tremendously... it does cause worry and stress, one can’t even concentrate 100% on their children or work. There are too many worries on the mind. But the emotional impacts also affect the physical health... So this does affect the emotional health, physical health, and even family relations. They’re stressed, they’re worried, they don’t have that patience, so all this affect family relations.”
– Patricia

“When I was a little kid and the mortgage started going up, my mom’s idea was, ‘Well, just cook beans and rice for as long as we have to.’ Nowadays, eggs are so expensive and milk is so expensive. I just wonder – what kind of diet/nutrition do you have? ... You don’t eat.” – Pat

Impacts on Children

The long work hours that parents must put in to pay for rent often result in limited transportation options for students to get to school.⁷¹ Teenagers may have to work to supplement family income. Overcrowded homes can over stimulate children and lead to withdrawal, psychological distress, decreased motivation, patterns of helplessness, and behavioral problems.⁷²

Focus group participants shared how their children and other children in the neighborhood feel the effects as well.



“It has harmed my kids. My husband earns very little, so my kids have even said they want to get out of school so they can work and they can help us with bills and rent. My husband tells [them] to keep studying, but they see how pressured we feel so they want to leave school so they can help us work and pay for expenses.” – Ruth

“The mental stress that people go through, that’s pretty tangible. It will affect how you are with people. It hurts me so much when I see a parent smack a kid on the bus cause they don’t move fast enough...they need a break.” – Pat

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, FINANCIAL STRAIN, AND HEALTH

Housing instability and inconsistent living environment negatively impact childhood environment, and this includes one's school environment. When a child undergoes repeated changes in living location and conditions, they are often less able to form connections with their peers and teachers, and less likely to feel connected with their neighborhood and home environment in general.⁷³

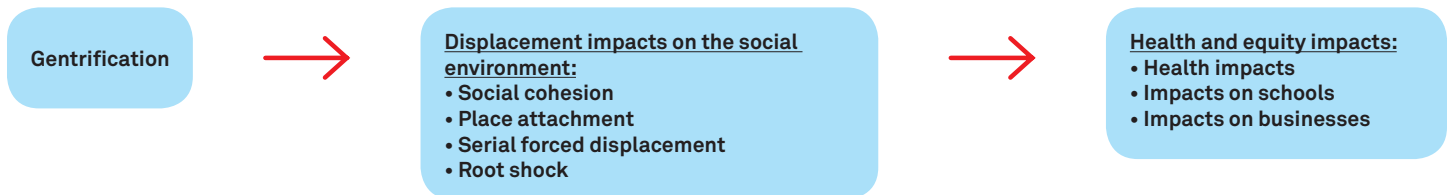
"There's also the change of school for children. I saw it when I changed my kids' schools. They were stressed. They arrived at a school where they didn't really know anyone. They're finally getting adjusted, so to have to move again doesn't sound like a good idea. It's stressful for them and it's stressful for us. We have to worry if there'll be good teachers, a safe school, everything." – María Elena



"It's more stressful to move, especially for the kids, they already know their teachers and they have their friends." – Oscar

"We've seen transiency, families are coming in and out..." – Martín Gómez, Principal of Santee Education Complex

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, DISPLACEMENT, AND HEALTH



The following chapter summarizes research that explains the relationship between gentrification and displacement, and the relationship between displacement and health.

GENTRIFICATION AND DISPLACEMENT

One of the most damaging effects of gentrification is displacement. For the purposes of this report, we use the definition of displacement developed by Causa Justa:: Just Cause (CJJC), a grassroots organization working toward housing and racial justice. CJJC defines displacement as “the out-migration of low-income people and people of color from their existing homes and neighborhoods due to social, economic, or environmental conditions that make their neighborhoods uninhabitable or unaffordable.”¹⁵

As was mentioned previously, research on the relationship between gentrification and displacement has so far been mixed.⁴¹ In other words, not all research showed a relationship between gentrification and displacement. However, this research has also been constrained, with many studies limited by scope, available data and brief time horizons for analysis.⁴¹ Findings did consistently show that the financial strain of rising rents predicted displacement, and policy tools that helped protect residents from these rising costs, such as rent stabilization and public housing programs, helped to limit displacement.^{72,41}

Some researchers have suggested that one reason current gentrification research might not consistently show a relationship between gentrification and displacement could be that current residents might try harder to stay in the neighborhood when they begin to benefit from the new amenities that are brought to the area, even as rent prices increase. However, these authors also suggested that higher rent burdens are ultimately unlikely to be sustainable and might still lead to displacement, and current

studies have not used a long enough timeframe to capture this delayed effect.

When gentrification does lead to displacement, it can happen directly or indirectly.⁴¹ Direct physical displacement can occur when an individual’s home or an entire community is demolished or converted to another use and not adequately replaced following public or private redevelopment projects.⁴³ Commercial space can also be directly, physically displaced by chain stores and new building developments. Los Angeles has a vast history of this type of forced individual and community relocation, including the clearance of the Chavez Ravine neighborhood in the 1950s to develop a public housing project that was never fully built. This clearance forcibly displaced an entire community of over one thousand mostly Mexican-American farmers and their families from Chavez Ravine and made way for the construction of the Los Angeles Dodgers Stadium in 1962.⁷⁵

Indirect displacement occurs when property values and rent costs rise to unaffordable levels and residents and business owners are forced to leave.⁴³ The same can be said for indirect commercial displacement, including the impacts of losing customer base and product relevancy, coupled with the inability to compete with newer developments.^{42,43} Since the Reef Development Project and other projects in South Central Los Angeles have the potential to attract a wealthier set of residents to the neighborhood, landlords may experience a growing incentive to evict low-income renters from their homes in order to rent to higher-income residents with the ability to pay more.^{15,39} Evictions are “landlord-initiated forced moves from rental property” that most heavily impact the urban poor as a result of an inability to pay rent.⁷⁶ Evictions can also include varying levels of landlord harassment.¹⁵

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, DISPLACEMENT, AND HEALTH

Displacement can also occur gradually as a process of *replacement*, driven by a systematic “process of housing turnover and succession”.⁷⁷ As wealthier residents gradually replace existing residents, who are often lower-income people of color, previously accessible neighborhoods can become exclusionary.⁷⁷ One consistent finding across studies of gentrification is the finding that when neighborhoods gentrified, the people who were moving in were “wealthier, whiter, and of higher educational attainment”, and those who were moving out were more likely to be “renters, poorer, and people of color”.⁴² In turn, developers and planners construct amenities that speak to the preferences of the socially and economically empowered. Therefore, the introduction of wealthier residents to a community can place lower income people into new places of disadvantage and community exclusion.⁷⁸

Changing neighborhood demographics and landscapes may lead existing residents to relocate as a consequence of the disintegration of social networks and cultural relevance that leads to community disconnectedness and alienation.¹⁵ Though this sort of relocation may appear to result from the resident’s choice to move to a new area, it is ultimately an involuntary displacement that is the result of changes that were outside of that resident’s control.⁴¹



“If we can’t pay, who is going to come and live here? Well, those that have the money and can pay those prices. So then it does impact the neighborhood, it’s going to look different because it’ll only be benefitting those who have economic power. Meanwhile those of us who can’t pay that will have to leave, so we’re socially marginalized, and it gets worse each time and it affects us a lot.” – Patricia

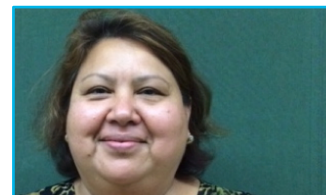
DISPLACEMENT IMPACTS ON THE SOCIAL ENVIRONMENT

Displacement has damaging impacts on the social environment of existing residents and business owners by negatively impacting the protective factors of social cohesion and place attachment that the community has developed. When a single event of displacement is experienced within the context of serial forced displacement, the impact can have even stronger negative impacts, producing a type of trauma known as “root shock”.

Social cohesion

‘Social cohesion’ refers to systems of social support and familiarity and knowledge sharing.⁷⁹ Social cohesion develops with the protection and fostering of the connections that one forms when living in a neighborhood that supplies needed resources and community networks. This is what leads to the production of social norms and senses of community responsibility. It is what allows people to connect to their lived environment in a way that promotes a sense of belonging.⁷⁹

People currently living in the South Central neighborhood know each other and feel connected to each other – there is an established social cohesion of neighborhood residents.



“Where I live, all the neighbors know each other. We work for the same community.” – Flavia

“I try to help people as much as I can. When neighbors ask me if I can pick up their kids from school... I tell them of course... I’ve lived there for 20 years and all the neighbors treat me like family.” – Ruth

“I got to meet my neighbors.... I got sick, my appendix burst, and my neighbor checked in on me... if it wasn’t for my neighbor looking out for me I could have died... The sense of neighborhood—looking out for each other—that’s a sense of community... Community is important.” – Pat

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, DISPLACEMENT, AND HEALTH



"I feel connected cause I've done work in the community... We planned a clean up on MLK Day... we had to ... knock on every door ... call the City, got stuff from business owners for the event. It was a huge success. It was nice doing it. ... It's rewarding when you go out and talk with the community... It's all about us, we are the community. We got to talk to each other." – Yolanda

Social cohesion—the ability to combine networks of capital—can serve as a method for poverty alleviation, since it allows for the bridging and linking of critical resources in a community.⁸⁰ It is often the more economically disadvantaged communities that benefit most from connection to place and the resource-sharing that it provides because of what their low socioeconomic status denies them.⁸¹ Research shows that gentrification “threatens the sustainability of community networks” and of the capital relations that lower-income, excluded groups often depend on.⁸²

"It's ironic – we have so many needs, we barely make ends meet, we are stressed and worried, without good health or incomplete health... but the places where we live are the places where we have ties. It's the place where if I'm low on rent I can ask my neighbor, I can ask my sister-in-law who lives near me, or if I don't have enough for groceries, I have a 20-year relationship with people there and I can suck it up and ask if I can take items on credit and pay them next Friday when I get my check. And because they've known me for a long time, they'll let this happen. But when people move to other places ... you're uprooting a large part of your life. Even if everything isn't perfect, at least there's a network of support." – Patricia

Place Attachment

Place attachment involves bonds between people and places of value, such as social and physical environments.⁸³ Place attachments are fostered by regular and habitual encounters with these people and places of value, through activities such as seasonal celebrations and daily routines.⁸³ Residential place attachments can produce group identity, feelings of pride, stability, familiarity, security, and a general

sense of well-being.⁸³ Place attachment theory argues that when people feel a sense of attachment and connection to their community, they are more likely to interact with their community in a positive way.⁸⁴

Respondents to the SAJE community survey described the attributes they enjoy about their community, and why they want to stay – essentially describing the reasons they feel attached to this community.

Seventy-eight percent of respondents (121/155) responded to the question, “What do you love about your community?”

30% calm	10% schools
27% neighbors	7% I know it /
14% transit	lived here a long time
14% commercial space	7% safe
11% close to everything	

Thirty-five percent of respondents (54/155) responded to the question, “Why do you want to stay in the neighborhood?”

57% affordability	32% access to public
39% schools	transit
33% close to employment	13% culture of the
33% security	neighborhood

“Other” responses included: “Difficult to find another option”, and “Future of neighborhood”.

Serial Forced Displacement

Serial forced displacement refers to the repeated, involuntary removal of groups from their community.⁸⁵ Policies and processes like urban renewal, segregation and disinvestment supported by state-sanctioned redlining, and ongoing gentrification have contributed to serial forced displacement in U.S.⁸⁵ Additional policies might include international trade and immigration policies that contribute to forced migration for economic and safety reasons, as well as policies that repeatedly displace homeless populations. Studies have shown that the cumulative impacts of these types of policies, and the repeated experiences of displacement that ensue, have had progressively more negative impacts on social organization and support.^{86,87} Some researchers argue that policies that consistently result in serial forced displacement have produced “a persistent de facto internal refugee population” of African Americans in the U.S.⁸⁵

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, DISPLACEMENT, AND HEALTH

Forty-seven percent of survey respondents from the SAJE resident survey (73/155) provided information on why they had moved from their previous residence, suggesting that many residents came to this residence after already having been displaced from their previous location.

26% Expensive (neighborhood/rent)

25% Living conditions

18% Security (building/neighborhood)

14% Eviction

*16% of write-in options also mentioned size, which could indicate living conditions/overcrowding

Root Shock

When this sense of attachment is lost through the process of gentrification and displacement, an individual may enter a state of trauma known as 'root shock.' Root shock is a state defined as "the traumatic stress reaction to the destruction of all or part of one's emotional ecosystem".⁸⁸ It results from the loss of one's known world; it is the result of the disintegration of one's sense of community and attachment to place, and it is a loss of the social cohesion that such an attachment to place provides. Some of the individual impacts that result from such a loss are a decrease in community trust, a lesser sense of neighborhood responsibility and support, and increased levels of stress-related disease. On the community level, we often see a disruption of long-standing social networks and a conversion of the overall social landscape, usually to one that is less cohesive and feels less safe for community members.⁸⁸



"Me, I go all over the city for resources... I go over there and be homeless. I move around a lot. Cause when you comfortable in one place, you start looking forward to what you've been getting, and when they stop giving, you feel like they don't wanna be bothered with you. So, me, I just move on." – Carthon

HEALTH AND EQUITY IMPACTS OF DISPLACEMENT

When social cohesion and place attachment are negatively impacted through displacement, and especially when the added impacts of serial forced displacement lead to the traumatic state of root shock, a variety of negative health impacts can occur. Displacement can also result in negative impacts for schools.

Health Impacts

Individuals who are burdened with involuntary displacement may experience the high costs of relocation and longer commutes, they may lose their jobs and their healthcare services, and they may relocate to lower quality housing in an area with more violence, all of which could cause chronic stress, which negatively impacts individuals' mental and physical health.^{15,89}

"It's suffocating. Kind of like holding my breath. When are they gonna sell this building out from under our feet?" – Angélica

"If they sell, even if we don't want to move we'll have to move." – Margarita



I used to live in La Puente. I had to commute here... the time it takes to commute is exhausting... the cost of transportation and the time it takes adds up, and the ties with neighbors are not tight because it's just work back to home, it's monotonous, there's not time for anything else. – Moisés

Social cohesion is what works against things such as distrust and anonymity that can produce a perception (and a potential reality) of a lack of safety in one's neighborhood. With a perceived lack of safety may come social isolation and a decrease in physical activity.⁸⁴ Studies have linked neighborhoods with less social cohesion to higher rates of smoking and depression.^{79,90} Disruption of social cohesion and support networks, disintegration of place attachment, and the negative effects of root shock, can exacerbate stress-induced disease mentioned in the last chapter, ranging from depression to heart attack.^{15,63,88,61,62}

UNDERSTANDING THE RELATIONSHIP: GENTRIFICATION, DISPLACEMENT, AND HEALTH

These negative impacts also fall most heavily on low-income people of color due to a lack of socioeconomic empowerment.^{7,15,63}



“I don’t wanna go to a place I don’t know. The sense of family and community is important to me, as a single person.” – Pat

“The problem is that I don’t know what I’ll do if they sell the building. I’m used to this area, I have my customers. Everything is nearby. It hurts me to say that I would have to move, my heart is here...I don’t even know where I would move to.”

– small business owner

Repeated serial displacement has been shown to cause a cycle of fragmentation for the displaced, which is primarily characterized by the disintegration of social networks, the high stress levels of housing instability and weak social ties, and the physical and mental manifestations of that stress.⁸⁵ It can cause people to move to neighborhoods with higher rates of substance abuse and sexually transmitted disease and crime, leading to a sort of social disintegration and a forming of an individualist mentality, apart from the community.⁸⁵ New research also suggests that people who have experienced intergenerational traumas, such as the populations of color residing in South Central that have experienced serial forced displacement across generations, may experience changes in gene structures that make future generations more susceptible to the impacts of stress.^{91,92}

Impacts on Schools

Santee Education Complex a school located one block from the Reef Development Project that is populated by students from South Central. An interview with Dr. Martín Gómez, the principal of this school, revealed the following insights about the potential impacts of the development on his school and the students he serves.

“The homes in our areas will... become higher priced, which our parents are not going to be able to afford... as a school, we may see a decline in enrollment. So...35 kids is one teacher, that’s 35 families, and I definitely see at least 35 families being displaced. And we’re going to lose teachers and we’re going to lose staff. We’re going to lose support...because with the loss in those resources, how are we supposed to support students the way we have? We want to continue increasing our AP pass rates, our graduation rates. We’ll go back to being a typical inner city school with 40 kids in a classroom instead of 30.”

“I know from experience in San Francisco, that the gentrifying parents don’t send their kids to public schools...they’re going to send their kids to a private school.”

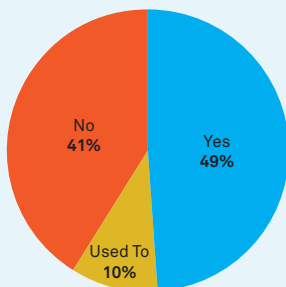
THE SMALL BUSINESSES OF SOUTH CENTRAL LOS ANGELES: A SIMILAR STORY

In 2015, CDTech conducted a survey of small businesses in the South Central Los Angeles neighborhood.⁹³ The findings reveal a similar pattern of financial strain and displacement for small businesses in South Central. Highlights from the CDTech report are quoted directly in the boxes below. Please see Appendix D for the full report.

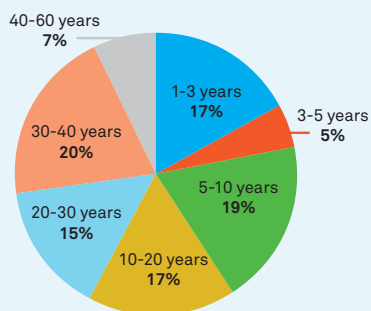
LONGEVITY OF SMALL BUSINESSES IN SOUTH CENTRAL

The small business establishments in the surveyed project referred to as the “Reef”, represent the diverse population and historical contexts of the neighborhood’s many uses. The variety of affordable goods and services they offer are reflections of the ethnic makeup and economic needs of neighborhood residents. Most small business owners in the area live in the community or used to.

Owners Who Live in the Community



Length of Operation



Fifty-nine percent of the businesses surveyed have been in operation at that location for over 10 years. Of the businesses that have been in operation for 20 to 30 years, 89% of the owners live in the community.

SOCIAL COHESION AMONG SMALL BUSINESSES AND THE SOUTH CENTRAL COMMUNITY

Small business owners also have a strong sense of social cohesion with residents and customers in the area.

A mobile locksmith has parked in the same spot at Washington Plaza down Washington from the Reef since 1991. Its current owner, son of the original owner, is very proud to be from the area and employ all local community members. He said he wouldn't have it any other way, and understands how important it is for local people to have local employment opportunities.

A few businesses shared that their commitment to their loyal customers is worth the sacrifice it might take to keep their prices accessible; they identify with the people they serve, each other's cultural and economic conditions, and the sense of community they have built together.

“We go out of our way to make our products accessible to the people who live here.”

“We’re all here for a reason. We left our countries for a reason... I think it’s important that my customers know me... I don’t know their names, they’ve never told me their names... but I know their faces. They just come in to get their waters, which is what they need the most since they work in the factories.”

“I know families that have been in my neighborhood probably for my whole life... People come by, sit and watch games. It’s pretty natural, nobody plans it, it can be pretty social in there.”

THE SMALL BUSINESSES OF SOUTH CENTRAL LOS ANGELES: A SIMILAR STORY

IMPACTS OF GENTRIFICATION AND DISPLACEMENT ON SMALL BUSINESSES

A potential result of urban redevelopment and re-investment projects is the direct or indirect commercial displacement of existing businesses, primarily those that are small and family-run or in the industrial/manufacturing sector.⁴³ This has to do with redevelopment's impacts on property values, amenities, consumer-base, and job development. Due to the transformative effects that development projects have on community landscapes and demographics, they can cause certain existing businesses to become obsolete or less relevant to their consumer-base.

The project construction process alone can harm surrounding businesses by disrupting services and, at times, creating a physical blockade between businesses and their users, restricting over-all accessibility and interaction.⁹⁴ Research indicates that small businesses can serve as the primary sources of employment for surrounding, immediate neighborhoods.⁷ However, there exists much concern that the increased desirability of an area—related to changes in the amenities that said area provides—will ultimately raise the cost of rent for small businesses to an unaffordable amount, thus pricing owners out of their existing properties.^{95,96}

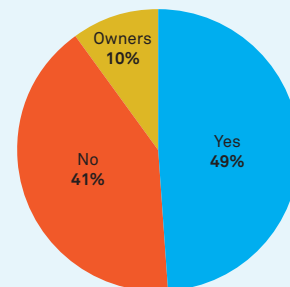
A study conducted in St. Paul, Minnesota found that manufacturing and industrial businesses in particular are often pressured to relocate in instances of rezoning and redevelopment if their business sites are seen as potential profitable spaces for developers.⁹⁴ Developers are attracted to industrial properties since they are easily converted into space for residential and retail use.⁹⁷ According to the 2014 Southeast Los Angeles Community Plan, industrial land use makes up 15% of the plan area, and the 2000 census reports that 32% of Southeast Los Angeles employment was in the manufacturing sector.²³ A 2010 study conducted by researchers from USC in partnership with the historic Second Baptist Church of South Central Los Angeles, indicated that the top five industries that employ South Central residents are manufacturing, building and household service/maintenance, retail, repair services, and construction. Each of these five industries belongs to an economic tier that provides relatively low wages to a predominantly less-educated class of workers.¹⁷

Industrial and manufacturing jobs commonly make up the employment opportunities that pay the highest wages and provide the most jobs for populations of

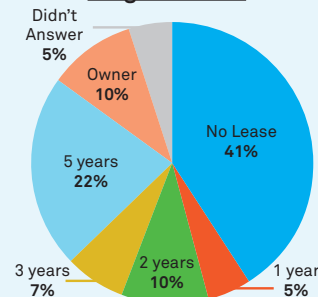
lower educational attainment, usually immigrant communities or members of marginalized racial groups.^{97,94} New developments such as the Reef Project look to create a large number of new jobs in the development area. However, rather than creating jobs that are attainable for the existing community, this job creation can lead to what is called an “education and jobs mismatch”.⁹⁴ This refers to the phenomenon in which the new jobs being created require a level of educational attainment unmet by local residents. Another outcome of this type of new job creation is that the newly created jobs that do accept employees with lower levels of educational attainment are commonly lower paying jobs--often in the service and accommodation industries--that offer fewer benefits to their workers.

“The jobs are not for those of us in the community, it’s for those who have papers [documented people].” – Erendira

Formal Lease Agreement?



Length of Lease



THE SMALL BUSINESSES OF SOUTH CENTRAL LOS ANGELES: A SIMILAR STORY

THE EFFECTS OF GENTRIFICATION ARE ALREADY HAPPENING FOR MANY SMALL BUSINESSES IN SOUTH CENTRAL

According to the CDTech small business survey from the area, one of the businesses that operated in the neighborhood for 20 years experienced a monthly rent increase from what had been \$1,000 to \$2,000, to \$5,000, all within one month. The business owners had to close their doors immediately.⁹³ The report also states that many of the landlords and property owners are aware of the proposed development, and are, therefore, only offering short-term leases of between one month and a maximum of 5 years, despite business owners' efforts to try to negotiate for longer terms.⁹³

SMALL BUSINESSES IN SOUTH CENTRAL HAVE EXPERIENCED SERIAL FORCED DISPLACEMENT

Small businesses in the neighborhood have also experienced serial forced displacement, according to the CDTech survey.⁹³

Twenty-nine percent of the businesses that have only been in the area 1 to 3 years moved to their current location because they were displaced due to rent increases or evictions when their building sold.



"I had another business on Washington and Western, it was also a bakery... In 1992 the shopping center was burned down during the Rodney King riots ... Everything was destroyed and I was left with nothing, so I had to find another way to make my business. That's when I came here."

– Mama Petra

"The problem is that I don't know what I'll do if they sell the building. I'm used to this area, I have my customers. Everything is nearby. It hurts me to say that I would have to move, my heart is here...I don't even know where I would move to."

– small business owner

HEALTH IMPACTS ON SMALL BUSINESSES IN SOUTH CENTRAL

The CDTech report discusses the potential health impacts that could be experienced if small businesses are displaced.

"If [local small businesses] are displaced—either by rent increases, lease insecurity, or eviction due to shifting property ownership—the loss would impact the health of this community. In turn, the stress experienced to avoid such outcomes greatly impacts the health of the business owners and staff themselves," (p. 23).⁹³

RECOMMENDATIONS

The following chapter provides recommendations for the developer and the City of Los Angeles that would help to mitigate the predicted negative impacts of increased financial strain, displacement, and physical and mental illnesses, and provide additional health-protecting resources for current South Central residents.

TRAUMA-INFORMED AND ASSET-BASED COMMUNITY BUILDING

The developers of the Reef project and the City of Los Angeles have a unique opportunity to develop this property in a way that reduces the potential to further traumatize and harm the physical and mental health of current residents through increased financial strain and displacement.

Rather than continuing the legacy of racism and segregation through the replacement of current residents with those who hold more economic and political power, the developers and the City have an opportunity to become stewards for the health and wellbeing of the South Central community, by engaging in a cutting-edge trauma-informed approach to community development. Trauma Informed Community Building (TICB) is a new innovative approach to development that recognizes the existing community as assets and uses these assets as the building blocks for the future. The goals of TICB are to “de-escalate chaos and stress, build social cohesion, and foster community resiliency over time”.⁹⁸ TICB strategies have been developed that take into account residents’ emotional needs and avoid re-traumatization triggers, promoting “community healing as part of housing transformation efforts”.⁹⁸ This can be achieved by ensuring that the project is developed using the four guiding principles of TICB: 1) Do no harm, 2) Acceptance, 3) Community empowerment, and 4) Reflective process. Additional details and strategies for TICB can be found here: <http://bridgehousing.com/PDFs/TICB.Paper5.14.pdf>

Findings from this study show that community members already have assets such as social cohesion among community members and among small business owners and the community. The development should be structured in a way that honors and enhances these assets.

The project should be developed in collaboration with community members to ensure that economic opportunities and affordable housing options are incorporated into the plan. As Benjamin Torres, President and CEO of CDTech states, “South LA residents aren’t trying to keep outsiders out of their backyards; they just want a fair opportunity to be able to stay.”⁹⁹



“If they’re going to go forward with [the Reef development], ... take us into account and [have] opportunities for us. Don’t leave us out. Don’t discriminate against us. We’re human beings and we have needs. We are not living for free. We are paying our rent with the sweat from our brows. Right now, we aren’t making it. We aren’t even living day-to-day. I want this to be considered. But they’re not going to take us into account. They’re pushing us to the brink.” – Natividad

“We gotta remember that this used to be a healthy community. We gotta work on rebuilding up what we used to have.” – Cynthia

The SAJE resident survey asked respondents what changes they would like to see in the neighborhood. Eighty-one percent responded (126/155). Of those, 64% reported that they would like to see city repairs and cleaning (e.g., trash cleanup, road conditions, traffic lights, more parking options and shade structures, and safe city parks). Thirty-two percent of respondents mentioned safety/security (e.g., violence and gang activity). These responses reflect a desire of community residents for the City to reverse its current pattern of disinvestment and provide civic infrastructure support. In addition, a series of community resident engagement sessions have recently been hosted by the UNIDAD coalition with approximately 50 community members from South Central Los Angeles in attendance over the course of five weeks. As a result of these meetings, community members have identified the following priority areas, which align closely with the findings from this report:

RECOMMENDATIONS

homelessness, displacement prevention, affordable housing, jobs, small business, health and safety, and green space. The following recommendations, which were developed through discussions with the Advisory Committee and informed by other relevant development projects in the area, have the potential to address current community concerns, respond to the health impacts identified in this report, and take advantage of broader regional goals and needs. In addition to these overarching recommendations to take a TICB approach and to develop the project with community members, we also recommend a number of specific actions for the developers to implement directly and/or through a community benefits agreement, and also for the City to consider.



RECOMMENDATION **Produce and Protect** **Affordable Housing**

The Los Angeles County Department of Public Health (LADPH) has produced multiple documents discussing the relationship between health and housing, and the importance of providing and protecting affordable housing for Los Angeles County residents, including their *Community Health Improvement Plan for Los Angeles County 2015-2010*¹⁰⁰ and *Housing and Health in Los Angeles County (2015)*.¹⁰¹ In both documents they offer recommendations and/or strategies to protect and increase the availability of affordable housing as a means to “achieve equity and community stability.”¹⁰⁰ For example, the LADPH recommends:

“Support plans and policies in Los Angeles County jurisdictions that expand the supply of affordable housing for low-income families and individuals, and protect existing affordable housing that is at risk of conversion to unaffordable market-rate housing,” (p.29).¹⁰⁰

The LADPH also recommends that the City align its housing goals with their efforts.¹⁰⁰ Focus group participants also voiced the need for affordable housing in South Central.

“Help us build affordable housing especially for low-income populations and for people who truly need it.” – Lourdes

“Affordable housing and job opportunities because that’s what we need to afford rent. Rent is too high, it’s the hardest thing.” – Juana

“I would like to see more housing and rent lowered...” – Verónica

Affordable housing should be provided, with a diverse strategy of both producing new on- and off-site units and preserving old units. An emphasis should be put on providing housing for families, and a significant portion of housing should be set aside for extremely low income people.



Through Developer

New on-site units at levels of affordability that reach very low income and extremely low income residents.

Example: On-site housing: 25% of units affordable to very low income households.

Total affordable apartments for renters: 15% for residents with very low incomes (those who make less than 50% of the area median income) and 10% for residents with extremely low incomes (those who make less than 30% of the area median income).



Through Developer & Community Benefits Agreement

Funds for acquiring land and building new off-site units.

Funds to preserve and rehab existing units.

Example: \$20,000,000 paid to City Affordable Housing Trust Fund or community benefits fund for affordable housing.



City

Target new investments and policies to achieve new off-site affordable units.

Preserve old/existing affordable units.

RECOMMENDATIONS



RECOMMENDATION Prevent Displacement

The Los Angeles Department of City Planning's Plan for a Healthy Los Angeles (2015) "acknowledges the negative health consequences of displacement," (p.15)¹⁰² and offers mitigation strategies to "create opportunities for existing residents to benefit from local revitalization," (p.32). These include supporting local employment opportunities, protecting and expanding affordable housing options for low-income residents, and maintaining culturally relevant resources, including case management, for Los Angeles residents to "access the benefits created by new development and investment in their neighborhoods" (p. 137).¹⁰² This is in alignment with the LADPH recommendation to:

"Support housing, land use, and economic development policies that prioritize anti-displacement as new investment enters an area. This includes, but is not limited to, preserving or replacing affordable housing for low-income community members in all neighborhoods and areas undergoing new development," (p. 29).¹⁰⁰

Programs should be put in place to prevent the displacement of local residents from their homes. Measures should include staffing for renter advocacy and organizing initiatives, funds for tenant associations and emergency rental assistance, enforcement of existing renter protections, and the establishment of new renter protections in the surrounding neighborhoods.

To achieve neighborhood stabilization goals, resources should prioritize residents who are most vulnerable to displacement in the areas closest to the project site.



Through Developer & Community Benefits Agreement

Funds for staffing tenant organizing/advocacy and legal services initiatives.

Funds for tenant associations and emergency rental assistance.



City

Funds for tenant associations and emergency rent relief.

Enforcement of existing renter protections.

Establish enforceable "anti-displacement/no net loss" zones within a 1-mile radius of the project site. Create a community-City partnership to monitor and collaborate around anti-displacement efforts.



RECOMMENDATION House and Protect the Homeless

Maintaining housing and preventing homelessness not only helps protect the health of those who are at risk of homelessness, but also makes good economic sense for the region. The standard monthly public cost for homeless individuals is \$2,879 per individual, a cost five-times greater than their counterparts who have received housing.³¹ Research shows that public spending focused on social services, including housing subsidies, can produce better health outcomes than healthcare services spending.¹⁰³

The LADPH has made a recommendation to:

"Expand efforts to increase access to permanent housing with supportive services for homeless individuals and families to help them maintain stability and self-sufficiency," (p. 29).¹⁰⁰

One of the focus group participants from South Central shared his thoughts on the need for housing for the homeless through the Reef Development Project.

"The thing about it is we got 30,000 homeless people, and we just asking for 30 homes, not even getting that." – Wallace

Funding should be provided to house and protect the homeless in the area. In addition to producing/financing permanent supportive housing, their rights to rest and to maintain possessions in encampments must be protected and they should be provided with facilities and case management services.



Through Developer

Provide on-site rent-free facilities for case management services. Maintain rent-free status for 20 years.



Through Developer & Community Benefits Agreement

Funds for permanent supportive housing for chronically homeless residents.

Funds for case management services.

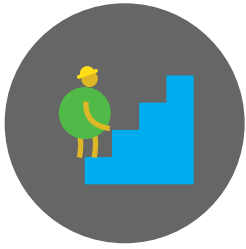


City

Provide facilities and case management services.

Enforce/enact policies to protect the rights of the homeless.

RECOMMENDATIONS



RECOMMENDATION **Create Good Jobs and Career Pathways for Local Residents:**

The Los Angeles Department of City Planning's *Plan for a Healthy Los Angeles (2015)* cites health-supporting policies in the City's General plan, including one framework element policy to: "support efforts to provide all residents with reasonable access to transit infrastructure, employment, and educational and job training opportunities," (p. 145).¹⁰²

Recent research indicates that lower levels of metropolitan income inequality and segregation are related to sustained regional economic growth.¹⁰⁴ Rather than perpetuating and possibly exacerbating existing income inequalities and segregation in the region, the developers and the City have an opportunity to incorporate economic opportunities into the redevelopment process and outcomes through jobs for those in the community at highest risk, including: those in the geographic vicinity of the development who are likely to be impacted by financial strain or displacement directly or through their employers, and people with multiple barriers to employment such as single mothers, previously incarcerated people, and/or "at risk" youth ages 18-24.

There are multiple opportunities for the City and the developer to partner with other groups to achieve these recommendations, including: coordinating job training among County agencies, working with Unions on labor agreements, working with organized labor (building trades) and City Council to coordinate jobs with housing displacement protections, working with the LA Black Worker Center to assist in hiring Black workers, and providing preference for off-site contractual agreements to minority and woman-owned businesses, and/or businesses that pay a living wage.

Focus group participants also mentioned the need for jobs to be targeted for those who are currently in the neighborhood.

"More work for those of us who are undocumented. More jobs." – Ruth

"I wish there were more investment in my community... investment in businesses, but for the jobs to be for people that live here... for it to be welcoming to the people regardless of immigration status... We also need job training programs so people can be better prepared and for the education to be of quality." – Patricia

A Community Jobs Training and Placement program should be created to provide jobs for local residents, including construction jobs created by the development and permanent jobs with the businesses located on site after construction.

Funding should be provided for workforce development and job pipelines. Local high schools should be partners in developing career pathways for students, and the community should have an ongoing role in monitoring jobs programs.



Through Developer

Examples:

Construction jobs for the development: 40% local hiring, with 20% for disadvantaged residents including those who are homeless or aged-out foster youth.

Future retail jobs: 50% local hiring, with 30% for disadvantaged residents.

Maintenance jobs: 100% local residents and require a living wage.



Through Developer & Community Benefits Agreement

Establish a policy through the CBA for community-based monitoring and enforcement of local and targeted hiring policies. Provide funding to support this activity.

Funds for workforce development and job pipelines, including community-based training and placement programs.

Example: \$300,000 to community benefits fund to support Jobs Coordinator and the creation of a Community Jobs Training and Placement program.

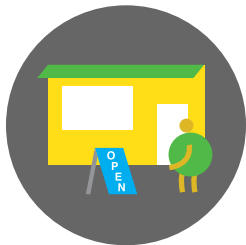


City

Funds for workforce development and job pipelines to supplement project-related funds.

Leverage existing City services to bolster Community Jobs Training and Placement program.

RECOMMENDATIONS



RECOMMENDATION Support Small Businesses:

The CDTech survey of small businesses in South Central reports that of the businesses surveyed who have at least one employee, 52% hire locally, and an additional 24% have at least some local employees.⁹³ This means that supporting economic development for local residents through jobs also means supporting local businesses that are currently providing many of those jobs, to make sure they are not displaced.

The report goes on to describe these businesses.

“The small business establishments in the surveyed project area referred to as the ‘Reef’ represent the diverse population and historical contexts of the neighborhood’s many uses. The variety of affordable goods and services they offer are reflections of the ethnic makeup and economic needs of the neighborhood residents. Small businesses are long-term investors in the community – who, in turn, draw their immediate capital from the neighborhood directly, making them a unique element of a neighborhood’s DNA.

“At the same time, businesses are under-resourced and at high risk of displacement. Rents continue to rise, and leases shorten; the minority percentage of small businesses who have an actual formal lease agreement, still have no long term stability nor rent control, and all find themselves struggling to advocate for their rights/ability to stay if the owner raises their rent too high, forcibly evicts them, or sells the property,” (p. 3).⁹³

Supporting these existing small businesses within the context of the Reef Development Project could be achieved through a few concrete efforts, such as supporting physical improvements like improved signage, using promotional reach to support off-site businesses, and establishing an emergency fund for small businesses.

Focus group participants also had suggestions for economic development in the area.



“Invest in the small business owner and help build them up to the point where they are attractive and customers want them... Help build what is already there and these are the people who are invested in this community. So they are the ones who are going to take care of it.” – Cynthia

“Affordable economic development. Have a forgivable loan or a forgivable grant... You have to hire locally, hire neighborhood kids, create co-ops... It can be done. It should be done.” – Pat

Small businesses, both on- and off-site, should be supported with funding, support, and technical assistance. Care should be taken to support existing community-serving small businesses in the neighborhood. Innovative models that enhance economic security for residents vulnerable to displacement – such as cooperative businesses run by local residents – should be supported.



Through Developer

Example: Create incubator space for local and community-based small businesses.

Provide a percentage of retail space at discounted rent levels for community-serving businesses that are culturally and economically accessible to local residents.



Through Developer & Community Benefits Agreement

Funds for support and technical assistance for both on-site and off-site small businesses.

Example: 10% of retail space for community-serving businesses at discounted rent.

\$300,000 for small business support fund.

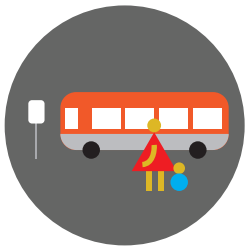


City

Support and technical assistance for both on-site and off-site small businesses.

Establish programs/policies to protect off-site businesses from displacement due to rising rents.

RECOMMENDATIONS



RECOMMENDATION **Maintain Public Transit Use** **by Local Residents:**

The City of Los Angeles Department of City Planning considers public transit to be a key for achieving both environmental and social health and well-being. One of the main goals for the Department of City Planning is to promote a form of sustainable growth that opens access to resources for all Los Angeles residents, particularly for the underserved.¹⁰²

The City's commitment to sustainability is directly associated with its aim to invest in development that is intentionally located along transit corridors and within transit-rich neighborhoods.¹⁰² The City views its public transit system as a primary mechanism for benefiting the environment.¹⁰²

"There's transit oriented development, and this is the last best chance to get affordable housing in that area and protect it... It's not so much what you're displacing with a big development, but what you're giving up by doing a housing development that does not take into account this huge opportunity." – Manuel Pastor, University of Southern California, Professor

Los Angeles' 2009 Long Range Transportation Plan (LRTP) also recognizes the importance of transit in achieving environmental justice. The Transportation Plan promotes transit investment in areas with lower-income populations, as it is lower-income people who are most transit-dependent.¹⁰⁵

Access to public transit should be maintained for those who most utilize it and depend upon it – the current residents of the neighborhood. Utilize actions listed above for housing and economic development to avoid replacing current transit-users living in a transit-oriented neighborhood with new residents who will be less likely to use transit.



Through Developer

Provide monthly transit passes to tenants living in affordable housing units on site.



Through Developer & Community Benefits Agreement

Funds to provide monthly transit passes to tenants living in affordable housing units off site.



City

Maximize City, County and transit agency services for low-income transit riders in the area.



RECOMMENDATION **Protect the Safety and** **Security of the Community:**

The Los Angeles Department of City Planning's *Plan for a Healthy Los Angeles* (2015) lists "safe and just neighborhoods" as one of its primary focus areas and states, "Safe neighborhoods are free from violence and crime and are characterized by a trusting, collaborative relationship between law enforcement and residents," (p. 108).¹⁰² Data from this study suggest that there is still work to do to achieve protection from crime and also achieve a trusting and collaborative relationship between law enforcement and residents, and that sometimes efforts to achieve the former may come at the expense of the latter. The City has an opportunity to renew these efforts in a meaningful, community-oriented way, through the redevelopment process. The City and the developer can also incorporate additional new efforts to ensure safety and security of the residents, making sure to include private security forces into their considerations.

The safety and security of the community should be protected. Police should be available to protect the residents of the area, but at the same time, programs should be put in place to make sure that neighborhood residents, including homeless residents, are not criminalized or targeted by police or other security staff.



Through Developer

Create event programming on site to raise awareness and build capacity among community members and security professionals around anti-criminalization practices.

Rules and regulations should be put in place so that low-income residents are not discriminated against, by management or other residents, within the development.

RECOMMENDATIONS



Through Developer & Community Benefits Agreement

Programs should be put in place to make sure that neighborhood residents are not criminalized or targeted by security staff.

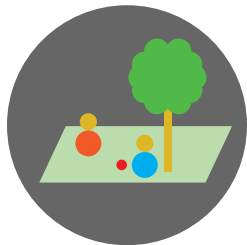
Establish a community board overseeing the policies and practices of on-site and off-site security.



City

Work in collaboration with the on-site community oversight board to extend the anti-criminalization policies and practices to include City and County police forces.

Police should be available to protect the residents of the area, but at the same time, programs should be put in place to make sure that neighborhood residents are not criminalized or targeted by police or other security staff.



RECOMMENDATION **Provide Green Space for** **Neighborhood Residents:**

The Los Angeles Department of City Planning's *Plan for a Healthy Los Angeles* (2015) also features "bountiful parks and open spaces" as one of its overarching goals to achieve a healthy City.¹⁰² The guidance document specifically states:

"Abundant and accessible parks and beautified open spaces are fundamental components of healthy neighborhoods... As a top health priority, the Plan for a Healthy Los Angeles strives to improve access to existing parks and open spaces and prioritizing new parks in the most underserved neighborhoods," (p. 53).¹⁰²

The City already has a process to do this, through the Quimby fee system, though this process is currently being revised. Based on these goals from the City, it would be expected that Quimby fees collected from the development should be spent on constructing and/or maintaining parks within poor areas of South Central.

The focus group participants reported an interest in more parks.

"I wish there were more parks for the kids." – Ruth

"More parks, a big, big one. We just have one." – Maria

"There aren't enough parks, on the contrary, they want to close them." – Ana

"I would like programs [at the parks] like we used to have." – Lourdes

Green space created by new development should be made public and open to neighborhood residents, with space planned for community gardens and local produce sales. Funding should be provided to create and improve off site parks and to carry on active programming for children and families.



Through Developer

Green space created by the development should be made public and open to neighborhood residents, with space planned for community gardens and local produce sales.



Through Developer & Community Benefits Agreement

Funding should be provided to create and improve off site parks and to carry on active programming for children and families.



City

Funding should be provided to create and improve off site parks and to carry on active programming for children and families.

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Human Impact Partners is a national non-profit working to transform the policies and places people need to live healthy lives by increasing the consideration of health and equity in decision-making. Through research, advocacy, and capacity-building, we bring the power of public health science to campaigns and movements for a just society.

For more information, contact Holly Avey at Human Impact Partners, 510-452-9442 ext 108 or visit www.humanimpact.org.

Assessing Health and Equity Impacts of the Proposed Reef Development Project in South Central Los Angeles:

Appendices



October 2015

APPENDIX A. HIA PROCESS AND METHODOLOGY	3
HIA PROCESS	3
STAKEHOLDER ENGAGEMENT	3
DATA COLLECTION	3
METHODS	4
LITERATURE REVIEW	4
FOCUS GROUPS	5
SUBJECT MATTER EXPERT INTERVIEWS	5
STRENGTHS AND LIMITATIONS OF THIS METHODOLOGY	6
APPENDIX B. FOCUS GROUP METHODOLOGY	7
FOCUS GROUP QUESTIONS AND PROBES	8
APPENDIX C. SUBJECT MATTER EXPERT INTERVIEW METHODOLOGY	11
APPENDIX D. CDTECH SMALL BUSINESS NEEDS AND OPPORTUNITIES SURVEY	20

Appendix A. HIA Process and Methodology

HIA Process

HIA is a flexible process that typically involves six steps:

1. Screening involves determining whether or not an HIA is warranted and would be useful in the decision-making process.
2. Scoping collaboratively determines which health impacts to evaluate, the methods for analysis, and the workplan for completing the assessment.
3. Assessment includes gathering existing conditions data and predicting future health impacts using qualitative and quantitative methods.
4. Developing recommendations engages partners by prioritizing evidence-based proposals to mitigate negative and elevate positive health outcomes of the proposal.
5. Reporting communicates findings.
6. Monitoring evaluates the effects of an HIA on the decision and its implementation as well as on health determinants and health status.

Stakeholder engagement

Stakeholder engagement, including participation of community members who are directly impacted by the development, is a vital part of HIA. We engaged stakeholders primarily through participation in the Advisory Committee and through data collection.

Advisory Committee

The Advisory Committee consisted of representatives of member organizations in the UNIDAD Coalition and additional members, who are listed on the acknowledgements page of this report.

The advisory committee met by phone in July 2015 and in-person in Los Angeles in October 2015. The Advisory Committee advised HIA researchers on where to find specific data and research, organizing focus groups, how to communicate findings, the political context of the proposed development, review of the draft findings and the draft report, and regarding recommendations. The Advisory Committee represented the primary channel through which affected community members were engaged. The Advisory Committee also played a key role in disseminating the HIA findings and recommendations.

Data Collection

The need to gather data and research for HIA is one way to begin or start a discussion about the impacts a policy has on health. We engaged stakeholders for the following data collection tasks:

- *Focus Groups.* Esperanza, SAJE, CDTech, TRUST South LA, and the St. Francis Center helped to organize the focus groups with residents of South Central Los

Angeles and with homeless and food bank clients from the area who are served by the St. Francis Center.

- *Subject Matter Expert Interviews.* Interviewees provided valuable context on the experiences of small business owners in South Central Los Angeles; the perspective of a representative of a school system in the area; the perspective of a church leader for a church that was originally established to serve the African American population in the area, but has since expanded to also provide services to the Latin@ population; and a researcher who is well-versed in the demographic, built environment, gentrification, and immigrant rights issues that are specific to Los Angeles.

Methods

The following methods were employed to describe existing conditions and make impact predictions related to residents and businesses of the South Central Los Angeles community. Human Impact Partners:

- Review of the scientific (peer-reviewed) and grey (non peer-reviewed) literature;
- Data collection from existing sources, such as the American Community Survey, and data from the Los Angeles County Department of Public Health;
- Focus groups with residents of the South Central Los Angeles neighborhood; and
- Subject matter expert interviews with small business owners, the principal of a local school, a researcher from the University of Southern California, and a pastor from a local church.

The data collection area used to define South Central Los Angeles was established through consultation with community partners that work in the area. Partners from Esperanza and SAJE identified census tracts to use, and a contact from the Los Angeles County Department of Public Health identified the community planning area most closely aligned with the collection of their data.

Additional data was obtained, analyzed, and utilized from a survey of South Central neighborhood residents conducted by SAJE and a survey of small business owners conducted by CDTEch.

Literature Review

For the literature review we gathered empirical evidence using databases such as Google Scholar, general Internet searches, and other public health and sociological databases. Grey literature included reports produced by organizations and institutions such as Causa Justa, the Los Angeles County Department of Public Health, PolicyLink, the Robert Wood Johnson Foundation, the University of Southern California, the U.S. Department of Housing and Urban Development, the National Low Income Housing Coalition, the California Housing Partnership Corporation, the U.S. Conference of Mayors, the Los Angeles Homeless Services Authority, ChangeLab Solutions, and others.

Focus Groups

Five separate focus groups in Los Angeles consisted of a total of forty-one participants. Please see Appendix B for more information on the focus group methodology, including recruitment methods and discussion guides. Typed and recorded notes were taken during the focus groups and all participants granted permission to use quotes gathered for this report.

Interviews with Subject Matter Experts

Six interviews were conducted with subject matter experts (see page 3 for listing) with three small business owners in the area, the principal of Santee Education Complex located very near the proposed Reef Development location, a researcher from the University of Southern California Sociology department, and a pastor from the 2nd Baptist Church.

Advisory committee members identified subject matter experts to interview. Interviews with small business owners were coordinated and co-facilitated by a representative from CDTEch. For other interviews, Human Impact Partners staff sent an email and/or contacted the person by phone explaining the project and requesting an interview. All interviews were conducted in person except for the interview with Pastor Epps, which was conducted over the phone. Please see Appendix C for an example interview guides. Typed notes were taken during the interviews and all interviewees granted permission to use quotes gathered for this report.

Predicting the of Effects of the Reef Development Project on Gentrification, Financial Strain, and Displacement

When calculating the number of people at risk for financial strain and displacement as a result of the gentrification that would occur with the Reef Development Project, the buffer zones were selected based on an analysis of rising property values for homes in a low-income neighborhood adjacent to the planned Atlanta Beltline,¹ which provides evidence for the way that a large scale project could impact property values in a low income neighborhood. This analysis showed that property values increased the most when they were within 1/8 to 1/4 mile from the Beltline, and properties that were within ¼ to ½ mile from the Beltline also increased significantly. Smaller increases in property values were also experienced for properties between ½ mile and 2 miles from the redevelopment. The study also demonstrated that property value increases coincided with media coverage of the Beltline, years before actual construction.

The people most likely to be negatively impacted by increased property values are renters, particularly those who are already burdened by housing costs. The number of cost-burdened renter households within each buffer zone was calculated by census tract, based on whether the majority of a tract fell within the zone. Only census tracts identified as within the South Central study area were included (see the *About the Report* section of this report for more details).

We then estimated the number of people in these households based on the average renter household size in each tract, as shown in Table 4 of the report.

Many of these renters will have some protection against rising rents if they live in deed-restricted affordable housing or rent-stabilized units (and know the rights afforded to them under Los Angeles's Rent Stabilization Ordinance.) The most vulnerable renters will be those who live in units – such as detached single-family homes – that are not rent-stabilized and thus have little recourse if their landlords choose to raise rents.

Strengths and Limitations of this Methodology

We faced several limitations in conducting this assessment. For example, the timeline for conducting this study was only four months in length, so the scope of the project was limited to primarily just the impacts of gentrification on financial strain and displacement, though there are many other potential impacts of redevelopment that could also potentially impact the health and equity of community members. And while we collected qualitative data to describe the experience of living in the South Central Los Angeles community, these findings are not meant to compare residents of South Central Los Angeles to the City of Los Angeles as a whole, or to make claims about statistically significant differences. Also, definitions around the South Central community and the concept of community in general vary depending on differences in lived experience that produce individual and, at times, divergent ways of identifying with one's surroundings. Finally, with any study of how an intervention affects outcomes, there are myriad social changes in the residents who live in this community that also impact the outcomes of interest studied in this report.

Numerous strengths are evident as well. The participation of Advisory Committee members ensured that we included a variety of community perspectives and were able to access community members who might not otherwise have participated in this study. As a result, the voice of the community is strong in this report. Furthermore, their connections to small business owners, service providers, and community resources, provided us with access to meaningful and credible stories that provide additional context to our findings.

Appendix B. Focus Group Methodology

Five focus groups were conducted on August 25-27, 2015. Focus groups were conducted to answer questions where there were gaps in the literature and existing conditions data, to confirm findings from those sources, and to provide additional localized context and understanding to these topics. Partner organizations Esperanza Community Housing Corp. and SAJE were compensated for their services in recruitment and facilitation, as well as to provide stipends to each focus group participant, to supply food during the meetings, and to address any other barriers to participation through the provision of transportation or parking reimbursement, childcare services, and so on, as needed.

A critical case sampling selection strategy² was used to recruit critical populations where data was currently lacking: English and Spanish-speaking residents of the community directly surrounding the proposed Reef Development Project, including homeless populations and those of extremely low income who utilize community foodbank services.

Several partner organizations – Esperanza, SAJE, CDTech, TRUST South LA, and the St. Francis Center – recruited focus group participants for the five groups – through existing connections with their client base. Recruiters from each organization worked together to populate a spreadsheet of potential participants and establish estimates of potential demographic variables of interest, to attempt as much variation as possible. Such criteria included: primary language, gender, age, race/ethnicity, children living with them, etc.

All five focus groups had at least one or two facilitators and one note-taker. All focus groups had one staff member or consultant from one of the recruiting partner organizations and one or two staff members from Human Impact Partners. All five focus groups were held in Los Angeles. Participants all provided verbal assent to participate after receiving a detailed description of what would occur, how it would be recorded, and how the data would be used. All adult participants were sent the final quotes that were used in the report in advance, with an opportunity to have them deleted or modified if they felt it did not accurately reflect what they said. One focus group participant corrected one word of her quote before it was included, no other focus group participants selected to have their quotes modified in any way or deleted.

Detailed notes were collected at each focus group, in addition to audio recordings, which were used just to clarify specific quotes as needed. Following the guidelines of qualitative researchers Miles and Huberman³, a codebook was created prior to reading the data. The codebook was informed by theoretical constructs, literature review, and preliminary research gathered from stakeholder feedback during the early phases of the HIA process. The data from the focus group notes were then reviewed line by line by Human Impact Partners staff to identify segments of the text that could be coded according to these previously selected themes and categories. In addition, data that did

not fit into these themes and categories were categorized into their own “in vivo” codes, according to Strauss’s guidelines on codes that derive from the data itself.⁴ (Codebook is provided after interview guides.) Finally, the data were analyzed by reviewing all codes in the same category to derive and further summarize the codes that most clearly represented those overall concepts. Selected examples of these codes were incorporated into the final HIA report where they offered additional context, depth, validity, or original concepts to the critical concepts in the report.

Focus Group Questions and Probes

For each focus group, we prepared a set of questions to guide the conversation. We also included probes for some questions in case the focus group discussions needed extra direction. See questions on the following pages.

References

1. Immergluck D. Large Redevelopment Initiatives, Housing Values and Gentrification: The Case of the Atlanta Beltline. *Urban Stud.* 2009;46(8):1723-1745. doi:10.1177/0042098009105500.
2. Cohen D, Crabtree B. *Qualitative Research Guidelines Project*. Robert Wood Johnson Foundation; 2006. <http://www.qualres.org/HomeSamp-3702.html>.
3. Miles M, Huberman A. *Qualitative Data Analysis*. 2nd ed. Thousand Oaks, CA: Sage; 1994.
4. Strauss A. *Qualitative Analysis for Social Scientists*. Cambridge, UK: Cambridge University Press; 1987.

Focus Group Interview Guide

Warm up Questions:

- 1) What is your name and how long have you lived in South LA?
- 2) What kind of employment do you have or does your partner have?

Financial strain

- 3) What percentage of your income do you spend on your rent or mortgage?
- 4) How does the cost of rent or mortgage affect your ability to pay for other things you need? (Examples your: food, utilities, clothing, transportation, educational resources for children, and other necessities)
- 5) Is it stressful when you can't afford the things you need? What kinds of choices would you have to make if you couldn't afford everything you need?
- 6) How do you think those choices would affect your health?
- 7) How would those choices affect the health of your children and other family members?

Displacement

- 8) If the cost of rent or property taxes went up in your neighborhood, how likely are you to move to a different neighborhood? What neighborhood would you move to and why?
 - a) Do you think you would stay connected with the neighbors you've gotten to know here?
- 9) How would relocating/moving affect life in this neighborhood if people start to leave because they can't afford to live here?
 - a) What would happen to the businesses?
 - b) What would happen to the schools? (Ex: would children have to switch schools, less funding for schools etc)
- 10) How do you think those experiences (being evicted, losing your home, losing connection with friends/neighbors) would affect your stress level? Your health? The health or stress of your children and family?

Concluding questions

- 11) What kinds of changes would you like to see in your community? (ex: community resources, schools, retail, green space, safety, access to healthy foods, access to health resources etc.)
- 12) What makes you proud of your community? What are some of the things you enjoy doing in your community and/or with your family?
- 13) Is there anything else you would like to share regarding our discussion?

Guía para grupo de enfoque

Preguntas iniciales:

- 1) ¿Cómo te llamas y cuánto tiempo tienes viviendo en el sur de Los Angeles?
- 2) ¿En qué trabajas tú o tu pareja?

Problemas Financieros

- 3) ¿Qué porcentaje de tus ingresos gastas para la renta o hipoteca?
- 4) ¿Cómo afecta el costo de la renta o hipoteca tu habilidad de pagar otras necesidades? (Ejemplos: comida, utilidades o facturas de servicios públicos, ropa, transportación, recursos de educación, y otras necesidades)
- 5) ¿Es estresante cuándo no puedes pagar las cosas que necesitas? ¿Qué clase de decisiones tendrías que hacer si no pudieras pagar todas las cosas que necesitas?
- 6) ¿Cómo crees que estas decisiones afectarían tu salud?
- 7) ¿Cómo crees que estas decisiones afectarían la salud de tus hij@s y otros miembros de tu familia?

Desplazamiento

- 8) Si el costo de la renta o impuestos de propiedad suben en tu vecindad, ¿qué tan probable sería que te mudaras a otra vecindad? ¿A qué vecindad te mudarías y por qué?
 - i. ¿Crees que te quedarías en contacto con tus vecinos a quienes has llegado a conocer aquí?
- 9) Si la gente empieza a mudarse o reubicarse porque no pueden pagar el costo de vivir aquí ¿cómo afectaría la vida en esta vecindad?
 - i. ¿Qué le pasaría a los negocios?
 - ii. ¿Qué le pasaría a las escuelas? (Ejemplo: tendrían que cambiar de escuelas los estudiantes, habrían menos fondos para las escuelas etc.)
- 10) ¿Cómo crees que esas experiencias (ser desalojados, perder tu casa, perder conexión con amistades y vecinos) afectarían tu nivel de estrés? ¿tu salud? ¿la salud o estrés de tus hij@s y familia?

Preguntas conclusivas

- 11) ¿Qué clases de cambios te gustaría ver en tu comunidad? (Ejemplo: recursos comunitarios, escuelas, venta de al por menor, parques o espacios verdes, acceso de recurso de salud etc.)
- 12) ¿Qué te orgullece de tu comunidad? ¿Qué actividades disfrutas hacer en tu comunidad y/o con tu familia?
- 13) ¿Hay algo más que te gustaría compartir acerca de nuestra discusión?

Appendix C. Subject Matter Expert Interview Methodology

In addition to focus groups, six subject matter expert interviews were also conducted to provide additional localized context and understanding to the impacts of the proposed Reef Development Project on the South Central Los Angeles community.

Six subject matter expert interviews were conducted (see page 3 for listing) with three small business owners in the area, the principal of Santee Education Complex located very near the proposed Reef Development location, a researcher from the University of Southern California Sociology department, and a pastor from the Second Baptist Church.

Advisory committee members identified subject matter experts to interview. Interviews with small business owners were coordinated and co-facilitated by a representative from CDTech. All other interviews were conducted by Human Impact Partners staff.

Specific interview questions can be found on the following pages.

Subject Matter Expert Interview – small business owners

Intro

Explain Reef project and research project

Background on the business

1. What did you do before you opened the business?
2. Can you tell me about your business? What services/products do you provide? Why (goals: serve community, provide a product/service, profit growth)?
3. How many people do you employ and what are your employment practices? (within the community?)
4. Who are your customers?
 - a. People from neighborhood? Race/ethnicity, gender, income? (Just describe them)
 - b. Do they live here? Work here? Both?

Neighborhood context for the business

5. Do you live in the neighborhood? What was the reason you started your business in this neighborhood? Does it matter to your customers that they know you?
6. What is your relationship with other businesses in the area?
 - a. Are relationships based on shared customer base? Shared cultural heritage?
7. How is the money from your business invested in the community?
 - a. Any other ways you “give back to community”? (sponsorships/donations/informal support)

Changes over time and Displacement

8. If the cost of rent went up in your neighborhood, how likely are you to move your business to a different neighborhood (or to close your business)? What neighborhood would you move to and why?
 - a. How does the cost of rent or mortgage affect your ability to pay for other things you need for your business? (Examples your: paying your staff, supplies/products, utilities, etc.)
 - b. What would happen if the residents and clientele in the neighborhood started to change? How would that affect the services/products you offer, the pricing, the staffing of your store, etc.
 - c. Where would current clientele be able to get the resources/services you offer if your business had to move?
9. Do you think you would stay connected with the customers and other business owners you’ve gotten to know here?
10. As a business, what are your needs? Are those needs met in the neighborhood?

Concluding questions

11. What kinds of changes would you like to see in this neighborhood? (ex: community resources, schools, retail, green space, safety, access to healthy foods, access to health resources etc.) What are the needs of your business?
12. What makes you proud to be a business owner in this neighborhood?
13. Is there anything else you would like to share that you would like to share regarding our discussion?

Entrevistas de informantes – propietarios de pequeñas empresas

Introducción

Explica el proyecto Reefy y el estudio

Antecedentes sobre la empresa

1. ¿Qué hacías antes de abrir tu negocio?
2. ¿Me puedes contar sobre tu negocio? ¿Qué servicios o productos provees? ¿Por qué? (meta de servir a tu comunidad, proveer productos o servicios, ganancias)?
3. ¿Cuántas personas trabajan aquí? ¿Viven en esta vecindad tus empleados?
4. ¿Quién son tus clientes?
 - a. ¿Son personas que vive en esta vecindad? ¿Trabajan aquí? ¿Los dos?

Contexto de la vecindad para el negocio

5. ¿Vives en esta vecindad? ¿Cuál es la razón por la que empezaste tu negocio en esta vecindad? ¿Es importante que tus clientes te conozcan?
6. ¿Cómo es tu relación con otros empresarios en la área?
 - a. ¿Tienen una relación por lo que comparten clientes? ¿Por qué comparten una cultura?
7. ¿Cómo inviertes en tu comunidad como empresarios?
 - a. De alguna manera devuelves a tu comunidad? Patrocinando, donaciones, apoyo informal

Cambios a través del tiempo y desplazamiento

8. Si el costo de la renta para tu negocio sube, ¿qué tan probable sería que mudaras tu negocio a otra vecindad (¿o cerrar tu negocio?). ¿A que vecindad te mudarías y por qué?
 - a. ¿Cómo afecta el costo de la renta de tu negocio tu habilidad de pagar para otras cosas que necesitas para tu negocio? (Ejemplos: pagar a empleados, materiales/producto, gastos etc.)
9. ¿Qué pasaría si los residentes y los clientes de la vecindad empiezan a cambiar? ¿Cómo afectaría los servicios/productos que ofreces, los precios, los empleados, etc.
 - a. ¿Dónde irían los clientes que tienes para los servicios y recursos que tu negocio ofrece si te tuvieras que mover?
10. ¿Crees que te quedarías conectad@ con los clientes y otros empresarios que haz llegado a conocer aquí?

Preguntas conclusivas

11. ¿Qué clases de cambios te gustaría ver en tu comunidad? (Ejemplo: recursos comunitarios, escuelas, venta de al por menor, parques o espacios verdes, acceso de recurso de salud etc.) ¿Qué son unas necesidades de tu negocio?
12. ¿Qué te orgullece de ser empresario en esta comunidad?
13. ¿Hay algo más que te gustaría compartir acerca de nuestra discusión?

Subject Matter Expert interview – Martin Gomez, principal,
Tuesday August 25, 2015 9:25-10:15AM
Santee Education Complex

Intro - Explain Reef project and research project

Background Questions

1. Could you start by telling me a little about your connection to the South LA community? Had you previously worked or lived here?
2. Why did you choose the field of education? Have you worked in other school districts? Housing conditions that students live in? Challenges to school/studying?

School Climate

3. What percent of students are bussed in from other neighborhoods?
4. As an educator, what is your perception of Santee High being 100% free & reduced lunch and having 100% black & brown students—94% Latino, 6% African American.
 - a. How do you think this will impact them when they go off to colleges, where that racial/ethnic composition is not the case?
5. How involved are the parents in their children's education? What are some sources of stress for Santee High Students? Their parents?
 - a. What are some impacts on their education status? Impacts on their health? (Asthma, diabetes, dental care) And what are ways they cope with stress?

Neighborhood

6. We've heard that South LA has a transient population – why do they move? Is it because of affordability of neighborhood? Work-related?
7. How much does housing stability in the area impact the students' attendance rates? Or any other challenges they may experience as a result of evictions, etc. How do people view Skid Row and being so close to it? Are there students who are homeless? If so, what percentage?
8. How would you describe the level of social cohesion in the neighborhood – if people are more likely to be transient, are there still strong social connections? What supports those social connections? What hurts them?
9. Are there any influences of the history of the neighborhood on current conditions? Political history? Cultural history?

Gentrification

10. Have you experienced, witnessed, or heard of any impacts of gentrification on the neighborhood in this area or other areas? Explain
11. What's your fear if gentrification happens?

12. Do you think there could be opportunities that might result from gentrification or the development?

Concluding questions

13. What kinds of changes would you like to see in this community? (ex: community resources, schools, retail, green space, safety, access to healthy foods, access to health resources etc.)
14. What makes you proud of this community?
15. Is there anything else you would like to share regarding our discussion?

Subject matter expert interview – Manuel Pastor
Wednesday August 26, 2015 12-1pm
950 W. Jefferson Blvd., JEF 102, Los Angeles, CA 90089

Intro - Explain Reef project and research project

- Mention focus groups and interviews being conducted in Spanish (he suggested this for USC HIA)
- Mention interviews with local business owners and focus on investment in local economy
- Will not be specifically studying economic impacts due to limited time and funds and need to streamline, but may be able to make some recs based on his thoughts on this topic

Neighborhood

1. What have been the socio-demographic and economic trends in south LA?
 - a. How have the demographics shifted? (African American to Latino communities – other shifts?)
 - b. How has the economy shifted?
 - i. Manufacturing, small businesses
2. You work on Black-Latino relations, is there anything we can learn from that that would be relevant to south LA, given the changing demographics over time?
 - a. Anything on history of displacement, about immigration status, about disempowerment/empowerment, about structural and systemic discrimination?
3. Can you speak to social cohesion in south LA?

Gentrification and equity

4. In thinking about the planned Reef Project and its potential impacts on the current residents of south LA, what are the potential impacts on equity, the economy/jobs, housing, health, social connections, culture, etc... of this project?
 - a. How might these effects impact the community?
 - b. What are some ways to counter those negative impacts?
 - c. Any positive impacts that might happen?
5. What are the opportunities to achieve or enhance social justice through the response to this proposed development? What do developers and community leaders need to know?
6. What are some issues around gentrification, population, culture, economy, etc. that people don't understand or don't think to ask about that we should consider?
7. What are your thoughts on balancing the needs for people in a particular neighborhood with the needs of a region overall? How can the need for housing at a regional level be balanced with the potential for displacement at a neighborhood scale?

Concluding questions

8. What kinds of changes would you like to see in the South LA community? (ex: community resources, schools, retail, green space, safety, access to healthy foods, access to health resources etc.)
9. Is there anything else you would like to share regarding our discussion?

Subject matter expert interview – Pastor Epps

Intro Explain Reef project and research project

Background on his church

14. What did you do before you began your service at 2nd Baptist Church?
15. Can you tell me about your church? How long has it been in this neighborhood?
What is the mission of this church?
16. Can you tell me about your congregants? Who comes to your church?
 - a. How many people?
 - b. Do they live in the neighborhood?
 - c. Age, race/ethnicity, gender, income? (Just describe them)
 - d. Have they changed over time?

Neighborhood context for the church

17. Do you live in the neighborhood? What was the reason you came to this church in this neighborhood?
18. What is your relationship with other churches and residents in the area?
 - a. What makes those relationships helpful?
 - b. What makes them challenging?
19. How does your church contribute to the neighborhood?
 - b. Any other ways you “give back to community”?
(sponsorships/donations/informal support)

Changes over time and Displacement

20. If the cost of rent went up in this neighborhood, how would that affect your church and its congregants?
 - a. Would you ever move the church to a different neighborhood because of rising costs? What neighborhood would you move to and why?
 - d. How does the cost of rent or mortgage affect your church? (Examples your: paying your staff, supplies, utilities, etc.)
 - e. What would happen if the residents in the neighborhood started to change? How would that affect your church?
 - f. Where would current congregants be able to go to church if your church had to move?
21. Do you think you would stay connected with the residents and other churches you’ve gotten to know here?
22. As a church, what are your needs? Are those needs met in the neighborhood?

Concluding questions

23. What kinds of changes would you like to see in this neighborhood? (ex: community resources, schools, retail, green space, safety, access to healthy foods, access to health resources etc.)
24. What makes you proud to have this church in this neighborhood?
25. Is there anything else you would like to share regarding our discussion?

Appendix D. CDTech Small Business Needs and Opportunities Survey