

# Searching for Home: A Snapshot of Immigrant Renters in Westlake/Pico Union

UCLA Community Scholars Spring 2015



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### **Executive Summary**

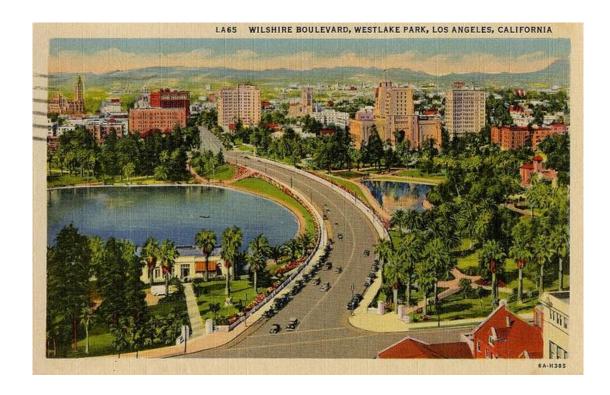
There has been a growing conversation about rents in Los Angeles, particularly regarding the increasing unaffordability. The city has seen rising rental prices, even in the midst of staggering wages. In a study by the UCLA Luskin School of Public Affairs, Los Angeles was labeled the most unaffordable rental market in the country. This label is in part due to the high number of renters in the City of Los Angeles. In the city, 52 percent of households are renters, which is higher than the national average of around 35 percent. In the Westlake/Pico Union neighborhoods of Los Angeles, renter rates are even higher with over 85 percent of households in Westlake/Pico Union self-identified as renters.<sup>1</sup>

"Searching for Home: A Snapshot of Immigrant Renters in Westlake and Pico Union" provides a snapshot of renter conditions and housing supply in the Westlake and Pico Union area. Our purpose is to document the current rental market in Westlake and Pico Union and provide context to what renters in the area are experiencing. In this report we explain the basic demographics of the area, show current renter conditions and examine the current housing stock. The goal of this report is to better understand the Westlake and Pico Union neighborhoods for renter experience, so as to inform future housing development or policy decisions. Our findings indicate that:

- 60 percent of renter occupied households are cost burdened
- 29 percent of renter occupied households are severely overcrowded
- 59 percent of the total population are immigrants
- 44 percent of the total population are undocumented immigrants

Given the evident need of affordable housing in the Westlake/Pico Union neighborhoods, we hope this report will serve as a tool for local organizations to advocate for more affordable housing in the area. We have highlighted some advocacy opportunities on a state, local and neighborhood level. On a state level there are two bills which would generate a funding stream for affordable housing development. Assembly Bill 32 also known as "Cap and Trade" seeks the reduction of greenhouse gasses through comprehensive methods of development, which includes increased affordable housing through Transit Oriented Development. In addition, Assembly Bill 35 seeks to increase low income tax credits by 300 million. Furthermore, the City of Los Angeles is also looking to prioritize housing affordability and is seeking ways to increase revenue sources for the affordable housing trust fund. Lastly, on a neighborhood level, simply having standardized methods of maintaining records of residents seeking assistance with housing issues, validates the experience and need of residents. In addition, it provides a source of data that can assist in the development of mapping tools to identify "troubled areas." Taken in conjunction with the specific needs of the immigrant population and funding constraints, this work will allow for local organizations to be strategic in their advocacy efforts.

<sup>&</sup>lt;sup>1</sup> Rosalie Ray, Ong, Paul, and Jimenez, Sylvia, "Impacts of the Widening Divide: Los Angeles at the Forefront of the Rent Burden Crisis, UCLA Ziman Center for Real Estate



### Introduction

Last summer, the high influx of unaccompanied minors migrating from Central America to the U.S Mexico border sparked concerns for many. People living and working in communities that have become enclaves for migrants from Central America, such as the Westlake and Pico Union neighborhoods of Los Angeles, became especially concerned with the well being of newly arrived immigrants. As a result, this year's UCLA Community Scholars course sought to bring graduate students, community leaders, and residents together to address some of the issues facing the Central American community in Westlake and Pico Union.

Considering recent migration trends to Westlake and Pico Union, and the immediate need to find housing for newly arrived immigrants, a group of Community Scholars students focused their research on housing issues in the neighborhoods of Westlake and Pico Union. Given the lack of research specifically on the Westlake and Pico Union neighborhoods, this report provides demographic

information for the area, highlights, current renter conditions and examines the current housing stock. The goal of this report is to better understand the renter experience in the Westlake and Pico Union neighborhoods so as to inform future housing development or policy decisions.

### The Goal

This report was created through a multi-layered process of drawing on Urban Planning resources and learning about lived experiences in the area of interest. Early in the process the researchers identified a strong collective passion around housing issues, but translating this passion into a project was challenging. We believe that a snapshot of the current conditions of renters in Westlake/Pico Union will serve as future reference and lay the groundwork for effective policy advocacy. Given the early signs of gentrification happening in the community and the fact the neighborhoods of Westlake/Pico Union are enclaves of Central American immigrants; we hope this information will

support nonprofits working in the area to articulate the challenges they are facing and to inform decision makers of housing challenges in the area. Our intention is that this information will lead to a greater focus on the needs of renters in Westlake/Pico Union.

# Methodology

This report was created as part of the UCLA Community Scholars course, which focused on examining how to integrate immigrants into the city. The first 10 weeks of the course focused on exploration of topics centered on the Central American immigrant experience in Los Angeles, specifically Westlake/Pico Union. One recurring theme was housing and the challenges faced by immigrant renters in the area. As the course reached the end of the first 10 weeks, it became clear that there was an interest in the topic of housing and neighborhood conditions in Westlake/Pico Union.

Through presentations and class discussions, a group of six Community Scholars participants organized into a group around the topic. The initial group included three Master's of Urban Planning Students, one Chicano/Chicana Studies Doctoral Student and two Community Members. From the beginning of meetings, there was a strong passion and interest around the topic, but deciding how to best contribute to the topic and to best serve the community through our work became the challenge.

Throughout the process, our goal was to find a way to best support and involve the community. As we started our preliminary research into the topic of housing and rental conditions, we realized that the issues we were discussing were part of much larger issues. With this in mind, we decided to focus our work on a report and policy recommendations. Early on in the process, we spoke with housing expert Jan Breidenbach. With her direction we focused on creating a report of rental housing in the neighborhoods. This type of preliminary research on

these specific communities is not something that has been done before, so we feel that using this as a starting point for further research and policy exploration is critical to changing the situation in the Westlake and Pico Union neighborhoods.

### Data Research

Very little focus has been placed on these neighborhoods in terms of housing and renter data on a city-level or by organizations; therefore it was difficult to find centralized information. The Los Angeles Times' neighborhood map of Los Angeles County is helpful, but, unfortunately, the data is outdated. In order to find more relevant data, we pulled from a number of sources. We used data from the 2013 American Community Survey 5-Year Estimates, the City of Los Angeles Open Data site, the Housing Authority of Los Angeles, the Housing & Community Investment Department and local organizations in Westlake/Pico Union. In order to match the data, we used consistent census tracts for both neighborhoods. The data from the City of Los Angeles, the Housing Authority, and local organizations was given in the form of zip codes. All data relating to housing stock was matched using consistent zip codes. The zip codes that cover the majority of the geographic area for Westlake/Pico Union are 90006, 90057 and 90017.

Once we received the data, we had to clean it to match the corresponding census tracts or zip codes as our study area. The data was sorted to match the Westlake/Pico Union boundaries. In some of the data received from the City of Los Angeles Open Data, it was necessary to further filter and sort the data to be relevant to our specific topic and geographic focus.

Furthermore, outreach to local community organizations was made in an effort to better understand some of the issues residents were facing. The outreach allowed for a better understanding of the role of local organizations and the type of support that is currently available to residents facing housing problems. Data was obtained from

Inquilinos Unidos; a local organization that works to educate local residents about their rights as renters. The dataset used was an intake spreadsheet from the organization's Tenant Legal Resources Clinic. The intake sheet included information on residents who sought help at the clinic for housing problems. The list provided basic information about the residents: date, last name, address zip code, reference source, and the main reason for which residents sought help. This data was cleaned by filtering through each category to gather the total number of cases for each of the main reasons why people sought help. In addition, the data was also filtered by zip code in order to isolate the cases within the Westlake/Pico Union area.

We acknowledge that there are limitations to our study given the limited access to data and limited time for this project. We address areas for further research later in this report.

#### **Interviews**

To better understand renters' experiences, we chose to conduct interviews with local residents. Their narratives provide anecdotal context to the issues we observed in the data. We were particularly interested in the resident's perceptions of their rental situation, the neighborhood and the challenges or opportunities that renters in this area face. The interview questions were constructed through the support of Saba Waheed, Research Director of UCLA Labor Center and translated into Spanish by the interviewer. We aimed to capture diverse housing experiences by asking our participants to reflect on their neighborhood and renting living conditions as they were when they first moved to Westlake/ Pico Union and to share what their living experience is like currently. Additionally, the interviews captured trends and changes in housing experiences.

All but one interview was conducted through the telephone to accommodate what worked best for

the interviewee. One interview was conducted in person. Four were conducted in Spanish and three in English. The interviews ranged from 20-45 minutes and were audio-recorded and transcribed into English, then coded for themes. The interviewer grew up in Pico Union, which facilitated a convenient sampling method because she was able to outreach to former teachers, neighbors and church friends. She also recruited two participants by advertising the study through social media. Six participants were female; one was male; one identified as African American and six as Latinos (Mexico, Guatemala and Ecuador). One participant has administrative relief through Deferred Action for Childhood Arrivals, one participant is a legal permanent resident, two are U.S. citizen and three are undocumented. Their ages ranged from 35-63 and the reported number of years living in Westlake/Pico Union ranged from 2-50. All but one participant currently live in Westlake/Pico Union. One participant received a notification to move due to an upcoming new apartment development in process of being erected. She has been residing in Inglewood during the last three months. Participants received a \$25 gift card for participating in the study.



# Background on Westlake/Pico Union

The Westlake/Pico Union areas are located in Central City West area of Los Angeles, which is immediately adjacent and west of Downtown Los Angeles. The neighborhoods are often characterized as mostly Central American with a history of a large Central American migration starting in the 1970's.

The boundaries of Pico Union for the purposes of this report are bound by Olympic Boulevard on the north, the 10 freeway on the south, the 110 freeway on the east, and Hoover Street on the west. These boundaries match the boundaries defined by the former Community Redevelopment Agency and the Los Angeles Conservancy.<sup>2</sup> The boundaries of Westlake include the 101 freeway on the north, Glendale Blvd on the northeast, the 110 freeway on the east, Olympic Blvd on the south and Virgil/Westmoreland Ave on the west.<sup>3</sup>

### **Historical Context**

The Westlake and Pico Union areas are often described as a "portal" or "gateway" for recent immigrants to Los Angeles. Starting in the late 1970s and early 1980s, the neighborhood was the destination for Central Americans emigrating to the U.S., fleeing civil wars in home countries.



Westlake/Pico Union was created as an affluent suburb of downtown Los Angeles.<sup>5</sup> In the 1950s, as redevelopment started to take place in downtown Los Angeles, many Latino and Asian residents in downtown were pushed out and ended up in Pico Union and eventually Westlake. At the same time, many of the wealthy residents of Westlake/Pico Union moved further west or to other suburbs of downtown. As a result of shifting demographics many landlords started to subdivide buildings and houses to create smaller units and house more families. This is the beginning of the current rental housing stock that remains in the area.<sup>6</sup>

...from 1960 to 2010, the number of Central American Immigrants went from less than 1 percent of all immigrants in the U.S to nearly 8 percent of all immigrants.



<sup>&</sup>lt;sup>2</sup>"Layers of History: Pico Union." Los Angeles Conservancy. Accessed May 2015.

https://www.laconservancy.org/sites/default/files/files/resources/PicoUnion Tournew.pdf

<sup>3&</sup>quot; Mapping L.A.: Westlake." Los Angeles Times. Accessed May 2015.

http://maps.latimes.com/neighborhoods/neighborhood/west lake/

<sup>&</sup>lt;sup>4</sup> Elwood M. Hopkins is Managing Director of Emerging Markets, Inc. and President of the Center for Place-Based Initiatives. Juan Aquino, Rudolph Espinoza, and Daniel Tellalian also contributed to this article.

<sup>&</sup>lt;sup>5</sup> "MacArthur Park's Come-Hither Look" Los Angeles Times, Accessed May 2015. http://articles.latimes.com/1987-11-14/news/vw-4958\_1\_macarthur-park

<sup>&</sup>lt;sup>6</sup>Burry, Dore. 2010. A Brief Spatial Biography of Pico-Union. Accessed May 2015.

http://www.doreburry.com/papers/PicoUnionSpatialBiographyDoreBurry.pdf

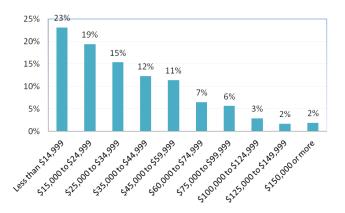
The increase in Central American Immigrants to Los Angeles, specifically Westlake/Pico Union was part of a national wave of immigration with the highest number of immigrants coming from El Salvador, Guatemala and Honduras. In 1960, the total number of Central American Immigrants was less than 50,000 people in the U.S. as a whole. By 1970, the number doubled and doubled again by 1980. Over the span of fifty years, from 1960 to 2010, the number of Central American Immigrants went from less than 1 percent of all immigrants in the U.S. to nearly 8 percent of all immigrants. Central American Immigrants in the U.S. came to Los Angeles, New York and Washington D.C.

In the next section we will discuss demographics and the number of immigrants. Los Angeles has been the foremost destination for Central American Immigrants; within Los Angeles the Westlake/Pico Union has been the destination for newly immigrated Central Americans.<sup>7</sup>

# Demographics of Westlake/Pico Union

According to the 2013 American Community Survey 5-Year Estimates, the neighborhoods of Westlake and Pico Union have a total population of 204,407 people; all living within 68,370 total households. Over 55 percent of the total population is between the ages of 25-64 years and 23 percent of the population is under 18 years old (See Appendix A). The median household income in the area is \$30,086; significantly lower than the \$49,487 median household income in the City of Los Angeles. However, 23 percent of all households have an annual income below \$15,000. Overall, 34 percent of the total population in the Westlake/Pico Union lives in poverty.

Figure 1.1- Household Income



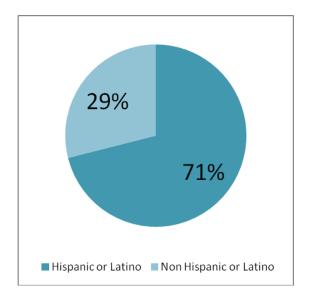
...44 percent of residents in Westlake/Pico Union are undocumented immigrants.

It is important to note that 71 percent of the residents are Hispanic/Latinos, a significant difference from City of Los Angeles which is about the about 49 percent Hispanic/Latino. Furthermore, 121,007 or 59 percent of the total population in the Westlake/Pico Union area are immigrants. Within the immigrant population, 26 percent of immigrants are documented residents or U.S. citizens and 74 percent are undocumented. This means that 44 percent of residents in Westlake/Pico Union are undocumented immigrants. This is an important fact to take into consideration when dealing with housing policies that require federal funding for which many undocumented families do not qualify.

<sup>&</sup>lt;sup>7</sup> Stoney, Sierra and Jeanne Batalova. "Central American Immigrants in the United States. "Migration Policy Institute. Accessed May 2015.

http://www.migrationpolicy.org/article/central-american-immigrants-united-states

Figure 1.2- Hispanic Population





## Residents' Story

In 1965 when Lourdes was only 7 years old, she and her family moved from Ecuador to Pico Union to begin a new life. She remembers experiencing the neighborhood as "a different world. No one spoke my language neither at school or in the neighborhood...it was very challenging." She recalled that during that time Pico Union was about 60 percent Anglo, Asians and African Americans with a small percentage of Mexicans. Five years after she moved to the U.S., Lourdes began to see a shift. She shared that, "during the early 70's we had a lot of problems going on with Nicaragua and El Salvador and all the other little countries in Central America. They started having their social issues and revolutions and that's when we started seeing the influx of more immigrants coming into the country, especially the Pico Union area." Lourdes was referring to the multiple civil wars in El Salvador, Guatemala and Nicaragua. She remembers seeing Pico Union transform from Anglo-American owned businesses to "little mom and pop stores owned by Latinos." She excitedly expressed her joy for now having Latino food nearby.

Lourdes is a long-term resident of Pico Union. Her parents were able to buy a home there, where she attended the schools nearby, raised a family, and worked as a dedicated teacher to support the development of Pico Union children.

Lourdes and her family have been able to witness and personally experience the multiple transitions Pico Union has undergone during the last 50 years. Her story is extremely unique and valuable. She lives in a specific area of Pico Union that has more homes than apartments and due to that she believes it creates a different dynamic with more stable renters. But, currently, she's been noticing another shift. "I think that it's [Pico Union] changing a bit. It's funny how sometimes we go outside and see young Anglo couples walking with their dog and we say, 'wait a minute, where are they coming from? What's going on? And you get to see that shift *now*" she recalled. Furthermore she expressed how the changes in housing is making this area very expensive so the current residents can no longer afford to live in Pico Union, "rent is going from \$1,500-\$2,000 and very young entrepreneurs and recent college graduates are coming into the neighborhood" and filling the vacancies. In spite of having had the opportunity to move to other areas in Los Angeles, Lourdes remained faithful to Pico Union, and is now helping raise her grandchildren here, because "Pico Union is home."

Lourdes's father was relocated to work in Los Angeles, his position paid well, and once they were economically stable, three years after their arrival they purchased a three-bedroom home in Pico Union. There are some variations between Westlake and Pico Union due to historical phases of development and expansion of downtown Los Angeles. Pico Union has been through multiple transformations and Lourdes has been a witness to them all, her recent observations of a current shift allude to our speculation of gentrification and displacement increasing in the neighborhood.

...63,501 rental units in the neighborhood

# **Housing Stock**

In this section, we will discuss the housing stock in the neighborhoods. There are some variations between Westlake and Pico Union due to historical phases of development and expansion of downtown Los Angeles, however for the purposes of this report we will be discussing the two communities combined in terms of housing stock. There are a total of 74,162 housing units in the 59 Census Tracts that make up the Westlake and Pico Union Area. This includes both owner-occupied housing and rental housing. Of the housing units in the area, 85.7 percent of the units are renter-occupied, resulting in 63,501 rental units in the neighborhood. This means that only 10,661 housing units are owner-occupied, this includes condos and single-family homes. Compared to the rest of Los Angeles the percentage of owner-occupied units is very low. Los Angeles as a whole has 47.7 percent owner-occupied units and 52.3 percent renter-occupied units. The number of renter-occupied units in Westlake/Pico Union is 63 percent higher than the City of Los Angeles as a whole.



### Miguel, Pico Union

A section 8 tenant for four years recalls her experience when her neighbor moved out.

"...she left because she was living in a one-bedroom with 5 kids and she left because they were too many and since the kids were growing and she was paying too much rent"

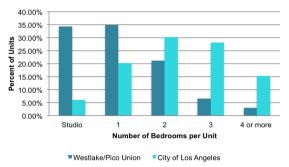
Her comment on the landlord's actions after the apartment was renovated.

"I don't know if he announced it on the internet or something...but regularly when an apartment is vacant he puts a sign up outside and now he did not...some white people came to live there"

### Type of Units

The rental housing units in Westlake/Pico Union are mostly studios and one-bedrooms. Studios and one-bedrooms account for nearly 70 percent of the units in the area; 34 percent studios and 35 percent of units is one-bedroom. There are 25,432 studio units and 25,883 one-bedroom units. The remaining percentage of units is mostly two-bedrooms with 21 percent two bedrooms, 15,709 units. The remaining 10 percent of units are a mix of three, four and five bedroom units. We will discuss the household sizes in the next section of Renter Conditions and compare the current housing units to the current household sizes.

Figure 2.1- Type of Units



### Age of Housing

The owner-occupied and renter-occupied housing stock in Westlake/Pico Union is quite old, especially compared to other parts of the city. Over 75 percent of the units were built before 1979 with 31 percent built before 1939 and 44 percent built between 1940 and 1979.

Figure 2.2- Age of Housing



...most [renters] are paying housing costs above the recommended 30 percent of monthly household income

### **Renter Conditions**

Los Angeles is in a rental crisis that is a cause for serious concern. This is especially true for low-income renters, of which most are paying housing costs above the recommended 30 percent of monthly household income. This raises important questions about the gap or need for more affordable housing options in Los Angeles, particularly for vulnerable populations, such as low-income communities of color and immigrants. In this section, we explore the current conditions of renters and the rental market in Westlake/Pico Union, paying particular attention to renter monthly housing costs, cost burden, rental occupancy rate, and overcrowding.

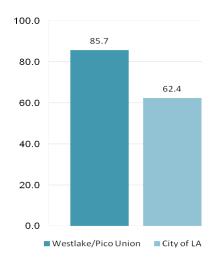
In the area of study, 60 percent of total occupied households are families, 15.7 percent of total occupied households are families married with kids, 19 percent of total occupied households are female headed, and 40 percent are unrelated.

#### Number of Renters

In Westlake/Pico Union, 85.7 percent of households, about 63,501 in total, rent. This is a very high percentage of renters, especially when one considers that only 62.1 percent of households in the City of Los Angeles rent. A significant amount of census tracts in Westlake/Pico Union have renter rates between 96.3 percent and 100 percent. Areas

with the lowest rental rates in these neighborhoods range between 73.7 percent and 81.5 percent, which is still significantly higher than that of the City of Los Angeles.

Figure 3.1- Percent Renter Occupied Housing





### Wanda, Westlake

A Westlake tenant discusses housing cost.

"...average one-bedroom apartment in this area is about 1,200 and I think it's probably gone up a bit, you know rent increases probably every year...but rent is not cheap"

"...the one thing I would change is I would have more housing for seniors, which I know they are working on it."

### Cost Burden

Median rental housing costs for Westlake/Pico Union totals \$1,076,/month which is cheaper than the City of Los Angeles (\$1,175). Rents in Westlake/Pico Union range from as low as \$517 to as much as \$2,550. Despite having lower rents than the City of Los Angeles as a whole, residents of Westlake/Pico Union still struggle with unaffordable housing costs.

<sup>&</sup>lt;sup>8</sup>Adrian Glick Kudler. "Los Angeles Has the Most People Paying an Insane Amount of Their Income Toward Housing." *Curbed Los Angeles.* Accessed May 2015. http://la.curbed.com/archives/2014/06/los\_angeles\_has\_the \_most\_people\_paying\_an\_insane\_amount\_of\_their\_income\_t oward\_housing.php

Figure 3.2- Median Housing Costs



According to 2013 American Community Survey 5-Year Estimates, roughly 60 percent of renter occupied households, or 37,984 in total, in Westlake/Pico Union are cost burdened (paying more than the recommended 30 percent of monthly household income). This is just slightly less than the 62 percent of cost-burdened households in the City of Los Angeles. Cost burden in the area ranges from 40.2 percent to 75.3 percent of renter occupied households.

Figure 3.3- Percent of Cost Burdened Households

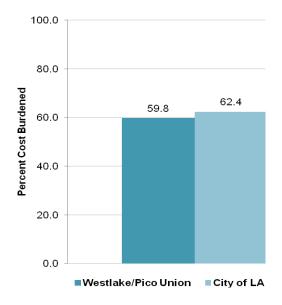
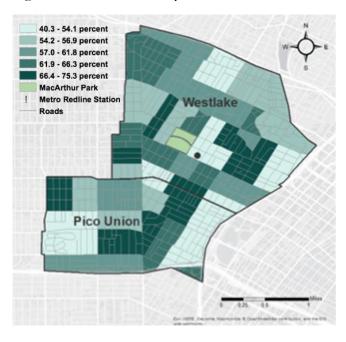


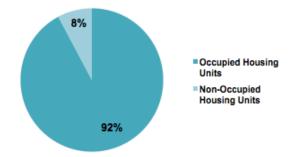
Figure 3.4- Cost Burden by Census Tract



### Occupancy

There are a total of 74,162 housing units in Westlake/Pico Union. Of these units, 68,379, or 92 percent, are currently occupied. This is lower than the City of Los Angeles, which has an occupancy rate of 95.3 percent. Unfortunately, our data does not indicate how many of the non-occupied housing units are currently up for rent. Having this information might provide a better indication of what percentage of units are actually available. Thus, while 8 percent of units are currently not occupied in Westlake/Pico Union, it does not mean that all units are currently available for rent.

Figure 3.5- Occupancy Rate





### Marisela, Westlake

A section 8 tenant for four years recalls her experience when her neighbor moved out.

"...she left because she was living in a one-bedroom with 5 kids and she left because they were too many and since the kids were growing and she was paying too much rent"

Her comment on the landlord's actions after the apartment was renovated.

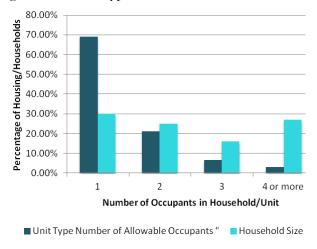
"I don't know if he announced it on the internet or something...but regularly when an apartment is vacant he puts a sign up outside and now he did not...some white people came to live there

### Household Size

Of all renter occupied households in Westlake/Pico Union, 30 percent are 1-person households, 25 percent are 2-person households, 16 percent are 3-person households, and 27 percent are 4-or-more-person households. These numbers compare similarly to the City of Los Angeles renter occupied households, where 30 percent are 1-person households, 28 percent are 2-person households, 15 percent are 3-person households, and 27 percent are 4-person-or-more households.

As we discussed in the "Type of Units" section, the majority of households in the area are large families. This means that there is a large unmet need of two and three, and even four, bedroom units. In Figure 3.5-Unit Type vs. Household Size we show the unit size/household size mismatch in the area. There is a shortage of large units, especially for the 27 percent of 4-person-or-more households. This leads to an issue of overcrowding, which we will discuss in the next section.

Figure 3.6- Unit Type vs. Household Size



### Overcrowding

In this section, we use the persons-per-room (PPR)<sup>9</sup> measure to define overcrowded housing. According to this measure, households with above 1.50 occupants per room are considered overcrowded. In utilizing this measure, 28.6 percent, or 18,180, of renter occupied households in Westlake/Pico Union are considered overcrowded. This lies in stark contrast to the 6.8 percent of renter occupied households in the City of Los Angeles that are considered overcrowded. As previously mentioned, much of the overcrowding in Westlake/Pico Union is due to the high concentration of studios (34 percent of total housing stock) and one-bedrooms (35 percent of total housing stock) in the area. Furthermore, the heavy cost burden in the area may contribute to overcrowding by forcing households to consider the economic benefits of living in more cramped conditions, as having more people contribute to monthly housing costs may result in cheaper costs for all who pay into a monthly housing fund.

<sup>&</sup>lt;sup>9</sup>Econometrica, Inc. 2007. "Measuring Overcrowding in Housing." *Hud User.* Accessed May 2015. http://www.huduser.org/publications/pdf/measuring\_overcrowding\_in\_hsg.pdf

# Local Organizations' Work

Inquilinos Unidos, a local non-profit organization that serves the City of Los Angeles, works to educate renters on their rights as tenants. During their weekly Tenant Legal Resource Clinic, IU collaborates with other organizations such as, the Eviction Defense Network, to provide free legal advice and refer tenants to additional resources. Between February 2014 and February 2015 the organization served 665 residents through the once a week clinic. From all the cases, 117, or about 18 percent of the intakes, were from the three main zip codes within the Westlake/Pico Union neighborhoods.

The main reason why residents sought assistance was due to receipt of a 3, 30, 60, or 90-day eviction notice; 21 percent of the cases in the Westlake/Pico Union neighborhoods sought help for issues having to do with eviction. Issues related to housing habitability were another reason why tenants sought help. Individual habitability deals with the living conditions of an actual apartment or house, not a full building or complex; it may be that an apartment needs repairs or has some kind of infestation problem. An important number to also highlight is the 15 percent of intake cases due to rent increases (See Appendix B). Despite having a main reason for attending a clinic, residents might be dealing with more than one housing issue. As Maria Ruvalcaba from Inquilinos Unidos explains, "they may come with a 3 day notice because they didn't pay their rent, but the reason behind that was because they have an infestation problem and repairs that hadn't been done." The dataset, however, only demonstrates the main reason why residents attend a clinic. Although the numbers presented are a demonstration of just one program in one organization serving these neighborhoods, they are a representation of issues the tenants in these two communities, which are primarily made up of immigrant and low-income neighborhoods, face.



# Solutions to Affordable Housing Need

Current research affirms the City of Los Angeles has increasingly become more unaffordable. With a hot real estate market, even places like Westlake/Pico Union that had historically been affordable for the low-income community have begun to see rent increases. But what are the current housing policies in place to assist the low-income community who is already struggling to keep a roof over their head? In this section we will discuss the affordable housing that exist in the neighborhood. Westlake/Pico Union does have a mix of public housing, section 8 housing, and rent-stabilized units. This combination of public housing and Section 8 units provides an opportunity for residents to pay the recommended 30 percent of the household income on rent, since both programs are federally mandated to charge only 30 percent of the household income. Rent stabilized units also allow affordability to residents by limiting the maximum percent of rent increase per year.

### **Public Housing**

There are four small public housing sites in the Westlake/Pico Union area. These developments are owned by Housing Authority of City of Los Angeles

(HACLA). These properties are Union Tower, Park View East, Park View West and Crescent Count. These public housing units do provide an off-the-market housing option for Very Low Income and Extremely Low Income households, however the supply is so low in the Westlake/Pico Union area that the units account for less than a half of a percent. In addition to the limited number of units, the waitlist for public housing is also very long. The waitlist is shorter than Section 8, and is open, but there are a limited number of units in all of Los Angeles. There are only 6,500 units in 14 communities in Los Angeles, with the majority of public housing units in South LA or East LA.<sup>10</sup>

### **Section 8 Subsidized Housing**

The Section 8 Program was implemented in 1975 by HACLA. It is financed by HUD and provided rental subsidy for units through housing assistance payments (HAP). There are two types of rental subsidies that HACLA offers: tenant-based vouchers and project-based vouchers. The tenantbased vouchers, now known as Housing Choice Vouchers but most often referred to as "Section 8" and are given to an individual or family. The tenantbased vouchers allow the recipient the opportunity to find Section 8 rental housing in any area within the City of Los Angeles that has been pre-approved and inspected as Section 8 units. The tenant-based vouchers also allow the recipient to move from one place to another. Project-based vouchers are specific to on building that has the units subsidized and the voucher is not transferable, so when tenants leave the building they no longer have the rental subsidy. Both voucher programs have the same income limits set by HUD and the rent per subsidized unit does not exceed the 30 percent of the household income while HACLA pays the remainder of the rent.

<sup>10</sup> Transforming One Neighborhood at a Time." *Housing Authority of the City of Los Angeles*. Accessed May 2015. http://www.hacla.org/attachments/contentmanagers/60/Housing%20Developments.pdf In addition to the Housing Choice Vouchers, there are also special programs for eligible families that target households or individuals who are homeless veterans, persons living HIV/AIDS, and homeless individuals. These programs include Homeless Program, HUD-VASH, and Shelter Plus Care. As of 2012, the Section 8 program under HACLA has 47,500 vouchers, including 2,000 vouchers for homeless veterans and 4,300 units of special programs. The waitlist for Section 8 Vouchers is has been closed since January 1, 2005. In 2011 there were 10,000 families on the waitlist for general Section 8.12

In the Westlake/Pico Union area there are 1,513 units that are subsidized through HACLA's Section 8 Voucher Program These 1,513 are both tenantbased vouchers and project-based vouchers and include seven different voucher programs. The tenant-based vouchers are through the Housing Choice Vouchers and Tenant-Based Supportive Housing. There are 914 Housing Choice Voucher units in Westlake/Pico Union; this means landlords rent to tenants under the Section 8 program and the tenants can take the voucher with them if they move. There are 33 Tenant-Based Supportive Housing units, similar to the Housing Choice Voucher, but comes with supportive services for individuals who are living with a physical or mental disability. These tenant-based Section 8 vouchers are important to the neighborhoods, but if the rents in the neighborhood increase, there will be a decrease in the number of landlords who are willing to rent to Section 8 tenant-based voucher households because they can receive more money for marketrate rents. This means the tenants will take their vouchers and move to another part of Los Angeles that has lower rents and landlords are incentivized by the Section 8 rents.

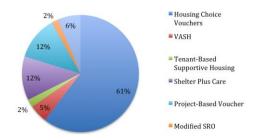
<sup>&</sup>lt;sup>11</sup> "Section 8 Housing." *Housing Authority of the City of Los Angeles.* Las modified March 27, 2012. http://www.hacla.org/section8/

Affordable Housing Online. Accessed May 2015. http://affordablehousingonline.com/housing-authority/California/Housing-Authority-of-The-City-of-Los-Angeles/CA004/

In addition to the tenant-based vouchers, there are 490 project-based vouchers that are supported by three different programs. These voucher programs are Project-Based Vouchers (PBV), Moderate Rehabilitation Single Room Occupancy (MRS), and Shelter Plus Care. These units are connected to a specific unit in a building and if the tenant vacates the unit, the voucher will remain and a new tenant will be eligible for the subsidized unit.

The last type of housing units in Westlake/Pico Union is under the Veteran Affairs Supportive Housing (VASH) program. There are 76 VASH voucher units in the area. These units are specific to veterans and can be project-based or tenant-based.

Figure 4.1- Subsidized Housing



# Low Income Housing Tax Credit Units

One of the largest mechanism that has brought affordable housing units to areas like Westlake/Pico Union has been through the federally funded Low-Income Housing Tax Credit Program (LIHTC). The federal housing program was created by congress in 1986. The program offers a tax incentive that allows affordable housing developers to fund low-income housing projects by selling tax benefits to investors. There are two types of tax credits that are available and referred to as 9% and 4% credits. These precentages are the approximate percentage of a housing project's "qualified basis" a taxpayer may deduct from their annual tax liability each year. On a national scale, LIHTC has produced over 2.6 million

units of housing in over 40,000 housing developments.<sup>13</sup>

In California, the LIHTC program is administered through the California Tax Credit Allocation Committee (CTCAC). CTCAC administiers two funding program, one is a the federal tax credits and the other state tax credits. The tax credits are given out through a competative application process in which housing nonprofit and pro-profit housing developers compete for the credits. The tax credits often provide a large portion of the sources of funds required to develop affordable housing, but the tax credits are also layered with other funding sources, like the Affordable Housing Trust Fund, which we will discuss later in this report.

According to the public records provided by CTCAC, the LIHTC program has funded over 320,000 units of affordable housing in over 4,100 housing developments in the state of California between 1987 and 2014. In three zip codes of Westlake/Pico Union: 90006, 90017 and 90057, according to the CTCAC archives the LIHTC program has provided over 36,296 units of housing in the form of new constuction, aquisiton and rehabilitation. This reflects over \$355 million in tax credit funding for the area. Most of units are designiated for a specific tenant population with "Large Family" and "Senior" being the majority of tax credit units in Westlake/Pico Union, but some units are not restricted to a specific type of tenant.<sup>14</sup>

The LIHTC program has been a tool that has enabled the acquisition, rehabilitation and development of a great number of the affordable housing units in Westlake/Pico Union. It should be

<sup>&</sup>lt;sup>13</sup> "About the LIHTC Database", HUDuser.org, Accessed July 2015. http://www.huduser.org/portal/datasets/lihtc.html

<sup>&</sup>lt;sup>14</sup> "Active Projects Receiving Tax Credits 1987-2014 YTD", CTCAC. Accessed July 2015.

http://www.treasurer.ca.gov/ctcac/history.asp

noted that most of the 490 project-based vouchers in the Westlake/Pico area that were discussed in the previous section are in tax credit buildings. These vouchers provide the additional subsidy to tax credit units in the event the tenant's ability to pay is below the CTCAC set low-income rents. This means that is an overlap of approximately 490 units we are discussing between project-based vouchers and tax credit units.

### **Rent Stabilization**

Rent Stabilization or "rent control" is a way of preserving existing affordable housing in Westlake/Pico Union. The Rent Stabilization Ordinance (RSO), which became effective in 1979, was designed to reduce large rent increases and protect existing tenants in a building. The ordinance limits landlords to being able to increase rents by a maximum of 3 percent per year. The ordinance only applies to rental units built before October 1978. The ordinance was written to allow between a three percent and eight percent increase every 12 months. The amount of the increase is in accordance to the Consumer Price index (CPI) and can be adjusted annually. In the Westlake Pico/Union area there are over 50,000 units built before 1978 in Westlake/Pico Union that could qualify for rent stabilization.

We requested the data for the number of current RSO units from the City of Los Angeles Housing and Community Investment Department, but have not received this data. There is also a processing fee of \$70 per hour in order to receive the data. We would suggest that this data be accessible on the City of Los Angeles Open Data portal. It is an important source of maintaining affordable rents, thus having the data accessible for residents of Los Angeles is important. We will further discuss this in the Opportunities section.

The Rent Stabilization Ordinance has maintained affordability for many units in Westlake/Pico Union, however when a tenant vacates a unit for a

any number of reasons, the RSO allows the landlord to raise the rent to any amount for re-renting. The vacating of the unit must for be for the following reasons: the tenant voluntarily vacated the unit, the tenant was evicted for non-payment, the tenant was evicted for violating the terms of the rental agreement If the unit becomes vacant for other reasons than those listed above, RSO requires that the rent remains the same for a new tenant. Some examples of when a landlord may not raise the rent include: evictions of units for the use of the landlord, the landlord's immediate family or a residential manager, and evictions due to an illegal use of the unit. In some cases there can be rental adjustments greater than the current 3 percent yearly increase for rent control units; these adjustments are approved by the Rent Stabilization Division at the City of Los Angeles Housing and Community Investment Department (See Appendix For RSO Rent Increase Chart). The reasons for rent adjustments may include: capital improvement, rehabilitation work, just and reasonable rent increase, or primary renovation.<sup>15</sup>

Since rent-control units are limited to buildings built prior to 1978, none of the newer developments qualify. This makes RSO units even more desirable and necessary for low-income people. However, rent-control units have been in a decline in the City of Los Angeles. The local radio station KPCC recently released an article exposing the mass evictions of rent-controlled units. According to the numbers presented by the LA Housing and Community Investment Department, landlords cleared out 725 apartments in 2014, compared to 308 the year before. This was made possible through the California Ellis Act. Passed in 1985, the Ellis Act is used as a method for landlords of rent control units to get out of the market. The Ellis Act

<sup>&</sup>lt;sup>15</sup> Allowable Rent Increases." Los Angeles Housing + Community Investment Department. Last Modified June 4, 2014. http://lahd.lacity.org/lahdinternet/LinkClick.aspx?fileticket= RHSagu8gnT8=

<sup>&</sup>lt;sup>16</sup> "Ellis Act Evictions in L.A. on the Rise. *KPCC*. Accessed May 15, 2015.

http://www.scpr.org/news/2015/04/24/51256/ellis-actevictions-in-l-a-on-the-rise/

allows landlords of units under rent control to be able to evict all of their tenants under three conditions: the building is sold, apartments are turned into condos, or the landlord allows the building to be vacant for at least 5 years.



## Residents' Story

Sandra has been living in the Westlake area for 25 years. She arrived from Guatemala in 1990 and currently works a graveyard shift doing housekeeping. Like many low-income immigrants, when she first arrived she lived in an overcrowded single apartment with her five siblings. As they developed networks and a more stable income, they were able to afford their own apartment in the Westlake area. She shared, "we have always lived in the surrounding area, always...we have always lived around each other, helping each other out when we need some help with our kids...we support and help each other and this has given us an advantage and has been a stepping stone to keep us united, advising and guiding each other." The close-knit support Sandra and her siblings have given each other has helped them to become resilient.

In spite of the struggles of being undocumented Sandra felt gratitude, "this is a country that has given us a lot, a lot, a lot, a lot. So we must value what is given to us and give back...compared to how we lived over there [Guatemala] to how we live here, well it is very different." Sandra and her family were victims of Guatemala's sociopolitical struggles and civil war—which lead many like her to flee the violence and poverty. Since she moved to Westlake, Sandra believes that "the atmosphere of Westlake has remained the same" and despite the high levels of crime that is often reported from police reports Sandra shared, "I have never felt fearful or scared of living in my neighborhood." Although, according to

Sandra the park has seen little improvement, she is noticing that "they are demolishing old buildings and building new buildings to help us all...people are starting to live how it should be...how we deserve. Imagine a single with 3 or 4 children?" Four years ago, Sandra qualified and was chosen to live in a new affordable housing unit, "I pay rent according to my income." Unlike Sandra, her brother has been on the waiting list for two years and hopes to secure an apartment soon. From Sandra's point of view, she believes the new apartments are a blessing to Westlake renters, "they are helping people to live a little more comfortable... I have seen the progress of new buildings being built and this is helping us Latinos out a lot, a lot."

Sandra and her family are part of the wave of Central Americans that choose to flee the devastating conditions many Guatemalan's were forced to face due to that country's Civil War. Upon arriving, like the data in the report shared, Westlake and Pico Union, had become a hub in Los Angeles where Central Americans were highly concentrated—and consequently the place where Sandra searched for a place to call home. For most of her time living in the U.S. she was renting a onebedroom apartment—as about 70 percent of units in the area are studios and one-bedroom apartments and over 95 percent of individuals living in Westlake are renters. It's only been recently that Sandra was able to qualify for an affordable housing unit with three bedrooms. The Affordable Housing Trust Fund for the City of Los Angeles has provided new affordable units to the Westlake/Pico Union communities. In the last 12 years the Affordable Housing Trust Fund has provided over \$71.6 million in new construction, rehabilitation and acquisition of affordable housing. This funding has contributed to 1185 affordable housing units in Westlake. Although, federal policy restricts undocumented immigrants like Sandra from applying for public housing, because Sandra lives with two other family members who are legally in this country and pay their share of the rent they qualified for a new affordable housing unit in Westlake few months ago and according to her it's

the best thing that's ever happened to her. She is so grateful funding was allocated for the creation of affordable housing units.

...over 74 percent of the immigrants in Westlake/Pico
Union are not eligible because of their undocumented status

# Undocumented Immigrants and Affordable Housing

Of the affordable housing models we discussed, not all are eligible for undocumented immigrants. Federal policy restricts undocumented immigrants from applying to Section 8 and Public Housing does not allow non-U.S. residents to apply for this type of housing. This means that over 74 percent of the immigrants in Westlake/Pico Union are not eligible because of their undocumented status. The total number of undocumented immigrants in Westlake/Pico Union is 89,447 individuals.

For all federally funded, including needs-based, housing programs, noncitizens are categorized as "qualified" or "nonqualified." The two federal laws that determine eligibility are Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Welfare Reform) and Section 214 of the Housing and Community Development Act of 1980. Title IV of the 1996 Welfare Reform, "qualifies" immigrants as the following: lawful permanent residents, refugees, person granted asylum, person granted parole by Department of Homeland Security (DHS),

immigrants who have been abused, victims of trafficking or Cuban and Haitian nationals. 18 The 89,447 undocumented immigrants in Westlake/Pico Union do not meet these requirements. In regards to housing, "nonqualified" undocumented citizens are ineligible for all HUD programs, such as Public Housing, Section 8 vouchers, project-based rental assistance, homeless programs, housing for the elderly, disabled, the HOME program, and Community Development Block Grants (CDBG) program.<sup>19</sup> In addition, Section 8 requires that all applicants be at least 18 years of age at the time of application, therefore it is not feasible for children of undocumented immigrants who are U.S. citizens to apply for federal programs on behalf of their parents.<sup>20</sup>

Given the federal requirements for subsidized housing, what options do undocumented immigrants have? California Civil Code 1940.3 states that no city or county shall be allowed to compel landlords to make inquiry or disclose, report, or prohibit offering based on immigration or citizenship. This means that landlords are not legally allowed to inquire about immigration status of tenants or prospective tenants.<sup>21</sup> Therefore undocumented immigrants who are renting in Westlake/Pico Union are legally able to rent market rate units or non-federally funded units.

<sup>&</sup>lt;sup>17</sup>Siskon, Alison and Maggie McCarty. "Immigration: Noncitizen Eligibility for Needs-Based Housing Programs." *Congressional Research Service.* July 18, 2008. http://www.ilw.com/immigrationdaily/news/2011,0113-crs.pdf

<sup>&</sup>lt;sup>18</sup> Broder, Tanya and Jonathan Blazer. "Overview of Immigrant Eligibility for Federal Programs." National Immigration Law Center. October 2011.

http://www.nilc.org/overview-immeligfedprograms.html <sup>19</sup>Siskon, Alison and Maggie McCarty. "Immigration: Noncitizen Eligibility for Needs-Based Housing Programs." *Congressional Research Service*. July 18, 2008.

http://www.ilw.com/immigrationdaily/news/2011,0113-crs.pdf

<sup>&</sup>lt;sup>20</sup>"Section 8 Administrative Plan." Housing Authority of the City of Los Angeles. Last modified January 2014.

 $http://www.hacla.org/attachments/contentmanagers/59/S8\%\\20AP\%202014-01.pdf$ 

<sup>&</sup>lt;sup>21</sup>"Chapter 2. Hiring of Real Property." *Online*. Accessed May 2015. http://law.onecle.com/california/civil/1940.3.html

Although undocumented immigrants are legally able to rent, these individuals are often victims of predatory landlords. It is common knowledge among organizations working on tenant rights issues in the Westlake/Pico Union, that landlords and managers use immigration threats to silence tenants making complaints. Therefore, when tenants without immigration status have issues with the habitability of their unit, their complaints go unanswered and problems ignored; falling victims to slumlords. Furthermore, undocumented immigrants are often asked to pay cash for their rent and are not given rental contracts. Not having contracts leaves them vulnerable while defending themselves legally, especially during eviction proceedings. Lastly, even if some are protected under rent control, arbitrary rent increases are common; creating a greater population of people under rent burden.



### Rubi, Pico Union

Rubi, a long term resident of Pico Union for 13 years, shares her observations of new development.

"What they're doing is they are building new apartments within old apartments. They're tearing down the older apartments and building new contemporary, square boxes kind of stuff of maybe 100 units in what used to be 2-3 complexes of maybe 20 units. They're building higher up. There's definitely a lot of construction around here. There's probably 3 constructions moved in within 2 mile radius within the neighborhood...Construction is good. But, I'm a little concerned about gentrification that it's going to become more were the rent is high and the community members have to start moving out."



### New Development

As the U.S. economy is recovering from the recession, residential construction in the U.S. was still down 10.8 percent in 2013 from 2003 for prerecession residential construction rate.<sup>22</sup> This is not the case in Downtown Los Angeles, just east of Westlake/Pico Union, which has seen an extreme increase in residential apartments. Downtown Los Angeles is experiencing a boom in residential construction, especially in the area of South Park, which is immediately adjacent to Pico Union. We wanted to see how the increase in residential construction in Los Angeles has translated into more housing in Pico Union and Westlake.

To capture a snapshot of the new residential development in the Westlake/Pico Union neighborhoods, we pulled data showing the building permits issued for new construction, remodeling and repair of residential buildings issued by The City of Los Angeles Department of Building and Safety. The data set we pulled was from January 2, 2013 to May 2015 and was accessible on the City of Los Angeles Open Data portal. The permits were specific to residential buildings with a construction

<sup>&</sup>lt;sup>22</sup>Scopelliti, Demetrio M. "Housing: before, during, and after the Great Recession." 2014. *Bureau of Labor Statistics*. Accessed May 2015.

http://www.bls.gov/spotlight/2014/housing/home.htm

valuation of over \$100,000. We cleaned the data to focus specifically on new construction permits and for buildings with at least 2 units, to eliminate single family homes and look into multifamily residential.

Since the beginning of 2013, the building permits issued for new residential building have led to an estimated 21,442 new residential units permitted to be built in the City of Angeles. In Westlake/Pico Union area there have been building permits issued that total 929 new units of residential housing, with 266 of the units planned for affordable housing. This means that 28.6 percent of the new units under construction are for affordable housing. The total of new affordable housing units permitted is significantly lower than the demand for affordable housing. As we discussed there are 37,984 renter occupied households that are experiencing rental cost burden and paying more than 60 percent of the household income in rent. If there was a hypothetical goal was to get all renter households out of cost burden and paying only 30 percent of income on rent, then there would need to be over 142 times the amount of affordable housing units to meet the need.

### Affordable Housing Trust Fund

The Affordable Housing Trust Fund for the City of Los Angeles has provided new affordable units to the Westlake/Pico Union communities. The Affordable Housing Trust Fund was voted on in 2000, by City Council established the Affordable Housing Trust Fund in June 2000. In 2002, Mayor James K. Hahn announced \$100 million for the Fund and a multi-year funding plan. The fund currently combines various funds and the funds used are to leverage Low Income Housing Tax Credits (LIHTC).

From 2003 to present, the Affordable Housing Trust Fund has provided funding to over \$71.6 million in new construction, rehabilitation and acquisition of affordable housing and \$18 million in Pico Union area. This funding has contributed to 1185 affordable housing units in Westlake and 369 affordable units in Pico Union.

In Westlake there have been 646 new construction units, 539 rehabilitated units and 183 units that have been acquired by affordable housing developers. Additionally, as of April 2015, there are still 103 new affordable housing units under construction.

In Pico Union the numbers of units with funding from the Affordable Housing Trust have been lower with 177 units of new construction, 103 rehabilitated units, and 41 units of acquisition.

# Examples of Affordable Housing Development

There are some projects in development now that will bring more affordable housing units to Westlake/Pico Union in the next few years. Here are a few examples of new affordable housing project coming to Westlake/Pico Union. These developments will provide a total of 173 new units to neighborhoods. These developments are necessary to bring affordable housing to the area, but an increase in similar developments is necessary in order to order to meet the demand for affordable housing in Westlake/Pico Union.

#### Vermont Manzanita

Vertical construction is almost complete for Vermont Manzanita. This is an affordable housing project located in the Pico Union. It is being developed by the West Hollywood Community Housing Corporation (WHCHC), and will have 40 one and three-bedroom units.<sup>23</sup>

<sup>&</sup>lt;sup>23</sup> "Affordable Housing Project Takes Form in Pico Union." 2015. *Urbanize LA*. Accessed May. <a href="http://urbanize.la/post/affordable-housing-project-takes-form-pico-union.">http://urbanize.la/post/affordable-housing-project-takes-form-pico-union.</a>

#### The Six Apartments

This new development with Skid Row Housing Trust is a new 52 apartment building. This will be a Special Needs project that will provide housing for formerly homeless individuals.<sup>24</sup>

Figure 5.1- Rendering of The Six Apartment



#### Westlake MacArthur Park Station

Metro's Board of Directors has approved the plan to build 81 affordable apartments and on top of the Westlake/MacArthur Park subway station. This development will also have between 6,000 to 12,000 square feet of retail space.

Figure 5.2- Rendering of Metro TOD Project



### The Need and the Gap

In this snapshot of housing and rental conditions in Westlake/Pico Union, we have discussed many

various data points for both neighborhoods. When we look at this data as a whole, we realize there is a large need for housing and a gap in the amount of affordable housing to meet this need.

This gap is made very clear when looking at cost burden and overcrowded housing conditions in the area. There is no question that more affordable housing is needed when 60 percent of renter occupied households, in an area where 85.7 percent of housing units are rentals, are burdened with overly expensive housing costs. Furthermore, the stark contrast in overcrowded living conditions between Westlake/Pico Union (28.6 percent) versus the City of Los Angeles (6.9 percent) raises many questions about what more can be done to ensure affordable housing for cost burdened renters, particularly undocumented immigrants who in most cases cannot access federally funded housing subsidies and benefits.

## **Opportunities**

The Westlake/Pico union neighborhood snapshot lays the foundation for those working in the affordable housing field in these geographic areas. The statistical overview given along with anecdotal context provides evidence for the need of more affordable housing in these neighborhoods.

The following section will provide some background information on key potential opportunities on a state, city and neighborhood level. On a state level there are currently two recent bills that would provide funding streams to develop affordable housing: Cap and Trade and AB 35. The City of Los Angeles has also started two important strategic efforts which focus on housing: One is through the City of Los Angeles Sustainable City Plan- which outlines housing related goals and the Affordable Housing Trust Fund which is looking to increase revenue sources. Lastly, these efforts benefit from advocacy work on a neighborhood level in order to create awareness among residents and push for the desired solutions.

<sup>&</sup>lt;sup>24</sup> "The Six Apartments." 2015. *Skid Row Housing Trust*. Accessed May. <a href="http://skidrow.org/buildings/the-six-apartments/">http://skidrow.org/buildings/the-six-apartments/</a>.

### State

### Cap and Trade

The Affordable Housing and Sustainable Communities (AHSC) program is an innovative revenue stream funded through the state's new capand-trade program designed to reduce greenhouse gas emissions. The program allocates grants and loans to integrated developments that increase the accessibility of affordable housing to employment centers and key destinations, reducing overall vehicle miles traveled. The funds are implemented in a Transit Oriented Development (TOD) or Integrated Communities Projects. The funds are used affordable housing developments, housingrelated infrastructure, and transportation-related infrastructure. The first round of the AHSC funding will be \$130 million to fund between 15 and 25 projects. Housing funds may be used for new construction or rehabilitation with awards ranging between \$1 million and \$15 million.

The applications for the first round will be awarded on June 30, 2015 and 54 projects across the State of California have applied. Two projects were submitted that would bring more housing to Westlake/Pico Union. MacCormack Baron Salazar applied for over \$7 million in funding for the MacArthur Park Apartments Phase B. Additionally, Corporate Fund for Housing applied for \$8 million for the Mosaic Gardens at Westlake, developed by LINC Housing Corporation. The next round of funding is anticipated to be \$200 million for affordable housing, so there will be more opportunities to build affordable housing in areas of Westlake/Pico Union that qualify and transit oriented development.

### **AB 35**

Assembly Member Toni Atkin's (78th Assembly District) affordable housing tax credit bill (AB 35), jointly authored by Assembly Member David Chiu (Democrat-San Francisco), recently received unanimous support in a vote by the Assembly

Committee on Housing and Community Development. The bill would increase "the amount of state low income housing tax credits by \$300 million and will also leverage an estimated \$600 million in federal funds that would otherwise not come to California." According to Assembly Member Chiu, "our state funds for affordable housing are disappearing at a time when we need them most." AB 35, which is a part of a larger affordable housing plan being pushed by Assembly Democrats, is a step in the right direction and could potentially yield some net increases in affordable housing units in hot rental markets, such as areas surrounding Downtown Los Angeles. The Assembly Democrat's affordable housing plan also includes:

- Establishing a permanent source of funding for affordable housing by placing a small fee on real estate transaction documents, excluding home sales.
- Legislation to create a framework for how California will spend any funds received from the National Housing Trust Fund that are expected to flow to states in 2016.
- Using a portion of the Proposition 47 funds to reduce recidivism through investment in rapid rehousing and housing supports for formerly incarcerated Californians.

### City of Los Angeles

### City of L.A Sustainable City Plan

On April 8, 2015, the City of Los Angeles released its first-ever Sustainable City Plan. In the plan, the City outlines a set of strategies and priority initiatives focused on moving the City toward a more sustainable future. The three major focus areas of the plan are environment, economy, and equity. The "economy" focus area includes a section on "housing and development," where it outlines some clear goals and measures around easing housing costs, encouraging housing around transit hubs, and

increasing the production and preservation of set for housing and development by the City in the plan:

- Start construction 17,000 new units of housing within 1,500 feet of transit by 2017
- 100,000 new housing units by 2021, leading to 150,000 new housing units by 2025
- Reduce the number of rent burdened households by at least 15 percentage points by 2035

### Affordable Housing Trust Fund

There will be some opportunity on the city-level for more affordable housing resources from an increase in funding to the City of Angeles Affordable Housing Trust Fund. Over a decade ago, the Affordable Housing Trust Fund had \$100 million in annual funding. Currently there is only \$19 million in the Affordable Housing Trust Fund. This past April, Mayor Eric Garcetti's office announced a plan to increase funds for the Affordable Housing Trust fund through funds generated by charging AirBNB customers the 14 percent hotel occupancy tax. The funds from this would generate approximately \$5 million. The proposal is still under review by the City Attorney, but this would generate some funds for the Affordable Housing Trust fund. The need is still great, so adding from the City's General Fund or finding other sources to add to the Affordable Housing Trust Fund will be necessary in order to replenish the funds to the original amount or greater.

### Neighborhood

As previously mentioned there are some opportunities in the pipeline to generate funding allocation for more affordable housing development. This generates an opportunity on a neighborhood level for local non-profit

affordable housing. Following are some key targets organizations to create awareness and additionally advocate for affordable housing in the Westlake/Pico Union neighborhoods. Two particular areas in which organizations can easily focus are on internal record keeping and advocacy on data sharing.

What do we mean by internal record keeping? As organizations that directly serve the residents in the community, it is crucial to maintain records of the number of residents seeking help and the type of assistance they are seeking. This allows for a more accurate account of the experience tenants are dealing with in the community. Having actual data can facilitate the push for funding to be strategically allocated for specific housing services. For example, if the majority of the residents that seek help for a housing issue have to do with evictions then orgs can effectively push for more legal assistance to be available for residents. In addition, a standardized way to record cases, allows for information to be shared and for a greater database to be created. Having an address from a case intake form, can allow for a mapping system to be created with the geographic distribution of cases and the main housing problems; this can help identify "problem areas."

Furthermore, organizations on a neighborhood level can assist in creating awareness of larger issues of open data within the City of Los Angeles. Information on the number of rent control units and information on Ellis Act is not readily available to the public. Considering the limited number of units under rent control as affordable housing advocates it is important to have information available that could inform the public on trends of decreasing number of rent control units.

### Conclusion

In conclusion, the report presents a snapshot of contemporary renter conditions in the Westlake/Pico Union neighborhoods. With much speculation of gentrification and displacement increasing in the neighborhood, the group's original ambitious goal was to mitigate displacement in the neighborhoods. As a historically Central American enclave, the impact of displacement on this population we felt was more detrimental due to the dependency on social networks and kinship ties. However, due to lack of previous housing research done in the area and the outdated statistical information available, the team worked to provide a necessary current snapshot of the housing conditions in the neighborhood. This included demographic data, housing stock, affordability data,

and affordable housing availability. We acknowledge that our interview sample was fairly small yet robust given our 3-week data collection time frame. A limitation in our interview collection data is that we focused on documenting resident's living experience and any changes the resident has observed in the edifice or surroundings. Future research should also focus on researching resident's living conditions and their awareness of tenant rights. Some important discoveries included that 44 percent of the total population in the neighborhood are undocumented immigrants and that 60 percent of all renter occupied households are cost burdened. This is significant information to consider in implementing policy and legislation that affect housing conditions in these two neighborhoods. It is therefore the hope that this research report can be used as an advocacy tool for local organizations doing work in affordable housing.

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# Appendix A

Westlake/Pico Union Demographics

Figure 1.1 – Household Income

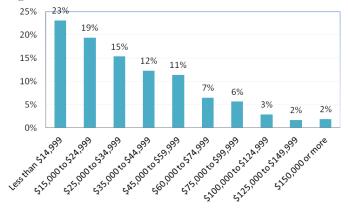


Figure 1.3 – Population Age

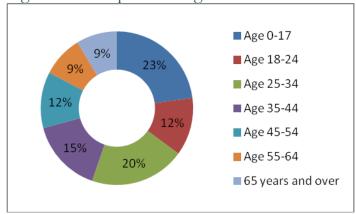
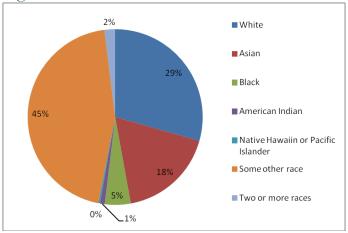


Figure 1.3 – Race



# Appendix B Inquilinos Unidos

Table 1.1- Inquilinos Unidos Legal Clinic Participant Table

Problem	Westlake/Pico Union	% w/in Westlake/Pico Union	Total Cases	% of Total Cases
1) 3, 30, 60, 90 day	25	21%	184	28%
2) U.D. Served	3	3%	27	4%
3) Individual Habitability	19	16%	93	14%
4) Building Habitability	9	8%	29	4%
5) Security Deposit	3	3%	35	5%
6) Rent Increase	17	15%	80	12%
7) Other RSO	6	5%	20	3%
8) Relocation	5	4%	14	2%
9) REAP/URP/UMP	2	2%	8	1%
10) SCEP	0	0%	1	0%
11) Discrimination	2	2%	21	3%
12) Not Specified	1	1%	12	2%
13) Problem with				
neighbor	2	2%	19	3%
14) Other	22	19%	121	18%
15) Blank	1	1%	1	0%
TOTAL	117	100%	665	100%

# **Appendix C**Renter Conditions

Figure.3.7-Renters by Census Tract

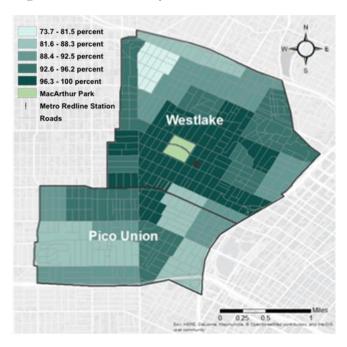


Figure 3.8- Median Housing Costs by Census Tract

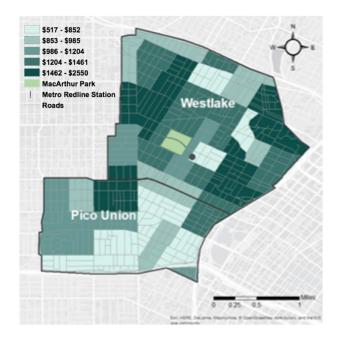


Figure 3.9- Renter Household Size



# Appendix D Housing

Figure 4.2- RSO Rent Increases 1979-Present, City of Los Angeles Housing and Community Investment Development

CHRONOLOGY OF ALLOWABLE RENT INCREASES SINCE 1979			
DATE	PERCENTAGE ALLOWED	DATE	PERCENTAGE ALLOWED
5/1/79 - 6/30/85	7%	7/1/00 - 6/30/01	3%
7/1/85 - 6/30/86	4%	7/1/01 - 6/30/02	3%
7/1/86 - 6/30/87	5%	7/1/02 - 6/30/03	3%
7/1/87 - 6/30/88	4%	7/1/03 - 6/30/04	3%
7/1/88 - 6/30/89	4%	7/1/04 - 6/30/05	3%
7/1/89 - 6/30/90	5%	7/1/05 - 6/30/06	3%
7/1/90 - 6/30/91	5%	7/1/06 - 6/30/07	4%
7/1/91 - 6/30/92	5%	7/1/07 - 6/30/08	5%
7/1/92 - 6/30/93	5%	7/1/08 - 6/30/09	3%
7/1/93 - 6/30/94	3%	7/1/09 - 6/30/10	4%
7/1/94 - 6/30/95	3%	7/1/10 - 6/30/11	3%
7/1/95 - 6/30/96	3%	7/1/11 - 6/30/12	3%
7/1/96 - 6/30/97	3%	7/1/12- 6/30/13	3%
7/1/97 - 6/30/98	3%	7/1/13 - 6/30/14	3%
7/1/98 - 6/30/99	3%	7/1/14 - 6/30/15	3%
7/1/99 - 6/30/00	3%	7/1/15 - 6/30/16	-

Figure 4.3- HACLA Section 8 Voucher Payment Standards

# VOUCHER PAYMENT STANDARDS (VPS) (eff. 12/1/14)

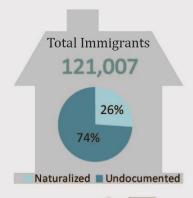
Bedroom Size	Payment Standard
Mobile H. Space	\$694
SRO	\$719
0	\$1,004
1	\$1,213
2	\$1,495
3	\$1,939
4	\$2,316
5	\$2,664
6	\$3,011

## Appendix E One Page Handout

# Housing Data of Westlake/ Pico Union Neighborhoods

**Total Population** 204,407 Total Households 68,370 60% Total HH are Families 40% Total HH are Unrelated 19% Total HH are Female Head

71% Hispanic 29% Non-Hispanic Population Age <sup>■Age 0-17</sup> 65 years and over



Renters **Owners** Renters **Owners** 

Income & Wages HH Median Income \$30,444

Median Renter HH Income 29,250

23% Income Below \$15,000 34% Lives in Poverty

Median Housing Cost **\$1,076** 

Cost Burden: % paying >30 of income:

60% of Renters are

### **Housing Stock**

74,162 Total Units

63,501 Rental Units

34% Built Before 1939

Built Before 1979

Are Studios or One Bedroom

Severe Overcrowding

>1.5 persons/room

29% Renter Occupied

VS. LA City

7% Renter Occupied

Rent Stabilization Ordinance

50,000

Units Built Before 1978

Affordable Housing

266 new planned units since 2013