



Los Angeles River Master Plan Update

Housing Discussion

July 23, 2018, 2:00–5:00pm

Meeting Summary

Location

Department of Public Works
900 S Fremont Avenue
Alhambra, CA 91803

Attendees

Panelists

Connie Chung, LA County Department of Regional Planning
Sissy Trinh, SEACA
Tony Picket, Grounded Solutions Network

Steering Committee Members

Christopher Piña, City of Los Angeles (Mayor's Office)
Kayla Kelly-Slatten, Conservation Corps of Long Beach
Yareli Sanchez, Council for Watershed Health
Enrique Huerta, From Lot to Spot
Amanda Wagner, Heal the Bay
Kayla Kelly, Long Beach Conservation Corps
Devon Provo, Los Angeles Business Council
Virdiana Velez, Los Angeles County 3rd District
Jesi Harris, Los Angeles County Bicycle Coalition
Daniel J. Lafferty, Los Angeles County Flood Control District
Keith Lilley, Los Angeles County Flood Control District
Rafael Villegas, Los Angeles Department of Water and Power
Melissa von Mayrhofer, Los Angeles Waterkeeper
Michelle Lin, Los Angeles Waterkeeper
Sarah Rascon, Mountains Recreation and Conservation Authority
Antonio Hicks, Public Council
Joseph Gonzalez, Rivers and Mountains Conservancy
Kelsey Jessup, The Nature Conservancy
Melissa Guerrero, The Trust for Public Land
Catherine Gudis, UCLA Department of World Arts and Cultures
Pauline K. Louie, US Department of Housing and Urban Development



Public Works Staff

Carolina Hernandez
Christine Wartman
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Consultant Team

Rick Jacobus, Street Level Advisors
Jessica Henson, OLIN
Andrew Dobshinsky, OLIN
Mark Hanna, Geosyntec
Andrea Carrassi, Geosyntec
Angela Barranco, River LA
Jon Switalski, River LA
Joan Isaacson, Kearns and West
Jenna Tourje, Kearns and West

1. Welcome and Introductions

Carolina Hernandez welcomed everyone to this special housing discussion. Rick Jacobus asked everyone to introduce themselves and laid out the goal of the meeting: to give Steering Committee members space to raise issues and weigh in on potential strategies related to housing along the river. Jacobus then went over the agenda.

2. Panel Discussion

Jacobus briefly introduced each of the panelists.

Connie Chung, LA County Department of Regional Planning

Chung explained that most of the County's housing initiatives apply to unincorporated areas of the County only and that there are only two significant parcels of unincorporated land that are adjacent to the LA River. The County recently completed an update to the 2015 General Plan, and the Department of Regional Planning has been focused on ensuring equitable implementation of the plan. Some of the initiatives they are working on are:

- The Green Zones program, an environmental justice initiative aimed at coordinating among agencies about land use regulation and permitting. They are



developing a toxic hotspots map and a mapping tool of equity indicators for County departments to identify high-priority areas for delivery of County services and resources.

- Housing policies, to be finalized by next year, including
 - Updating the density bonus ordinance to implement state law
 - Creating an extremely low-income housing set-aside to emphasize deeper affordability
 - Developing a homeless housing ordinance with incentives for permanent and interim housing, including innovative ways to create new housing and strengthen fair housing provisions
 - Developing an affordable housing preservation ordinance that incorporates strategies of renewing contracts, targeting specific areas to curb displacement, land use strategies (discouragement of condo conversions, requirements for 1-to-1 replacement [no net loss], discouragement of removal of mobile home parks)
 - Developing an inclusionary housing ordinance that requires developers to set aside a percentage of housing as affordable units
 - Strengthening tenant protections, rent stabilization, and mobile home rent stabilization policies

A lot of local funds are being allocated for affordable housing, including a grant the County received to explore community land trust ownership in unincorporated areas.

Sissy Trinh, SEACA

Trinh described her organization's mission and involvement in several low-income or underserved communities. She explained that many members of the Chinatown community cross the river many times on a daily basis without realizing the presence of the river. Neighborhoods she works with have a median household income of around \$19,000 annually, which is classified as extremely low income—too poor for most affordable housing, but not homeless.

A lot of public investment is occurring in the neighborhood, and as soon as projects are announced, property values increase. Trinh believes over 5,000 luxury units are expected in Chinatown, outside the realm of affordability for current residents. Residents are faced with a choice: fight against community improvements, like transit and parks, or accept the risk of becoming homeless. Additionally, efforts to date to improve the river have not taken into account that people use the river to get rid of waste.

Trinh offered a number of suggestions:



- Follow Metro's lead on how they learned to address gentrification and displacement (e.g., through initiatives such as Metro Match and a 35% target for affordable housing).
- Address preservation by protecting tenants' rights.
- Learn from local examples. For instance, the City of Los Angeles' Transit-Oriented Communities (TOC) policy generated many affordable units without additional funding required.

Tony Pickett, Grounded Solutions Network

Pickett shared his experience with the BeltLine in Atlanta and in Denver.

Pickett suggested that the BeltLine offers a cautionary tale about the need to have an entity that is responsible for leading the charge on affordable housing. BeltLine leadership realized early on that new mixed-use development could conflict with equity, so they developed an equitable development plan with Tax Increment Financing (TIF) for affordable housing. However, in creating the strategy, no one was given explicit responsibility for buying land to protect existing housing. Eventually, a community land trust, the Atlanta Land Trust Collaborative, was established to acquire vacant land and existing homes to create permanent, as opposed to term-limited, affordable housing. However, many affordable housing units had already been lost and land values had already increased. A pilot project included developing affordable condominiums for local public servants, where the land trust owned the land and the homeowners got a limited share of equity at resale. One hurdle with the pilot project was getting past the stigma of homeowners not owning land. Including the pilot project, only about 1,000 units of affordable housing have been created—far short of the goal of creating 5,600 affordable units.

In Denver, the Denver Transit-Oriented Development (TOD) Fund is managed by the Urban Land Conservancy, a land trust/land bank hybrid, funded by a philanthropist. The Fund piloted large-scale implementation of the land trust model. It has a self-sustaining funding mechanism, whereby developers replenish the fund by paying for rights to build. The High Line Canal is another Denver example that has relevance to the LA River since it manages the process of proactively determining impacts of projects along its 71-mile corridor.

Pickett closed by underscoring the importance of ensuring equity and having authentic representation and participation.



3. Discussion #1: Displacement Risk

In small groups, attendees discussed the first prompt:

- How serious is the risk of displacement? If we make the LA River into a desirable amenity, who will benefit most? Who will face the most negative consequences?

In a brief report out to the full group, Jacobus asked two participants to share what their groups discussed. Suggestions about who might benefit most included:

- Land owners
- Developers

Suggestions about who might face the most negative consequences included:

- Various tiers of low-income households
- Those who can currently afford housing but are at risk of being displaced

Jacobus asked the room if anyone felt the river should not be improved because of the risks discussed in the small groups. By show of hands, no one agreed.

The following additional ideas were generated in small group discussions but not discussed in the report out:

Who Might Benefit

- Tourists
- Landlords
- Improvements that become marketing tools for development

Who Might Face the Most Negative Consequences

- Home and business renters in river adjacent communities
- Land owners in river adjacent communities
- Immigrants
- People of color
- It is unclear whether displacement would occur without additional investment
- Surrounding parcels, not just the ones being revitalized
- People who live in the river
- Increased population density (more multi-family dwellings) could create tension in historically single-family neighborhoods
- Increased real estate value will mostly impact renters



4. Review LA River Community Stabilization Toolkit

By show of hands, about half of the attendees had seen the Community Stabilization Toolkit from the Lower LA River Revitalization Master Plan. Antonio Hicks explained that the toolkit was a supplementary document to the Revitalization Master Plan, not part of the plan itself. He expressed hope that a toolkit will be integrated into the LA River Master Plan. Antonio gave a brief explanation of some of the tools in the toolkit and provided a few examples of how they have been used. For example, the Staples Center Development utilized a community benefits agreement, and the People's Plan in South LA utilized a displacement-free investment zone with a goal of no net loss. He summarized three goals of the tools: protect residents, preserve affordable housing, and incentivize production.

5. Discussion #2: Potential Strategies

In small groups, attendees discussed the second prompt:

- What are the most promising strategies or tools to prevent or reduce displacement and preserve housing affordability as the river improves?

In a report out, ideas shared included:

- Make inclusionary housing the norm
- No net loss
- Need to address governance (potentially through a watershed management authority for entire river)
- Low income housing development
- Vouchers and subsidies
- Rent stabilization for commercial spaces
- Enhanced Infrastructure Financing District (EIFD) – value capture [this idea was seconded]
- Encourage a nonprofit development model (e.g., Habitat for Humanity)
- Land banks and community land trusts
- TOC incentives county-wide
- Rent control
- Develop a data tool to enable local communities to develop their own strategies
- Comprehensive strategies (e.g., moratorium on development) for land development and disposition, including surplus land, until there's more engagement
 - Coordinate across all public entities, including Caltrans, Metro, and the California High Speed Rail Authority
- Benefit housing



- Tie strings for housing to public funds that are going to be spent on the river
- Engage local communities through a convening entity

The following additional ideas were generated in small group discussions but not discussed in the report out:

- City-specific tools
- Mandatory but flexible funding
- Restricted riverfront housing (zoning for riverfront areas)
- Identify opportunity areas for additional affordable housing
- Community benefits agreements upfront before projects/development
- Watershed management authority for governance
- Community engagement
 - Make sure affected populations know about what's happening, including the risks and mitigation options
 - Intentional engagement tactics
- Community revitalization and investment authorities as a district (establish zones)
- Ensure public and private funding serves/provides benefits to low income communities/residents and for racial, economic, and environmental justice
- Land swap
- Funding sources
 - Philanthropy
 - Earmarked money
 - Bond

6. Discussion #3: The Master Plan's Role

Jacobus introduced that there are constraints to implementation of the potential strategies discussed, including the County's inability to regulate land use in incorporated areas. He asked the groups to contend with how things get implemented.

In a report out, Jacobus asked members to share their implementation ideas and to rank them on a scale of less resources needed to most resources needed. Ideas shared included:

- Land Banking – The County could create a land bank through its existing real estate arm and acquire strategic parcels for river-related housing or other public investments. Suggested sources of money to support this were a bond measure, existing funds, by acquiring tax delinquent properties, or philanthropic organizations.
 - It was suggested that \$6 billion might be necessary to fund a land bank.



- Because land is extremely expensive, being able to give land to affordable housing developers would make development more feasible.
 - The land bank could also consolidate oddly-shaped parcels and coordinate public investments in land. With its plans to acquire land along 11 miles of the LA River, the California High-Speed Rail Authority was cited as an example of a public agency that is consolidating parcels along the river and coordinating investment.
- Community Land Trust
- Create a joint powers authority, like the City of Los Angeles River Revitalization Master Plan recommended
- EIFD (Enhanced Infrastructure Financing District) – Include a recommendation in the plan to create a multi-jurisdictional district, which would amount to an endorsement by the Board that could in turn give departments the go-ahead to get additional necessary entities on board.
 - The success of an EIFD is contingent on significant increase in property values, which could spur gentrification, so there would need to be a mandate in the bylaws for proactive strategies to prevent displacement.
 - Equity between jurisdictions is an issue. (Who gets what?)
 - The plan could provide a backbone for this strategy by defining how much housing is needed and where.
- Master convener that pulls together all jurisdictions and could provide
 - a forum for smaller jurisdictions to learn about laws and processes
 - assistance with capacity (While the City of LA is well resourced, others do not have the capacity or technical knowledge.)
 - peer-to-peer technical assistance
 - funding as a way to incentivize affordable housing (carrot) or to impose affordable housing requirements on the use of public funds (stick)
 - technical assistance centers
- Build scoring criteria or requirements into other processes for approvals or funding streams (e.g., add dissemination of housing information / housing requirements to distribution of Measure A funds).

The following additional ideas were generated in small group discussions but not discussed in the report out:

- Toolkit approach integrated into the plan
- Tie to requirements for drainage/sewer permitting
- Create a buffer zone around the river to protect/require affordability
- Require new development to have flood insurance
- Managed retreat



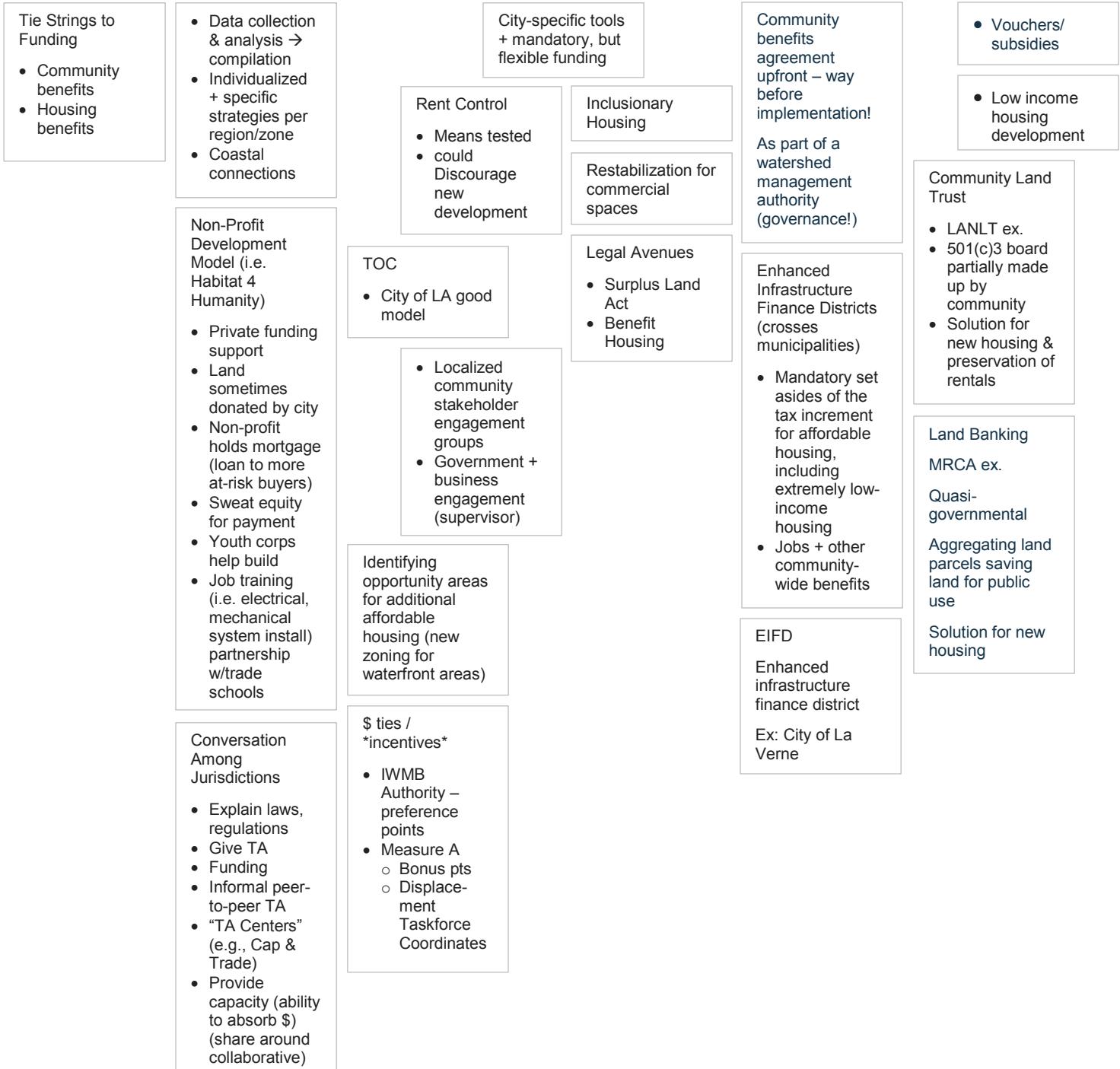
The diagram on the next page illustrates how attendees ranked the ideas from Discussions 2 and 3 on the need for more or less resources.

The group also discussed the effectiveness of the Lower LA River Revitalization Plan toolkit. It was acknowledged that the toolkit was a foundation that enabled this housing discussion to take place. While an implementation working group has been assembled for that plan, it may be too soon to know how effective implementation has been.



Implementation Ideas Ranked from Less to Most Resources Needed

Less Resources





7. Discussion #4: What's Next

As a full group, attendees discussed the final prompt:

- What needs to be done next? How do we get from these ideas to something concrete? Who has to be at the table that's not here?

Suggestions / questions included:

- Look at the socioeconomic data that's available to identify who to target.
- Look at potential federal floodplain funding resources (i.e. FEMA mitigation funds, HUD funds). Generally, properties that are at risk in the 500-year floodplain do not have flood insurance.
- What do cities' land use and open space plans say? Uniformity along the river would be hugely beneficial.
- Identify who is doing projects along the river, and find out how to leverage those resources.
- Use state infrastructure bonds.
- Public Works could be more strategic about how to use funding sources when it comes to planning, design, and construction of implementation projects. Tie funding to housing benefits (i.e. preference or bonus points).
- Create a displacement task force.

8. Closing Remarks

Jacobus thanked everyone for their participation. Carolina thanked the panel for participating in the discussion and the attendees for helping Public Works to better understand the housing issues and the role they could play in implementation of strategies. She echoed the need to address multi-jurisdictional issues and notified the group that Public Works will be talking to Councils of Governments (COGs) and town councils.



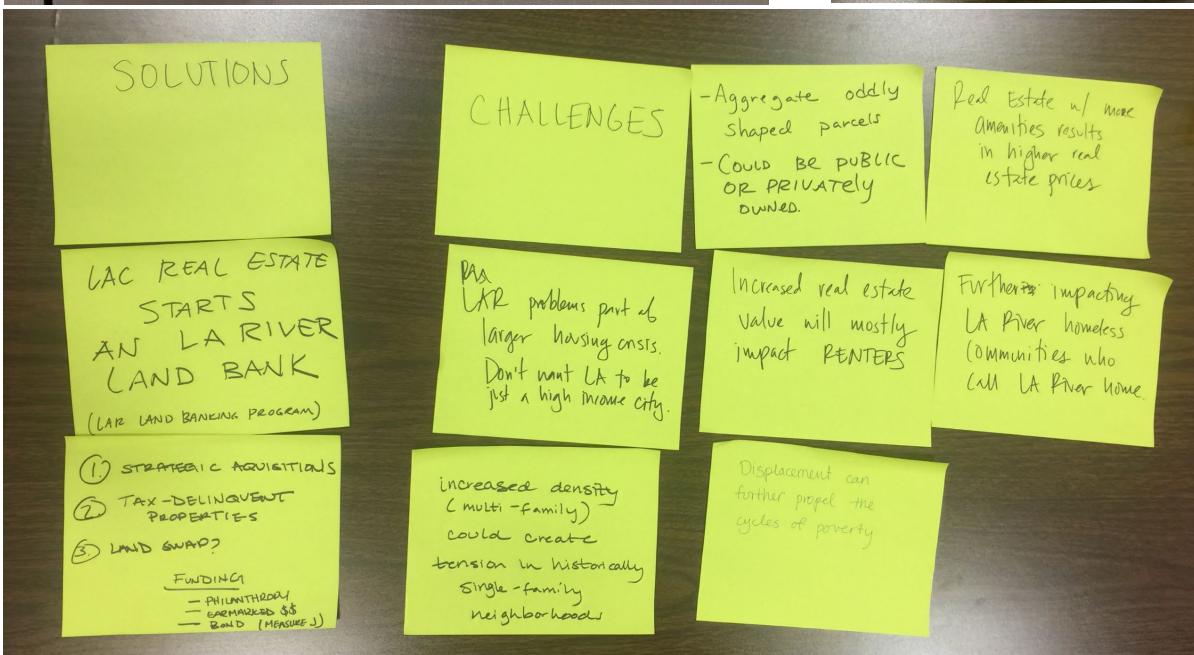
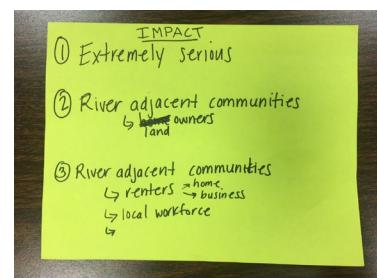
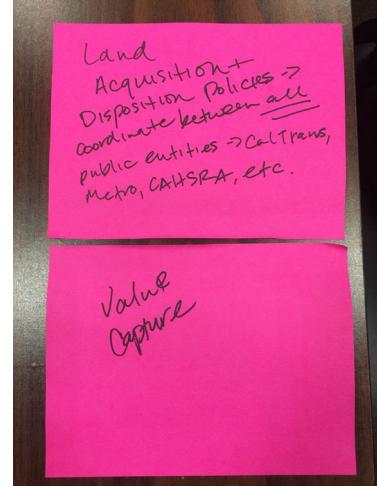
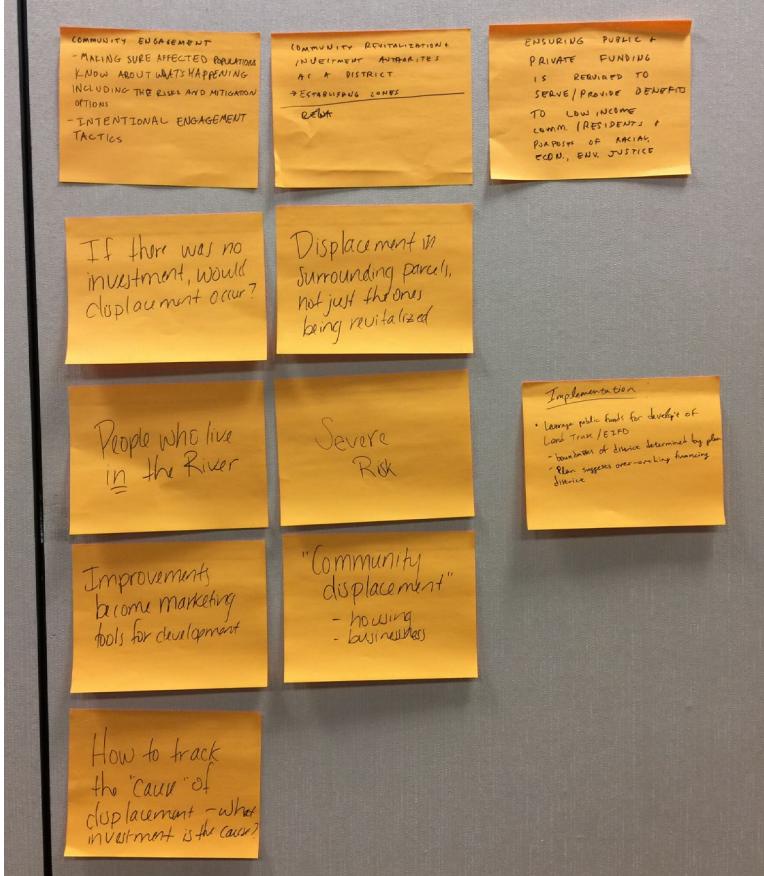
Additional Ideas Generated

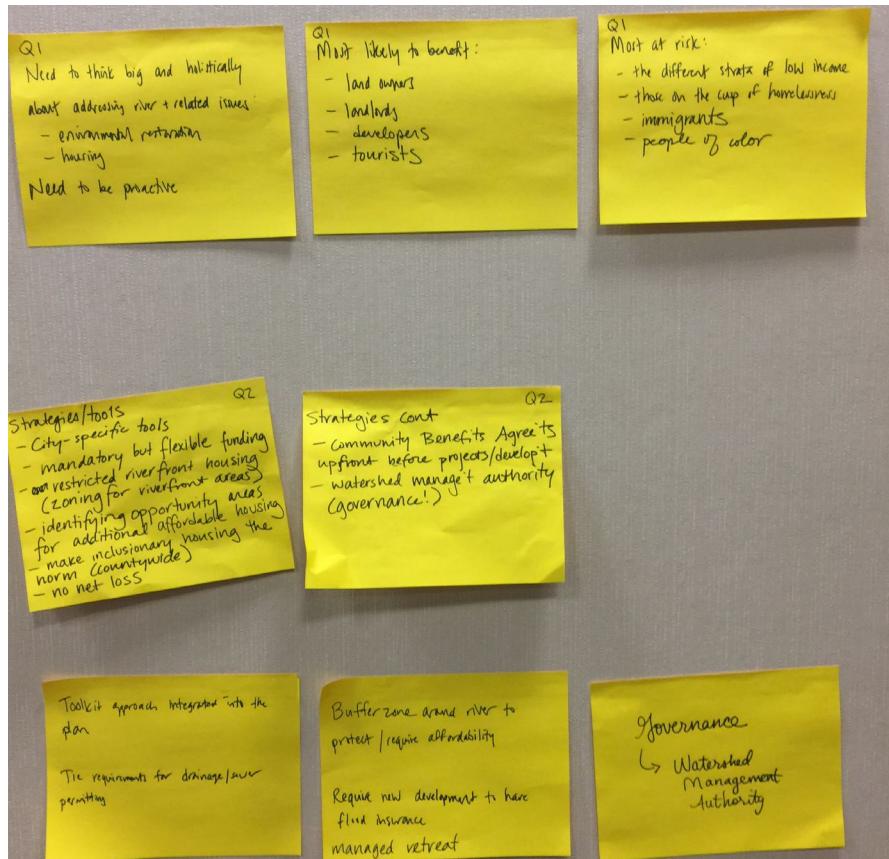
The following ideas were offered outside of the context of the discussions on the agenda.

- How to track the “cause” of displacement (What investment is the cause?)
- LA River problems part of a larger housing crisis. Don’t want LA to be just a high-income city.
- Displacement can further propel the cycles of poverty.
- Real estate with more amenities results in higher real estate prices.

Photos







Resources Mentioned in this Meeting Summary

- Atlanta BeltLine - <https://beltline.org/>
- Denver TOD Fund - <https://www.urbanlandc.org/denver-transit-oriented-development-fund/>
- Denver High Line Canal - <https://www.denverwater.org/recreation/high-line-canal>
- LA River Community Stabilization Toolkit - <http://lowerlariver.org/wp-content/uploads/2018/02/Community-Stabilization-Toolkit.pdf>