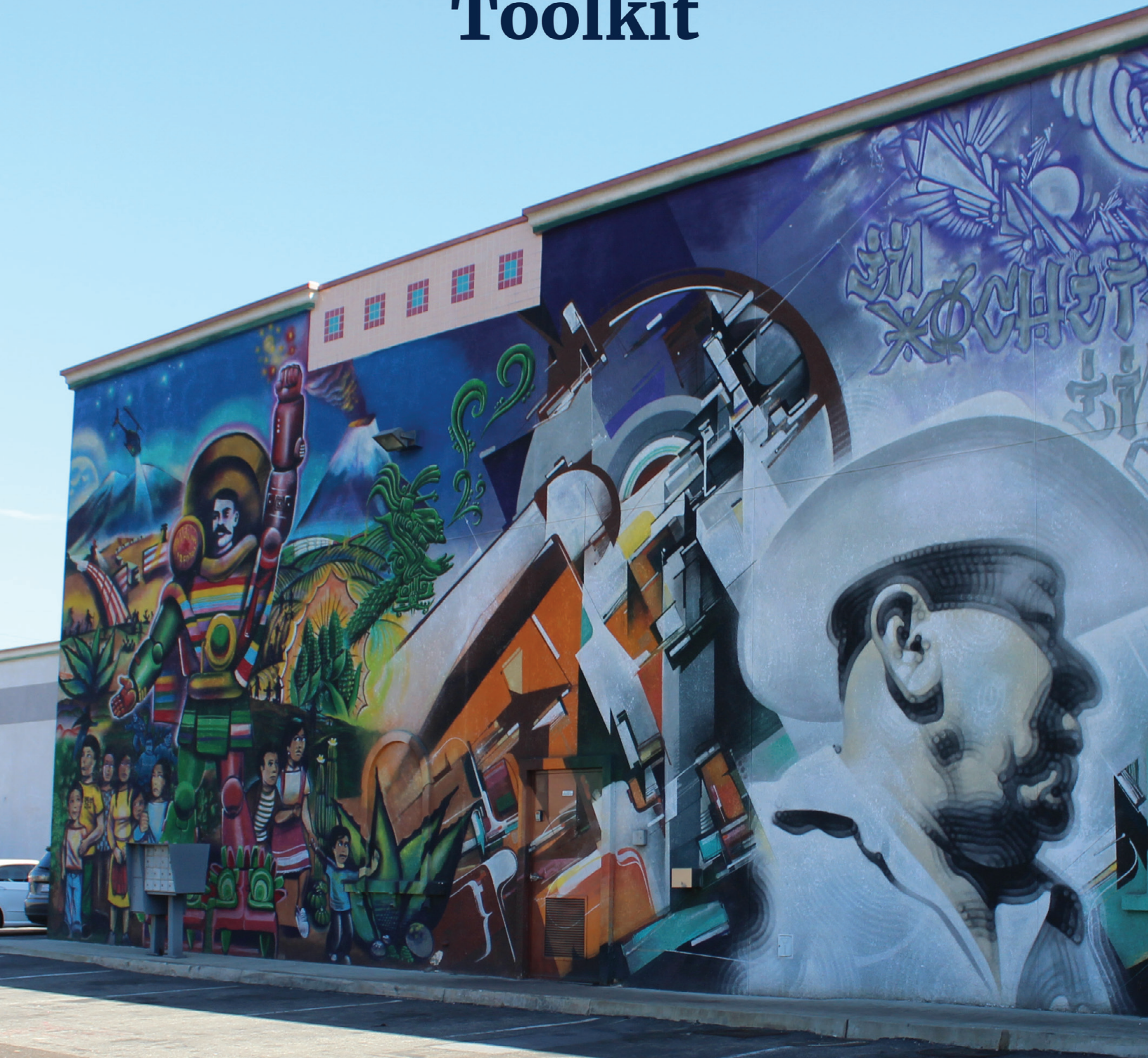


Community Stabilization Toolkit



Introduction

Revitalization investments could cause gentrification and displacement in high risk areas along the corridor. The Working Group determined that preventing displacement—both residential and commercial—was a key issue for the community. Displacement of people from their homes can cause people to move to more environmentally degraded areas which are farther from jobs or can cause them to become homeless. The loss of locally-owned businesses can impact the cultural fabric of a neighborhood and new businesses may not be well-suited to meet the needs of existing communities.

The Community Stabilization Toolkit identifies methods to protect the existing river-adjacent communities so the implementation of revitalization projects will bring positive change and allow the existing communities to realize the benefits of revitalization of the river. Utilizing the policies and programs in the Community Stabilization Toolkit could help to improve community-developer relationships and trust, ensure financial transparency during development, keep community-generated investment in the community, and create a stable inventory of affordable housing. The Toolkit also highlights programs which support and promote new local businesses and provide workforce training. While the policies and programs in the Community Stabilization Toolkit are not mandatory the benefits of applying appropriate methods of the toolkit will be crucial to ensure the long-term success of the Plan.



Community Benefits Agreements

Community benefits agreements are contractual agreements between developers and coalitions of community organizations designed to address a broad range of community needs such as living wage jobs and affordable housing. Community benefits agreements can ensure that public/private partnerships provide an economic return to the area and preventing displacement of low income residents. Community benefits agreements are based on the idea that economic development and public investment should result in measurable, permanent improvements to the lives of affected residents, particularly those in low-income neighborhoods. They can be negotiated for private and publicly funded projects.

Community benefits agreements ensure that all developer commitments go into contractual agreement, which should necessitate financial transparency in order to track these obligations. They provide a way for community groups to share information, have strength in numbers, and coordinate their advocacy. However, community benefits agreements do require adequate organization by neighborhood groups and it can be expensive to fund legal expenses.

Community benefits agreements are a way for local governments to facilitate the community's vision for an area and allows projects often heavily subsidized with taxpayer dollars to benefit the community. The direct communication necessary to develop a Community benefits agreement also allows developer to get community support which may help to facilitate more timely approvals and subsidies.



Web resources:

Common Challenges in Negotiating community benefits agreements and How To Avoid Them. January 2016. <http://www.forworkingfamilies.org/sites/pwf/files/publications/Effective%20CBAs.pdf>



Staples Community Benefits Agreement

In 2001, the “Staples Community Benefits Agreement” was negotiated for the Los Angeles Sports and Entertainment District development project. It included the following community benefits:

- A developer-funded assessment of community park & recreation needs, and a \$1 million commitment toward meeting those needs.
- A goal that 70% of the jobs created in the project will pay the City's living wage, and consult with the coalition on selection of tenants.
- A first source hiring program targeting job opportunities to low-income individuals and those displaced by the project.
- Increased affordable housing requirements in the housing component of the project, and a commitment of seed money for other affordable housing projects.
- Developer funding for a residential parking program for surrounding neighborhoods.
- Standards for responsible contracting and leasing decisions by the developer.

Detroit Community Benefits Ordinance

Local governments can require community benefits agreements on a case by case basis or by ordinance for certain development projects. For example, the City of Detroit passed a Community Benefits Ordinance in 2016 which requires community benefits to be incorporated into any development which is negotiating public support via the transfer to the developer of City-owned land or tax abatements or other tax breaks which meet certain thresholds. The ordinance outlines the community engagement and enforcement requirements for large and small scale projects which are defined as follows:

Tier 1 Development Project means a development project in the City that is expected to incur the investment of Seventy-five Million Dollars (\$75,000,000) or more during the construction of facilities, or to begin or expand operations or renovate structures, where the developer of the project is negotiating public support for investment in one or both of the following forms:

1. Any transfer to the developer of City-owned land parcels that have a cumulative market value of One Million Dollars (\$1,000,000) or more (as determined by the City Assessor or independent appraisal), without open bidding and priced below market rates (where allowed by law); or
2. Provision or approval by the City of tax abatements or other tax breaks that abate more than One Million Dollars (\$1,000,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

Tier 2 Development Project means a development project in the City that does not qualify as a Tier 1 Project and is expected to incur the investment of Three Million Dollars (\$3,000,000) or more, during the construction of facilities, or to begin or expand operations or renovate structures, where the Developer is negotiating public support for investment in one or both of the following forms:

1. Land transfers that have a cumulative market value of Three Hundred Thousand Dollars (\$300,000) or more (as determined by the City Assessor or independent appraisal), without open bidding and priced below market rates; or
2. Tax abatements that abate more than Three Hundred Thousand Dollars (\$300,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

Oakland Community Benefits Agreement

Another landmark CBA was negotiated in California. According to the Partnership for Working Families, in July, 2012, the Revive Oakland! coalition negotiated a CBA package which is expected to produce more than 2,800 construction jobs and 2,000 goods transport and warehousing operations positions. The Jobs Policies won by the coalition establish requirements for local hire, disadvantaged hire, living wages, limitations on use of temporary workers, and community oversight and enforcement. The policies resulted from extensive work between City staff, City Councilmembers and a broad range of community stakeholders, and were included as terms of the Lease Disposition and Development Agreement between Oakland and the project developers and made binding on project contractors and tenants. The City and community groups also entered into a cooperation agreement under which the groups agreed to support the project in exchange for assurances about the delivery of community benefits.

More Information

For full text of the Detroit ordinance go to: <http://www.detroitmi.gov/Portals/o/docs/Planning/Ordinance%20No.%2035-16%20Community%20Benefits%20Ordinance.pdf>.

For more information about Revive Oakland! see: <http://www.forworkingfamilies.org/sites/pwf/files/publications/revive%20Oakland%202015.pdf>.

For text of the Oakland agreements go to: <http://www.forworkingfamilies.org/page/policy-tools-community-benefits-agreements-and-policies-effect>.



Inclusionary Housing Policies

Inclusionary zoning is a policy used to allow for economic and residential growth while mitigating displacement caused by development. Inclusionary zoning requires or incentivizes developers of new housing constructed within a certain area to include a certain percentage for development as affordable housing. The structure of an inclusionary zoning policy varies and may be triggered by the size, height, location of a new development, or something like a density restriction. Many inclusionary zoning policies include incentives for developers such as fast-tracking permits or allowing for more units to be built than traditional zoning.

Incentives associated with inclusionary zoning requirements (e.g. density bonuses) could help ensure that needed LLAR investments occur while providing Affordable housing and equitable development. Working with private developers requires less direct public subsidy than traditional affordable housing programs, and is therefore more fiscally sustainable. Depending on the level of displacement risk, the inclusionary zoning policy can be mandatory or voluntary, though incentives should typically be available regardless, in order to offset potential profit losses for developers. It is common to allow developers to opt to either pay a fee per square-foot of development, or incorporate a certain percentage of affordable units. Inclusionary zoning could be used by cities within the Lower Los Angeles River to help offset displacement pressures caused by revitalization efforts, as well as promote economic and racial integration.



San Diego's Inclusionary Affordable Housing Regulations

San Diego's Inclusionary Affordable Housing Regulations apply to all new residential development, including any condominium conversion of two or more units.

Developers are required to pay an "impact fee," which is calculated per square foot, based on the number of units in the proposed development.

For housing development, the fee can be waived if the developer allocates at least 10% of for-sale units as affordable to households earning up to 100% of the area mean income (AMI).

For condominium conversions, the impact fee rate is half of that for new housing, likewise with the option to allocate 5% of the converted units to households as affordable to households earning up to 100% of the AMI.

Ordinance language can be found here: <http://docs.sandiego.gov/municode/MuniCodeChapter14/Ch14Arto2Division13.pdf>

The Palmer Fix:

On September 29, 2017, Governor Brown signed AB 1505, referred to as the "Palmer Fix". This bill allows local governments to establish on-site inclusionary housing requirements for new residential rental projects and supersedes the holding of the controversial decision of Palmer/Sixth

Street Properties, L.P. V. City of Los Angeles (2009) 175 Cal.App.4th 1396, that prevented jurisdictions from doing so. However, certain local ordinances imposing an inclusionary requirement of more than 15 percent of the total project units are subject to review by the California Department of Housing

and Community Development and could potentially require an economic feasibility study to ensure the requirements do not "unduly constrain" housing production.

For bill language go to: https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB1505

San Jose's Inclusionary Housing Program

San Jose's Inclusionary Housing Program requires developers to build at least 15% of units on-site with rent affordable to households earning no more than 110% of annual median income or 120% of annual median income for units for sale. Alternatively the developer can opt to:

- Construct an equal number of affordable units off-site
- Dedicate land zoned for affordable housing in lieu of construction

- Purchase and use credits for affordable housing units available from occupancies in other projects in San Jose
- Acquire and rehabilitate housing stock to be affordable to low/very-low income households
- Enter into an agreement with HUD to restrict units for low/very-low income households.
- A combination of the above methods

Ordinance language can be found here: <https://www.san-joseca.gov/DocumentCenter/View/57914>

Santa Monica's Affordable Housing Production Program

Santa Monica's Affordable Housing Production Program specifies that 30 percent of newly construction multi-family housing be affordable to low and moderate income households. This requirement is implemented via a deed restriction on the property and generally runs with the property for 55 years. Landlords must certify tenant's income annually and if a tenant exceeds the maximum allowable income by 140% the landlord must either move them into a different unit or allow them one year to vacate the apartment.

Tenants for the affordable housing created by this program must meet certain criteria. They must currently live in Santa

Monica or work in Santa Monica at least 36 hours per week or participate in an approved job training program in Santa Monica or be persons who were immediately previously in the Santa Monica workforce but are now receiving unemployment, worker's compensation, vocational rehabilitation benefits, disability benefits, or retirement benefits from Santa Monica. And they must meet certain household gross income requirements. Potential tenants apply to the city for referrals to qualifying housing.

Ordinance language can be found here (Chapter 9.64 Affordable Housing Production Program): <http://www.qcode.us/codes/santamonica/>



Web Resources:

Information about Pasadena's inclusionary housing ordinance: <https://ww5.cityofpasadena.net/wp-content/uploads/sites/3/2016/04/City-presentation-April-12-2016-.pdf>

US Department of Housing and Urban Development (HUD) case study illustrating a successful inclusionary zoning outcome in San Francisco: <https://www.huduser.gov/portal/casestudies/study-12162016.html>



Locally Owned Business Support



Support for locally owned and operated businesses is crucial to preventing commercial displacement during revitalization of the Lower Los Angeles River — especially for commercial areas which are particularly vulnerable due to historic disinvestment and locations relative to existing transportation and proposed

revitalization projects. Similar support is also necessary for residents to start new locally owned and operated businesses within the Lower Los Angeles River which would benefit from revitalization efforts. Connecting local businesses with existing assistance resources could keep existing businesses healthy and allow them to benefit from investments within the corridor.

Research by students at the UCLA Luskin Center for Public Affairs indicates that many small business owners are unaware of the support opportunities available

Web resources:

<http://innovation.luskin.ucla.edu/content/lower-los-angeles-river-revitalization>



Example Resource

The LA Food Policy Council organizes and engages local food entrepreneurs such as retailers and growers. The goals of the LA Food Policy Council reflect a vision to shift the regional food system to promote local growers, sustainable agriculture and fair working conditions for all food workers, and to ensure access to healthy, affordable food in underserved neighborhoods. For more information see: <http://goodfoodla.org/objectives/good-food-priorities/>



With some education and support, local businesses located along the river could benefit from revitalization projects rather than be harmed.

to them and often find it difficult to navigate municipal permitting and licensing requirements. Access to information about permitting, licensing, loans, negotiating leases and business plan development could help existing businesses thrive during revitalization and may help establish new locally owned businesses.

Local businesses may be able to use these tools to better leverage the economic benefits of revitalization projects along the river. For example, an existing restaurant near a new river park may be able to advertise the events in the park in an effort to provide meals to individuals which attend these events. In addition, revitalization projects could create inclusive opportunities for street vending at and around the Lower LA River, including: (1) providing designated vending space along the river; (2) encouraging and supporting vending on city-sidewalks leading to river access points and at river adjacent parks; (3) coordinating River Ranger, Sheriff, and local law enforcement efforts to avoid criminalization of street vending; and (4) supporting/funding vendor outreach and education to boost micro-entrepreneurship, promote small business development, and activate dynamic river adjacent areas.

Revitalization projects can serve as conduits for existing support tools, and resource provided by business organizations and industry groups in the area to local businesses which may benefit.

Information can be distributed in a number of ways — events, workshops, one-on-one counseling, guidance

documents and social media are all effective ways to get information into the business community.

Small Business Development Centers (SBDCs) are located throughout Los Angeles County which provide individual consultations on how to navigate the permitting process and low-cost training services that help businesses remain competitive. The Small Business Development Center at Long Beach City College provides a variety of services including the Small Business Brigade which helps residents start their own business.

Neighborhood Housing Services of Los Angeles County (NHS) is a community lender and neighborhood revitalization corporation that provides financial education and counseling, affordable mortgage lending, mission driven real estate services, construction management services, neighborhood revitalization and advocacy. As a part of the The Small Business Development Center (SBDC) hosted by Pacific Coast Regional Corporation within the Neighborhood Housing Services of Los Angeles County Compton Center for Sustainable Communities (CSC) partners with federal and private entities to provide small business owners access to free management consulting, low-cost entrepreneurial education, and other valuable business resources.

The national SBDC program assists more than 1.3 million businesses through over 950 Service Centers every year. The SBDC hosted at the Compton CSC is among the top 10 funded networks in the country.



Example Resource

The Liberty Hill Foundation has produced *The Guide to Green* for Los Angeles businesses. The guide offers an overview of the range of business assistance programs that may be accessed through the City of Los Angeles, the County of Los Angeles and regional, state and federal agencies. Program benefits include technical assistance, training, tax credits, rebates, loans and grants.

A similar guide could be developed to help existing LLAR businesses benefit from revitalization efforts and to assist in the development of new locally owned and operating businesses within the LLAR. Details at: <https://www.libertyhill.org/>

Some of the areas that SBDC Business Advisors can assist with include:

- Business Plans
- Business Financing
- Budgeting
- Marketing
- Legal
- Social Media
- Financial Management
- Cash Flow Analysis
- Business Forecasting
- Record Keeping/Accounting
- Certification/Government Contracting



No Net Loss Housing Policies

No net loss of affordable housing ordinances maintain affordable housing availability in an at risk area by either requiring a developer who removes affordable housing to replace all or a percentage of those units either onsite or offsite or make an in-lieu-of payment into a housing trust fund to be used for housing preservation projects. No net loss regulations can also control how multi-unit rental properties can be converted to for-sale condominiums. These types of regulations can provide consistent method of maintaining stable level of affordable housing rather than requiring cities to make decisions case-by-case.



In 1981, the California Legislature enacted section 65590. This provision is also known as the 1982 Mello Act and its purpose is to preserve residential housing units occupied by low or moderate- income persons within the coastal zone. Cities cannot authorize the demolition of affordable

units along the Coastal Zone unless there is a replacement unit in the city. Portions of the Lower Los Angeles River watershed are within this zone.

Other cities in the country have used similar ordinances as overlays to protect affordable housing in transit areas. For example, Arlington Virginia has a Special Affordable Housing Protection District along two Metro corridors to ensure that housing lost to higher density projects include replaced affordable housing units.

This type of overlay could be applied to areas within the LLAR that are highly vulnerable to displacement due to revitalization efforts. Will ensure that the existing levels of affordable housing stock in the LLAR – particularly those in close proximity to revitalization projects or in other highly vulnerable areas – is maintained.

Condo conversion regulations could also help to reduce the loss of affordable housing in Lower Los Angeles River communities. A condo conversion ordinance specifies when a rental may be converted to for-sale housing. As prices for single-family homes rise, sometimes the market demand for condos increase because they are more affordable for first time homebuyers. However, this conversion often prices low-income families out of the community.



In the City of Long Beach, if a developer proposes to convert apartments affordable

to low- or very low-income households to condominiums, the city code (Long Beach Municipal Code 21.60) requires that low- or very low-income households that would be displaced be given prior written notice of the intended displacement at least 18 months prior to the intended date of displacement. However, developers are eligible to reduce their noticing requirements to only 3 months' notice if they set aside at least 10% of the converted apartments to be affordable to low-income households or at least 5% affordable for very-low income households, for a period of 10 years. Additionally, existing residents must be given an opportunity to purchase a converted unit, and lower-income households may receive relocation benefits. The relocation assistance program provides a number of benefits for low and very-low income tenants who have been displaced by demolition or by condominium conversion. These benefits include a required 18-month notification of displacement, as well as monetary assistance of up to \$8,441 for relocation costs.

Ordinance language can be found here:

https://library.municode.com/CA/Long_Beach/codes/municipal_code?nodeId=LONG_BEACH_CALIFORNIA



Rent Control Ordinances

One of the primary causes of residential displacement during gentrification is existing residents' inability to pay increasing rents. One way corridor municipalities could temper these impacts is through the adoption or update of existing rent control regulations.

Rent control regulations typically limit the amount by which landlords may increase the amounts they charge for the use and occupancy of their property as a residence by tenants. Such regulations may also include controls to limit the frequency, regulate the timing of rent increases and limit the grounds on which a landlord may evict a tenant.

Some cities have boards that have the power to approve or deny increases in rent. Other cities' ordinances allow a certain percentage increase in rent each year. All rent control cities have "vacancy decontrol" which means that the landlord can re-rent a unit at the market rate when the tenant moves out voluntarily or when the landlord terminates the tenancy for nonpayment of rent.

Property that was issued a certificate of occupancy after February 1995 is exempt from rent control and tenancies in single family homes and condos are exempt from rent control if the tenancy began after January 1, 1996.

Rent control provides reduced rent for long-term renters in rent-controlled units and provides stability for those renters. Rent boards which help control rent increases can also be a valuable source of education and outreach to tenants and landlords about rights, regulations and additional assistance programs.



Web Resources

Tenants Together's rent control toolkit: <http://www.tenantstogether.org/rent-control-toolkit> City of Fremont Rent Control and Just Cause Eviction: Review of Programs: <https://fremont.gov/RentResearchReport>

Los Angeles Housing + Community Investment Department. Rent Stabilization Ordinance Overview. <http://hcidla.lacity.org/RSO-Overview>



Currently the City of Los Angeles is the only municipality in the corridor to have a rent control ordinance, however, no residential properties within the LLAR are currently covered by it. The ordinance generally covers rental units (except one single family dwelling on a single parcel) built before October 1978. The Rent Stabilization Ordinance (RSO) protects tenants from excessive rent increases while allowing landlords to receive reasonable returns on their investments. Landlords are required to register all RSO units annually and pay a fee to cover program costs. The annual allowable rent increase under the RSO is 3% plus 1% per gas and/or electricity if the landlord pays for those costs. Generally, the landlord can only increase rent once every 12 months.

For ordinance language: http://library.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:lamc_ca

Cities in California with Rent Control

- Berkeley
- Beverly Hills
- East Palo Alto
- Hayward
- Los Angeles
- Los Gatos
- Mountain View
- Oakland
- Palm Springs
- Richmond
- San Francisco
- San Jose
- Santa Monica
- West Hollywood



Workforce Development

The support of existing workforce training programs and the development of new programs focused on training residents for new jobs generated by revitalization efforts will help ensure that the benefits of economic development in the area benefit the existing community.

Many of the revitalization projects recommended for the Lower Los Angeles River will require people with skills in civil engineering, landscape design and construction to install and implement. And the work does not stop there. Projects will also need to be properly operated and maintained. This maintenance could require specialized skills in landscaping, irrigation, urban forestry, and habitat restoration. New park assets will also need to be monitored to ensure user safety.

Existing traditional workforce development programs could be augmented to include this type of training and new training programs could be developed specifically to support river-focused job training. For example, the Los Angeles Trade-Technical College's workforce and economic development program could be utilized to build employment capacity to support revitalization projects. Connections could be made between existing workforce training programs and employment in work in complementary jobs associated with the project, i.e. food vending for events. Workforce training also can be integrated into community benefits agreements associated with revitalization projects in the LLAR.



Los Angeles Conservation Corp constructing Compton Creek Natural Park

Web resources:

Conservation Corps of Long Beach: <http://www.cclb-corps.org/>



Conservation Corps of Long Beach Conservation & Community Services

Urban Greening

- Urban Forestry/Arboriculture/ Tree Planting & Maintenance
- Community Garden Development and Construction

Energy Efficiency

- Solar photovoltaic installation and maintenance
- Weatherization
- Energy auditing services

Water Conservation

- Rainwater catchment and collections systems design, installation, and maintenance
- Bio-swale and groundwater recharge system installation
- Smart irrigation system installation and maintenance
- Turf removal and drought tolerant landscape installation

Construction & Urban Conservation

- Landscape construction
- Construction equipment operation and safety training
- Hard-scape construction
- Demolition and deconstruction
- Steam cleaning, hardscape maintenance, and graffiti removal



In addition, revitalization projects can support and utilize the groups such as the Los Angeles Conservation Corp and Conservation Corps of Long Beach which currently provide training and on the job experience to youth in river communities in a variety of areas that could help implement and maintain proposed revitalization projects. These groups currently work with school districts, local governments, and state agencies to provide workforce training while designing, constructing and maintaining public assets.



Many of the youth which participate in the Long Beach Conservation Corp live in the Lower Los Angeles River corridor therefore workforce development opportunities created in conjunction with revitalization projects would directly benefit local residents. Most are of color (approximately 55% African American, 36% Latino, 9% Asian) and 38% are female and 62% are male. Most live in communities in North and West Long Beach, Compton, South LA or Watts and 100% are low-income.

Top left to right – Example of revitalization; Workshop that showcased renderings of Los Angeles Corridor; Los Angeles Conservation Corp constructing Compton Creek Natural Park.

The Corps provides heavy equipment training and certifications, as well as training in landscaping and irrigation system design and installation. The Corps also performs habitat restoration, as well as urban forestry, and river restoration activities such as vegetation management, environmental restoration, litter abatement and graffiti removal along the Los Angeles River.

The Corps River Ranger program participants patrol river parks and could perform a similar function in new public spaces which result from revitalization efforts. Finally, the Corps provides training that would support the design, installation and maintenance of green stormwater infrastructure practices which are an integral part of many of the recommended revitalization strategies in the Lower Los Angeles River Revitalization Plan.



Community Land Trusts

A community land trust is a nonprofit corporation that develops and stewards permanently affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community.

According to the National Community Land Trust Network, these programs invest “public funding into a property in order to make home purchase affordable for a family of modest means. The organization supports the residents to attain and sustain homeownership. In return, the homeowner agrees to sell the home at resale-restricted and affordable price to another lower income homebuyer in the future.” There are more than 200 community land trusts across the country.



Photo Source: Northern California Land Trust

Any housing the trust acquires, builds or rehabilitates remains permanently affordable for successive generations of owners or renters via the use of a ground lease arrangement with the owner of the improvements on the property. By retaining the right to the land, regardless of the type of legal ownership of the buildings, a community land trust will ensure the selling price is affordable, regardless of current market prices.

There are a number of community land trusts in the region which could be used as potential examples. The Beverly Vermont Community Land Trust based in the L.A. Eco-Village neighborhood “specializes in helping to create permanently affordable housing for low to moderate income households dedicated to lower impact living patterns.” The trust also manages a learning garden for eight public schools.

Web Resources

For more information see:

National Community Land Trust Network at <http://cltnetwork.org/>

California Land Trust Network <https://www.cacltnetwork.org/>



The Northern California land Trust has been providing permanent affordable housing since 1973. NCLT sells affordable condominiums and single family homes; leases offices and homes to non-profit organizations, cooperatives and co-housing communities; and rents affordable apartments to low-, very-low and extremely low income households. The NCLT owns and leases 40 rental units and leases the land under another 47 homes.

<https://nclt.org/>

Establishing a land trust requires a large capital investment but this investment can often be subsidized with local, state or federal affordable housing funding or through the donation of lands. It can be difficult to find lenders who are willing to make home loans on property leased by a community land trust, but in areas where community land trusts are more common, this has gotten easier. Finding suitable property for the trust to purchase can sometimes be a challenge. Some cities have used eminent domain to acquire properties for land trusts.