EXECUTIVE SUMMARY

Today, Los Angeles is investing in infrastructure to transform itself into a more connected, cleaner, and greener city. We have an opportunity to attain the full benefits of transit investment and achieve a more sustainable, equitable future. Sustainability is not just an environmental concept. Truly sustainable communities are also safe, healthy, and economically stable. So our investments should not only support transit infrastructure; our investments should support community infrastructure: housing, green space, safe streets, and economic opportunities.

Researchers have documented transit’s impacts in many areas around the nation, and these impacts are increasingly apparent in Los Angeles. The research is clear:

- Low-income workers are transit’s core riders;
- Transit-oriented development of market rate housing alone often decreases transit ridership;
- Disruptions from transit expansion can threaten local businesses; and
- Residential displacement and instability can have negative health consequences.

However, accessible, connected communities promote sustainability and create positive public health outcomes. In a city with rich diversity, each community should determine how to shape its development. But certain goals—affordable housing, green space, walkable streets, economic vitality—are shared by all of our communities.

Recent efforts in city planning suggest ways in which we can ensure equity in transit-oriented development. For example, the Cornfield Arroyo Seco Specific Plan includes a new type of density incentive that will promote affordable housing and other community benefits in new development. And recent efforts from City Hall, like the Transit Corridors Cabinet and Great Streets Initiative, reflect recognition of the importance of citywide coordination. But this is just a start.

A coordinated, systemic response is needed—flexible enough to account for neighborhood differences while achieving shared citywide goals. Re-imagining Los Angeles will rely on improving jobs, housing, and transportation. This requires proactive planning to ensure:

- Transit investments lead to economic mobility;
- Residents can afford quality housing near transportation; and
- Neighborhood-level infrastructure complements citywide transit.

Achieving each of these is necessary to arrive at our vision of Los Angeles as a cleaner, greener, more efficient, and more prosperous city.
Los Angeles is transforming. A rapid build out of public transit, largely due to the passage of Measure R by Los Angeles County residents in 2008, is expanding transit infrastructure throughout the region. In the coming years, the Los Angeles County Metropolitan Transportation Authority (Metro) will allocate approximately $40 billion generated by Measure R toward new rail, bus rapid transit, local street improvements, and other transportation needs. This unprecedented expansion of the public transportation system will impact our city dramatically, not only by increasing access to transit but by attracting new development.

Transit-oriented development (TOD) aims for “smart growth” to encourage more compact environments, better walkability, and greater use of public transit. But these goals are not always achieved in transit areas. In the long run, housing costs around transit tend to increase, however low-income workers, who rely on public transit, account for the majority of public transit ridership. And when higher income households owning multiple cars replace lower income, transit-dependent households, transit use can actually decrease, exacerbating traffic and air pollution, and threatening public health. Moreover, despite transit investment’s potential to drive economic activity, quality jobs do not automatically follow transit development.

Los Angeles is at a critical juncture, with an opportunity to move toward a more sustainable and equitable future. But the goals of transit-oriented development will only be achieved if guided by strong public policy and careful planning. We need to ensure that new transit works for everyone—encouraging healthy lifestyles, lowering environmental impacts, and driving economic opportunity that benefits all.
**THE ISSUES**

Recent reports document many of the issues that arise as cities, like Los Angeles, increase transit investment and pursue transit-oriented development.¹ These studies highlight the need for proactive, forward-thinking policies at local and regional levels to respond to these issues.

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¹ For a review of many issues impacting neighborhoods as transit expands, see Ass’n of Bay Area Gov’ts, Development Without Displacement, Development With Diversity 11-39 (2009) (reporting increased displacement pressures in Bay Area transit areas and finding that many low-income households migrated to areas with poor or no transit service from transit areas between 2005-2007); Karen Chapple, Ctr. for Cmty. Innovation, Univ. of Cal., Mapping Susceptibility to Gentrification: The Early Warning Toolkit (2009) (finding that gentrifying neighborhoods are nearly twice as likely to be located within a half mile of transit than any other neighborhoods); Gen Fujioka, Transit-Oriented Development and Communities of Color: A Field Report, Progressive Plan., Winter 2011 (reporting a “wave of evictions” at a new transit station in the Boyle Heights neighborhood of Los Angeles); Amanda Gehlke et al., Ctr. for Transit-Oriented Dev., Creating Successful Transit-Oriented Districts in Los Angeles: A Citywide Toolkit for Achieving Regional Goals 21 (2010) (finding the current median income of transit area residents in Los Angeles to be significantly lower than the regional median income and finding these lower income households significantly more likely to be renters; making these households susceptible to displacement as housing prices rise); Gregory K. Ingram et al., Lincoln Inst. of Land Policy, Smart Growth Policies: An Evaluation of Programs and Outcomes (2009) (examining four states with smart growth policies and concluding that smart growth is likely to contribute to reduced affordability for rents and owners unless affordable housing programs are incorporated into the policies); Stephanie Pollack et al., Dukakis Ctr. for Urban and Reg’l Policy, Maintaining Diversity in America’s Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change 25 (2010) (finding a “stunningly high incidence of disproportionately rising rents and housing values” in transit rich neighborhoods when compared to metro areas); Keith Wardrip, Public Transi’s Impact on Housing Costs: A Review of the Literature, Insights from Housing Pol’y Res. (Ctr. for Hous. Policy, Wash., D.C.), Aug, 2011 (reviewing various studies and reports that indicate that proximity to transit leads to higher (and values and rents).
Housing costs tend to be higher in neighborhoods with access to public transit. Research indicates that many factors affect the extent to which transit proximity raises housing prices: the type of transit and extensiveness of the transit system; the severity of local traffic congestion; the type of housing; whether station areas are pedestrian-friendly or auto-oriented; resident characteristics; the health of local real estate markets; and development policies, which can impact land values.2

Many areas in Los Angeles appear poised for increases in housing costs due to transit connectivity combined with a strengthening real estate market.3 A growing orientation toward mixed-use, walkable station areas has led to an emphasis on increasing density near transit, which will also impact land values and housing costs. A recent analysis of land values conducted for the Cornfields Arroyo Seco Specific Plan (CASP) showed that by simply increasing density, land more than doubled in value.4 Another recent report finds that disproportionate numbers of low-income families in Los Angeles currently live near transit and these households will be vulnerable to displacement as housing prices and development increase around transit.5 In some neighborhoods, housing with expiring affordability restrictions could compound increases in housing costs.6

Low wages, underemployment, and other barriers to economic success add to the risk of displacement. Put simply, residents without access to quality employment opportunities will be unable to absorb the increased housing costs that tend to accompany new transit investment, exacerbating the risk of displacement. The overall success of a transit system—which relies on building ridership and increasing access for all residents—is intertwined with the level of economic opportunity within the neighborhoods served. Without strategic planning, new development may provide low-wage jobs without a career ladder or fail to include mechanisms that ensure local low-income families at risk of displacement are able to access new opportunities. To achieve the promise of expanded transit, targeted and strategic land use planning must encourage development that meaningfully enhances economic mobility for low-income residents.

PROMOTING SMALL BUSINESS

Community-serving small businesses are also highly susceptible to the displacement pressures that accompany transit investment. This vulnerability is caused by a number of potential factors. For instance, increased land values and speculative investment may cause commercial rents to increase beyond what local merchants can afford. Residential displacement from a neighborhood can result in the loss of a core customer base, which further undermines the economic stability of small businesses.7 In addition, physical disruptions

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2 Wardrip, supra note 1, at 5-10.
5 Amanda Gehrrke et al., supra note 1, at 19-21.
6 L.A. Hous. Dep’t & Reconnecting Ar., supra note 3, at 14-17.

caused by transit construction—barriers to entrances, loss of parking, noise, debris, and traffic—limit access and deter customers.

In Los Angeles, low-income entrepreneurs and culturally significant small businesses have already encountered—and will continue to experience—these vulnerabilities. Several years ago, construction on the Gold Line extension caused serious economic disruption to over 100 merchants in Boyle Heights and East L.A. More recently, after Metro announced a plan to build a station in Leimert Park, the owners of several commercial properties located near the proposed station immediately chose not to renew leases with locally-owned and culturally significant small businesses. Similar patterns are likely to continue without proactive strategies to support and prioritize local businesses.

HEALTH IN OUR COMMUNITIES

Achieving the full benefits of transit investments, such as reduced traffic congestion and greenhouse gas emissions, relies on reducing automobile usage. Fundamentally, this requires shortening commutes and increasing the numbers of workers commuting by public transit and alternative modes of transit, such as biking and walking. Vehicle miles traveled (VMT) and greenhouse gas emissions provide relevant measures for quantifying auto usage and air pollution. Research suggests that maintaining and increasing transit ridership leads to decreases in both. Surveys of residents of transit-oriented districts in California have found an average decrease of daily VMT of 9.8 miles among residents, with corresponding reductions in emissions. In turn, policies that maintain and increase access to public transit—particularly for core riders—will reduce traffic and decrease greenhouse gas emissions, leading to less air pollution and healthier communities. In fact, a recent analysis of data from the California Household Travel Survey shows that increasing affordable housing near transit would be “a powerful and durable GHG reduction strategy” and would significantly improve our air quality standards.

Studies show that core riders of public transit have relatively low incomes. A comprehensive review of literature finds that low-income people, along

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9 See Stanley O. Williford, Leimert Park may be fading as a Black cultural hub, new owners forcing out tenants, Our Wkly., June 20, 2013.
11 Regional reductions in greenhouse gas emissions are also required by Assembly Bill 32 (AB 32), adopted by the State of California in 2006. Senate Bill 375 (SB 375), adopted in 2008, provides a means to achieve AB 32’s reductions goals, requiring regional transportation planning to be coordinated with land use planning to reduce reliance on automobiles.
12 Cal. Hous. P’ship Corp. & TransForm, Why Creating and Preserving Affordable Homes Near Transit is a Highly Effective Climate Protection Strategy 3 (2014).
with people of color and renters, ride public transit at much greater rates than others. Households earning less than $25,000 annually are represented disproportionately among public transit riders, and account for over 75% of workers who commute by transit in Los Angeles. But when housing costs rise in response to transit-oriented development, low-income people—transit’s core riders—may not be able to afford to live near public transit. This threatens ridership and all the benefits that come with it, such as reduced traffic and fewer greenhouse emissions. A nationwide study actually found declines in ridership after new stations opened, suggesting that increased housing costs in station areas can effectively push away low-income workers, transit’s core riders. In California, higher income households drive more than twice as many miles and own more than twice as many vehicles as extremely low-income households living within a quarter mile of transit stops with frequent service. Unfortunately, this means that, if not planned strategically, transit expansion threatens to exacerbate traffic and pollution.

Additionally, housing un-affordability has been shown to cause severe physical and mental health outcomes, including stress and hypertension. Studies also suggest that displacement from one’s home and social ties can lead to developmental and psychological problems in children. Furthermore, current research is starting to suggest that displacement may exacerbate existing health inequities that primarily affect vulnerable populations, including low-income communities and communities of color. These variable health outcomes are tied to underlying social, political, economic, and environmental factors, including access to affordable transit and housing, quality jobs, and safe places to work and play. According to the Centers for Disease Control and Prevention, these factors can impact mortality, cancer rates, birth defects, asthma, diabetes, and cardiovascular disease.

But focusing on the trip origin is only half of the equation; effective planning for healthy communities must also consider the destination. To this end, our

13 Stephanie Pollack et al., supra note 1, at 12-15 (citing research from the American Public Transportation Association, the National Household Travel Survey, and the American Community Survey). This study cites research finding that people of color use public transit more often than others, even after controlling for differences in income.
16 Stephanie Pollack et al., supra note 1, at 24-29. The expansion of light rail appears particularly susceptible to this dynamic. Id. at 31.
17 Cal. Hous. P’ship Corp. & TransForm, supra note 12, at 3.
18 Jeffrey Lubell et al., Ctr. for Hous. Policy, Framing the Issues—the Positive Impacts of Affordable Housing on Health (2007).
19 See, e.g., Rebecca Bentley et al., Association Between Housing Affordability and Mental Health: A Longitudinal Analysis of a Nationally-Representative Household Survey in Australia, 174 Am. J. of Epidemiology 753 (2011).
22 See Dena Beizer et al., Ctr. for Transit-Oriented Dev., Transit-Oriented Development and Employment 4 (2011) (*given that concentrated employment uses have been found to be more closely associated to transit riders than dense residential uses, it is clear
transit system needs to connect riders to employment and other essential resources like healthcare, education, workforce training, childcare, healthy food options, and green space. In other words, to increase ridership, we need more than just new housing opportunities near transit. We also need to create high-quality transit areas that enhance connectivity to existing job clusters, protect community resources, and facilitate economic opportunity for workers.23

Finally, research indicates that physical infrastructure, like bike lanes or features that promote walkability, can also positively influence transit ridership, reduce VMT, increase public safety, and improve the physical health of residents. A review of relevant studies suggests that design variables such as the density of intersections and street features are strongly associated with reductions in VMT.24 Thus, investments in bike lanes, sidewalks, and other pedestrian infrastructure can reduce VMT. These so-called “last mile” investments can also lead to greater public safety, thereby increasing transit ridership by easing commuters’ ability to get to and from transit stations and stops, and making streets safer in the process. Investment in active transportation infrastructure has also been shown to have significant health benefits, including reduction in obesity rates, improved cardiovascular health and reduced risks of diabetes.25 However, because these transit and pedestrian oriented design improvements also contribute to rising rents and displacement risks, achieving these health benefits will require the City to build in “upfront” affordability and preservation policies.26

ACCOUNTABILITY FOR PUBLIC INVESTMENTS

All public expenditures should be transparent and accountable, benefiting the public. Transit investment is no different. Large-scale transportation infrastructure projects have the potential to stimulate economic activity, attract additional development, and create much-needed employment opportunities in a number of sectors. In addition, changes to land use standards that result in increased density alongside transit infrastructure create even more economic value. But who will benefit? Without appropriate planning, this public investment and corresponding transit-oriented development policies can create windfalls for land owners and private developers, and even displace communities, as described above. Los Angeles’s unprecedented transit expansion is, at its core, a collective investment in our growth as a region. And the investors—local workers, families, and businesses in our communities—should benefit.

PLANNING FOR EQUITY AND OPPORTUNITY

Recent trends in local planning and administration provide a useful start for comprehensive equitable TOD policy development, suggesting ways in which the City of Los Angeles can effectively respond to the issues described above.

LESSONS FROM LOCAL PLANNING

At the neighborhood level, the City has taken steps to create new planning tools for achieving goals like accessible transit, safe streets, open space, and affordable housing. Through the Project RENEW study of South LA (2010), and the CASP (2013), the City created new tools to facilitate density while also ensuring affordability. The Project RENEW study recommended zoning and planning for pedestrian and bike infrastructure, neighborhood serving amenities such as public open space, public libraries and childcare, and mixed-income housing.27 More recently, the City adopted the CASP to govern land uses in the neighborhoods around the Chinatown, Lincoln Heights,
and Heritage Square Gold Line stations. The CASP contains several innovations, such as density incentives attached to affordable housing production and other community benefits.28 Both Project RENEW and the CASP represent significant progress as Los Angeles plans for the future. However, these plans targeted only a few neighborhoods and their impact remains limited to those areas.

COORDINATED POLICIES AND PRACTICES

In addition to local planning initiatives, the Mayor’s Office established a Transit Corridors Cabinet in 2011 to provide coordination among City departments and guide sustainable and equitable growth near public transit. The Cabinet’s practical aim was to consolidate existing policies that relate to transit corridor development from departments such as planning, engineering, transportation, police, fire, and street services. A key recognition of the Cabinet’s work plan was that despite the diversity among neighborhoods, effective policy is achieved through integration at the highest levels of City government.29 Currently, the Cabinet is no longer meeting. More recently, the Mayor’s Office Great Streets Initiative created a work group, comprised of a number of City departments, to coordinate neighborhood- and street-level projects involving utilities and transportation.30 These initiatives reflect the importance of citywide coordination, even on street-level projects, suggesting the value of an integrated approach to transit-oriented development. Such an approach is consistent with findings and recommendations from a growing body of research. However, it is unclear whether local efforts for a coordinated approach to TOD planning will develop further.

RE-IMAGINING LOS ANGELES

Jobs, housing, and transportation are each vital to creating a cleaner, greener, more efficient, and

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29 See L.A. Dept of City Planning, Developing and Implementing the City of Los Angeles’

more prosperous Los Angeles. The City needs public investments to spur economic development and create jobs that support a decent quality of life. It needs housing that workers can afford. And it needs efficient transportation to link housing and jobs, reducing traffic and greenhouse gas emissions, and increasing health in communities throughout Los Angeles. Ignoring any of these—housing, jobs, or transportation—will put our city’s future in jeopardy.

Building upon recent work, the City should use policy and planning to establish minimum standards that ensure equity in transit-oriented development. These standards must balance the flexibility needed to account for neighborhood differences with the clear need for citywide action, recognizing the interrelation among housing, economic mobility, and transportation. A coordinated, systemic response to the issues affecting our communities should include the following elements:

**SAFE, HEALTHY HOUSING AFFORDABLE TO RESIDENTS**

Preventing residential displacement from transit-oriented neighborhoods and ensuring healthy communities will require housing policies that respond to transit’s impact on our neighborhoods:

- Ensure that development near transit results in an increase of housing affordable to transit’s core riders: low-income people and working families.
- Prevent displacement and protect rent-stabilized housing from demolition and conversion by increasing enforcement of the Rent Stabilization Ordinance.
- Provide enhanced relocation assistance for families displaced from homes near transit, accounting for increased transportation costs resulting from displacement.
- Create healthier living environments for residents near transit by reducing pollution and increasing access to open parks and recreational spaces.

**OPPORTUNITIES FOR ECONOMIC MOBILITY**

Creating a more sustainable, equitable Los Angeles means connecting workers to quality jobs and ensuring that infrastructure investments create economic opportunities for local residents:

- Create new commercial and mixed-use TOD projects that generate quality jobs with family supporting wages.
- Give local residents and Angelenos who face barriers to employment better access to both construction and permanent job opportunities.
- Ensure that community-serving small businesses and cultural institutions are able to survive and thrive alongside new transit development.
- Facilitate increased opportunities for small businesses and low-income entrepreneurs within new mixed use TOD development projects.
- Increase economic opportunities for local vendors by enhancing public contracting and procurement programs.

**COMPLETE TRANSPORTATION INFRASTRUCTURE**

Transportation is the critical link between housing and economic mobility—and it’s not just about transit lines. Neighborhood infrastructure is critical to creating truly sustainable communities. This means connecting bus and rail lines to infrastructure that complements public transit, such as streetscapes that make walking and biking safer, and open space and other amenities promoting activity, mobility, and healthy communities:

- Improve bike and pedestrian infrastructure to create safer streets and provide the critical “last mile” that connects people’s homes to public transit.
- Promote the inclusion of crucial services and amenities—for example, workforce development, education and childcare, and healthcare facilities—in transit areas.
LETS GET THERE TOGETHER

As Los Angeles transforms itself into a more connected, cleaner, and greener city, we must ensure that all residents benefit. Achieving a more sustainable, equitable future relies on it. Sustainability is not just an environmental concept; truly sustainable communities are also safe, healthy, and economically stable. So our investments should not only support transit infrastructure; our investments should support community infrastructure.

Our city is rich with diversity and each community should determine how to shape its development. But certain goals—affordable housing, green space, walkable streets, economic vitality—are shared by all of our communities. The City must work to achieve these goals, making certain that equity is central to transit-oriented development. This will ensure that all of our communities are involved in our city’s transformation, creating a truly sustainable Los Angeles.
The Alliance for Community Transit–Los Angeles (ACT-LA) is a broad-based coalition of organizations with national, statewide, regional, and local expertise engaging in policy advocacy, legal strategies, grassroots organizing, and community economic development. ACT-LA members are unified in the belief that smart growth policies must go hand in hand with equitable development policies. ACT-LA’s goals include: authentic community participation in urban planning, mixed-income communities, affordable and accessible public transportation, community economic development through responsible public investment, and reduced environmental and climate impacts.