Neighborhood Housing Services
of Los Angeles County


# Transit Oriented Development and Affordable Communities In Los Angeles County

## An Opportunity to Serve Neighborhoods and Families Equitably

A Report from Neighborhood Housing Services
of Los Angeles County
April 2015

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## Foreword

Our world is changing. Economic downturns. Foreclosures. Market adaptation. Appreciating markets. High cost real estate in southern California has become normal again. In Los Angeles County, we now have the opportunity to change our communities with the major infusion of transit dollars as rail comes to our neighborhoods.

How do we make sure that the train doesn't just pass through our communities? How do we help ensure that the private sector leverages government resources and makes every dollar invested multiply? How do we prevent gentrification while increasing diverse and economically integrated neighborhoods? How do we affect community change, increase the dialogue and create shared vision amongst all of our neighbors? What is the role of residents, business and government in this dialogue? Can the foundation community play a more strategic role? Whose job is it to monitor, push and ensure that all roles get played so that the ultimate impact of community redevelopment happens with transit being a major driver?

All of these and many more questions face us, but we must make every effort to answer them clearly, swiftly and decisively so that every community touched by transit is able to respond effectively and be revitalized. We need jobs. We need economic development. We need small business opportunity and personal financial opportunity. Transit brings some of that opportunity, and we must seize the moment, face our future and envision a world that is changing...for the better. The ideas and data presented in this white paper reflect the truth of how transit in Los Angeles has impacted some of those who needed it most in the past, offers challenges and solutions for how it can improve and enhance the future, and inspires us to put forth every effort to do better as the resources are delivered.

Let's do things right this time. The nexus between jobs, housing, transit and our communities cannot be overlooked. We have both the means and the opportunity. Let us collaborate to ensure that every neighbor has the opportunity to improve their quality of life, one transit ride at a time. Home Matters. Families Matter. Our Communities Matter.

Looking forward to a shared impact,

**Lori R. Gay**
President & CEO
Neighborhood Housing Services of L.A. County

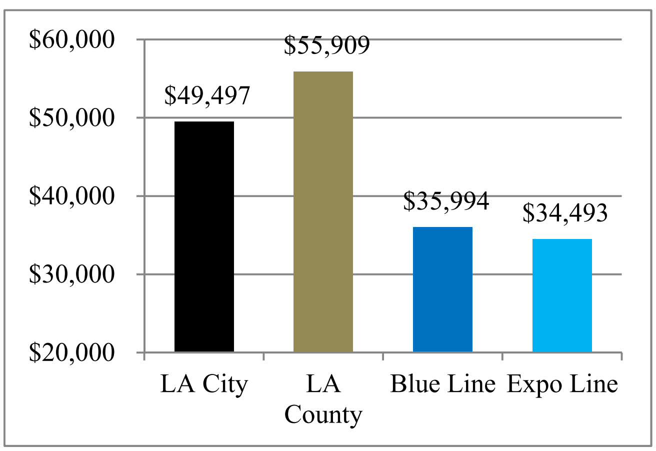
## Executive Summary

Transit and housing are two of the biggest challenges facing Los Angeles. On the housing side, low homeownership and rising costs of living stifle economic growth and disproportionately burden low- to middle-income families, fueling economic inequality. Meanwhile, Los Angeles struggles with congestion, longer commutes, and air pollution as the city and county adjust to global climate change and aim to usher in a new era of sustainability. Given the low incomes, low homeownership, and high rent burdens of the populations living near transit, these challenges must be confronted together. Without adequate investment in affordable housing and protecting affordability, transit-oriented development could raise costs or displace the people who can least afford it. And this may in turn reduce transit ridership.

These challenges are inextricably linked to each other. Transit helps determine where we live, how expensive it is to live there, where we shop, and who we spend time with. Housing determines who rides transit and who drives, and all too often influences the jobs we take (and the jobs we do not take because they are too far or inaccessible).

Transit-oriented development (TOD) has emerged as a popular interdisciplinary response, combining incentives for mixed-use TOD zoning and development with light rail and public transit investments to form a more mobile, sustainable Los Angeles with the transportation infrastructure to match the city's dynamism. Yet studies have found that TOD is yet to deliver on its promise in Los Angeles, with inconsistent commercial job growth near TOD sites. Additional study has shown mixed impacts for lower-income and ethnic communities, with local small businesses failing to share in gains. This may change as Measure R and a potential Measure R2 begin to generate billions of dollars of additional revenue for transit investments in the coming years.

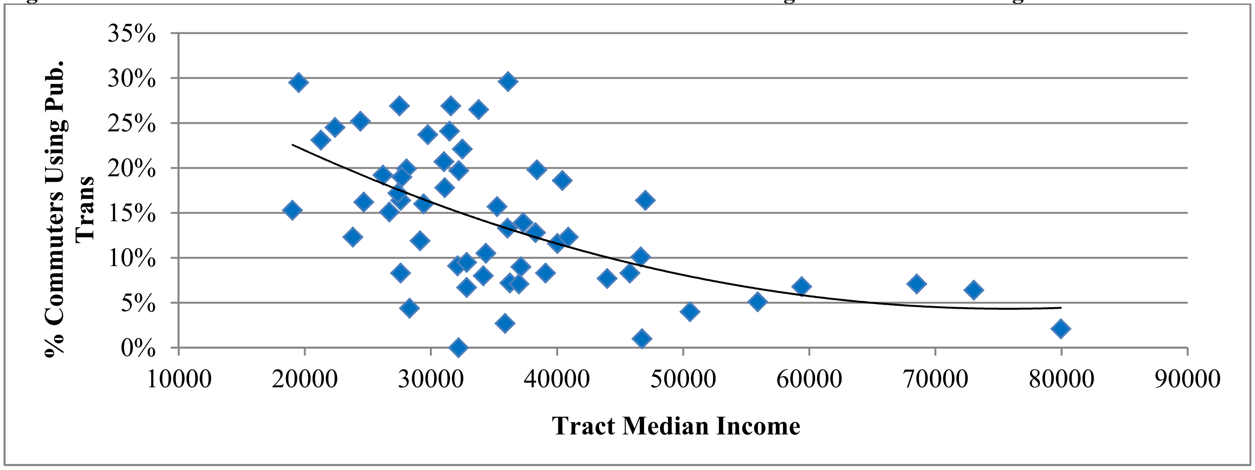
**Figure 1. Median Household Income, 2013**




TOD presents an opportunity to reach communities in Los Angeles that have lower incomes and higher poverty rates than the rest of the City or County. Median household incomes in 2013 were over $21,000 lower for households living within a ½ mile of an Expo Line stop as they were in the County, while the quarter-million people living within a ½ mile of a Blue Line stop had median incomes $20,000 lower than County medians (see figure 1 above).

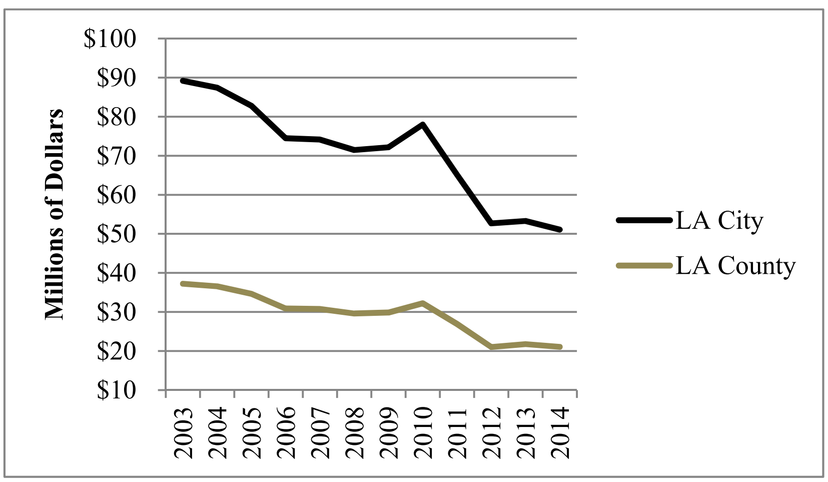
These communities also have lower rents, mortgage payments, and homeownership rates than the rest of Los Angeles at large, which makes them ripe for displacement if there are not sufficient investments in affordability to match the investments in transit. As our analysis suggests, displacement and gentrification could also imperil TOD's transit goals, as lower-income residents are more likely to ride public transit than higher-income residents, even when they both live near Metro stops (see figure 2 below).

**Figure 2. Blue Line Census Tracts. Household Median Income and Percentage of Commuters Using Public Transit**




For this to change and for TOD to generate equitable growth, Los Angeles must invest in affordable housing to allow vibrant, diverse communities to flourish near transit. But investments in housing have not kept pace with spending on transit. While some federal housing programs that emerged as a response to the recession are beginning to fade away, other programs are simply in long term decline such as CDBG (see figure 3 below).

**Figure 3. CDBG Annual Allocations**




Meanwhile local funding for affordable housing has also declined with the dissolution of the Community Redevelopment Agencies; affordable housing funding from the CRA once represented as much as $50 million annually in Los Angeles and other sources have yet to emerge. While potential future sources of funding such as cap-and-trade have been discussed, these sources are unpredictable.

The City's Five-Year Transit-Oriented Consolidated Plan for 2013-2017 recognizes the need for affordable housing and the risks of rapid development without such protections, but does not offer adequate solutions or funding mechanisms to preserve affordability. NHS recommends that the County and City pursue policies to allow low- to middle-income people to thrive alongside transit. Policies to accomplish this include consistent zoning to allow for mixed-use development, dedicated funding from potential revenues like Measure R2 for affordable housing and homeownership, earmarks from CRA boomerang revenues for housing, and identifying and protecting existing affordable housing near transit.

Transit and affordable housing policies can work together to serve all Angelenos. But it will take everyone from government, non-profits, and the private sector to individual community members and families, working together to build a cleaner, more sustainable Los Angeles that is both equitable and dynamic as the region forges ahead into a brighter future.

## Introduction

Transit and housing are intertwined. Where we live determines where we work, how we get there, where we eat, where we shop, and who we spend time with. Transit and housing are the twin challenges facing the region, as Los Angeles grapples with expensive housing, low homeownership, pollution and congestion with national economic inequality and global climate change serving as backdrop.

Transit-oriented development (TOD) has emerged as a response to problems stemming from sprawling growth, as policymakers seek to incentivize public transit and economic growth near rail stops. But as this report aims to show, one problem cannot be solved without addressing the other. Investments in transit must be accompanied by investments in housing if these policies are to succeed in developing sustainable neighborhoods and communities that rely on public transit and eschew the traffic-snarled highways. But these investments have become increasingly difficult. Though funding for transit has increased, funding for affordable housing[1] has declined sharply in the aftermath of the housing crisis.

The attention and energy around TOD, therefore, represents a tremendous opportunity for Los Angeles. As our analysis shows, the communities that live near Metro rail stations in areas served by NHS have lower incomes, higher unemployment, and higher poverty rates than Los Angeles overall. TOD could reach these communities with employment and economic opportunity. But these areas also have lower housing costs than the city at large. Along with lower homeownership rates and higher rent burdens, this suggests that TOD without adequate affordability protections and homeownership incentives could create displacement. Given what our analysis shows about the relationship between incomes and transit ridership, this could actually lead to fewer people riding transit, not more.

This White paper is divided into four sections. Section 1 gives a brief overview of transit-oriented development, a review of some of the work studying its impacts, and a brief discussion of its effects on lower- to middle-income communities in Los Angeles. This section also includes a brief discussion of funding for transit to provide context.

Section 2 gives a detailed analysis of the communities along the Metro lines where NHS provides services, namely south of downtown and the San Fernando Valley. This analysis finds neighborhoods along current transit and potential transit routes in great need, with high poverty and unemployment rates. It also finds areas where housing affordability measures must be taken to avoid negative impacts from TOD. Lastly, this analysis finds a negative relationship between income and transit ridership, something Metro should heed carefully as it forges ahead with TOD strategies.

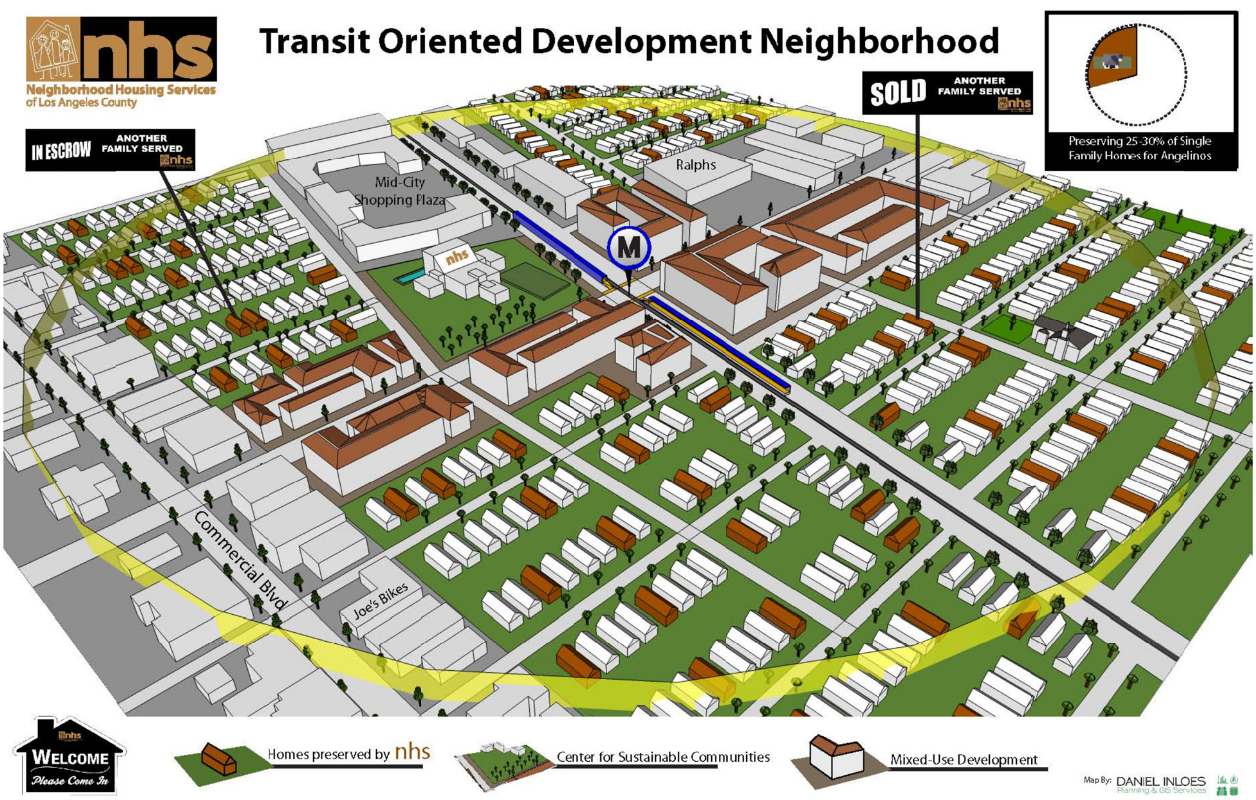
Section 3 discusses the funding environment for affordable housing in Los Angeles in marked contrast with the funding for transit initiatives. Finally, section 4 discusses the implications of TOD for housing in Los Angeles and offers a menu of policy and funding options for preserving affordability and increasing homeownership opportunities for low- to moderate-income families.

[1] 'Affordable' is often defined as housing that has a cost below 30-35% of a population's income. Target populations are defined in terms of the area median income (AMI). Households paying above 30% of income on housing are considered 'cost-burdened' while households paying over 50% of income on housing are considered 'severely cost-burdened' (HUD, 2014b).

## About NHS of LA County and Our Vision for Transit-Oriented Development

Neighborhood Housing Services of Los Angeles County is the largest non-profit affordable homeownership provider in Southern California. NHS serves as a Community Development Finance Institution (CDFI), providing affordable mortgage lending to low- and middle-income households and communities of color. NHS also provides foreclosure prevention and other financial education, construction and real estate services, and neighborhood revitalization. Since 1984, NHS has developed and rehabbed over 18,000 housing and commercial units, placed 3.3 million families on the road to homeownership, created 195 block clubs, and invested over $4.4 billion back into Los Angeles' most underserved neighborhoods. The organization originally served the Vernon/Central, Crenshaw, Boyle Heights, and San Pedro neighborhoods but has expanded throughout Los Angeles County and into the San Fernando Valley.

The organization's vision of transit-oriented development is straightforward. NHS believes that development near transit should benefit the people currently living there and should be a mechanism for bringing opportunity and employment to the people that need it most. To help achieve this, NHS promotes mixed-use development and affordable homeownership opportunities near transit. These efforts, coupled with other efforts to preserve affordability and generate local job growth, should bring development and growth that is both sustainable and shared equitably among Los Angeles' diverse communities.



# SECTION 1-TOD, ITS IMPACTS, AND FUNDING IN LOS ANGELES

Transit-oriented development (TOD) has emerged as a popular response to a host of problems facing American cities today. These problems include:

- Rising congestion and sprawl,
- Climate change and the need to curb greenhouse gas (GHG) emissions,
- Spatial mismatch between jobs and housing, and
- Lack of commercial activity and underdevelopment of particular sections of cities.

Given the interconnected nature of these problems, the need to craft interdisciplinary solutions has emerged as paramount, pointing policymakers towards transit-oriented development (Smith & Brooks, 2012). TOD entails giving incentives and support to high-density, mixed-use development near rail stations (TCRP, 2004) using density bonuses, grants, and loans for development. In Los Angeles, this has played out through density bonuses and Metro directing development by putting Metro-owned parcels adjacent to Metro lines and stations up for development through RFP processes. These initiatives are seen as especially important in helping the Los Angeles region meet the GHG emissions reduction goals set forth in California SB375, the Sustainable Communities and Climate Protection Act of 2008, which set a target for Los Angeles to reduce GHGs by 8% by 2020 and 13% by 2035 (Handy, 2014).

### What are TOD's Impacts on Low-Income and Minority Communities?

TOD's impacts are well-studied, although difficult to generalize due to the diversity of cities and regions in which TOD takes place (Schuetz, 2014). A handful of academic studies examine the relationships between transit development and neighborhood impacts in California and Los Angeles. Some draw lessons from the development of BART in the Bay Area in the 1970s and 1980s, arguing that mechanisms such as rezoning, density bonuses, and subsidies are vital to TOD's effectiveness as a neighborhood growth strategy. The arrival of rail stations in lower-income areas does not necessarily induce development on its own; in the case of the Bay Area, neighborhoods continued to see sluggish development despite BART's arrival (Crane, 2013).

Given the slow pace of development in South Los Angeles following the arrival of the Blue Line between Long Beach and Pico Station in July 1990, scholars examined obstacles to development in these neighborhoods and found scant evidence of residential zoning to support denser housing and mixed-use development, finding that most zoning was geared towards commercial and industrial uses (Boarnet & Crane, 1998). Later authors also found that officials restricted residential uses along transit stations (Schuetz, 2014), emphasizing commercial and industrial uses which generate greater property tax revenue but may not serve the community's housing, employment, or commercial needs; despite this commercial focus, this same analysis also noted that TOD along the Blue Line was negatively associated with retail employment. Others noted that the lagging development of the Blue Line corridor was a failure of truly community-oriented planning, as Metro ignored the needs of Blue Line communities and the intensive community engagement needed to develop the corridor during the 1990s (Schweitzer, 2012).

Other authors find that when TOD is associated with commercial growth, that growth can fail to benefit local residents and small business-owners. One study focused on the effects of TOD on small business and Asian-owned business in four neighborhoods along transit routes (Thai Town along the Red Line, Koreatown along the Purple Line, and Chinatown and Little Tokyo along the Gold Line) found that small business growth slowed for TOD business relative to the rest of Los Angeles County and slowed even more so for Asian-owned businesses near TOD. This suggested that local communities did not proportionally share in gains (Ong, Pech, & Ray, 2014).

Transit's more recent potential to change neighborhoods in Los Angeles County can be examined by looking at the before and after surrounding the stations of one of Los Angeles' newer rail arrivals, the Gold Line. The Gold Line opened in two sections: The first section, running from Pasadena through neighborhoods such as Highland Park, Lincoln Heights, and Chinatown to Union Station, opened in 2003. The second section, running from Union Station through Little Tokyo and Boyle Heights to East LA, opened in 2009.

The table below compares census tracts within a half mile of Gold Line stations before the stations opened in 2000, and after the stations opened using 2009-2013 five-year estimates. The inferences that we can make on this before and after comparison are limited: without adequate control tracts, we do not know what would have happened without the rail stations arrival. Moreover, without adequate tract-level data for many of the intervening years we cannot look at year-to-year changes that might tell a more detailed story. But even if we cannot say that transit caused these changes, we can say what changes have *coincided* with the arrival of the Gold Line in an area where impacts have had several years to take root (Pasadena) and an area where impacts are just beginning to be known (Boyle Heights). See table 1.1:

**Table 1.1. Economic and Social Indicators Before and After the Gold Line's Arrival**
*(All dollar figures adjusted to 2013 dollars)*

| | **Gold Line (Pasadena Branch)** | | **Gold Line (Eastside Extension)** | |
|---|---|---|---|---|
| | Before (2000) | After (2009-2013) | Before (2000) | After (2009-2013) |
| **Population** | 114,776 | 114,842 | 85,941 | 79,027 |
| % Hispanic | 47.7% | 46.1% | 81.7% | 84.6% |
| % White | 30.4% | 30.2% | 5.2% | 4.1% |
| % Black | 4.5% | 4.3% | 7.0% | 4.2% |
| % Asian | 14.6% | 16.9% | 5.3% | 6.1% |
| **Education** | | | | |
| % with Bachelor's or higher | 34.3% | 40.9% | 5.2% | 9.0% |
| **Income, Employment** | | | | |
| Median Household Income | $58,099 | $50,875 | $34,889 | $34,833 |
| Unemployment | 7.4% | 11.1% | 15.4% | 15.7% |
| % Families in Poverty | 13.8% | 14.6% | 27.5% | 25.4% |
| % Individuals in Poverty | 17.0% | 18.9% | 32.1% | 28.7% |
| **Housing** | | | | |
| Homeownership Rate | 40.1% | 40.0% | 29.3% | 28.0% |
| Median Home Value | $344,722 | $432,600 | $218,832 | $299,800 |
| Median Rent | $933 | $1,262 | $745 | $946 |
| Median Mortgage Costs | $2,320 | $2,382 | $1,659 | $1,955 |
| **Commuting** | | | | |
| % Riding Public Transit | 7.8% | 9.9% | 16.5% | 15.6% |

*Pasadena, Highland Park, and Lincoln Heights*

The initial branch of the Gold Line coincided with considerable changes between 2000 and the 2009-2013 period. The racial composition of the neighborhood shifted slightly, with the Hispanic portion of the population declining from 47.7% to 46.1% while the Asian portion of the population increased from 14.6% to 16.9%. Bigger shifts appear in the education of the population, with the portion of the population over age 25 with a bachelor's degree or higher going from 34.3% to 40.9%, suggesting the possibility of gentrification. Yet most residents did not gain from change, despite an increase in education: median household income fell from $58,099 to $50,875, while the percentage of families and individuals in poverty increased slightly. Despite stagnant incomes for median households, housing costs increased sharply: median home values increased by over 25% while median rent increased by over 35%. The percentage of commuters using public transit did increase somewhat, from 7.8% to 9.9%.

*Little Tokyo, Boyle Heights, and East LA*

While the arrival of Metro to Little Tokyo, Boyle Heights, and East LA was more recent than in Pasadena (although the planning and construction started years before stations opened), the changes in these neighborhoods appear to be similar. Racial change has been somewhat subdued, with Hispanic and Asian populations increasing slightly. Educational attainment increased, albeit from a lower baseline, with the percentage of the population with a bachelor's degree or higher going from 5.2% to 9.0%. Meanwhile, median household income was stagnant, declining slightly from $34,889 to $34,883 and unemployment rose from 15.4% to 15.7%. Poverty declined slightly, with the percentage of individuals in poverty falling 3.4%. Similar to Pasadena, however, housing costs increased. Median home values increased by 37%, median rents increased by 27%, and mortgage costs increased by 18%. The percentage of commuters riding public transit actually fell over this period by nearly 1%. This is consistent with other authors findings that TOD-related gentrification in minority neighborhoods is associated with lower public transit ridership (Dominie et al, 2012).

**Boyle Heights' Mariachi Plaza and Gold Line station. Photo from nps.gov.**

These trends in housing prices, incomes, and small businesses along both the Gold Line and the Red Line are consistent with phenomena observed elsewhere. A review of TOD's impact on communities of color in several cities found that TOD was associated with a steep rise in evictions of Latino residents in San Francisco's Mission District to make way for housing targeted at tech employees. The review also found TOD in Seattle led to displacement of Asian residents, as required affordable units negotiated in exchange for higher densities did not have to be built in the same neighborhood and was coupled with lax enforcement (Fujioka, 2011). Impacts can be particularly harsh, other authors noted, when residents do not have an adequate network of community-based organizations which can effectively voice their concerns and advocate for affordability protections (Pollack & Prater, 2013). These impacts are worth studying as the Gold Line expands. Metro is in the process of building the Gold Line's Foothill Extension, which will travel from Pasadena through Arcadia, Monrovia, Duarte, and Irwindale to its terminus at Azusa (a second leg of the extension will eventually run to Montclair), which may leave lower-income populations in places like Azusa vulnerable to additional pressure on already high housing costs. See table 1.2.

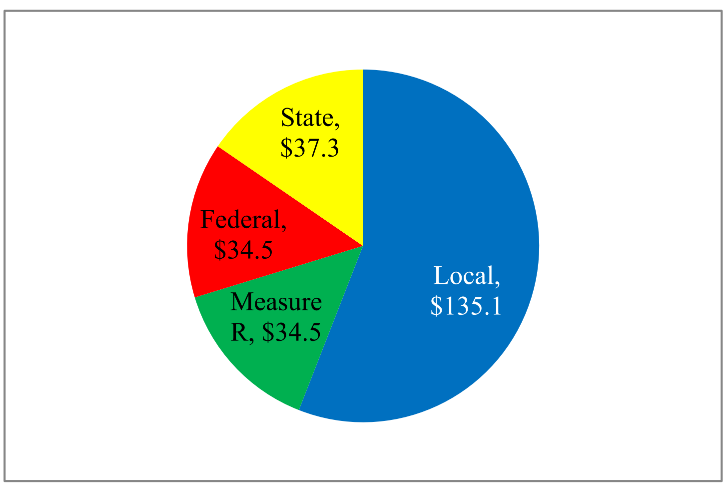
Table 1.2. Social and Economic Indicators, Gold Line Foothill Extension, 2009-2013

| | Arcadia | Azusa | Duarte | Irwindale | Monrovia |
|---|---|---|---|---|---|
| **Population** | 56,758 | 46,843 | 21,499 | 1,497 | 36,806 |
| % Hispanic | 11.6% | 65.9% | 44.0% | 93.7% | 40.5% |
| % White | 26.3% | 20.4% | 29.4% | 4.2% | 38.2% |
| % Black | 0.9% | 3.1% | 6.3% | 1.6% | 5.8% |
| % Asian | 58.6% | 8.8% | 17.8% | 0.5% | 12.7% |
| **Education** | | | | | |
| % with Bachelor's or higher | 52.5% | 19.5% | 28.0% | 8.1% | 35.5% |
| **Income, Employment** | | | | | |
| Median Household Income | $77,704 | $52,001 | $62,250 | $63,250 | $71,768 |
| Unemployment | 6.7% | 8.7% | 10.4% | 14.8% | 8.9% |
| % Families in Poverty | 8.5% | 15.5% | 8.7% | 6.8% | 7.2% |
| % Individuals in Poverty | 9.6% | 20.1% | 13.4% | 10.4% | 9.8% |
| **Housing** | | | | | |
| Homeownership Rate | 60.9% | 50.8% | 64.8% | 73.4% | 50.5% |
| Median Home Value | $802,400 | $305,200 | $362,600 | $329,100 | $505,700 |
| Median Rent | $1,402 | $1,202 | $1,214 | $1,250 | $1,276 |
| Median Mortgage Costs | $2,997 | $1,961 | $2,110 | $1,564 | $2,635 |
| **Commuting** | | | | | |
| % Riding Public Transit | 3.1% | 6.0% | 4.3% | 1.7% | 2.8% |

## Measure R and TOD in Los Angeles County

The major driving force behind recent transit-oriented development in Los Angeles has been Measure R, a ½ cent sales tax increase approved by two-thirds of County voters in November 2008. The measure created a 30-year revenue stream for Metro improvements which is expected to channel $34.5 billion by 2039 when the tax expires. Measure R is in addition to two existing taxes directing funds to transit: Prop A, a ½ cent sales tax approved in 1980 with no sunset that has generated over $14.5 billion, and Prop C, a ½ cent sales tax approved in 1990 with no sunset that has generated $11.7 billion. Measure R revenues are flowing to a number of projects, such as the Expo Line extension from Culver City to Santa Monica, the Crenshaw-LAX Green Line extension, and the Regional Connector project (Ahunja & Mills, 2014).

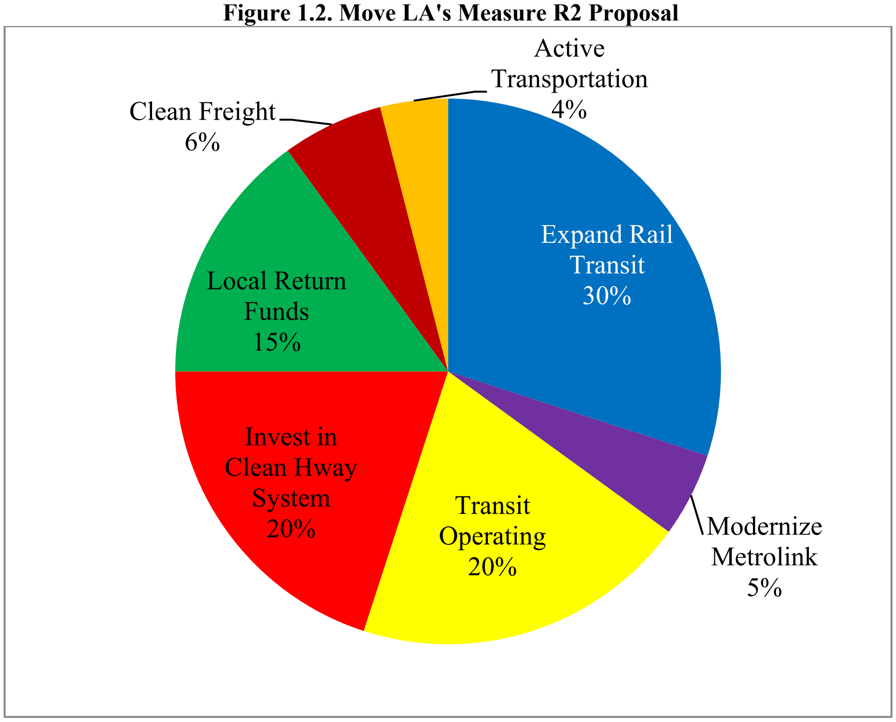
**Figure 1.1. Projected Metro Funding to 2040 (billions of dollars)**




But Measure R and earlier sales tax propositions are merely a couple of Metro's major sources of funding. Metro receives funding from state and federal sources as well. Of the $241.5 billion Metro has budgeted between now and 2040, wholly 29.8% of funding comes from federal and state sources. See Figure 1.1. to the left.

Yet another measure may be in the works to bring more funding to Metro. Move LA, a lobbying group headed by former Santa Monica mayor Denny Zane, is pushing forward "Measure R2" to be added to the ballot for voter referendum in 2016. Move LA projects that Measure R2 would raise $90 billion for transit over a 45-year span if approved. Were Move LA's current proposal to be approved by voters, it would dedicate 30% of funding to expanding rail transit, 20% to operating funds, and 20% to investments in a clean highway system (See Figure 1.2. below). Little attention is given to affordable housing. Ten percent of total funding is proposed for a 'Grand Boulevards Program' as part of the 'Invest in a Clean Highway System' portion of their proposal. This Grand Boulevards Program contains 'incentives for mixed-use TOD…with mixed-income housing.' But this brief mention of 'mixed-income' housing is accompanied by a caveat that Move LA assumes that redevelopment funding will exist by 2016 (Move LA, 2014). Moreover, their proposal that dedicates 10% of funding to the Grand Boulevards Program means that affordable housing will be sharing this 10% of revenue with several other programs.

**Figure 1.2. Move LA's Measure R2 Proposal**



# SECTION 2: NEIGHBORHOODS IN NEED

The focus of this report is NHS service areas in Los Angeles County that could be affected by TOD. We chose to focus on five lines that pass through these neighborhoods. Three of these are light rail, one is an express bus line, and one is a future light rail line. Four of these lines run through South Los Angeles:

- The Blue Line, which runs south from 7th Street Metro Center in Downtown Los Angeles through Florence-Graham, Watts, Willowbrook, and Compton to its terminus in Long Beach.
- The Expo Line, which runs south and west from Downtown Los Angeles through West Adams and Leimert Park to its terminus in Culver City.
- The Green Line, which runs from Norwalk through Willowbrook, Lynwood, West Athens, Crenshaw, Hawthorne, Lennox, and El Segundo before its terminus in Redondo Beach.
- The future LAX-Crenshaw connector, which will run through Crenshaw, Leimert Park, and Inglewood before its terminus at Aviation Boulevard, where it will link to a shuttle bus.

As NHS also provides services in the San Fernando Valley, we included a final line to reflect these areas:

- The Orange Line, which runs North-South through Canoga Park, Woodland Hills, Reseda, Tarzana, Encino, Van Nuys, and Sherman Oaks before connecting to the Red Line at its terminus in North Hollywood.

To illustrate the nature of the populations living near transit stops in a broad, inclusive way, we analyzed populations living within Census tracts that are within ½ mile of every stop along these five lines using 2013 American Communities Survey data. For notes on mapping, please see Appendix 1.

**Who Lives Near Transit?**

Households living near transit generally have lower incomes, lower educational attainments and higher unemployment than city- and county-wide averages. These households also have lower homeownership rates, but lower monthly mortgage payments and lower rents. Coupled with their lower incomes, however, rent burdens are actually higher than in the rest of the city. Lastly, people living near transit ride it at higher rates when their incomes are lower and ride at lower rates when their incomes are higher.

*Population and Race*

Over a million people live within ½ mile of transit stops along the five lines, with over a quarter million near the Orange Line stops in the San Fernando Valley and another quarter million near the Blue Line stops south of downtown. The racial dynamics of the populations along the Metro Lines are different from the City and County on the whole, although each line is different in a distinct way. The City and County have similar racial dynamics, with 48.6% of City and 47.9% of County residents identifying as Hispanic, 11.2% of City and 13.7% of County residents identifying as Asian, 9.1% of City and 8.1% of County residents identifying as Black or African American, and 28.6% of City and 27.5% of County residents identifying as White. Each Metro line is significantly more Black and Latino (except the Orange Line). Blue Line tracts are the most heavily Hispanic, with 66.5% Hispanic and 14.2% Black. Expo Line tracts are somewhat similar although there are fewer Hispanics and more Blacks at 53.2% Hispanic and 26.8%

Black. The Green Line is also strongly Hispanic, with 64.8% of residents identifying as Hispanic and 19.3% as Black. The LAX-Crenshaw line has the highest proportion of Black of any of the five lines, with 45.9% of residents identifying as Black and 42.4% identifying as Hispanic. Lastly, the Orange Line is more proportionally White than the City or County: 41.6% of residents near Orange Line stops identify as White, while 39.9% identify as Hispanic, 9.8% as Asian, and 5.4% as Black. See table 2.1. below:

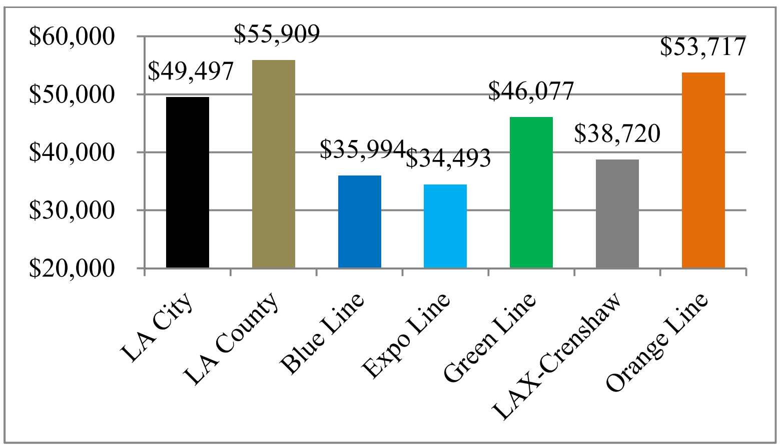
**Table 2.1. Metro Line Populations by Racial and Ethnic Composition, 2013**

| Race | LA City | LA County | Blue Line | Expo Line | Green Line | LAX-Crenshaw | Orange Line |
|---|---|---|---|---|---|---|---|
| Population | 3,827,261 | 9,893,481 | 273,011 | 155,579 | 231,931 | 121,196 | 260,259 |
| White | 28.6% | 27.5% | 9.6% | 10.7% | 10.2% | 5.6% | 41.6% |
| Black | 9.1% | 8.1% | 14.2% | 26.8% | 19.3% | 45.9% | 5.4% |
| Hispanic | 48.6% | 47.9% | 66.5% | 53.2% | 64.8% | 42.4% | 39.9% |
| Asian | 11.2% | 13.7% | 7.3% | 6.6% | 3.7% | 3.2% | 9.8% |
| Others | 2.5% | 2.8% | 2.4% | 2.7% | 2.0% | 2.9% | 3.3% |

*Incomes, Employment, and Poverty*

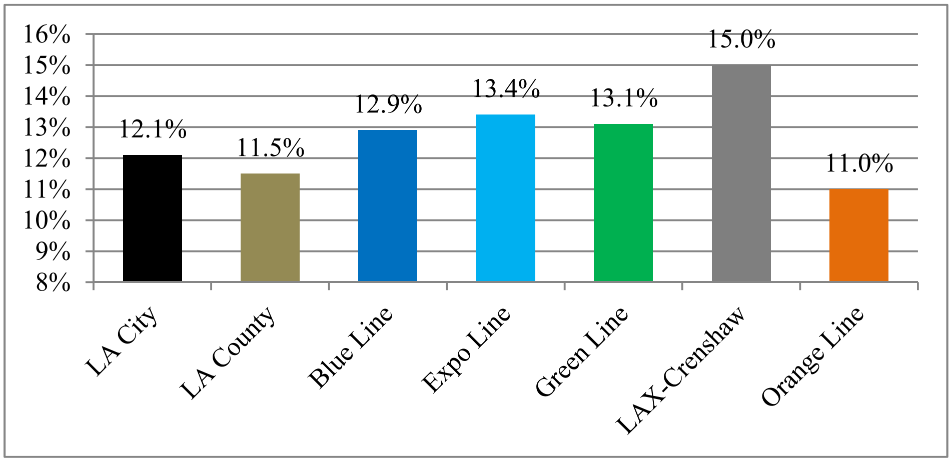
Each of the four Metro lines south of downtown has lower household incomes than the rest of the City or County, while the Orange Line has slightly higher income than the City but lower than the County. See Figure 2.1. to the left for median household incomes by City, County, and Metro lines (See appendix 2 for notes on median household income calculations). Median household income for the City was $49,497 and $55,909 for the County, but these measures were lower for the Blue and Expo Line populations, at $35,994 and $34,493, respectively. The Green Line and LAX-Crenshaw Lines were slightly higher $46,077 and $38,720, respectively, while Orange Line median household income was above the city but below the county at $53,717.

**Figure 2.1. Median Household Income, 2013**




But medians only paint part of the picture. Individual tracts reveal a great deal of inequality and large populations living with very low incomes. On the Blue Line, 35.4% of the tracts have median household incomes below $30,000 with only nine tracts, or 13.8% of the Blue Line total, with median incomes above the city's median. The Expo Line has similar inequality: a total of 44.7% of the Expo Line total have median household incomes below $30,000 while only 18.4% of the tracts have median household incomes above the City's median. The Green Line has an upward skew: only seven tracts, or 14.6% of the total, have median incomes below $30,000, while 20 tracts, of 41.7% of the total, have median incomes above the City's median. Incomes increase sharply in the tracts near stations at the beginning and end of the Green Line in Redondo Beach and El Segundo on the western end and Norwalk on the eastern end. The LAX-Crenshaw Line tracts are concentrated in the low-middle income bracket: while only five tracts or 15.2% of the total have median incomes below $30,000, fully 21 tracts or 63.6% are below the City's median income and 81.8% of LAX-Crenshaw tracts are below the County median. The Orange Line tracts are more evenly distributed as no tract income falls below $30,000.

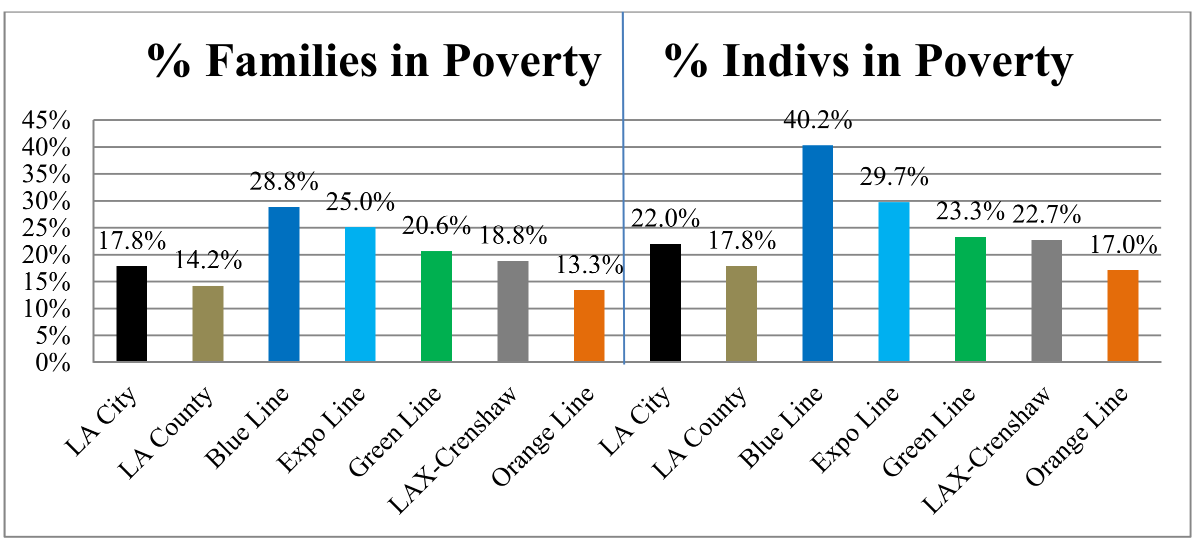
**Figure 2.2. Unemployment Rates, 2013**




Each Metro line, with the exception of the Orange Line, posted somewhat higher unemployment and lower labor participation rates than the City and County. While the City and County had 12.1% and 11.5% rates, the Blue Line, Expo Line, Green Line, and LAX-Crenshaw Line all posted rates at or above 13%. Only the Orange Line had better indicators. Again, the rate does not tell the whole story, as the Blue, Expo, Green, and LAX-Crenshaw Lines all posted labor force participation rates as much as 4.8% below the City's participation rate (Expo Line). The Orange Line, however, had a higher participation rate at 70.2%. See appendix 3 for all rates.

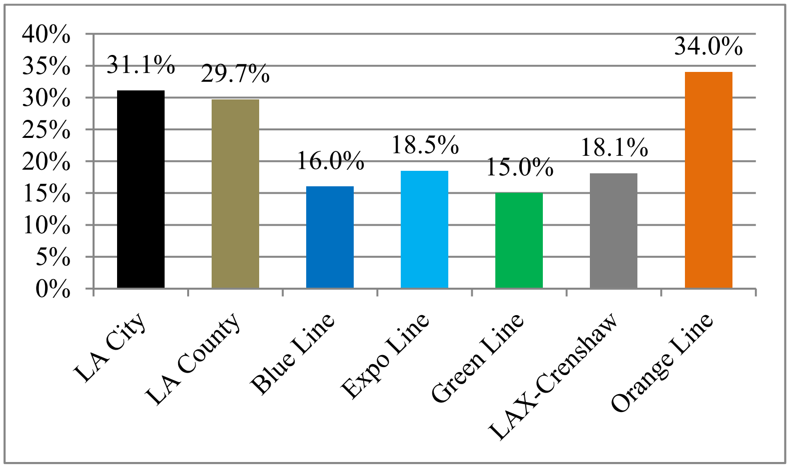
The transit lines south of downtown pass through with some of the highest poverty areas in the City and County. The poverty rate for families living within ½ mile of Blue Line stations is double the County rate while families within ½ mile of Expo, and Green Line stations have poverty rates eclipsing the City and County by several percentage points. In the case of the Blue Line, the individual poverty rate is nearly double the City's already high poverty rate. While the LAX-Crenshaw and the Orange Lines have slightly better poverty rates (see Figure 2.3. below), there are still large numbers of families living in poverty in these geographies, with nearly 10,000 families in poverty on the LAX-Crenshaw and over 7,000 families in poverty along the Orange. The percentages of individuals in poverty are even higher than rates for families.

**Figure 2.3. Poverty Rate by Families, Individuals, 2013**



*Education*

**Figure 2.4. Percentage of Residents 25 and over with Bachelor's Degree, 2013**



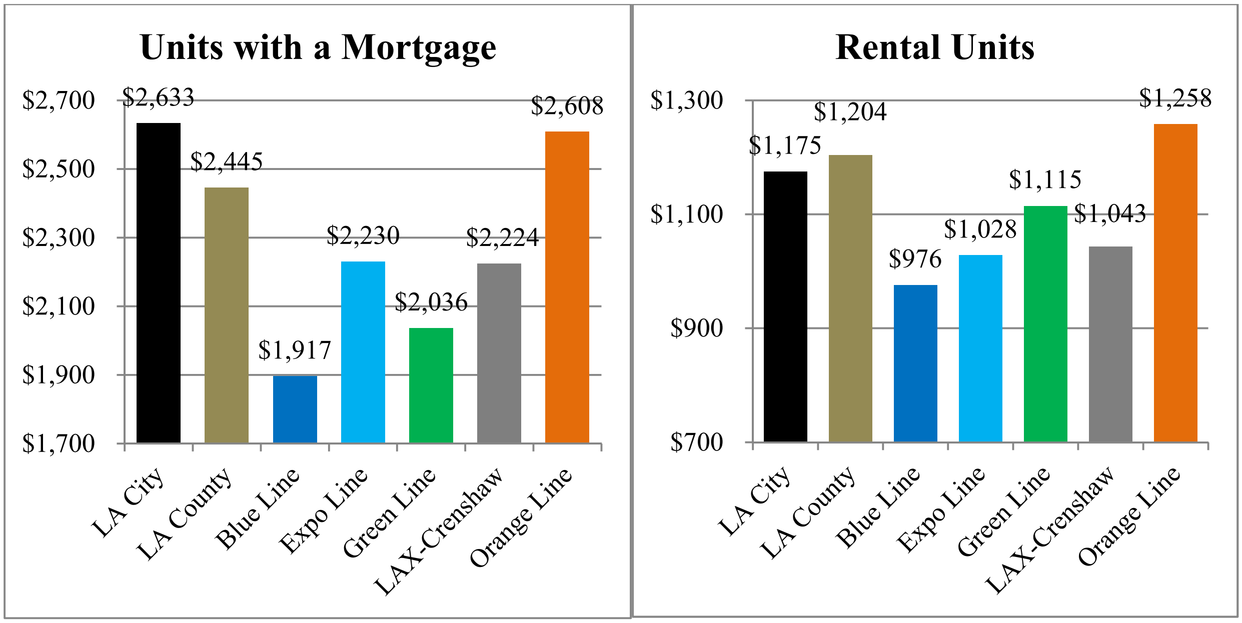

On the whole, the Metro lines have lower levels of educational attainment that the rest of the City or the County. While 31.1% of the City and 29.7% of County residents over 25 have a bachelor's degree or higher, only 16.0% of Blue Line residents, 18.5% of Expo Line residents, 15.0% of Green Line residents, and 18.1% of LAX-Crenshaw Line residents have attained a bachelor's. Meanwhile, Orange Line residents attain bachelor's degrees at slightly higher rates than the City and County overall at 34.0%. See figure 2.4. In addition to lower rates of college degrees, many more people living along the Blue, Expo, and Green Lines did not complete high school. While 25.5% of City and 23.4% of County residents over 25 did not complete high school, 40.9% of Blue Line residents, 35.4% of Expo Line residents, and 33.9% of Green Line residents did not complete high school.

*Housing*

The Metro line areas are characterized by lower homeownership along with lower housing costs as measured both in terms of median monthly mortgage costs as well as median rents. Yet rent burdens (the amount a household pays in rent measured as a percentage of income) remain high. Taken together, these statistics point towards a high likelihood of possible displacement should housing costs rise along these lines without safeguards for affordability and increased opportunities for homeownership.

The City's homeownership rate is low at 37.6%, second-lowest among the 10 largest California cities (San Francisco) and second-lowest among the 10 largest American cities (New York). Yet the Metro homeownership rates are far lower, with the Blue and Expo Lines at 29.0% and 29.9%, respectively, while the LAX-Crenshaw and Orange Line homeownership rates are closer to the citywide rate at 34.3% and 36.8%. Only the Green Line has a homeownership rate exceeding the citywide rate at 48.0%, more closely mirroring the County rate of 46.9%. But housing costs are also lower along these Metro lines, with median monthly housing costs for owners with a mortgage and median rents sitting below the City and County medians for all lines, with the exception of the Orange Line, whose owner costs and rents are higher than the City and County. See figure 2.5 and table 2.2.

**Figure 2.5. Monthly Median Housing Costs for Owners, Renters, 2013**




Yet even with lower rents and monthly mortgage costs, rent burdens along the Metro lines remain high. About 50% of households on all lines are paying more than a third of their incomes on rent. These rates are higher than the City or County rate on all lines, with the exception of the Orange Line (see table 2.2.).

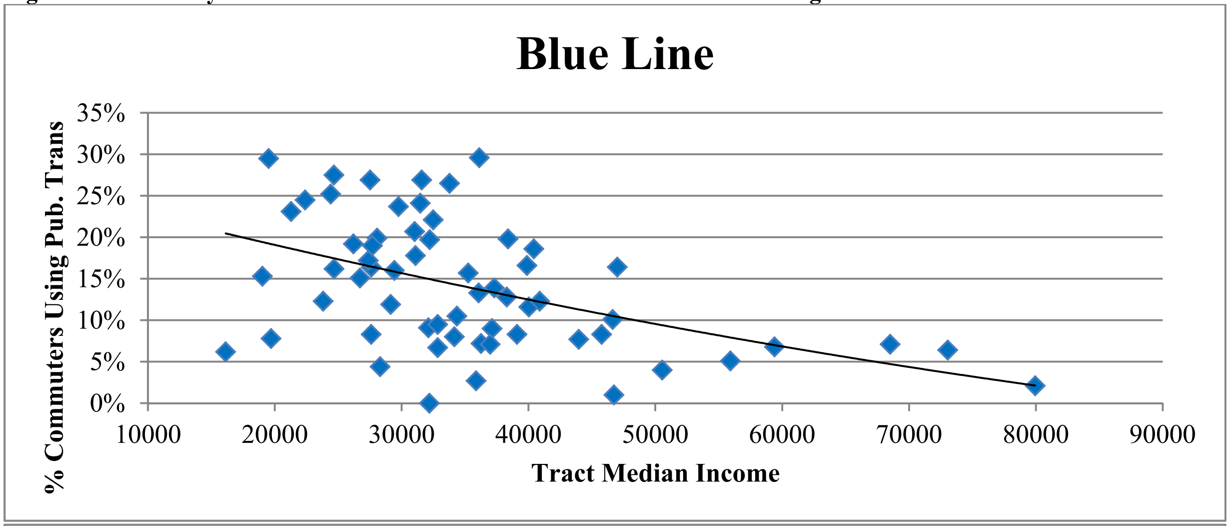
**Table 2.2. Percentage of Households Paying Over 35% of Income on Rent, 2012**

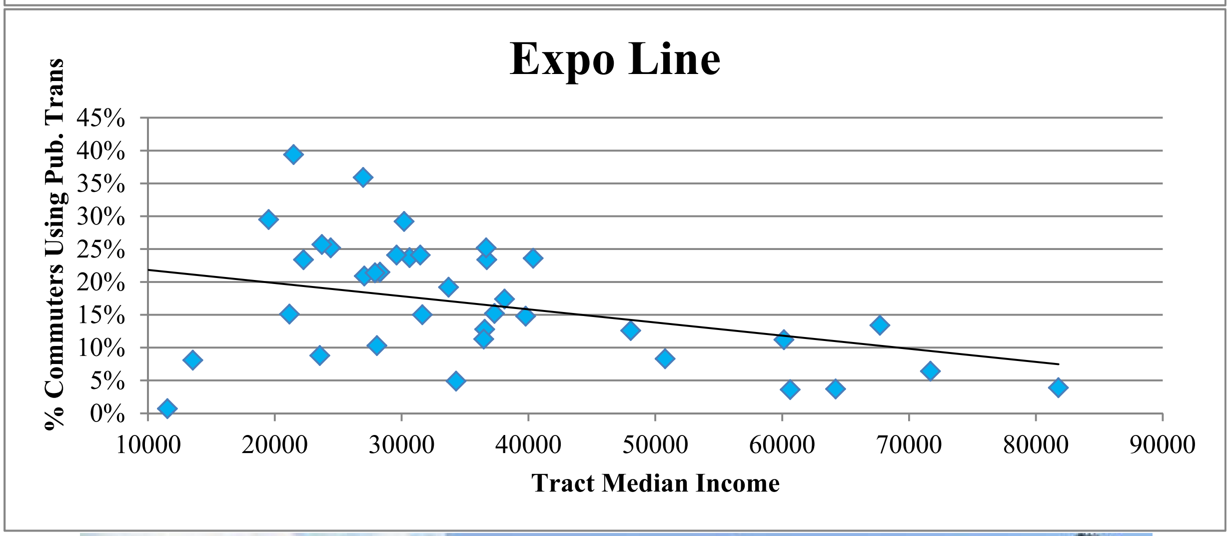
| | LA City | LA County | Blue Line | Expo Line | Green Line | LAX-Crenshaw | Orange Line |
|---|---|---|---|---|---|---|---|
| Percent of Households | 51.2% | 49.5% | 53.4% | 56.1% | 55.5% | 54.1% | 49.3% |

*Transit Ridership*

People living within ½ mile of Metro stops use public transit at higher rates than the City or County—sometimes. There is a great deal of variation in public transit use by Metro line with an apparent link between income and ridership, as tracts with lower median incomes have higher public transit ridership rates. In the City and County overall, 11.1% and 7.1% of commuters use public transit as their mode of commuting. These rates are a great deal higher along the lower income transit lines: 14.4% of commuters on the Blue Line and 16.0% of commuters on the Expo Line use public transit. The rates are lower as median incomes rise: 8.7% of commuters on the LAX-Crenshaw line use public transit, while 6.9% of commuters on the Green Line and 7.5% of commuters on the Orange Line use public transit. The relationship is clearer at the tract-level as areas with median incomes above $60,000 use public transit at far lower rates than tracts with lower incomes. See Figure 2.6., in which each dot represents an individual tract along the Blue Line and Expo Line, placed based on median income on the vertical axis and percentage of commuters that use public transit on the horizontal axis. See Appendix 5 for all five lines.

**Figure 2.6. Tracts by Household Median Income and Percent Commuters Using Public Transit**




**The iconic Watts Towers, located ¼ mile south of the Watts Blue Line Station. Photo from wattstowers.us.**

## SECTION 3: THE FUNDING ENVIRONMENT FOR HOUSING

The funding environment for affordable housing in Los Angeles County has become extremely lean in recent years, with the convergence of federal, state, and local cuts. New potential sources of funding for affordable housing and homeownership have emerged, although considerable uncertainty around these sources remains. With shrinking funding for housing from other sources, transit-oriented development plays an increasingly important role in housing.

**Disappearing Funding**

An analysis conducted by Los Angeles' Housing and Community Investment Department (HCID LA) in May 2014 found that overall affordable housing funding from all sources to the City of Los Angeles' Affordable Housing Trust Fund fell from over $100 million in 2008 to just over $20 million for 2014 (HCID LA, 2014). Causes include federal programs that emerged in response to the recession fading away as well as long-standing federal programs continuing their slower secular decline. The dissolution of California's Community Redevelopment Agencies (CRAs) continued to play a major role, as funding that was previously set aside for affordable housing is being allocated to the general fund.

*Federal Funding*

A major source of funding in response to the foreclosure crisis was the three rounds of funding known as the Neighborhood Stabilization Program (NSP). The first round, passed as part of the Housing and Economic Recovery Act of 2008, allocated $98 million to a variety of governments in Los Angeles County, including the City of Los Angeles ($32.9 million), the County ($16.8 million), Palmdale ($7.4 million), Lancaster ($7.0 million), Long Beach ($5.1 million), and others. The second round, passed as part of the Recovery and Reinvestment Act of 2009, allocated $240 million to grantees in Los Angeles County, including non-profits. Major grantees included the City of Los Angeles ($100.0 million), a consortium of non-profits headed by NHS ($60.0 million), the City of Long Beach ($22.2 million) and other non-profits such Habitat for Humanity and NEW Economics for Women. The final round of NSP funding, approved as part of the Dodd-Frank legislation in 2010, allocated $28.3 million to grantees in Los Angeles County, although this round included only government grantees, including the City of Los Angeles ($9.9 million) and the County of Los Angeles ($9.5 million), among others (HUD, 2014a). This funding was a temporary response to the recession, however, and is unlikely to be renewed.

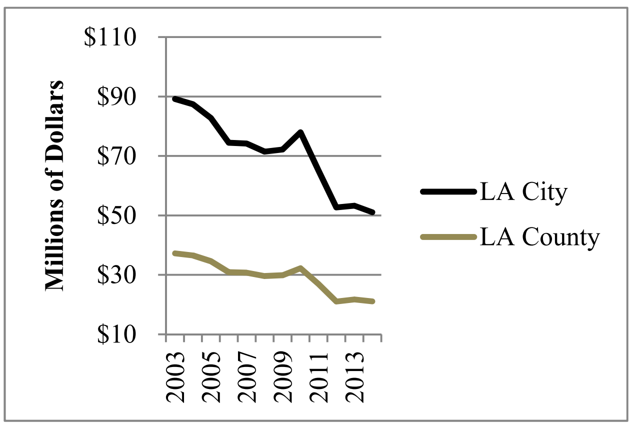
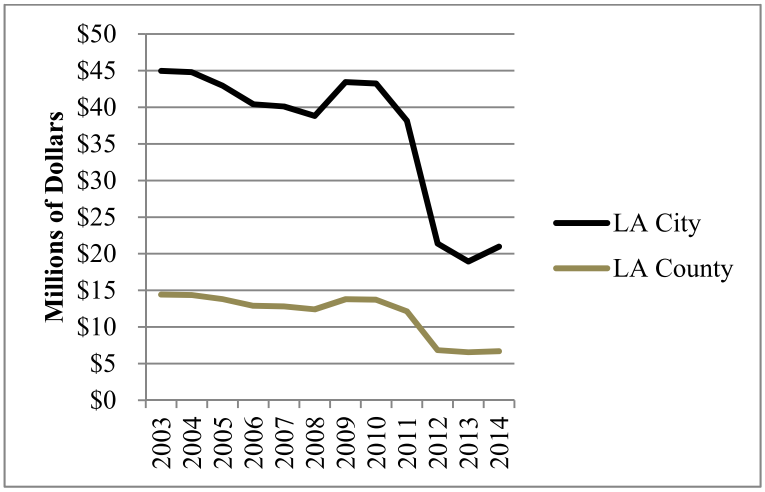


**Figure 3.1. CDBG Funding Allocations to Los Angeles.**

Figure 3.2. HOME Funding Allocations in Los Angeles.




But federal funding for affordable rental housing and homeownership was declining regardless of the recession. The federal government's Community Development Block Grant (CDBG) allocations to the City of Los Angeles, much of which goes to housing programs, fell from $89.17 million in 2003 to $71.45 million in 2008 before spiking to $77.98 million in 2010 in response to the crisis, but following this brief spike, the decline continued, with CDBG allocations falling to $51.09 million in 2014, a 42.7% decline from the 2003 figure. CDBG allocations to Los Angeles County have also fallen precipitously from $37.23 million in 2003 to $21.08 million in 2014, a 43.4% decline (HUD, 2014). HUD's HOME program followed a similar decline, with allocations to the City of Los Angeles falling from $44.95 million in 2003 to $18.93 million in 2013, a 57.9% decline before ticking up slightly in 2014 to $20.97 million, while allocations to Los Angeles County fell from $14.42 million in 2003 to $6.55 million in 2013, a 54.6% decline (see figures 3.1 and 3.2 for HOME Funding and CDBG Funding over the last decade).

*Local Funding*

Perhaps the most jarring (and abrupt) blow to affordable housing at the local level was Governor Brown's dissolution of the CRAs in October 2011. CRAs were required to dedicate at least 20% of revenues to affordable housing; Los Angeles' redevelopment agencies dedicated 25% of revenues to affordable housing, sometimes more. These revenues totaled over $50 million annually for affordable housing in Los Angeles (HCID LA, 2014) out of a total of about $200 million in annual redevelopment revenues (Economic and Workforce Development Department, 2014). CRA funds were often the first source of committed funding for development projects, which helped developers leverage funds from other sources, public and private. The reduction in CRA funds may actually implicate a much larger loss in affordable housing funding, therefore, with the loss of a major source of leveraging.

Some revenues continue to return to Los Angeles in the form of 'boomerang revenue' as the dissolved redevelopment agencies continue to collect expiring tax increments, but none of these are explicitly devoted to affordable housing and instead go to the City's general fund. Since February 2012, Los Angeles received $121 million in boomerang revenue. The City Council proposed earmarking a percentage of the remaining boomerang revenues for affordable housing, as other cities such as Oakland and San Francisco have done, but the Mayor did not include earmarks for affordable housing in his most recent budget. Los Angeles County, on the other hand, earmarked a portion of these revenues to affordable housing, with $15 million per year for the next five years dedicated to affordable housing.

**Potential Sources of Affordable Housing Funding**

*State*

A potential source of revenue is set asides for affordable housing from California's cap-and-trade revenues. Cap and trade (AB32) was passed in 2006, with the California Air Resources

Board conducting auctions of emissions permits starting in 2012. As part of an agreement reached between the legislature and Governor Brown in June 2014, 20% of California's cap and trade auction revenues would be devoted to affordable housing. For the 2014-2015 fiscal year, the Governor's office expects $850 million in revenue (Legislative Analyst's Office, 2014); given the 20% figure, this will generate $170 million in revenue dedicated entirely to affordable housing for California.

Los Angeles Mayor Eric Garcetti announced that Los Angeles will receive 10% of future cap and trade revenues, although it is unclear how much of this money will be dedicated to housing. State legislators have projected cap and trade revenues could be as much as $3 to $5 billion annually; this is probably overly optimistic, given that in the first full year of cap-and-trade auctions (November 2012 to November 2013, the only full year of auctions for which data are available), just $532 million was generated (LAO, 2014). While cap and trade revenue is a promising potential source of affordable housing funding, there are too many unknowns at the present time for it to be relied on in a major way.

Another potential source of state funding for affordable housing stems from Prop 41, which was approved by voters in June 2014 and authorized $600 million in bonds to support affordable housing development for low-income veterans. Much like cap and trade revenue, however, it remains to be seen exactly how much of this money will be allocated to the Los Angeles area. Moreover, this revenue is restricted to a limited population (low-income veterans).

*Local*

As mentioned above, the County has already earmarked $15 million annually over the next five years from CRA 'boomerang funds.' Supervisor Ridley-Thomas has proposed dedicating an additional 20% of these boomerang revenues to affordable housing, which would be about $42 million, although this proposal has not yet been formally brought to the Board of Supervisors. At the City level, Councilmember O'Farrell has proposed allocating 20% of boomerang revenues to affordable housing. Given that the City of Los Angeles' boomerang funds are projected at $40 million per year (EWDD, 2014), this would total about $8 million annually. This allocation, however, has yet to be approved.

The overall picture of affordable housing funding in Los Angeles is one of decline and uncertainty. As the national economy moves further away from the recession of 2007-2009, emergency funds such as NSP have been obligated and spent down, while steadier sources of federal funding such as CDBG and HOME continue a slow decline. Local funding from the redevelopment agencies has disappeared as well. While promising sources of revenue such as cap and trade and boomerang redevelopment funds remain a possibility, they are also a source of uncertainty.

*Private*

The hope in this picture is the potential of private sector leveraged dollars that are utilized along with government funding to help support affordable housing as transit develops. Helping the private sector to envision, understand and then invest in the TOD work as it develops is critical for the future success of developments throughout the region. NHS has envisioned the ½ mile radius of investments in single and multi-family housing, as well as small business and commercial development. Treating our communities as "normal" will help spur investment as they are built out to mirror other communities throughout southern California when transit is added as a major mobility option. Potential sources include strategic investments by local financial institutions, tax credits through state, local and federal programs (e.g. California

Organized Investment Network, Bank Enterprise Awards Program, New Markets Tax Credits), Economic Development Administration, local employers, community colleges and universities, healthcare industry and workforce investment sources.

## SECTION 4: IMPLICATIONS AND POLICY RECOMMENDATIONS

*Implications*

Transit and housing are inextricably linked. Housing affects where people live, where they work, and how they travel, and transit affects where people look for housing in an increasingly congested Los Angeles County. But the two have not received equal attention, nor has their interdependence been acknowledged. Despite increasing media attention to Los Angeles' affordable housing problems, funding for affordable housing and homeownership has been shrinking year by year. Yet funding for transit continues to increase with Measure R, a potential Measure R2, state funding, and all eyes on building a greener, healthier, more sustainable Los Angeles.

For example, the City of Los Angeles' 2013-2017 Transit-Oriented Consolidated Plan recognizes that these problems are intertwined with its emphasis on housing (HCID LA, 2012) and its efforts to dedicate cap-and-trade funds to housing through the Affordable Housing and Sustainable Communities Program. But the City must also recognize that TOD presents an unprecedented opportunity to serve a large portion of Los Angeles' underserved communities, bringing jobs and opportunity to areas with lower incomes, lower employment, and higher poverty. Los Angeles cannot squander the opportunity to ensure that these communities share in the City's growth and must marshal solutions that match the gravity of the challenges.

With the combination of low homeownership, lower than average rents and mortgages, and high rent burdens, many of these areas could experience displacement if mixed-use development does not have adequate protections for affordability and opportunities for homeownership for low- to middle-income families. This displacement would not only bring hardship onto Los Angeles' most vulnerable populations, pushing them further to the margins and concentrating poverty and unemployment. It would displace some of Metro's most loyal riders, replacing them with higher-income populations that ride public transit at lower rates. Given the correlation between ridership and income along the Metro lines studied in this report, affordability protections should be a central piece of any transit-oriented development strategy. Without them, Metro will be spending money that may actually reduce transit ridership.

*Policy and Funding Options*

Los Angeles County can tackle transit and housing together to ensure that housing remains affordable and homeownership attainable even as Metro transforms neighborhoods and bring needed development along the transit lines. But given the scale of funding reductions and the magnitude of affordability problems, one solution alone will not suffice. To ensure that Los Angeles County is seizing the opportunity of TOD while ensuring equitable development, communities in the region should employ a number of policy tools. Among these policy tools to encourage more equitable TOD development are:

- **Zoning-** City Councils must ensure that zoning along Metro lines is aligned with both the aims of TOD and community needs. Without mixed-use zoning, too many transit stations could become little more than underused parking structures surrounded by wasteful commercial properties such as car dealerships. These bring tax revenue without bringing jobs or active public spaces where community members can shop and live.

- **Dedicated funding-** Affordable homeownership and multifamily housing programs require funding support from government. Potential sources of funding like Measure R2 should dedicate at least 10% of revenues to the Affordable Housing Trust Fund. Government must recognize that this does not mean that it stands alone in funding affordable housing, but that such funding catalyzes private and non-profit funding and creates a multiplier effect.

- **Boomerang Revenues**- While the CRAs may have been dissolved; they still generate income for the city. Oakland and other cities have made permanent earmarks for affordable housing from boomerang revenues, while San Francisco has made a 30-year commitment. Los Angeles County made a five-year commitment. More can be done—Los Angeles County should increase its commitment and local municipalities should earmark a portion of their boomerang revenues as well.

- **Identify and Extend Affordability Covenants Near Metro Stations-** In addition to building new affordable housing and homeownership opportunities near transit stations, Los Angeles must identify existing affordable housing and ensure that it remains affordable by finding buildings with soon-to-expire affordability covenants and extend the covenants where possible. This potentially expensive step will require partnership between governments, community-based organizations, foundations, and for-profit partners, but has resulted in successful preservation of affordable units in cities such as Portland (City of Portland, 2015).

- **Incentivize Private Investments** – Utilizing the local CDFI community will attract diverse public and private resources to spur economic development and affordable housing investment capital. Investments from diverse funding sources and sectors such as health, small business, education and other sustainable community programs will leverage broader public sector investments. Affordable homeownership, small business and multifamily housing programs need the additional funding support to help ensure that government funding is leveraged and deals get completed in communities. CDFIs can both raise capital and invest it in TOD projects throughout the Los Angeles County region.

- **Community Benefits Agreements-** CBAs offer a possibility at the intersection of non-profit community groups, private developers, and government entities. This model was implemented along the Red Line in Hollywood, bringing benefits to both developers and the community members that were concerned about resulting displacement and low wages (Raffol, 2012). With a CBA, community groups and private developers negotiate a series of benefits (which could include affordable housing) in exchange for community support for the project, which can be vital in securing government subsidies for a project. Other successful examples include the LAX expansion, where a coalition of 24 community groups negotiated $500 million in benefits for sound mitigation, school improvements, and job training (Baxamusa, 2008).

- **Recording Fees-** A variety of fees and taxes arise in the real estate transfer process and present opportunities to raise funds for affordable housing. One such statewide bill, SB-391 (the California Homes and Jobs Act), proposed a $75 recording fee to raise money for the state's housing trust fund, and was expected to raise $300 to $720 million annually (Assembly Appropriations Committee, 2013). After passing the State Senate, the bill died in the Assembly Appropriations Committee. Assembly Speaker Toni Atkins proposed the fee again in late February 2015. The Assembly should pass the bill, but in the meantime, recording fees provide a potential model for smaller localities to raise money for housing.

- **Strengthen Mello Act Enforcement-** California's Mello Act requires that builders who demolish affordable housing must replace the affordable units, either on-site or elsewhere. Yet enforcement of the provision has sometimes been lax (Beach, 2008). Los Angeles County cannot afford to lose affordable homes and must be stringent with enforcement.

- **Local Hire Workforce Fund-** Local business must be a part of ensuring that the gains from TOD are shared equitably. Metro should work with City and County officials to develop tax incentives and loan programs for local businesses to hire neighborhood residents if they expand or open near Metro stations. For non-local businesses seeking opportunities stemming from TOD, the City and County should offer special tax incentives or low-interest loans if they hire from within the community and pay a living wage.

- **Infrastructure Financing Districts-**The State of California passed a modified version of redevelopment's tax-increment financing districts in late 2014, called Enhanced Infrastructure Financing Districts (EIFDs) to be implemented in 2015. No EIFD has been implemented in California as of now, although the Los Angeles City Council has instructed the Legislative Analyst's Office to explore their potential use both in the Venice area and for the LA River Revitalization. Los Angeles, along with other cities in the County, should explore the possibility of EIFDs being used to fund affordable housing.

None of these recommendations alone can create equitable TOD and flourishing neighborhoods. Local residents, legislators, and Metro planners must use a variety of tools simultaneously to help drive vibrant, sustainable, and affordable development. Some tools will work best in particular neighborhoods, while other tools will work better in other neighborhoods. The key aspect of identifying which tools work best and for whom is robust community engagement. Only when we all work together can we drive a TOD policy that is successful, sustainable, and equitable.

## Appendix 1. Mapping the Transit Lines

Including and Excluding Stations and Tracts

All tract-, city-, and county-level data is drawn from the 2009-2013 American Communities Survey Five-Year Estimates. We excluded both the 7th Street Metro Center & Pico Station from the Expo Line in order to avoid excessive overlap with the Blue Line and create a demographic picture of the Expo Line independent of other lines, as the Expo Line has fewer stations (10 stations excluding 7th Street and Pico) and fewer Census tracts (38 excluding 7th Street and Pico). There was additional overlap of one station between the Blue Line and the Green Line (Willowbrook Station), although this station was included in both lines as each line has more stations and Census tracts (21 stations and 61 tracts for the Blue Line, excluding 7th Street, and 14 stations and 48 tracts for the Green Line), making the establishment of 'independent' demographics less of a concern. Lastly, tracts that were within ½ mile of more than one Metro station with only included once in that line's demographics in order to avoid double-counting any populations. The list of lines, stations, and tracts is below:

| **Blue Line** | **Expo Line** | **Green Line** | **LAX-Crenshaw** | **Orange Line** |
|---|---|---|---|---|
| Station | Station | Station | Station | Station |
| 7th Street | 23rd St | Norwalk | Expo/Crenshaw | North Hollywood |
| Pico | Jefferson/USC | Lakewood Bl | Crenshaw/MLK | Laurel Canyon |
| Grand | Expo Park/USC | Long Beach Bl | Crenshaw/Vernon | Valley College |
| San Pedro St | Expo/Vermont | Willowbrook | Crenshaw/Slauson | Woodman |
| Washington | Expo/Western | Avalon | Florence/West | Van Nuys |
| Vernon | Expo/Crenshaw | Harbor Fwy | Florence/La Brea | Sepulveda |
| Slauson | Farmdale | Vermont/Athens | Florence/Hindry | Woodley |
| Florence | Expo/La Brea | Crenshaw | Aviation/Century | Balboa |
| Firestone | La Cienega/Jefferson | Hawthorne/Lennox | | Reseda |
| 103rd St/Watts | Culver City | Aviation/LAX | | Tampa |
| Willowbrook | | Mariposa | | Pierce College |
| Compton | | El Segundo | | De Soto |
| Artesia | | Douglas | | Canoga |
| Del Amo | | Redondo Beach | | Warner Center |
| Wardlow | | | | Sherman Way |
| Willow St | | | | Roscoe |
| PCH | | | | Nordhoff |
| Anaheim St | | | | Chatsworth |
| 5th St | | | | |
| 1st St | | | | |
| Pacific Ave | | | | |
| Transit Mall | | | | |

Associated Tracts:

Blue Line:

2060.31, 2073.01, 2075.02, 2077.10, 2079.00, 2092, 2093, 2240.10, 2240.20, 2244.10, 2244.20, 2260.01, 2260.02, 2264.10, 2264.20, 2270.10, 2281.00, 2287.20, 2288.00, 2289.00, 2420.00, 2422.00, 2423.00, 2427.00, 2430.00, 2431.00, 5324.00, 5326.03, 5327.00, 5328.00, 5330.0, 5330.02, 5349.00, 5350.02, 5351.01, 5351.02, 5352.00, 5353.00, 5354.00, 5406.00, 5407.00, 5416.06, 5424.01, 5424.02, 5425.02, 5432.02, 5433.05, 5440.01, 5717.01, 5720.02, 5721.00, 5722.01, 5730.02, 5730.04, 5732.02, 5753.00, 5754.02, 5758.02, 5758.03, 5759.01, 5759.02, 5760.01, 5762.00, 5763.01, 5763.02

Expo Line:

2190.2, 2193, 2195, 2197, 2198, 2199.01, 2199.02, 2200, 2201, 2219, 2220.01, 2220.02, 2221, 2225, 2226, 2227, 2240.2, 2244.1, 2244.2, 2246, 2247, 2311, 2312.1, 2312.2, 2313, 2314, 2315, 2316, 2317.1, 2342, 2360, 2361, 2362.02, 2362.03, 2697, 2701, 2702, 7024

Green Line:

2409, 2410.01, 2410.02, 2411.1, 2411.2, 2412.02, 2413, 2414, 2427, 2431, 2911.1, 5402.02, 5402.03, 5403, 5405.01, 5406, 5407, 5408, 5409.01, 5417, 5502.02, 5503, 5511.01, 5512.02, 5517, 5518, 5519, 5520.01, 5533, 5534, 6003.04, 6005.01, 6005.02, 6016, 6017, 6018.02, 6020.04, 6021.03, 6021.04, 6022, 6023.02, 6025.09, 6027, 6028.01, 6028.02, 6039, 6204, 6205.01

LAX-Crenshaw:

2200, 2193, 2342, 2195, 2361, 2190.2, 2343, 2340, 2364, 2345.01, 2345.02, 2346, 2347, 2348, 2349.01, 2349.02, 2351, 2352.02, 2352.01, 2771, 2772, 2774, 6008.02, 6009.12, 6009.02, 6010.01,6012.11, 6012.12  6013.02, 6014.01, 6014.02, 6015.01, 7032

Orange Line:

1131.01, 1132.12, 1132.13, 1133.21, 1132.33, 1132.34, 1132.37, 1133.03, 1134.21, 1241.02, 1242.04, 1252, 1253.1, 1253.2, 1254.01, 1238, 1239.02, 1240, 1249.02, 1249.03, 1251, 1236.01, 1236.02, 1245, 1246, 1247, 1276.05, 1276.06, 1277.11, 1286.01, 1286.02, 1282.2, 1282.1, 1283.02, 1283.03, 1284, 1285, 1321.01, 1320.02, 1329, 1331, 1340.01, 1342.01, 1343.05, 1343.06, 1345.20, 1345.21, 1345.22, , 1348, 1349.01, 1349.03, 1349.04, 1349.05, 1351.13, 1351.14, 1371.03, 1371.04, 1372.01, 1392, 1393.01, 1393.02, 1393.03

**Appendix 2. Unemployment and Labor Force Participation Rates**

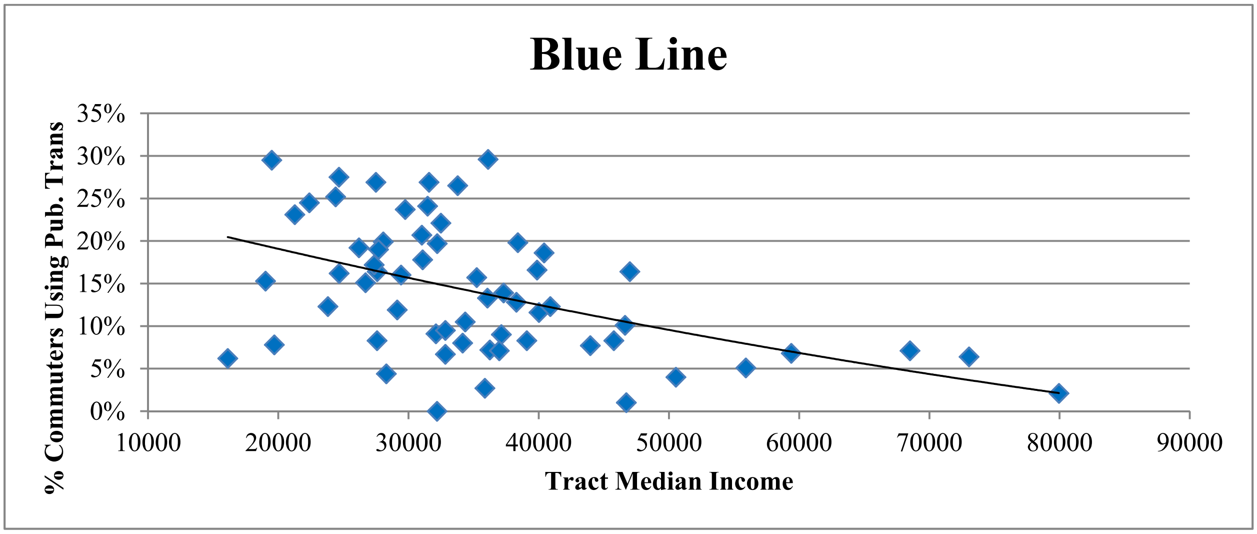
| | LA City | LA County | Blue Line | Expo Line | Green Line | LAX-Crenshaw | Orange Line |
|---|---|---|---|---|---|---|---|
| Labor Force Participation Rate | 66.4% | 64.9% | 62.4% | 61.1% | 62.1% | 64.0% | 70.0% |
| Unemployment Rate | 12.1% | 11.5% | 12.9% | 13.4% | 13.1% | 15.0% | 11.0% |

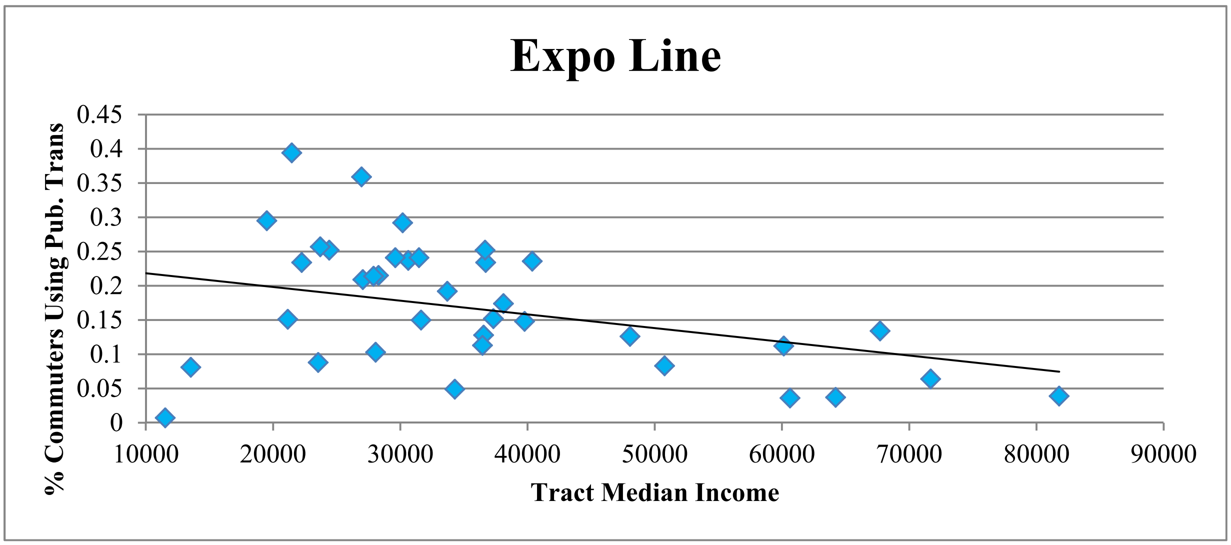
All unemployment and labor force participation data is from the 2009-2013 American Communities Survey Five-Year estimates. While more recent unemployment and labor force participation data is available for the Los Angeles City and County geographies, the 2013 Five-Year estimates are the most recent tract-level data available. As such, this data was used for all geographies to ensure comparability. The Los Angeles City's unemployment rate was 10.7% and Los Angeles County's unemployment rate was 10.2% according to the American Community Survey's 2013 One-Year Estimates.

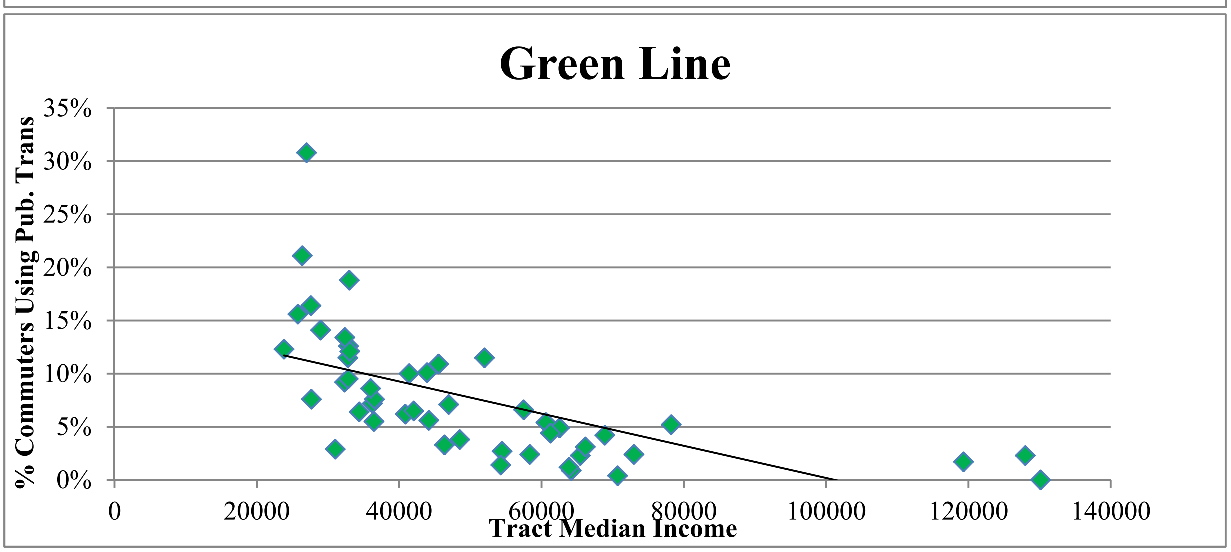
**Appendix 4. Highest Educational Attainment, 25 Years and Older**

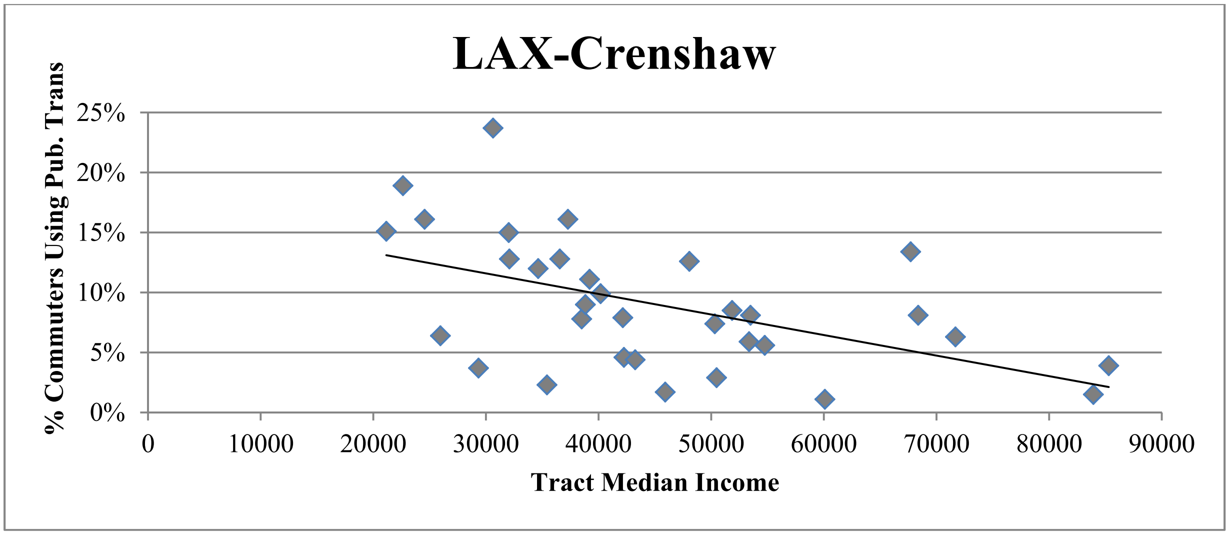
| | LA City | LA County | Blue Line | Expo Line | Green Line | LAX-Crenshaw | Orange Line |
|---|---|---|---|---|---|---|---|
| Less than HS | 25.5% | 23.4% | 40.9% | 35.4% | 33.9% | 24.7% | 17.2% |
| HS Grad | 19.4% | 20.5% | 20.6% | 22.0% | 24.8% | 23.2% | 20.0% |
| Some College | 24.0% | 26.4% | 22.6% | 24.2% | 26.3% | 34.0% | 28.8% |
| Bachelor's Degree | 20.4% | 19.3% | 9.4% | 12.6% | 9.6% | 12.9% | 23.2% |
| **Summary** | | | | | | | |
| Less Than HS Grad | 25.5% | 23.4% | 40.9% | 35.4% | 33.9% | 24.7% | 17.2% |
| HS Grad or Higher | 74.5% | 76.6% | 59.2% | 64.6% | 66.2% | 75.3% | 82.8% |
| Bachelor's or Higher | 31.1% | 29.7% | 16.0% | 18.5% | 15.0% | 18.1% | 34.0% |

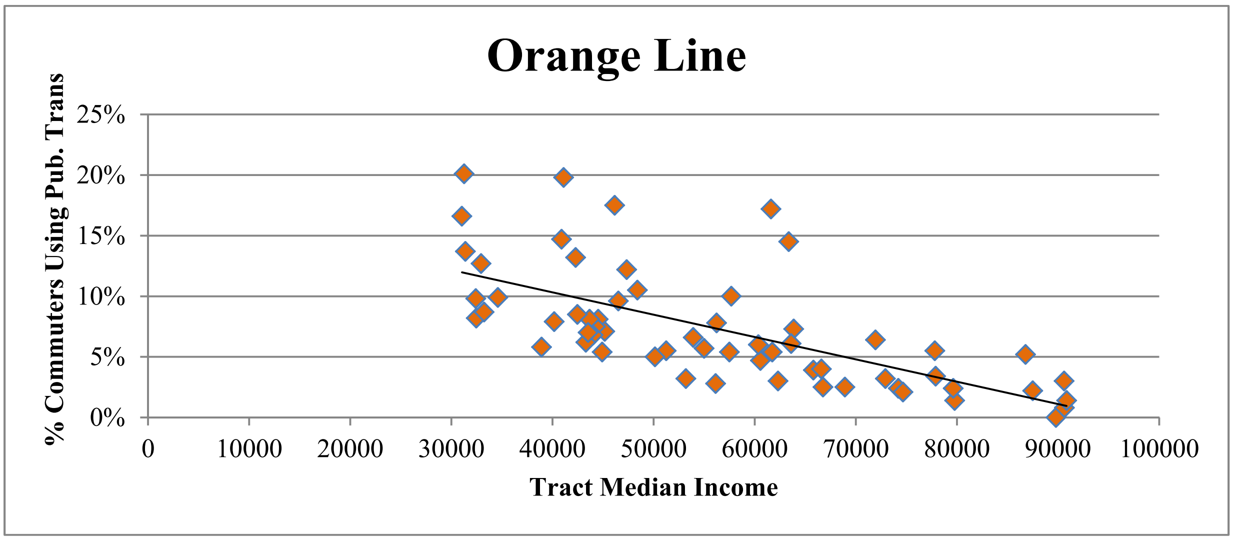
**Appendix 5. Public Transit Ridership & Household Median Income by Census Tract**




LAX-Crenshaw
% Commuters Using Pub. Trans
25%
20%
15%
10%
5%
0%
0
10000
20000
30000
40000
50000
60000
70000
80000
90000
Tract Median Income


Orange Line
% Commuters Using Pub. Trans
25%
20%
15%
10%
5%
0%
0
10000
20000
30000
40000
50000
60000
70000
80000
90000
100000
Tract Median Income

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