

Los Angeles Coalition Wins Health Clinic and Jobs from Developer

By Diana Pei Wu

When you walk into the yellow building of the Esperanza Community Housing Corporation in Los Angeles, you are greeted by bright paintings done in the Diego Rivera and José Orozco muralist styles. This office and the brick warehouse down the street, which houses the UNIDAD¹ Coalition are the sites where one of the first community benefits agreement (CBA) fully funded by a private developer was negotiated.

“This agreement with Palmer provides South LA residents with health services, jobs, affordable housing, small business development, and transit-oriented development (TOD) planning—all desperately needed in this historically underserved community,” notes Paulina Gonzalez, executive director of SAJE.²

The developer, Geoffrey Palmer, calls his own projects “fortress-like” and in 2003, pleaded “no contest” to criminal charges of illegal demolition.³ His ornate, market-rate (high-rent), Italian-named complexes are designed to draw affluent professionals to the urban core. In 2009, Palmer won a case in the California Supreme Court against the City of Los Angeles’ attempt to mandate affordable housing in his luxury developments. Despite his political and economic clout, the UNIDAD Coalition⁴ and a team of community lawyers⁵ was able to negotiate a groundbreaking deal with Palmer in just over three months over the Lorenzo Project, which includes:

- A 20-year free lease and operational funding for a 7,500 square foot community health and wellness clinic.
- A local and at-risk jobs hiring program for the project’s construction workers.
- A living wage and local hiring program for the project’s permanent workers.
- Funding to promote community health.
- An affordable housing trust fund in South Los Angeles.
- Job training.
- Support for local small businesses.

- Funding for community-led TOD strategies in South Los Angeles planning.

According to Jim Mangia, President and CEO of St. John’s Well Child and Family Center, “In this federally-designated medically underserved area, this clinic is a significant win and will provide an estimated 20,000 patient visits a year for low-income and uninsured South Los Angeles residents.” Coalition members hope that this agreement becomes part of a suite of CBAs that will stem the tide of displacement by new development in the area by providing anchors for good jobs and much-needed community serving institutions.

Demolishing Health Care in South LA

South LA has the highest rates for diabetes and diabetes-related amputations, asthma, hypertension, and childhood lead poisoning in Los Angeles County. It also has a high rate of preventable hospitalizations but the lowest ratio of hospital beds to residents in the county.

From 1995 to 2005, Nancy Halpern Ibrahim, executive director of Esperanza Community Housing, ran a nationally recognized, award-winning program that trained hundreds of community health *promotoras* in partnership with the Orthopedic Hospital Foundation and the St. John’s Well Child and Family Center.

Promotoras are multilingual low-income residents who become neighborhood health leaders, patient advocates, and health educators. They provide a crucial link to health care access for an underserved community, as well as increasing patient retention and filling

areas of need where traditional public health strategies are neither suitable nor accepted, according to Ibrahim.

In 2005, a part of the hospital and medical offices building were demolished without notice to the community and many health services located in the building, such as St. John's Well Child and Family Center, the *promotoras* program, and an innovative medical magnet high school program, were evicted.⁶ The land was sold to G.H. Palmer Associates in 2006 in a cash transaction.

Annually, the facilities had provided over 15,000 emergency room visits, 1,350 inpatient surgeries, 1,036 outpatient surgeries, and served an additional 8,500 dental and 4,300 podiatry patients. The sale resulted in the loss of health services that included: inpatient, surgical, and emergency care, recuperative and physical therapy, orthopedic surgery and specialty care, and over 100 licensed hospital beds. Also lost were preventative services for diabetics and a full range of dental and oral health services.

Since 2006, the area has lost four more hospitals, escalating an already severe health care shortage. South LA residents now have to travel several miles for primary care and over 10 miles to access specialty care.

Gentrification and Displacement in South LA

The former site of the Orthopaedic Hospital (at 23rd and Flower Street) is located alongside the Expo Line of the Los Angeles Metro currently under construction. The shiny lofts of downtown have crept down Figueroa Street in the last decade and now loom close, just across Interstate 110 and the 23rd Street overpass.

In her office, Ibrahim points at an aerial photo of the area taken in the 1980s. To the north are the tall buildings of downtown Los Angeles, to the west is the imposing campus of the University of Southern California (USC), and to the east lie the industrial areas. You can almost feel the pressure generated by downtown development and USC, squeezing this community of predominantly working class African American and Latino families towards the warehouses in the east and further south along Figueroa.

"Before this current wave of development, over 60 percent of the housing units in this neighborhood were



family-oriented," says Ibrahim. "Many of those units have now been converted to student housing, which increases rents, lowers population density, and increases neighborhood instability. Esperanza has been at the forefront of continuing to build affordable housing for families, in an attempt to stem the waves of gentrification. It's been a long process."

At the UNIDAD office, Coalition Community Organizer Gabriela Garcia says: "We have a unique opportunity to stop displacement—of families, of workers, of businesses—without stopping growth and development. Through public planning now underway, we can set guidelines for smart growth that is also fair growth, and neighborhood development that is true community development. We can improve more than just our buildings and streets; we can improve the lives of the people who live and work in our neighborhoods—the old and the new, the rooted and the recent."

South LA native and current Community Affairs Manager at TRUST⁷ South LA, Tafari Bayne says: "[We are] working towards a South Los Angeles where economic and social opportunities for youth are not gangs but abundant jobs in the private sector as well as in community organizations; where there is room for community gardens and living wage jobs; and housing in price ranges that honor the contribution of the residents that have made the community a desirable place to live."

"This community benefits agreement is important," Bayne adds, "because it provides an anchor for the community to get much-needed health care and also

Photo:

UNIDAD Coalition members speak with staff of Councilmember Jan Perry's office following the December 2010 Council meeting.

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puts money in a land trust to support the development of family-oriented housing units that are affordable to working class families.”

A Combination of Organizing and Legal Strategy

Serena Lin, an attorney with the Community Development Project at Public Counsel, joined the campaign in November 2010 and played a key role in negotiating the CBA.

“We sent a message at a critical time that communities are powerful and can win,” says Lin. “When UNIDAD started this campaign, the deck was stacked against us. The combined power of organizing and legal claims brought the developer to the negotiating table. The lesson for planners, politicians, and developers is that communities need to be involved from the start and not as an afterthought to development.”

In Los Angeles, the requirements for public participation are more stringent for developments where public funds are involved but the proposed development at the former Orthopedic Hospital site is 100 percent privately financed. The UNIDAD Coalition and the legal team started working in earnest on this campaign only in November 2010, and the final agreement was signed in February 2011. In comparison to most CBAs, which can take years to negotiate, this was an extremely short timeline.

As with many local planning and development campaigns, Esperanza and SAJE had submitted comments on the draft and final Environmental Impact Reports (EIR)⁸ back in 2007. The final EIR was released in November 2010, and the hearing date before the Los Angeles County Planning and Land Use Commission scheduled for December 9. As it was the middle of the holiday season, the community groups successfully argued for the hearing to be delayed until January 13, 2011. They also convinced the commissioners to hold the hearing in downtown Los Angeles rather than in the San Gabriel Valley—county-wide meetings typically

alternate between the two locations—as the proposed project was one of the largest in South LA and community access to the public process was important.

On December 10, nearly 1,000 people crowded into the Los Angeles Convention Center for the Second Annual South Los Angeles Health and Human Rights Conference. Later, hundreds of participants bussed to the Orthopedic Hospital site to demonstrate against the loss of health services to the proposed luxury housing development. Their slogan, “Save the Q!,” referred to a special zoning category, which restricts use of the land for medical and educational purposes. The event signaled the beginning of the Coalition’s efforts to mobilize the broader community in the campaign to preserve health services at the site.

Showdown at City Hall: January 13, 2011

On January 13, organizers Ibrahim, Garcia, Bayne, the legal team and others arrived at the Planning Commission meeting at 8:30 a.m. to find the room full of men in hard hats and orange shirts that said “Approve Lorenzo” on the front and on the back, “GH Palmer provides jobs” and “Si se Puede!” The nervous organizers were relieved when Coalition members began arriving in the hundreds with their “Save the Q!” stickers, forcing the Planning Commission to move the hearing to the largest room in the building.

The Palmer representatives presented their proposal and asserted that they had adequately responded to community concerns in the EIR. When the UNIDAD Coalition was given 15 minutes to present their collective testimony, members spoke forcefully about the health and environmental conditions in the neighborhood. They also pointed out why the EIR was insufficient because it used incorrect baselines for assessing changes to pedestrian traffic, air quality impacts during construction, and impacts of the loss of Q zoning to the neighborhood.

As comments from community members followed,

Photo:

Community members line up at the Los Angeles County Planning and Land Use Commission hearing on January 13, 2011.

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it became apparent that the Planning Commission was taking the concerns of the UNIDAD Coalition seriously and it was decided to delay decision on the plan until the next meeting.

What followed was a month of intense negotiations during which the CBA was drafted and agreed to by the developer in exchange for the coalition’s retraction of their objections to the development. “In many ways,” says Zahirah Washington, an attorney with the Legal Aid Foundation of Los Angeles’ Community Economic Development Unit, “this CBA helps to shift the power dynamics, bringing both commercial and community interests to the table. This CBA and other efforts show that community and economic interests do not have to be at odds.” UNIDAD hopes it will set a precedent for future public and private developments, especially along public transportation corridors.

“It is critical that community residents have a real seat at the decision-making table for development projects to ensure that their voices are heard and that community residents benefit from any proposed developments in their neighborhood,” says Paulina Gonzalez, executive director of SAJE. “This agreement marks a step in that direction.”

What was truly significant in this instance, as Lin points out, “is that the UNIDAD Coalition was able to get a private developer to be accountable to the public’s interest. We were also able to get key officials and planners to recognize that developments near transit should be accountable in part because they receive the benefits of public transportation. When billions of dollars are going to trains and buses, those dollars are also serving the housing, stores, and neighborhoods nearby. A transit-oriented development can become a conduit for moving current residents out of their neighborhoods. But, if we’re going to responsibly build transit-oriented development, we need to make places

where not only everybody wants to live, but where everybody can live.”

Although not everyone in South LA is happy that the development is happening, most are extremely excited at the prospect of a new community health center, small business spaces, new jobs at living wages, and other benefits to be implemented at the new development. The hope is that this can become an anchor for community well-being, instead of something that contributes to community displacement.

Already, community organizations throughout southern California have started requesting support from the UNIDAD Coalition and the legal team to negotiate and implement their own CBAs. UNIDAD is currently working with USC on its expansion plans and coalition members Bayne, Garcia, and Ibrahim are hopeful that the lessons learned from the Lorenzo Project CBA will help them negotiate with other developers who want to build in South LA. ■

Endnotes

1. UNIDAD stands for United Neighbors in Defense Against Displacement, a campaign for South Los Angeles development that benefits all members of the community.
2. Strategic Action for a Just Economy. <http://www.saje.net>.
3. Sanders, Peter, “Fortress’ Apartments Develop Controversy,” *The Wall Street Journal Online*. 09/10/2004.
4. Organizations that make up the UNIDAD Coalition include SAJE (Strategic Actions for a Just Economy), Esperanza Community Housing, St. John’s Well Child and Family Center, Community Development Technologies Center, PV Jobs, TRUST South LA, St. Francis Center, United University Church, Coalition for Responsible Community Development, and Vermont Village Community Development Corporation.
5. The UNIDAD Coalition was represented by Public Counsel, Chatten-Brown & Carstens, Legal Aid Foundation of Los Angeles, Natural Resources Defense Council, and the Community Benefits Law Center.
6. Link to VIDEO: http://www.youtube.com/watch?v=GrD_FNImqYQ
7. TRUST stands for Tenemos que Reclamar y Unidos Salvar la Tierra (Spanish for “We Must Fight and Unite to Save the Land”). Formerly called the Figueroa Corridor Community Land Trust.
8. An Environmental Impact Report (EIR) or Environmental Impact Statement (EIS) is required whenever a project is determined to have potentially significant impacts on the physical environment.

Photo:
Discarded visitor badges and Coalition stickers following a hearing at Los Angeles City Hall.

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Diana Pei Wu is a frequent contributor to RP&E. She has worked on and written about youth organizing, environmental justice, climate justice, immigrant and refugee rights, and community planning and development in the age of gentrification.