RECLAIMING KOREATOWN

A prescription for the current and future needs of Koreatown residents

A report prepared by Koreatown Immigrant Workers Alliance in association with the DataCenter

May 2009
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KOREATOWN IMMIGRANT WORKERS ALLIANCE
LA ALIANZA DE TRABAJADORES INMIGRANTES
DEL BARRIO COREANO
한인 타운 노동 연대
3465 West 8th Street, 2nd Floor | Los Angeles, CA 90005
Trabajos con dignidad. Luchando unidos.

Jobs with dignity. Struggle in unity.

KIWA
Koreatown Immigrant Workers Alliance

Cover photo by Larry Gross, Coalition for Economic Survival
Acknowledgments

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KIWA is a community-based non-profit organization that has for 17 years worked to empower immigrant workers and to develop a progressive constituency and leadership in the Koreatown community that can struggle in solidarity with other underrepresented communities.

The DataCenter is a fully-integrated research, training and strategy center serving poor and working class communities of color organizing for social justice. In partnership with grassroots social justice organizations, the DataCenter plays an integral role in making information accessible, engaging communities in research, recognizing and drawing out community expertise, and building community capacity to strategically apply research in organizing and policy work.
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In the last four decades, Koreatown has been represented and imagined in various ways. In the 1970’s, Koreatown was seen as one of the quintessential "gateway" ethnic enclaves where newly-arrived Korean immigrants would live and work long enough to buy their suburban homes and live out their American dreams. In the 1980’s, Koreatown became one of the ethnic districts of a global Los Angeles where Angelenos and tourists alike partake in the city’s multicultural glow. These celebratory images of Koreatown came crashing down with the Los Angeles Civil Unrest of 1992. For much of the 1990’s Koreatown became one of the most potent symbols of America’s urban rage and crisis fueled by racial conflict, ethnic resentment, social inequality, and demographic change. Only a decade later, Koreatown underwent yet another dramatic transformation as a trendy, upscale, and globally-connected center of fancy shopping centers and hotels, expensive bars and restaurants, and luxurious apartments and condominiums. These changes have attracted new attention from the media that now represent Koreatown as a playground for 1.5 generation suburban Korean Americans looking for big city fun or as an investment opportunity for wealthy South Koreans who are buying up real estate to diversify their portfolios.

The central aim of this report is to remind all of us that behind the disparate and contradictory images of Koreatown are individuals and families who are struggling to build a community in this inner-city neighborhood. The report finds that the escalation of housing cost relative to stagnant and declining household income represents the greatest threat to building an inclusive Koreatown that meets the economic and social needs of all of its racially and ethnically diverse residents. Building on a previous report that examined the lack of decent-wage jobs in Koreatown that traps workers and their families in poverty, this report highlights the burden of rising housing costs that imperil their economic lives. From 1990’s to 2007, Koreatown experienced dramatic rise in home prices and rent--both exacerbated by large-scale urban developments that reduced affordable housing units, relentless conversion of low-rental units into luxurious apartments and condominiums, and city policies that provided financial incentives to build upscale housing units. Even before the housing crisis of 2008, recent developments in Koreatown left the community with a severe shortage of low-income housing units while leaving a surplus of high-income ones. While the recent decline in the housing market has slashed home prices, the median family incomes of Koreatown renters that hover around $22,000 per year do not bring them any closer to owning homes whose median price still exceeds the staggering figure of $300,000. The decline in the real estate market has, however, had a direct impact on low-income workers in Koreatown who depend heavily on the construction jobs that have all but vanished. The rising rent along with the sharp loss of jobs has indeed been "a crisis upon crisis" for immigrant workers in Koreatown.

In this difficult set of realities, this report proposes a specific set of principles that are designed to improve housing affordability and the economic well-being of Koreatown residents. Based on interviews with members of the community and an impressive set of quantitative data, the principles highlight the role of affordable housing in developing an inclusive sense of community and building a sustainable model of local economic development. The findings of this report should serve as a wake up call to everyone who cares about the plight of Koreatown residents, and the principles of this report should light a path for a more hopeful future. Through this report, KIWA invites us to build a future where the responsibility and the rewards of Koreatown are equitably shared by all—we should accept this critically important invitation.

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Los Angeles, California
April 2009
Executive Summary

This report analyzes the current conditions and economic state of Koreatown residents. In addition to the impacts of economic downturn, residents face challenges due to failed housing and development policies historically driven by speculative private real estate investment. Koreatown residents are mostly low-income residential renters. The recession has created an uncertain economic future for this community due to unemployment, reduced job opportunities, increasing housing costs and a stagnant economy. Low-income workers report hardships due to high rents and inadequate income-earning opportunities and a need for increased basic social services in the community. Among the most urgent concerns of Koreatown residents is the fear of displacement from the neighborhood due to increasing housing costs and lack of affordable housing options.

KIWA conducted a survey of 102 Koreatown residents as well as one-on-one interviews with 15 residents to assess their housing and development needs. The results clearly illustrated that access to affordable housing is of primary concern. Most (96%) residents live in rental housing and 9 out of 10 say Koreatown needs more affordable housing. The reality is that residents are not able to find housing that they can afford. The survey found that the majority (58%) of residents pay one-half or more of their income in rent, and nearly one-half (47%) live in overcrowded housing.

The survey also showed that existing policies do not meet the needs of current residents. Residents are unaware of city programs, including the Community Redevelopment Agency and homeownership assistance programs. The push toward private real estate development fails to address the needs of most Koreatown residents, 74 and 76% of whom, respectively, do not plan to buy a home and cannot afford to buy a home.

In the last decade, Koreatown has seen rapid economic development and unprecedented growth that included an influx of private, luxury condominium and mixed use developments. For low-income immigrant workers of the Koreatown community there is huge concern about the impact of new development plans. The survey found that affordability was the primary issue, with 9 out of 10 residents concerned about rent increases. Additionally, 80% of residents worried about how development projects would lead to the reduction of affordable housing in the area. Other concerns included displacement (79%), unaffordable new businesses (69%) and an increase in traffic (83%) and decrease in parking (87%).

Residents are not against development, but this report suggests that it is possible and necessary to have accountable development policies. The current plans being put forth by the City of Los Angeles will most likely not meet the affordable housing needs of its current residents. The residents put forward a set of criteria on what accountable and community-based development should look like. Nine out of ten residents felt that development plans must include affordable housing while also preserving the existing stock of affordable housing. Furthermore, 86% of the residents said that development should not lead to displacement. Another important criteria put forth by 92% of the residents was that all projects must provide and result in living wage jobs. In addition to the above, residents also noted that developers must give back to the community. Eighty-six percent of residents said that developers must contribute to a non-profit community fund.

Residents also identified their own development needs for the community with a vast majority of residents saying that Koreatown needs more parks, schools, libraries, public parking and healthcare facilities.

In their one-on-one interviews, residents’ connection to their neighborhood really came through. Residents spoke about how comfortable they feel in Koreatown; it feels safe, tranquil and it feels like home. Many of these low-income residents also spoke of convenience and easy transportation and access to bus stops. Residents appreciate that it is easy to walk around the neighborhood. Others talked about enjoying the sharing of cultures and friendly people in Koreatown. The interviews showed how Koreatown is home to a
diversity of residents who feel a strong connection to the neighborhood. Thousands of residents have unique stories about their lives and connections to this community. It is a culture and history that community residents want to preserve.

Based on the above findings from the survey and interviews of the community residents, KIWA is putting forward equitable development standards that would fulfill what the community actually needs. All community development projects must:

Preserve affordable housing and affordability of housing through the development of affordable units or cooperatives that are accessible for Koreatown residents, including renters.

Seek and include meaningful participation of Koreatown residents, including low-income communities and communities of color, in decision-making for neighborhood development.

Preserve the current residential base by reducing direct or indirect residential displacement risks to prevent the displacement of current residents and mitigate the factors that cause displacement.

Respect existing community assets, including current residents and homes, social networks, historic sites and landmarks.

Help reduce social and economic disparities among individuals and social groups in Koreatown neighborhood and the larger LA Metropolitan area.

Provide direct benefits to the community—current residents, area businesses, and cultural institutions—like amenities that serve or are owned by local residents.

Improve existing infrastructure and appearance of the neighborhood, including upgrades to existing buildings and service delivery systems.

Provide opportunities for small and local business development and promote alternative models for sustainable neighborhood economic development.

Ensure community access to opportunities and resources resulting from development, including employment, education, and safe, affordable housing shared equally by community residents.

KIWA urges all Koreatown stakeholders to engage in community development processes to uphold the aforementioned principles.
Introduction

In spring of 2007, KIWA conducted a community-wide needs assessment survey and published a report, *Towards a Community Agenda: A Survey of Workers and Residents of Koreatown, Los Angeles*. Among the community’s most prevalent concerns were the lack of decent-paying jobs, the lack of accessible health care, exorbitant rental housing costs and substandard housing conditions. The vast majority of Koreatown residents in 2007 were receiving little of the trickle-down benefit from a prospering business sector.

Nearly two years since that survey of residents and the publication of KIWA’s report, the needs for quality jobs, health care and housing have not subsided; rather they have become more urgent as residents face an even more challenging economic forecast. In 2009, KIWA completed a follow-up community survey to capture a snapshot of what residents are facing today. This study provides an up-to-date analysis of current experiences and conditions of the people of Koreatown.

This community survey reflects the concerns of Koreatown residents in light of the current economic downtown. The report shows poor standards of living for Koreatown residents and the need for drastic and direct intervention by policymakers to address these hard realities. It suggests the limitations of past investment and re-investment strategies in meeting the needs of low-income and immigrant workers in the community. The report highlights the experiences of long-time Koreatown residents who are threatened with displacement and explores the challenges of maintaining the historic, diverse and multi-ethnic character of the community.

Section 1, *Crisis on Top of Crisis*, provides an update on the challenges facing the Koreatown community, particularly housing affordability and accessibility. Section 2, *Needs from the Community*, analyzes results from KIWA’s community survey of community members’ assessments of their own housing and development needs. Section 3, *What’s Missing*, offers a constructive critique of the City development and re-development plan for Koreatown, which fails adequately to include or address the self-reported needs of most Koreatown residents. Section 4, *Towards a Community Agenda Redux*, explores solutions needed to ensure an economic recovery that meaningfully includes all Koreatown residents and stakeholders. These recommendations incorporate input from survey respondents and suggest action steps to help preserve this historic neighborhood, one of the most diverse and resilient immigrant working class communities in Los Angeles (“LA”). Also included are testimonies from Koreatown residents and a historical background of the community.

About This Project

The overall goal of this report is to elucidate the current challenges and needs of Koreatown residents. This project was initiated in mid-2008, before the collapse of a then-growing economy; Koreatown was in the midst of a wave of gentrifying development, which was threatening to displace residents. This threat has changed due to the economic slowdown, but these findings show that Koreatown is still at risk. As a follow-up to KIWA’s 2007 community needs assessment, this report provides an updated analysis of community needs and of housing and development concerns, which are among the most pressing issues facing Koreatown residents. The report
summarizes basic research on economic conditions that are confronting the community and provides a critique of policies that affect local residents. Most significantly, this report serves as a call to action for all stakeholders in the Koreatown community to support a new community development agenda that re-orders local priorities to address first and foremost the needs of the current local low-income residents.

**Methodology**

This project used a survey and one-on-one interviews. The survey was designed and implemented by KIWA with support from the DataCenter. KIWA surveyed 102 Koreatown residents and workers through door-to-door visits with residents and other forms of random public outreach from July 2008 through March 2009. Surveys were administered in three languages, English, Korean and Spanish. The demographics of survey respondents reflect the Koreatown population. In addition, KIWA conducted numerous in-depth interviews with Koreatown residents and collected 15 testimonies that gave further depth and analysis to the survey results. Quotes and summarized profiles from the interviews are included throughout the report. The survey and interview tool is included in the Appendix.

**Geography and Demographics:**

A Neighborhood of Many

Koreatown is geographically located in the heart of LA; bordered on the east by downtown, on the west by the Hollywood and Beverly Hills, on the north by Silver Lake and Echo Park, on the south by South LA. Koreatown includes portions of zip codes 90004, 90005, 90006, 90019 and 90020.1 Stretching over two miles just west of downtown, Koreatown is roughly bounded by Hoover Street on the East, Wilton Place on the West, Pico Boulevard on the South and Beverly Boulevard on the North. Multi-ethnic intermingling is a phenomenon that can be witnessed throughout LA, but it is pronounced in Koreatown due to its geographic location at the edge of several other bi-racial and multi-racial regions. As a residential community nestled between these diverse neighborhoods, Koreatown is and has been an affordable and comfortable home base for hundreds of thousands of people who work throughout LA. The traditions and cultures of these residents and their enduring struggles to build a flourishing community despite many challenges make Koreatown and its people an important neighborhood to protect.

Koreatown is one of LA’s densest areas with nearly 200,000 residents living in just a few square miles.2 Seventy percent are immigrants and 70% working poor.3 More than 40% fall below the federal poverty line. Koreatown’s median household income is only $23,000 compared to $42,000 county-wide (US Census Bureau, 2000). Traditionally, Koreatown has been a first stop for immigrants from Mexico, Central and South America, and Korea, as well as other parts of Asia. It is very diverse; approximately 25% of residents are from Korea, 60% are from Latin America and the rest represent a wide range of other races and ethnicities. A majority of residents have limited English proficiency, work in low-income jobs, and have difficulty accessing public services and local decision-making processes.

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1 The area includes the following census tracts: 211500, 211410, 211420, 211200, 211110, 211320, 211310, 211120, 212204, 212202, 213402, 213401, 213320, 212306, 212303, 212100, 211920, 211910, 211801, 211702, 212203, 212304, 212410, 211802, 212500, 212620, 212610, 213100, 213202, 213201, 212420, 212305, 213310, 211701.

2 Earlier reports have defined boundaries of Koreatown extending eastward into Pico Union and westward into Hancock Park and have estimated Koreatown’s population in the range of 200,000-250,000.

3 "The Other Los Angeles: The Working Poor in the City of the 21st Century," published by the Los Angeles Alliance for a New Economy.
Economic Impacts – Past Present and Future

In the last decade, the Koreatown entertainment and business districts have been the beneficiaries of rapid economic development. Due to its location in the heart of the city and its status as a popular, metropolitan international business center, Koreatown has seen unprecedented growth. Speculative investment in the area reached unparalleled proportions, including an influx of private, luxury condominium and mixed use developments. Even during this period of growth, however, low-income immigrant workers of the Koreatown community were facing a multitude of problems, including poverty, poor health, poor workplace and housing conditions.

The economic terrain worldwide has changed due to the ongoing ripple effects of 2008’s subprime mortgage and financial crisis and the attendant economic downturn. While forecasts in 2007 and early 2008 projected continued and rapid growth, current indicators show us to be in an economic recession of unknown depths and duration. The Bureau of Labor Statistics reports that over 1 million jobs were lost in November and December 2008 alone, and 1.9 million lost in the first months of 2009.  

The University of California-Los Angeles Anderson Forecast predicts that the unemployment rate in California will continue to increase in 2009 and until 2010. California’s unemployment rate in December 2008 was 9.3%, up from 5.9% last year. Forecasts predict that the unemployment rate could exceed 10-11% by 2010. Californians can expect tax increases and service cuts. Twenty-five banks with assets in the hundreds of billions failed in 2008, including regional and California-based institutions. California has 500,000 foreclosures and the second highest foreclosure rate in the country after Nevada, with one in every 173 homes receiving a repossession notice in January 2009.

The full impact of the financial crisis will not be known for years to come, but Koreatown is already feeling the repercussions of the global recession, including a decline in job opportunities, due to reduced investment and travel. The previously expected increase in investment from South Korea has not materialized. The market slowdown in Asia, including South Korea’s shrinking annual growth, has virtually frozen investment into Koreatown from Korea; meanwhile, Korean American investors are finding investment options overseas more attractive. Foreign exchange rates and monetary values are making investment abroad appealing to US investors. Venture capitalists, while they may also be experiencing a decline, are still in a position to seek and take advantage of investment opportunities that position them well to benefit from an eventual recovery.

The very identity of Koreatown is at stake in the years to come. Koreatown is already in transition from an immigrant ethnic enclave economy supported by locally-owned, small mom-and-pop businesses to a globalized franchised market economy based on luxury real estate and corporate investment in the form of large-scale commercial and entertainment complexes. The trends of the decade have thus far favored new developments catering to transnational wealth with limited benefit to the vast majority of the residents of the community. In the long term, Koreatown’s low-income population will need to be prepared to maintain their community and their residency in it. The cycles of history make it almost inevitable that Koreatown’s economic recovery (whenever it happens) will be accompanied by a renewed wave of investment and gentrification. The central question is what kind of place will Koreatown be and what will happen to its current residents—who will be included and who will be excluded.

6 Sim Min Kyu, “Convention to inform Korean Americans how to invest in Korea” Korea Times, April 8, 2009.
Section 1
Crisis on Top of Crisis:
Challenges Facing Koreatown Residents

“I think the housing ‘crisis’ has been a crisis for us for a long time.” - Koreatown Resident

Paramount among the challenges facing Koreatown is the threat of wholesale displacement of the majority of residents, an end result of the existing vulnerabilities of the community, aggravated by the forces of gentrification and irresponsible development, topped by a trying recession.

Koreatown remains a neighborhood of mostly low-income renters struggling with high rental costs and poor conditions. According to KIWA’s survey, 96% of residents are renters. While the average reported monthly income was $1772, 41% of survey respondents reported earning $1000 or less per month. Fifty-eight percent of renters are paying one-half or more of their income for housing costs. Forty-seven percent are living in overcrowded (more than two people to a room) homes.

“We were struggling before. We’re struggling now.” – Javier Gutierrez, 7 year Resident

The economic downturn has exacerbated already dire circumstances. The housing crash caused job losses in construction and finance, and these losses have trickled down to affect property values, consumer spending and tax revenue. Meanwhile, LA County has seen a decline in employment and average wages in recent years even prior to the financial crisis. Southern California industries are expected to continue in decline, including the retail sector—a significant portion of Koreatown’s economy.

Koreatown residents are facing a pronounced stagnation. In the last months of 2008, KIWA’s Worker Empowerment Clinic saw a 3-fold increase in the number of clients seeking support for workplace grievances; the vast majority of these were wage claims. There has been a recent increase, as well, in unemployment insurance claims. The Institute of Popular Education of Southern California, an organization dedicated to helping day laborers and others seeking work in the area, reported that in recent months the number of jobs available are insufficient to satisfy the need of available workers—despite rigorous efforts of job hunters and advocates. The usual challenge of securing work has been even greater due to the economic crisis. At one site, during an especially difficult period after the downturn, workers on average were finding work only one out of every 15 days. Many day laborers and immigrants at community job sites are simply not finding enough work to sustain themselves or their families. Meanwhile, complaints from tenants seeking assistance at the Koreatown Tenants Defense Network clinic have continued unabated, including concerns about unsafe conditions, unfair landlord practices, evictions and ongoing struggle with unaffordable rents and rent increases.

According to one source, the estimated median home value in Koreatown increased from $100,764 in 2000 to $420,000 in 2006. Another source reported similar statistics for zip code 90006, which covers a

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7 The U.S. Department of Housing and Urban Development says the “generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing.”
9 Correspondence with Ileana Alvarado, Program Manager, Institute of Popular Education of Southern California, Los Angeles, California. April 18, 2009.
10 The Koreatown Tenants Defense Network, a collaborative effort of KIWA, Korean American Bar Association, Eviction Defense Network, South Asian Network and Koreatown Youth and Community Center, is a regular legal clinic that provides free legal advice and services and workshops for tenants and others in need of legal assistance.
portion of Koreatown—an increase of median house or condo value from $176,800 in 2000 to $519,740 in 2007.\textsuperscript{12} In the last year these prices have fallen; median home values in Southern California dropped by about 35\%.\textsuperscript{13} But these housing options remain inaccessible to most Koreatown residents. Even with the decline in housing and real estate prices, our constituents—mostly Koreatown renters—have yet to report relief from high housing costs or opportunities to lower their rental costs or buy an affordable home.

Trends in the last decade show that the market for housing in Koreatown remains exclusive of low-income families. Data for estimated housing values in 2008 show an overall reduction (-38\%) in housing stock valued between $100-300,000 and a great increase (+40\%) in housing stock valued over $500,000.\textsuperscript{14} These indicators validate community fears of displacement and being priced out of the market.

\begin{figure}
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\includegraphics[width=\textwidth]{Owner-occupied_House_Value.png}
\caption{Changes in Koreatown Home Values}
\end{figure}

Masako Mochizuki, a 37 year resident in the neighborhood, speaks often of memories of Koreatown. Masako moved to Koreatown in 1973 shortly after her marriage to a successful businessman. She worked for years in the entertainment industry, and later she worked as a communications specialist for an international public relations company that served the Japanese consulate. Throughout her career, she worked and lived in Koreatown and created a life and community for herself. She often speaks of her favorite spots in the neighborhood or of her memories of how Koreatown has changed over the years.

Threatened with displacement in recent months, Masako talks of how hard it would be to start over. “This has been by home and

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\textsuperscript{12} City Data, http://www.city-data.com/ (last visited on April 7, 2009)
\textsuperscript{13} Peter Y. Hong, “Southern California home prices fall, affordability returns to normal” Los Angeles Times, Feb 20, 2009.
\textsuperscript{14} Chris Schweidler, Health City, April 2009. (US Census Bureau, 2000 and Claritas, Inc. Demographic and Housing Estimates, 2008)
neighborhood since 1973 when I got the apartment as a honeymoon home. I stayed because I fell in love with the neighborhood. Besides I cannot afford to move anywhere now. At 73 years old, I don’t know how I’d start over. The idea of new neighbors and learning to get around in a new neighborhood scares me.”

Sumana Tumpa grew up in the northeast area of Koreatown. Now a student at Cal State Northridge, she was once a student at nearby Belmont High and has lived in Koreatown for over 10 years. Sumana knows many of the people in her apartment building, has many friends that live down the street, and considers many of them as her family. “Koreatown is home to me. There are a lot of Bangladeshis in this area. It is the only place I have known in Los Angeles.” She likes living in Koreatown because of the “home” feeling, because it is her community, and because the transportation is easily accessible for her to meet up with people. Over the past ten years, she has also seen many transformations take place. In these economic times, Sumana noted that “many people are losing their jobs, I don’t know why, maybe because Koreatown is mostly immigrants.” When she first moved to Koreatown, she remembers it still as a place of mostly immigrants, and a place that was much more affordable. While lots of new development has taken place, and the area has become more crowded, Sumana recalls that rents were much cheaper back then. “In 2009, the rents have dramatically increased from the original price in the late 90s. With some families nowadays, only one person is earning and they have seven family members to take care of, making the higher rents and other needs very difficult to pay for.” Despite these changes, Sumana’s family and many of her friends still choose to stay in her neighborhood right now, in the same apartments. “We can go out to our community events easier, we know the people out here, and we can always take the bus.”

Javier Gutierrez, a Mexican immigrant, has lived in Koreatown for over seven years. He is a long-time volunteer and has built a community network through his work as a part of KIWA’s Market Worker Justice Campaign. In his struggles for better wages and better treatment at work through various community efforts, he values the relationships he has made with many different people, including many Koreans. These experiences have shown him that it is possible and meaningful to dispel myths and to build trust among Latinos and Koreans in the neighborhood. At the same time, he is conscious of the complications of living in such a diverse community; he says “we live in an area that is named ‘Korea’-town, which means it is Korean or a Korean neighborhood.” But at the same time there are many Latinos and Mexicans who live throughout the community. “I consider Koreatown my community, too; I work here and live here—it’s my house and home. My mentality is not just for myself but for everyone in the community—for better treatment and better wages.” Javier particularly worries about the future of the community: “I see how history is disappearing. Day by day buildings where my friends lived are disappearing, people are moving and not returning—in part because we cannot pay $1500 a month in rent when we used to pay $600. Rents are going up.” He expresses alarm about community development decisions that are driven by financial and investment analysis alone, but also has hope for the future: “We can gain more possibilities to live well and to be taken into consideration in what is constructed; we are human and we have the rich potential to fight for what we need.”
The 2009 KIWA survey contributes to an analysis of Koreatown residents’ wants and needs. While anecdotal evidence abounds of the conditions of local low-income residents, there are insufficient quantitative studies to verify the dire housing needs of this community. This report helps fill that void.

The surveys show indisputably that the primary need and preoccupation of Koreatown residents is affordable housing. An overwhelming 91% of people we surveyed said Koreatown needs more affordable housing; and 77% said the community has enough or needs less condominiums. The influx and abundance of new condominium developments does not alleviate the need for affordable, low-income housing options.

The survey shows that community residents want to prioritize public services and resources over business and entertainment enterprises. Residents emphasized the need for affordable housing and a concern about rising rents, as well as a need for jobs for Koreatown residents and other accessible services, safe and clean public space. Many people emphasized employment and work opportunities as priorities that would significantly improve their lives and community.

Until many more Koreatown residents attain a higher level of income or economic wealth to enable the purchase of a home, any development that is based on expansion of the private residential real estate market is nothing but a push toward gentrification and displacement. It is understandable then that community members...
overwhelmingly express fears about what the future holds and particularly about the results of new development in the community. Most significantly, 90% fear rent increases and 79% fear displacement.

The need for affordable housing for low-income residents of Koreatown cannot be over-emphasized as a finding of this survey. 74% of respondents report that they do not plan to buy a home in the next two years. Of those who don’t plan to buy, 77% told us it was because they simply cannot afford to buy a home.

“Aquí llegué y aquí quedo (I arrived here and here I’ll stay)” – 20 year Koreatown resident

The threat of displacement is especially serious because Koreatown is a stable community where the majority has long tenure as residents; KIWA’s survey showed that 60% of residents have lived here for more than five years. Moreover 74% plan to stay in Koreatown. A predominating concern among residents is that they will be forced to move due to new development or that rent will increase. 15

15 While most people told us they plan to stay in Koreatown, almost 48% do not have a lease—a common challenge for tenants.
“I was born and raised in Koreatown. That’s the area I call home.” – Michelle Uribe 27 year resident

In conversation or interviews with residents, other common themes expressed by community residents to KIWA about their connections to Koreatown are that of “comfort” and “home.” When asked what people appreciate about their community, a common response was simply that it’s “home,” and residents shared different reasons why it feels like home. Responses consistently show that one of the things residents value most about Koreatown is that they feel comfortable here; it feels safe, tranquil and it feels like home. Many of these low-income residents also spoke of convenience, easy transportation and access to bus stops. Residents appreciate that it is easy to walk around the neighborhood.

Others talked about enjoying the sharing of cultures and friendly people in Koreatown. Reflections on the diversity of the community included a value for differences in culture and opportunities to learn about them. Speaking of the diversity of her community, one resident said “I would say that it is positive for everybody because we learn different cultures.” One Korean family recalled their home country: “Spending time with neighbors felt like I was back home living in a small village of Korea.” Another said “I learn a little Spanish living in Koreatown. I think it helps to learn from each other.”

Koreatown is home to a diversity of residents who feel a strong connection to the neighborhood. Thousands of residents have unique stories about their lives and connections to this community. It is a culture and history that community residents want to preserve.

Gina Kim was born and raised in Koreatown. Now 25, she has a lifetime of memories connected to her home and neighborhood. One powerful experience she remembers was the 1992 Civil Unrest that destroyed much of her community. At nine years old, she and her friends in her building were instructed not to go outside. But already conscious of the turmoil going on all around them, the kids came together to post peace signs in the windows of their apartment. Gina recalls, “We were worried that our town was being burned down and that people were getting hurt.” Even as kids, they felt protective of their community. Today, Gina is still protective and articulates a fondness and love for Koreatown. “Koreatown is a microcosm of the world, and everything you need is a few blocks away. Small shop keepers are very friendly and it always feels like a close community even among strangers. It is so diverse, too. When I ride the bus in Koreatown, everybody from everywhere is there—Latinos, Koreans, white, Middle Eastern, Filipino, South Asians and lots of different cultures. And everyone seems to get along well. My mom even speaks better Spanish than English.” As for the future of Koreatown, Gina shares many of the same concerns as other community residents: “Current residents and small business that have always been here are being pushed out by corporate chains and restaurants, rent increases and luxury buildings. We need affordable and less crowded housing and a safer neighborhood for everyone, but we’re not involved in community development. People in power are not consulting the community.”

Section 3

What’s Missing: An Analysis of Current Policies

An analysis of City of LA development plans shows that current proposed policies will be unlikely to meet the affordable housing needs of its current residents. According to a report by the Southern California Association for Non-profit Housing (SCANPH), the City is not providing the affordable housing it needs to fill the demands of the community and the growing population. While the LA Housing Department (LAHD), the U.S. Department of Housing and Urban Planning (HUD), and other committees work on improving the affordable housing market in Koreatown, there seem to be only 7,875 affordable housing units, which make up about 10% of the market as a whole. The Housing Element guidelines state that the city needs to produce over 4,000 units of affordable housing each year, however, in the years of 2001-2006, SCANPH’s analysis of the affordable housing stock reveals two disturbing trends. Not only is the City producing less than two-thirds of the units needed to meet projected demand, but the increasing removal of Rent Stabilization Ordinance units, from condominium conversions and demolitions, offsets any modest gains made. Due to these losses, the City has gained less than 10% of the affordable housing units it needs to keep pace.

The City’s own 2007 figures, as presented in the Mayor’s Housing That Works proposal, show that the City fell far short of meeting the needs of very low, low and moderate income housing needs, but produced a surplus of over 6000 units of housing for those making over $71,700 annually.

A recent report describes a situation even more dire in Koreatown, where there are only 48 low-income buildings built by the city, 7% of the 718 citywide, according to LAHD and the CRA. Due to the large demand, there are no vacancies, no turn-over in tenancy and multi-year waiting lists. One family got a unit only after waiting ten years. Of 119 new low-income buildings planned for construction by the city, only 14 (12%) yielding 677 units (9% of a total 8011 units) are in Koreatown, LA’s community with the most dense population. With most low-income renters already living in overcrowded conditions, the city’s current plan for housing will not work for most Koreatown residents.

The dominant, corporate development agenda embraced by the Mayor and the City prioritizes high-income, luxury development to draw in lucrative investment deals and a wealthier class of people over the needs of existing residents. Major development projects supported by the Community Redevelopment Agency

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and the City have attracted outside funding and investment but have drastically affected housing prices in the area. Long-time residents are not a target for the new real-estate market; condominiums are planned near the Wilshire corridor, as well as several renovations of older buildings as part of a residential push to draw new residents to Koreatown while creating upscale properties to attract buyers from other areas of LA. The immensity of these projects suggests that the neighborhood’s economy and geography will undergo severe changes within the upcoming years.

Unfortunately, the current push toward home-ownership and mixed use condo development is ‘progress’ and ‘prosperity’ only for those who can actually afford the new developments. For the vast majority, renters with little hope of buying into the new developments, this type of community development is devastating. Even as efforts to build affordable housing plod ahead, low-income residents experience extreme pressures to move as property values increase along with their rents. Koreatown residents are essentially being displaced and replaced by higher income newcomers to the community.

While many community members are unaware of the consequences of unrestrained development and the processes that enable it, our survey shows incontrovertibly that corporate developers should be held to a set of community responsibilities. The majority of residents we surveyed agreed that developers should be asked to provide a community benefit when they invest in a project. By an overwhelming margin community residents believe developers should be required to address community needs.

Current city policies are not demanding enough accountability from private developers. Developers are not required to consider community needs enough, and requirements for community needs assessments and input are weak. Yet, community residents by a large margin believe they should be held accountable.

Figure 11. Requirements for Koreatown Developments
Source: KIWA Survey 2009

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Responsible</th>
<th>No response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Must Provide Affordable Housing</td>
<td>91%</td>
<td>9%</td>
</tr>
<tr>
<td>Must Not Reduce Affordable Housing</td>
<td>88%</td>
<td>12%</td>
</tr>
<tr>
<td>Contribute to Non-Profit Community Fund</td>
<td>86%</td>
<td>14%</td>
</tr>
<tr>
<td>Development Requirements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Result in Living Wage Jobs</td>
<td>92%</td>
<td>8%</td>
</tr>
<tr>
<td>Provide Living Wage Construction Jobs</td>
<td>86%</td>
<td>14%</td>
</tr>
<tr>
<td>No Displacement</td>
<td>86%</td>
<td>14%</td>
</tr>
</tbody>
</table>
The challenges facing the Koreatown community are the result of a combination of factors. In addition to systemic barriers that disenfranchise low-income immigrant communities, Koreatown has fallen victim to over a decade of inadequate and ultimately exclusive policies that have favored the elite over the vast majority of local residents. These policies, similar to the those adopted in other urban communities, promised economic development whereby private investment would uplift the entire community by bringing in wealth and quality jobs for everyone. But these policies have ultimately failed.

The processes which determine these policies regarding development are as inaccessible as the eventual developments themselves. The community-at-large is virtually left out of the process for determining economic development plans for their neighborhood. Despite the public notice requirements and structures included in our city development processes, most Koreatown residents do not know how to participate. Participation in CRA or planning advisory board meetings and hearings is dismal. Eighty-two percent of residents report not knowing of the CRA; 70% do not know of homeownership programs. When low-income and working people are not involved in the process of community development in a meaningful way, it is not surprising that the resulting community plans do not reflect their needs. This phenomenon is all the more problematic, given the seemingly inexhaustible resources developers have to buy in to the political process.

The development model embraced by our city is fundamentally unbalanced; it hopes to achieve progress by cultivating outside developers and investors almost to the exclusion of organic community development approaches. Progress is measured by upper and upper-middle class luxuries and attainment. Not enough resources are being harnessed for shared and existing public assets and public programs. With hundreds of millions of dollars of investment flowing directly into Koreatown, these developments should be accompanied by more direct public benefit to meet basic community needs.

KIWA endorses community standards and principles of equitable development. We believe projects slated for development in Koreatown must:

1. **Preserve affordable housing and affordability of housing** through the development of affordable units or cooperatives that are accessible for Koreatown residents, including renters.
2. **Seek and include meaningful participation of Koreatown residents**, including low-income communities and communities of color, in decision-making for neighborhood development.
3. **Preserve the current residential base** by reducing direct or indirect residential displacement risks to prevent the displacement of current residents and mitigate the factors that cause displacement.
4. Respect existing community assets, including current residents and homes, social networks, historic sites and landmarks.
5. Help reduce social and economic disparities among individuals and social groups in Koreatown neighborhood and the larger LA Metropolitan area.
6. Provide direct benefits to the community, including current residents, businesses, and cultural institutions, like amenities that serve or are owned by current residents.
7. Improve existing infrastructure and appearance of the neighborhood, including upgrades to existing buildings and service delivery systems.
8. Provide opportunities for small and local business development and promote alternative models for sustainable neighborhood economic development.
9. Ensure community access to opportunities and resources resulting from development, including employment, education, and safe, affordable housing shared equally by community residents.

After years of unchecked development that has not met the needs of existing residents, this report suggests that now is the time for Koreatown’s majority low-income residents to recover this community as their rightful home and future. The community agenda identified by KIWA in 2007 prioritizing affordable housing, quality jobs and health care remains as central as ever to the building of a sustainable community. In addition, in order to address the root causes of economic instability of Koreatown low-income families and to survive the economic recession, residents must insist on relevant and incisive new economic development approaches that serve the community. This report suggests a new lens through which to view Koreatown—one which filters out the singular vision of Koreatown as megaplex of luxury high-rise condos and office buildings. A strategic community development plan that embraces the above principles can ensure a future in Koreatown shared equitably by all.
This community has not in recent years seen economic crisis of this proportion. The circumstances of residents in Koreatown appear to be worsening by the day, as KIWA receives increasingly frequent reports of lay-offs, joblessness, evictions, foreclosures and other economic hardship. As things are poised to get even worse and as the recession deepens, it is time to consider more rigorous measures to reverse this decline and to protect Koreatown’s most vulnerable community members. A recovery that does not include these residents cannot be considered a recovery at all.

In addition to incorporating the standards mentioned in Section 4 in economic development policies, government leaders should consider never-before-taken actions—as monumental as the federal bail-out proposals. It is not unreasonable to suggest steps like: a citywide “no eviction” policy for a period of years until the economy recovers; a citywide moratorium on foreclosures; automatic “roll-over” or extension of rent-stabilization rules; new cooperative homeownership or job creation models for low-income residents; stringent policies and ordinances regulating developers and outlining specific and enforceable community responsibilities.

The unfamiliar terrain provides an opportunity to consider dramatic and new ways to navigate out of it. Resources from the Federal government from various bail-out measures will provide new opportunities locally. The trend toward investment in and transition to a green economy opens up much-needed dialogue about sustainable development in sustainable communities. Recovery from the current economic recession is tied to a green restructuring of the economy. Koreatown, due to its central location in LA, its density, its accessibility for mass transit, will inevitably be a highly coveted area for future development and a site of contestation for ownership and inclusion in the community.

KIWA is organizing community residents to preserve one of LA’s most cherished neighborhoods. A well-organized and well-respected organization of well-informed community residents is necessary to begin to work toward equitable community development and to make sure that current residents are guaranteed a role and a voice in the future of their own community. There is much work to do to uphold equitable development principles and to support an agenda for community development that includes all Koreatown residents. The first step for all residents is to stay updated and informed and to take full responsibility for what happens in their neighborhood. Surveys, conversations with neighbors and public advocacy for community needs and interests are easy first steps to building functioning neighborhood democracies that can build a stronger Koreatown. Moving forward, KIWA looks forward to sharing further results of future organizing and new approaches to community development and community participation.
Appendix
Survey and Testimony Questionnaire

Your story matters…. Share it with us!!

Thank you for taking the time to share your experiences with us. Your stories will help put a face on “Koreatown” so that people get to know the workers and residents of our community. Hearing our stories will inspire others to join our efforts to improve our neighborhood and to support the preservation of Koreatown as a multi-ethnic working class community.

1. How long have you lived in Koreatown? □Check here if you were born in Koreatown.
2. Why did you move to Koreatown?
3. Complete this sentence: “What I love about Koreatown is …
4. What is your favorite memory of being in Koreatown?

5. Koreatown is a very diverse neighborhood. How does this diversity affect the community?

6. Are you included in decisions regarding community development in Koreatown? Yes No
   Why or why not?

7. Are you worried about being pushed out or having to move out of the community? Yes No
   Why?

8. What do you hope for the future of Koreatown?

KIWA Koreatown Community Survey

Thank you for taking the time to share your thoughts. Koreatown Immigrant Workers Alliance is gathering community input on residents’ and workers’ opinions on community development in Koreatown. The findings will inform KIWA’s work and be shared as appropriate. Please note that all information collected through this survey is confidential. If you wish to participate in KIWA’s community work, you may voluntarily share your contact information after completing this survey.

1. Do you live in Koreatown? Yes No
   If Yes, what are the closest cross streets?

2. Do you work in Koreatown? Yes No
   If Yes, what are the closest cross streets?
   And what is your job?

3. What is your primary language?
   a) English  b) Spanish  c) Korean  d) other:

4. What is your race/ethnicity?

5. What is your age?
   a) 18 – 29  b) 30 – 39  c) 40 – 49  d) 50 – 61  e) 62 and over

6. Monthly income: $________ per month

7. How much of your income goes toward rent?
   a) less than 1/3 (one-third)  b) 1/3 (one-third)  c) ½ (one-half)  d) more than ½

8. How long have you lived or worked in Koreatown?
   a) less than 2 yrs  b) 2-5 yrs  c) 6–10 yrs  d) 11-20 yrs  e) more than 20

9. How long have you lived in your current apartment/home? If you DO NOT live in Koreatown, give your current address?
   a) less than 2 yrs  b) 2-5 yrs  c) 6–10 yrs  d) 11-20 yrs  e) more than 20

TWENTY TWO
10. Number of bedrooms
Number of adults (18 and over) in your household
Number of children (under 18) in your household

11. Do you own or rent?  Own Rent
   If Rent, how much has rent increased in last 2 years?
   Amount you pay in rent or mortgage (if not same as above) _____ per month
   Amount of total rent or mortgage for the entire unit ________ per month
   Total rent per month, 2 years ago ___________ per month

12. RENTERS ONLY: Do you have a lease?
   Yes  No  If Yes, length of lease?

13. RENTERS ONLY: Do you plan to purchase a home or condo in the next 2 years? Yes  No
   If no, why?
   a) I prefer to rent.
   b) I can’t afford to buy a home.
   c) Other

14. Do you know about homeownership assistance programs? Yes  No

15. Do you know about Community Redevelopment Agency programs? Yes  No

16. In the next 2 years, do you want to…
   (choose one)?
   a) stay in Koreatown
   b) move out of Koreatown but stay in LA
   c) move out of LA

   Explain your answer

17. What do you think about the following Koreatown neighborhood traits?

18. Regarding new construction of commercial and residential buildings in Koreatown, rate the following problems
   (1=not concerned; 2= a little concerned; 3=no opinion; 4=concerned; 5=very concerned)

   a) More traffic resulting from new buildings.
   b) Less available parking due to new buildings.
   c) I will not be able to afford newly-built homes.
   d) I will not be able to afford to use new businesses.
   e) Neighborhood will change.
   f) Neighbors and I will be forced to move.
   g) My rent will go up because of new development.

19. Do you think developers of new buildings and businesses in Koreatown should be required to observe the conditions below?
   Check all that apply.
   □ Projects must not displace current residents.
   □ Projects must use living wage construction jobs.
   □ Projects must result in living wage jobs.
   □ Developers must contribute to a non-profit community fund.
   □ Projects must not reduce affordable housing in Koreatown.
   □ Projects must contain affordable housing options.

20. What other responsibilities should we require of corporate developers?

21. Do you have ideas for improvements that you want to see in Koreatown?
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TWENTY FOUR