HEALTH IMPACT ASSESSMENT OF
BALDWIN HILLS CRENSHAW PLAZA
REDEVELOPMENT PLAN

Excerpt:
Projected Displacement Impact Summary

Report of the AIDS Healthcare Foundation’s Housing is a Human Right Project
A Collaboration with Crenshaw Community Groups & Leaders

Led by Research Coordinator Dr. Huibin A. Chew, Ph.D. &
Research Interns: Kristian Castro, Joseph Dominguez, Abigail Williams & Jacob Woocher
Projected Displacement Impacts of Crenshaw Mall Redevelopment Project

- We estimate that over 69,617 individuals in rent-burdened households\(^1\) are at moderate risk of being displaced by the Crenshaw Mall Redevelopment Project, due to the housing price increases it would unleash.
  - Of these individuals, 65,447 are renters from lower-income households,\(^2\) who are at higher risk of displacement.
    - About 40,279 of the above renters are highly at-risk because they also live within 0.5-mile proximity of a rail station.\(^3\)
- Those at-risk of displacement are disproportionately low-income, Black and Latinx, elderly, female-headed households, households with children, and non-English speaking residents.\(^4\)
- The above numbers were derived from calculating the number of rent-burdened households within a 2-mile radius of the mall, and multiplying by average renter or overall household size for that census tract.

Methodology for Estimating Number of Persons At-Risk of Displacement

To estimate the number of individuals at-risk of displacement by the Crenshaw Mall Redevelopment Project, we focused on a 2-mile buffer zone surrounding the mall. Literature on the price impacts of large-scale development in urban areas provides evidence that the region within 2 miles of a major project is poised to experience increases in housing prices and rents (Immergluck 2009). For instance, property values of homes within two miles of the planned Atlanta Beltline rose as this project loomed (Immergluck 2009). Such price effects tend to be even more dramatic closer to the development, such as at a 0.5-mile or 1-mile radius away (Immergluck 2009; Guerrieri, Hartley, and Hurst 2013; Pollack, Bluestone, and Billingham 2010; Chapple and Loukaitou-Sideris 2017; Dominie 2012; Weinberger 2001; Debrezion, Pels, and Rietveld 2007). For example, neighborhoods within half a mile of a transit station development were found to experience significant housing price and rent increases (Immergluck 2009; Pollack et al. 2010); loss of affordable units (Chapple and Loukaitou-Sideris 2017); increased share of high-income households and decreased share of low-income households (Dominie 2012; Chapple and Loukaitou-Sideris 2017); and increased prices of commercial properties (Weinberger 2001; Debrezion et al. 2007). Studies show plans for large-scale development can drive up housing costs even before construction begins – due to real estate speculation, as the plans become known (Knaap et al. 2001; Immergluck 2009).

A vast literature demonstrates that the financial strain from increased housing costs alone contributes to negative health outcomes. For this reason, our study is concerned with all those at risk of increased housing cost-burdens due the Crenshaw Mall Redevelopment Project – not only with individuals who are directly displaced. Thus, we considered the entire 2-mile buffer zone as our area of analysis. We also

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\(^{1}\) ‘Rent-burdened’ households are those spending over 30 percent of their income on rent.

\(^{2}\) ‘Lower-income’ is defined as households with annual household income of less than $50,000.

\(^{3}\) Numerous studies find price effects of transit development most notable within a 0.5-mile radius around rail stations (Immergluck 2009; Dominie 2012; Chapple and Loukaitou-Sideris 2017; Weinberger 2001; Debrezion, Pels, and Rietveld 2007).

\(^{4}\) According to Census data regarding demographics of rent-burdened households.
performed an impact assessment on those residing within 0.5-mile and 1-mile of the buffer. Finally, due to the large amount of literature on the gentrification effects in proximity to transit stations, we considered those households which live both within 0.5-mile of an existing or planned station, and within the 2-mile zone around the mall.

Those most likely to be negatively impacted by increasing housing prices are renters, especially low-income renters who are already burdened by housing costs. Using census data, we identified the number of cost-burdened\(^5\) renter households residing within each buffer zone, by census tract. For those census tracts that crossed the buffer line (only partly falling in a buffer zone), we used GIS to calculate the percentage of tract area within the zone, then multiplied this with the tract’s overall rent-burdened household count, to attain a proportional estimate of those within the buffer zone for that tract. After identifying the number of cost-burdened renter households within each buffer zone by census tract, we multiplied this by average renter household size for each tract, to attain an estimate of the total number of individuals living in rent-burdened households, within each buffer zone.

Additionally, we performed a similar analysis for ‘lower-income’ renter households, defined as those with annual incomes of under $50,000, because of the very high existing rate of rent-burdenedness for these households already. We expect that lower-income, rent-burdened households would experience the most displacement pressures due to rising housing prices.

In this way, we attained estimates of: 1) number of individuals belonging to rent-burdened households within 2 miles, 1 mile, and 0.5 mile of the Crenshaw Mall Redevelopment Project; 2) number of individuals in rent-burdened households within 2 miles of the mall, and within 0.5 mile of an existing or planned transit station; 3) number of individuals belonging to lower-income, rent-burdened households, living in each of the aforementioned zones. These comprised counts of those we consider at risk of suffering greater housing unaffordability, and hence, displacement.

**Terms**

**Cost-burdened households**: households spending over 30 percent of income on housing

**Severely cost-burdened households**: households spending over 50 percent of income on housing

**Rent-burdened households**: renter households spending over 30 percent of income on rent

**Severely rent-burdened households**: renter households spending over 50 percent of income on rent

**Cost-burdened homeowners**: homeowners spending over 30 percent of income on mortgage and other housing costs

**Severely cost-burdened homeowners**: homeowners spending over 50 percent of income on mortgage and other housing costs

‘**Lower-income’ households**: households with an annual household income of under $50,000.

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\(^5\) Spending more than 30 percent of household income on rent.
References


