

New Labor Forum

<http://nlf.sagepub.com/>

Town versus Gown in Los Angeles

Peter Dreier

New Labor Forum 2013 22: 90

DOI: 10.1177/1095796012471313

The online version of this article can be found at:

<http://nlf.sagepub.com/content/22/1/90>

Published by:



<http://www.sagepublications.com>

On behalf of:

Murphy Institute, CUNY

Additional services and information for *New Labor Forum* can be found at:

Email Alerts: <http://nlf.sagepub.com/cgi/alerts>

Subscriptions: <http://nlf.sagepub.com/subscriptions>

Reprints: <http://www.sagepub.com/journalsReprints.nav>

Permissions: <http://www.sagepub.com/journalsPermissions.nav>

>> [Version of Record](#) - Jan 1, 2013

[What is This?](#)



Town versus Gown in Los Angeles

New Labor Forum
22(1) 90–93
Copyright © 2013, The Murphy Institute,
City University of New York
Reprints and permission:
sagepub.com/journalsPermissions.nav
DOI: 10.1177/1095796012471313
nlf.sagepub.com

Peter Dreier¹

Keywords

community organizations, labor

Since moving to Los Angeles from Guatemala in 1991, Sergio Barrientos and his family have relocated four times, each time to an apartment near the University of Southern California (USC) campus. They did not move to get a nicer or bigger apartment, but because the rents kept going up beyond what Barrientos, a bread baker, can afford.

In his previous apartment building, the landlord raised the rent to evict the mostly Latino families and replace them with USC students. The forty-two-year-old Barrientos, his wife Doris (a low-wage housekeeper), and their teenage son now live in a tiny apartment on Flower Street, right across from the new Expo rapid transit station near the USC campus, that they rent for \$610 a month. But they are worried that the landlord is trying to push them out to squeeze higher paying students into the thirty-three-unit building. Barrientos has complained about having no hot water in the kitchen, chipping paint, and a carpet full of holes and tears, but the landlord has ignored his pleas. When the landlord refused to replace the broken refrigerator, Barrientos purchased a new one out of his own pocket.

Of the thirty-three apartments, which once housed working-class families, only fifteen families remain. The other units, which the landlord has upgraded, are now occupied by students. Theodore Snyder, who owns Symphony Development, recently purchased the building with intentions to demolish it and build ninety luxury student-housing units.

This time, however, Barrientos pledged not to leave without a fight. In August, he attended a hearing at Los Angeles City Hall and spoke out on behalf of his family and others in his building.

“Families that live in my building have been there for thirty-two, thirty, twenty, and fifteen years,” he told members of the Planning and Land Use Management (PLUM) committee. “We want to be able to stay in our building.”

Barrientos is part of the UNIDAD coalition (United Neighbors in Defense against Displacement), which in late October celebrated a victory in its ongoing battle with USC, which was seeking approval from the City Council to add as much as five million square feet of development, including office and classroom space, a hotel, restaurants, shops, and student housing over the next twenty years. After four years of grassroots organizing and negotiations, UNIDAD got USC to agree to provide \$20 million for affordable housing to help stem the tide of gentrification triggered by the university’s expansion. The battle over housing funds was a major stumbling block in a protracted battle that involved community activists, USC, and City Hall.

Battles between “town” and “gown” are a staple of urban politics, as universities seek to expand into low-income neighborhoods adjacent to their campuses. In Los Angeles, the battle over land in the heart of the city heated up in 2011 as USC began rolling out expansion plans. Led by Strategic Actions for a Just Economy (SAJE), a local community organizing group with a venerable track record of confronting the city’s major developers, opponents in the UNIDAD

¹Occidental College, Los Angeles, CA, USA

Corresponding Author:
Peter Dreier, dreier@oxy.edu

coalition mobilized to bring USC to the bargaining table to negotiate a better development agreement—to provide jobs, small-business support for local residents, and affordable housing—as a quid pro quo for the city’s rubber stamp.

When multinational oil companies and agribusiness corporations gobble up valuable land in Latin America or Asia, pushing out peasant farmers and workers from their homes, sociologists call it “predatory capitalism.” But when the giant USC invades the surrounding South Los Angeles community to expand its campus, raising rents and potentially displacing thousands of low-income residents, city officials call it “master planning.”

When USC invades the surrounding community to expand its campus, raising rents and potentially displacing thousands of low-income residents, city officials call it “master planning.”

Once a commuter school with many students living at home, USC has increasingly become a residential university. Since 2000, USC has increased its student enrollment from about 27,000 to 38,000 students, but without building enough dorm rooms to accommodate the increase. The growth in students was accompanied by a huge expansion of its facilities—classroom buildings, offices, dorms, and venues like the 10,000-seat Galen Center, completed in 2006 thanks to a \$50 million gift from Louis Galen, a banker and longtime Trojan fan. Now home to the USC basketball and volleyball teams as well as a concert venue, the arena was once the site of local homes and businesses.

USC’s expansion has removed many residential units in the surrounding area. Meanwhile, the university has encouraged its burgeoning student body to live close to campus. Recognizing this gold mine, local landlords and developers have raised rents, evicted many low-income families, and replaced them with USC’s students, squeezing four students into a two-bedroom apartment and charging each of them \$750 to \$1,000 a

month, much more than a working-class family can afford.

As a result, the community near USC has been devastated, witnessing a dramatic decline in low-rent housing and low-income families. Between 2000 and 2010, zip code 90007 (surrounding the USC campus) experienced a significant population loss, especially families. The number of Hispanic residents fell substantially, a sharp contrast to the growing Hispanic population in the surrounding area and city-wide, whereas the number of black residents fell more than twice as much as in the city of Los Angeles as a whole.

Developers have purchased many private homes with an eye to converting them to housing for USC students. A 2008 community survey of housing units in the Estrella Avenue neighborhood, just north of USC, found that one-third of the area’s residential buildings experienced a complete turnover from community residents to USC students. In some areas near USC, students constitute as many as 90 percent of the residents of private rental housing.

USC’s new master plan anticipates increasing the student body by another 5,000 students and adding close to \$1 billion of new construction, including 2.5 million square feet of classroom and office space, 350,000 square feet of retail and commercial uses, a 150-room hotel and conference center (including restaurants and swimming pools), and 2.1 million square feet of student and faculty housing. The plan requires a minimum net increase of 1,000 student beds, and allows a net increase of up to 4,200 student beds. But with an unmet student-housing demand of almost 11,000 beds (documented in a USC-commissioned study in 2008), the new student housing to be produced by the master plan will not come anywhere near the amount needed to maintain a stable neighborhood for existing residents.

Even with the additional student beds, at least 70 percent of USC students will not have access to university-owned housing, putting additional pressures on private rental housing in the area, displacing families, and skyrocketing rents.

Thanks to local nonprofit groups like the Esperanza Community Housing Corporation, the nearby neighborhood has a small inventory of subsidized housing for low-income families as well as apartments whose elderly and working-class tenants are protected by the city's relatively weak rent control law. But, according to a city-sponsored report, both types of affordable housing are threatened in the near future by the drop in federal low-rent housing subsidies and aggressive efforts by landlords to evict tenants (like the Barrientos family) living in rent-controlled apartment so they can raise rents.

USC also wants the city's help in transforming the campus and the surrounding area into a more USC-friendly community, with upscale shops and landscaping, which will encourage gentrification. So will the addition of a new high-speed light-rail Expo Line, originally slated to be constructed several blocks from campus, that, thanks to USC lobbying, will now be built on Flower Street closer to the campus, along with an extra station (Trousdale) that will be built near the campus as well. These will connect USC to downtown, Culver City, Santa Monica, and other areas—and will exacerbate gentrification as developers create expensive housing while the price of the area's historic homes skyrocket.

"We're not opposed to the university expanding to meet its needs, but we are opposed to an expansion that exacerbates the displacement of low-income Latino and African-American residents from this area," said SAJE executive director Paulina Gonzalez, a former organizer with the hotel workers union. "The original expansion plan had no significant provision to mitigate the impact of gentrification."

Although USC is a nonprofit institution, it acts like any corporate behemoth or aggressive developer when it comes to getting its way. As Los Angeles no longer has any Fortune 500 corporations headquartered here, USC is the largest private employer in the city. Many of USC's top administrators have close ties—as both former staffers and significant campaign contributors—to local, state, and national politicians. Equally important, USC's board of trustees reads like a Who's Who of Southern California's business power brokers. They include big-time

developers Alan Casden, Edward Roski, and mayoral wannabe Rick Caruso, former Congresswoman Jane Harman, Occidental Petroleum chair Ray Irani, former Goldman Sachs vice chair Suzanne Nora Johnson, Wallis Annenberg (CEO of the Annenberg Foundation), *La Opinión* publisher Monica C. Lozano, John Mork (CEO of Energy Corporation of America), filmmaker Steven Spielberg, and Ronald D. Sugar (chairman emeritus, Northrop Grumman Corporation).

These big donors are used to wielding political influence with campaign contributions and other enticements. And they have not been shy about pushing USC's expansion plans with Mayor Antonio Villaraigosa and the City Council.

USC claims that its proposed expansion will generate 12,000 jobs, about 8,000 construction jobs and about 4,000 permanent jobs (although the project's environmental impact report predicts thousands fewer jobs on both counts).

USC claims that its proposed expansion will generate 12,000 jobs, although the project's environmental impact report predicts thousands fewer.

Using their clout at City Hall, the building trades unions got USC to agree to a "project labor agreement" that guarantees that the university will use union workers on the construction projects. USC also reluctantly agreed to a demand from the feisty hotel workers union (UNITE HERE, Local 11) to allow the employees of the proposed hotel to vote on whether to unionize without interference from the hotel management.

But most of the other permanent jobs will be low-wage retail and restaurant jobs, without benefits, unless USC agrees to a living-wage requirement for a portion of the jobs, as UNIDAD is urging. And even most union workers cannot afford the skyrocketing rents and high home prices near the USC campus.

The UNIDAD coalition urged the City Council to require USC to balance its expansion plans

with the sort of local investments that would enable several thousand local families, not just a few lucky exceptions, to stay in their homes. The activist groups and their allies pushed city officials to negotiate a development agreement with USC that includes a robust mix of affordable housing funds, local hiring and job training, and support for local Mom and Pop businesses.

The approach UNIDAD has been advocating—balanced growth or growth-with-equity—is already well seasoned in the city, including SAJE's own successful campaign to get the developer of the nearby Staples Center, home to the Los Angeles Lakers, to agree to a 50 percent local-hire program, as well as affordable housing, new park space, and other community benefits.

For three years, the UNIDAD coalition mounted a bottom-up organizing campaign to draw attention to the displacement problem and to push city officials to get USC to incorporate the community benefits into their expansion plan. The coalition brought local residents to community meetings to voice their concerns, sponsored reports quantifying the devastating social, economic, and health impacts of rising housing prices on longtime renters and homeowners, generated close to 1,000 letters to USC and public officials, and forged alliances with local clergy and other civic leaders to support UNIDAD's demands.

UNIDAD mounted a bottom-up organizing campaign to push city officials to get USC to incorporate community benefits into their expansion plan.

The coalition sponsored a procession through the neighborhood—called a “posada,” a Latin-American Christmas tradition that recalls the story of Mary and Joseph’s search for shelter—to dramatize the community’s need for affordable housing. Hundreds of residents walked to

different landmarks—including several USC buildings where homes were once located—to raise awareness of the problem. The walking tour with religious overtones generated substantial media attention. UNIDAD brought hundreds of community residents to City Hall for several public hearings, which triggered another wave of negative publicity for USC.

USC initially agreed to contribute \$2 million to an affordable housing fund and refused to meet with the UNIDAD coalition. But UNIDAD's persistence and prodding from Mayor Villaraigosa and several City Council members—especially Ed Reyes and Jan Perry—forced the university to up the figure to \$20 million, close to what the neighborhood activists had demanded.

SAJE's Gonzalez was elated when she got word of USC's decision from a City Hall staffer. “USC's expansion plan will define the future for thousands of families living in the area” she said. “We just want USC to be a responsible neighbor.”

“We asked our city officials to take their responsibility seriously and ensure that Los Angeles' most vulnerable families are protected and do not become the collateral damage of this \$1 billion dollar development,” Gonzalez explained. “Our voices were heard. That's what grassroots organizing is all about.”

Declaration of Conflicting Interests

The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding

The author(s) received no financial support for the research, authorship, and/or publication of this article.

Author Biography

Peter Dreier teaches politics at Occidental College. His latest book is *The 100 Greatest Americans of the 20th Century: A Social Justice Hall of Fame*.