

Housing in the Gateway Cities

The Gateway Cities

The Gateway Cities Council of Governments (COG) is a subregional partnership of 27 cities in southeast Los Angeles County with a mission to improve the quality of life for the cities' two million residents. The COG addresses issues from transportation planning and affordable housing to air quality and economic development.

Over the past several years, Gateway Cities region has experienced many of the same housing affordability challenges that have plagued the broader southern California region. In fact, many of these challenges are particularly acute in the Gateway, due to its lower median income, higher unemployment rate, and diverse population. Over the past year, each of these concerns has been exacerbated by the COVID-19 pandemic.

The Project

The COG tasked a group of USC students with analyzing issues of housing overcrowding, housing affordability, and economic stability in the Gateway region, with an eye toward identifying potential solutions. Students also examined the potential effects of housing overcrowding and population density on the COVID-19 pandemic.

Four key research questions were developed to guide the analysis:

1. What are the population dynamics of COVID-19 and housing overcrowding?
2. What is the connection between housing and economic stability?
3. What factors make people more susceptible to eviction?
4. What possible solutions could improve housing equity?

Methods

Students utilized mixed methods in order to develop a complete picture of the housing situation in the Gateway region and ensure accessibility and interest to a variety of different audiences.

- **Literature review.** A review of relevant research on COVID-19, housing overcrowding, affordability, and stability—as well as possible solutions.
- **Geographic information systems (GIS) analysis.** Mapping of relevant demographic, housing, and COVID-19 measures.
- **Descriptive and regression analysis.** An analysis of trends, correlations, and relationships in the metrics.
- **Case studies.** A review of other cities with similar housing challenges and what they did to address them, including possible takeaways for the Gateway region.

Figure 1. Gateway Cities.



The Gateway Cities are located in southeast Los Angeles County, and comprise cities like Huntington Park, South Gate, Compton, and Long Beach.

Housing and COVID-19

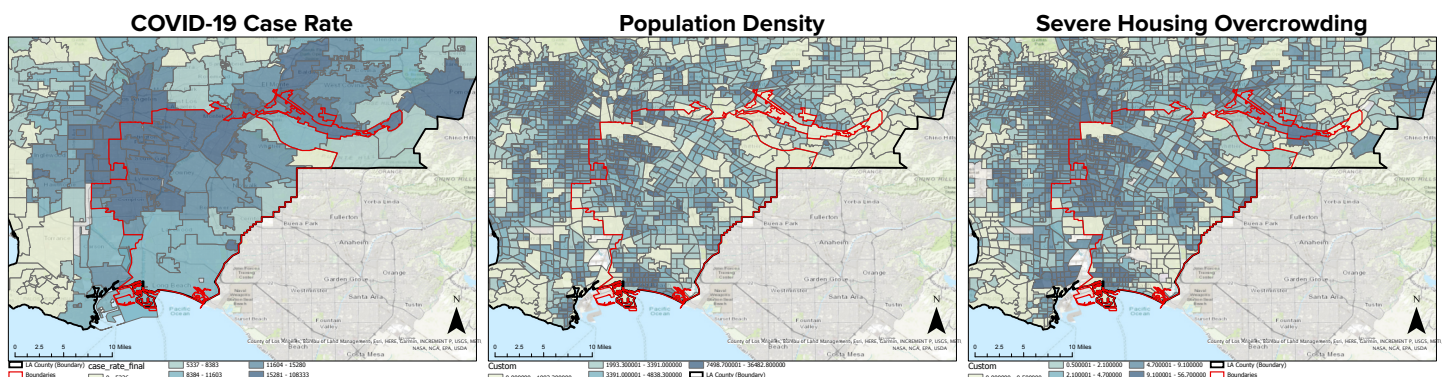
During the early stages of the pandemic, some media outlets attempted to link population density and high rates of COVID-19.¹ In reality, the situation is more complex; for example, why did dense countries like Japan, South Korea, and Singapore see some of the lowest case rates? Why did the brutal summer 2020 wave of COVID-19 affect disproportionately less dense communities in the midwestern United States?

Experts now believe that COVID-19 may be linked not with **population density**, but with **housing overcrowding**—a situation in which many people are living in the same housing unit. Research confirms this hypothesis in the Gateway Cities region, finding a positive correlation between housing overcrowding and COVID-19 case rates.

KEY FINDINGS

- **COVID-19 has devastated the northwest portion of the Gateway region.** This area is among the most densely-populated, most overcrowded region of Los Angeles County, with a large Latino population and a large share of non-English speakers.
- **Population density is negatively correlated with COVID-19 case rate.** In other words, as population density increases, the COVID-19 case rate decreases, holding all else equal. Additionally, housing overcrowding is positively correlated with COVID-19 case rate. While the maps look similar for population density and housing overcrowding (see below), this indicates that overcrowding, not population density, is contributing to COVID-19 spread in the Gateway Cities region.
- **Further analysis is required to determine the cause of overcrowding.** While some households may be “doubling up” to save on housing costs, some researchers hypothesize that cultural differences may play a role, and that standard HUD definitions of “overcrowding” could be racialized.

Figure 2. Severe housing overcrowding is correlated with COVID-19 case rate.



Data Source: UCSF Health Atlas, which aggregates metrics of social determinants of health from various sources, including the U.S. Census Bureau's American Community Survey and the California Department of Health. COVID-19 Case Rate runs through March 20, 2021. "Housing overcrowding" refers to the share of households in a tract which are living in a housing unit averaging more than 1.5 people per room. All visualizations based on quantile across Los Angeles County.

Housing and Economic Stability

As a household's most significant recurring expense, housing has a significant impact on a economic stability. Prior research has indicated that housing overcrowding and housing cost burden can have a significant negative effect on long-term financial well-being, health outcomes, and economic mobility.²

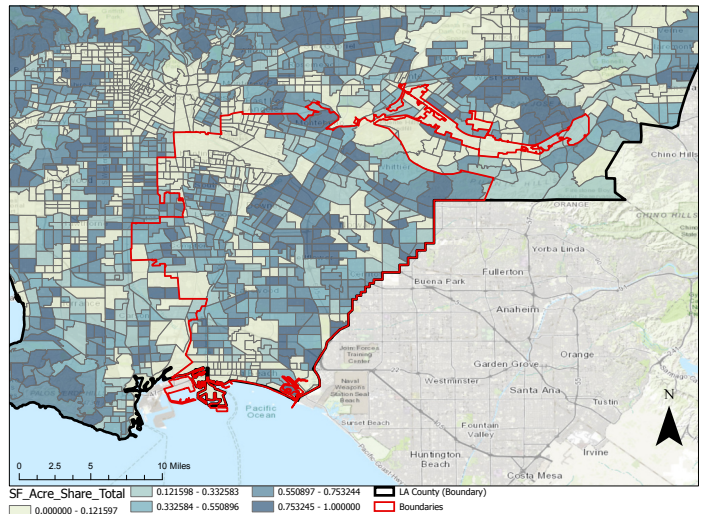
Additionally, researchers are increasingly noting the impacts of single-family zoning on housing equity. Enforced by city code, these areas typically allow only one housing unit per lot, artificially increasing scarcity by restricting denser development, like duplexes and triplexes. As a result, these areas become disproportionately whiter and wealthier than other areas, perpetuating discrimination by race and class. Single-family zoning dominates the Gateway Cities, but research confirms its discriminatory effect.

KEY FINDINGS

- **Overcrowding and rent burden are most common in the northwest Gateway region.** These areas have large high Latino populations and are less likely to be zoned for single-family housing.
- **As the rate of housing overcrowding increases, so too does the rate of rent burden.** In other words, households living in overcrowded housing are more likely to be cost-burdened in the Gateway region. This indicates that these two factors may be mutually-reinforcing.

Figure 3. Share of land zoned for single-family homes.

- **As housing stability increases, overcrowding decreases and rent burden increases.** Put differently, areas with a higher rate of housing stability (households living in the same place as they were one year ago) experienced lower rates of housing overcrowding and higher rates of rent burden. This indicates that while a longer housing tenure may be a “cure” for overcrowding, cost burden may be more of a long-term condition.
- **Measures of economic stability and equity are correlated with land use.** Research finds that areas with a higher share of land zoned for single-family housing generally see lower rates of housing overcrowding, lower rates of rent burden, lower rates of poverty, and higher shares of the population identifying as white. This indicates that certain areas of the Gateway region are zoned in a way that perpetuates economic and racial exclusion.



Data Source: Los Angeles County Assessor, 2021.

Housing Stability and Eviction

Eviction and housing stability are important, if understudied, contributors to housing equity. While the legal system keeps meticulous records, they are difficult to parse, and most eviction cases are resolved before they ever reach a courtroom, making data analysis challenging.³ Additionally, measures of “housing stability” have definitional problems—what, precisely, constitutes “stability” in housing?

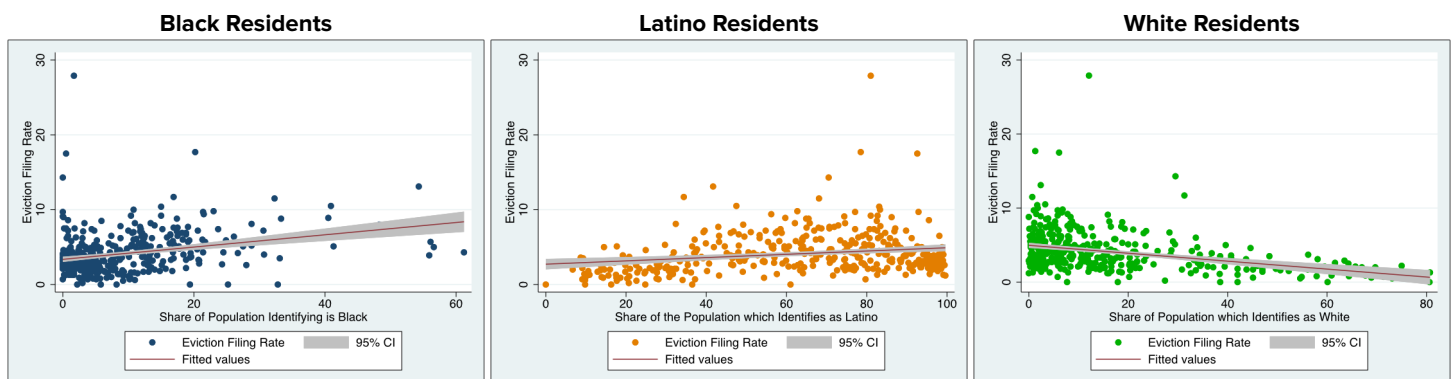
Based on conventions from research and recommendations from Princeton University’s Eviction Lab, our eviction research prioritizes eviction filing rate—the share of renter households which had an eviction filing.³ Our housing stability research, meanwhile, considers “stability” to refer to high rates of households living in the same place that they were living one year ago. This can be useful in considering housing displacement.

KEY FINDINGS

- **Eviction filing rates are high across the entire Gateway region**, relative to Los Angeles County, but areas like Compton, Lynwood, and central Long Beach have the highest rates.
- **Economic factors and systemic bias appear to make residents of the Gateway Cities more susceptible to eviction.** Research finds that areas with high eviction filing rates also have high rates of housing overcrowding, high rates of non-English speakers and disproportionately high shares of the population which identify as black or Latino. Due to language barriers and systemic bias, these households may also be at a significant disadvantage when attempting to fight their eviction in the legal system.
- **Median household income, homeownership rate, and public housing are positively correlated with housing stability.** Additionally, as the rate of housing overcrowding increases, the rate of housing stability increases. This indicates that households living with more people in a space may be more likely to be secure in their housing over time.

Figure 4. Black residents are far more susceptible to eviction than Latino or white residents.

As the share of the population identifying as Black or Latino increases, the eviction filing rate increases. By contrast, as the share of the population identifying as white increases, the eviction filing rate decreases.



Possible Solutions

Enact mandatory inclusionary zoning.

HOW WOULD IT WORK?

Mandatory inclusionary zoning would require a certain percentage of units in new housing developments to be made affordable to people with lower incomes.

These programs provide a “density bonus” allowing developers additional development capacity in exchange for the affordability requirements. Developers also have the option of paying an in-lieu fee. The goal is to create more units at the lower end of the market for people making less than the area median income (AMI).

CASE STUDY: Long Beach

Long Beach passed mandatory inclusionary zoning in early 2021 after several years and numerous public consultations. The city’s economic consultant played a particularly important role setting the framework for debate.

KEY TAKEAWAYS

- Mandatory inclusionary zoning requires careful economic analysis, which can make or break the program even prior to passage.

Reduce minimum lot sizes.

HOW WOULD IT WORK?

Minimum lot sizes restrict developers from building below a given lot size, binding denser development and creating exclusionary zoning. Due to simple geometry, they also make certain types of development—such as townhouses—completely impossible.

In many of the Gateway cities, the current minimum lot size is 5,000 square feet. Reducing this requirement would allow developers to subdivide properties and, in theory, build two or more units on a property which would have previously only allowed one.

CASE STUDY: Houston

In 1998, Houston reduced its minimum lot size from 5,000 ft² to 1,400-3,500 ft² depending on location. Uniquely, the city allowed communities to opt out of the change to blunt any opposition. As a result, Houston has added about 25,000 new infill units in middle income areas over the past 20 years.⁴

KEY TAKEAWAYS

- Minimum lot size reduction can provide infill housing in middle-income areas.
- Working with communities can help smooth over the transition to new zoning rules.

Densify single-family zoning.

HOW WOULD IT WORK?

Single-family zoning creates housing scarcity by allowing only one housing unit on a typical lot. This entrenches long-term housing disparities and reduces housing affordability.

Ending traditional single-family zoning allows for the development of more “missing middle” housing—duplexes, triplexes, fourplexes, and garden apartments. These denser housing types tend to be less expensive and provide more housing options for all stages of a person’s life.

In the Gateway Cities, the increased affordability of “missing-middle” units could create new opportunities for homeownership, particularly for Black and Latino families which have historically faced systemic discrimination in the housing market. Our analysis indicates that homeownership plays a significant role in improving quality of life and housing equity outcomes.

CASE STUDY: Minneapolis

Minneapolis allowed triplexes and duplexes in formerly single-family zones in 2019. The measure passed with a coalition of stakeholders focused on racial justice. Unfortunately, implementation lacked accompanying changes to zoning code, resulting in underwhelming results—just 42 new duplex/triplex applications in 2020.⁵

KEY TAKEAWAYS

- Racial justice could be a powerful message in favor of reform in the Gateway region.
- Cities legalizing “missing middle” units must address the underlying land use code (FAR limits, parking requirements, building heights, etc.) for reforms to be effective.

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2. Shamsuddin, S., & Campbell, C. (2021). Housing Cost Burden, Material Hardship, and Well-Being. Housing Policy Debate, 1–20. <https://doi.org/10.1080/10511482.2021.1882532>

3. The State of the Nation's Housing. (2020). Cambridge, Massachusetts.

4. Gray, M. N., & Millsap, A. A. (2020). Subdividing the Unzoned City: An Analysis of the Causes and Effects of Houston's 1998 Subdivision Reform. Journal of Planning Education and Research, (June 2020), 1–33. <https://doi.org/10.1177/0739456X20935156>

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