Executive Summary
Boyle Heights Property Ownership, Displacement, and Recommendation Report

LURN recently conducted a study on property ownership trends in Boyle Heights. There were three main goals for this study: 1) Identify unique economic trends related to commercial and residential property values; 2) Identify significant barriers preventing community residents from owning property; and 3) Provide recommendations for increasing property ownership rates for Boyle Heights residents. For this study, we implemented an explanatory sequential model, in which we first organized public, demographic data to create parameters for a survey that reached more than 450 Boyle Heights residents; we then followed that survey with a focus group to help validate our findings. Here are some of the key findings from our timeseries data, survey and focus group.

Barriers to Property Ownership
The diagram below is representative of the major barriers to property ownership that affect Boyle Heights residents, and how they intersect and connect.

Boyle Heights is a low-income community, in which the majority of its residents hold poor or no credit histories. Much of this has to do with it being a largely immigrant population, many of whom are undocumented, and have few formal economic resources available to them.

Due to the issues mentioned above, especially the amount of undocumented immigrants that call Boyle Heights home, the layering of these dynamics results in an unstable economic environment in which residents have little agency over macro-level changes in their community.

Years of high economic instability and low economic agency have discouraged many Boyle Heights residents from believing that property ownership is possible for them and that they can count on formal institutions for support.

An estimated 86% of Boyle Heights residents do not own property of any kind.

An estimated 40% of Boyle Heights residents do not prioritize property ownership. Much of this has to do with lack of confidence in overarching systems.

Boyle Heights homes, on average, lost double their value after the financial crisis over the span of three years and did not bounce back as quickly as the rest of Los Angeles.

Based on the numerous complex barriers preventing Boyle Heights residents from owning property in their community, we believe that there are macro and micro-level strategies that can immediately assist in reducing the barriers and increase property ownership levels in Boyle Heights. At the macro-level, there are multiple active systems and structures that need to be changed. On the next page, we list a set of macro-level recommendations that should happen in concert in order to be effective. On a micro-level, there are opportunities for community organizations to work directly with community residents to address the recommendations we lay out at the macro-level, and also work together on coordinated cooperative ownership strategies. In our full report, we outline how such a coordinated strategy may be structured and function. Please see the next page for an outline of our full recommendations.
The Macro-Level

**Credit** Most residents do not know what their credit scores are, have bad credit, and/or do not know how to fix their credit. Developing more tools to help residents learn about credit and considering alternative ways of collecting and reporting credit information is key in aiding the residents.

**Education** Residents of Boyle Heights need more access to learning opportunities on personal finance and housing programs for which they are eligible. Integration of other needs, such as employment opportunities, is key for the success of education tools.

**Protection for Immigrants** Boyle Heights identifies closely with the immigrant experience, so protections for immigrants are necessary. Evidence demonstrates that the longer immigrants reside in a neighborhood, the more likely they are to purchase homes in that neighborhood.

**Alternative Ownership Models** The residents of Boyle Heights are unable to own assets with existing social and financial institutions in a way that is beneficial to them. To address this, community organizations need to explore new ways of addressing the most pressing issues of displacement and ownership.

**Affordable Housing** Access to affordable housing is the difference between community residents staying or being pushed out of their neighborhoods. There are existing needs that must be addressed immediately through building and maintaining affordable housing.

**Capital** Many residents of Boyle Heights do not have enough disposable income to buy homes or other forms of property through the systems that currently exist. Connecting Boyle Heights residents to more gainful employment can ease this.

**Finance Tools** Access to home or property loans with low interest rates and small down payments is necessary for residents in Boyle Heights to buy property. Municipal Banks could be a step towards this.

**Early Pathways** Youth and young adults make up the largest percentages of the population of Boyle Heights. Solutions must be tailored to them to ensure the long-term success of the overall Boyle Heights community.

**Trust** For any programs or policies to succeed, the residents of Boyle Heights need to fully trust the institutions charged with implementing solutions. Community organizations are positioned to do this necessary bridge building.

The Micro-Level | **Shared Ownership Concept**

This concept allows for multiple people and entities to own land together. The graphic below explains our model. Creating this model made up of both residents and organizations can lead to permanent affordable housing options and revenue-building assets. Below are the main benefits:

**Land Ownership**
Land is one of the most valuable assets in Los Angeles and can prevent displacement of those who own it.

**Cost Distribution**
Residents from different income levels can participate and invest money into property within Boyle Heights.

**Collective Decision-Making**
Community residents will have a large say in what is developed on this land.

**Revenue Distribution**
Any development will generate revenue that goes back to share-owning residents.

**How It Works**

1. A community organization (or collaborative) acquires one or more properties
2. The community organization organizes a body of community residents into a structured, legal entity (e.g., LLC)
3. Agreeable decision-making, property shares, and dividend terms are negotiated between the community organization and the organized residents
4. Both parties move forward as tenants in common and co-own the property while dictating what is developed in their shared space.