

ORANGE COUNTY

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Redevelopment's Side Effects

Projects Often Do Not Assist Uprooted Poor

By MARCIDA DODSON, *Times Staff Writer*

With redevelopment focusing on commercial areas in Orange County, there has been no widespread eviction of low-income residents except in the older cities' downtowns, according to data supplied by city officials.

But because so many cities' redevelopment efforts are only now picking up steam, the Orange County Human Relations Commission is studying how redevelopment affects affordable housing and will attempt to track low-income and minority residents as they are moved out of the "blighted" areas.

While redevelopment is aimed at clearing up deteriorating property

gentry to shop at these new stores, which can further eliminate the poor. It has the potential of being a discriminatory action," Gaido said. "But it's subtle. It happens over a long period of time."

Redevelopment has resulted in a gain of nearly 2,000 new housing units, either built or planned, although there has been little emphasis on the construction of low- and moderate-income housing for families, according to a survey conducted by The Times.

Anaheim's redevelopment of its downtown has demolished 196 residences and relocated 496 residents, according to city officials. Anaheim built no additional low-income family housing but gave the dislocated residents priority on its waiting list for subsidized homes elsewhere in the city. "You take out the blighted areas with redevelopment, and those tend to house the low-income people," said Norm Priest, the city's redevelopment director.

In Santa Ana, about 100 single-family homes were destroyed in the downtown and about 600 people relocated. The housing was replaced by about 700 new apartments and condominiums for middle-income residents and senior citizens, city officials said. The developer of a middle-income condominium complex originally promised the city that 58 units would be designated for the poor, but plans were changed when financing became difficult and the developer attempted to negotiate a substitute plan with the city.

A group of low-income residents in the area sued, but they decided to settle when the developer agreed to pay \$1.2 million to a newly formed nonprofit housing corporation, Civic Center Barrio Inc., which now is developing low-income housing with the

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—Mary Ann Gaido

—almost always in a poor section of town—it does little for the uprooted low-income residents, other than give them money to move elsewhere, say housing advocates.

"Minorities and low-income facilities are often eliminated in favor of a large corporation's plans to move in," said Mary Ann Gaido, housing specialist with the county Human Relations Commission. Office towers and stores—which bring money into the city—are built in the blighted area where, low-income residents—who cost the city money in the form of social services—once lived, she said.

"Then they have to bring in the

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funds. Elsewhere in the city, the developer, Goldrich and Kest, also built a 48-unit apartment complex offering subsidized rents with a low-interest federally financed loan.

In Garden Grove, 100 housing units were destroyed to make way for redevelopment, and 729 units have been or are under construction, a city official said.

The figures do not address plans for Buena Clinton, considered Orange County's worst slum, a separate Garden Grove redevelopment project where 101 apartment buildings are crowded onto 39 acres. Through a program of demolition, rehabilitation and new construction, city officials hope to preserve low-cost housing while transforming the neighborhood into nine clusters of apartments with common areas and swimming pools. While city officials will attempt to retain the core tenants in the neighborhood, about half of the 5,000 residents will have to find housing elsewhere.

In Seal Beach, a trailer park with an ocean view—a redevelopment project—rents 120 of its 126 spaces to low- and moderate-income residents.

Public-Private Venture

In Costa Mesa, the Redevelopment Agency is engaged in a unique public-private venture to build a complex of 72 affordable apartments, buying the land and leasing it to the developer at a reduced price in exchange for lower rents. The complex is in a 75-acre residential redevelopment project area, established in 1979 to last five years, and does not collect tax increment. The City Council recently voted to not extend the life span of the project area, and the boundaries will dissolve in November, which will restrict the city's ability to acquire land for future redevelopment projects, an officials said.

Redevelopment agencies are required by law to spend 20% of their tax increment on low-income

housing anywhere in the city. In many cases throughout Orange County, redevelopment officials said the funds are being spent on low-interest loans to rehabilitate deteriorating housing. For example, in Huntington Beach, the city has worked with the 13 owners of 16 graffiti-decorated, four-plex apartments to rehabilitate the buildings and clean up the area. Neighborhood preservation projects also are under way in Anaheim and Santa Ana, and Brea also makes low-interest rehabilitation loans available.

Low-income senior citizens are finding new housing, thanks to redevelopment. In Santa Ana, there are more than 300 new senior citizen apartments; in Anaheim, two towers of apartments for the elderly are located across from City Hall. In Huntington Beach, the Redevelopment Agency is financing a \$5-million, 196-unit senior citizen apartment development, next to a \$5-million, 96-unit condominium complex. Cypress formed a redevelopment agency specifically to build senior citizen housing and has applied for federal funds.

But, housing advocates point out, senior citizens are "socially acceptable" poor, while there is not as much eagerness to house other low-income families.

With its study, the county Human Relations Commission hopes to "come up with positive ways on how cities can use tax increments to create housing for the original low-income people in the area," Gaido said, adding, "I believe there are creative opportunities to build a substantial number of low-income units, to provide a mix in the community."