

After 31 years in Echo Park, victims of displacement by gentrification



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Jose and Ana Sanchez ran for their lives during El Salvador's civil war, resettled in Los Angeles and joined the working class.

They landed minimum-wage jobs in the garment district, then started Ana's Ice Cream, motoring through the city to peddle frozen treats. Together, they brought in just enough money to pay the rent and raise two kids.

But now, after 31 years in the same modest house in the hills of Echo Park, they and their daughter are being forced out by gentrification.

"My parents are here stressing every day, not knowing where they're going to go or how they're going to do it," the Sanchezes' 29-year-old daughter, Rocio, said when I met with the family.

The Sanchezes say they have benefited from a rent stabilization ordinance that limits increases to 3% a year, and they currently pay \$942 a month for a modest three-bedroom, one-bath house. They can handle that with income from three jobs — Rocio makes \$11.50 an hour as a home health aide, Ana works about 30 hours a week for minimum wage at two Domino's Pizza franchises, and Jose gets a disability check while undergoing dialysis treatment.

But last year their landlord sold the property, and the new owners — 4SITE, Responsible Real Estate and Development, as the website has it — notified the Sanchezes of plans to demolish the house. 4SITE will build a cluster of five homes on the lot, and a 4SITE employee told me each unit could go for \$800,000 or

more.

It's not just their home that they're losing, Rocio Sanchez said. Like a lot of other longtime residents, many of them Latino, they're effectively being squeezed out of Echo Park, where apartments smaller than the home they live in are going for twice what they pay, and corner bodegas give way to \$5 coffee shops.

"In the '90s, people wouldn't even walk their dogs down the street" because of concerns about crime, said Rocio. But now Echo Park is a destination community with \$1-million homes, and they can't afford to stay.

I'm not one who believes gentrification is necessarily evil, and high-density housing — five homes where one now stands — can sometimes make sense in Los Angeles as an alternative to continued sprawl. 4SITE and other investors who are buying up Echo Park, Highland Park, Boyle Heights and other gentrification hotbeds have every right to do so.

But having said that, gentrification has winners and losers, and so does this resurgent economy. In fact, the improving economy is crushing people like the Sanchezes, because while real estate goes up, their incomes don't, and they sink deeper into the ranks of the working poor.

Can the revolution be very far off when Oscar nominees are handed \$160,000 swag bags and there's a \$195-million manse on the market in Beverly Hills (you can lease it for a mere \$475,000 a month), but we're the homeless capital of the United States and have a catastrophic shortage of affordable housing?

Rocio Sanchez said she and her parents recently looked at a \$1,500-a-month house in Boyle Heights, the cheapest acceptable home they could find. But before they move, they're contesting the terms of their departure.

4SITE offered them \$12,000 in relocation costs. The family didn't respond initially because Mr. Sanchez was hospitalized, Rocio said. She later did some research and concluded that as residents of a multi-family dwelling, they were entitled to \$19,000 in relocation costs under city guidelines.

For many years, Sanchez said, a second family lived in a separate downstairs portion of the house, and I confirmed that with the family. The other family had a separate address, and property records listed the house as a two-unit dwelling. Sanchez always figured that was why her family was eligible for rent stabilization.

But 4SITE disputes that. Todd Wexman, chief principal, emailed me to say the city told his company the home is a single-family dwelling with no record of



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permits for a second unit. "As such," he wrote, "if there was ever another unit, it was illegal."

Wexman contends he therefore is not obligated to pay any relocation fees to the Sanchezes.

The offer of \$12,000 was a take-it-or-leave-it proposition with a one-week deadline, he said. "Nonetheless, we have now offered \$4,650 and two weeks of free rent," he added.

The Sanchez family has retained the nonprofit Eviction Defense Network, where three attorneys — Elena Popp, Magda Madrigal and Jennifer Ganata — told me they think the Sanchezes have a good chance of prevailing if the case goes to court.

When I visited their office, by the way, it was swamped with tenants fighting eviction, and the attorneys said some of their booming business is due to displacement caused by gentrification.

"All I want is what is right for my family," a weeping Rocio Sanchez said as her father listened and her mother wiped away tears. "My parents know where we stand. We're lower-class and we accept that. What we don't accept is anyone coming here and thinking that we're insignificant."

Whatever happens to them, the intensifying squeeze on affordable housing in Los Angeles and beyond is proof positive that something is seriously out of whack in this so-called rebounding economy. Multiple families are forced to share apartments, college grads have to move back home, people are moving farther from job centers and then schlepping long distances to work, and let's not forget those living in cars and tents.

For the most part, thanks largely to the powerful real estate lobby, policymakers have been useless in crafting remedies for what California Assembly Speaker Toni Atkins (D-San Diego) has called "one of the biggest crises" in the state.

Atkins has pitched a plan of real estate fees and tax credits to produce \$500 million worth of housing assistance for low-income Californians, but the Republicans are taking shots at the plan and Atkins is getting hammered by those who say her spouse's affordable housing consulting business would benefit.

Occidental College professor Peter Dreier told me there are three ways to address the affordable housing shortage, aside from raising the minimum wage and developing a living-wage economy:

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Local lawmakers could create inclusionary zoning, in which developers are obligated to set aside a portion of any apartment or condo development for moderate and low-income earners (developers would fight this to their death).

The state could take action to allow cities to impose rent control mandates, to keep landlords from forcing out tenants so that they can then raise rents.

And the government could support nonprofit ownership of buildings, making more affordable units available.

We need to do something, Dreier said, because even people who make decent money can barely afford a place to live.

"There's prosperity for a few and stagnation and declining income for the majority," he said, "and that's true across the country, but it's particularly true in Los Angeles."

The Sanchez family knows this all too well.

They have until April 15 to vacate their home of 31 years.

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