

Public Housing After Hurricane, Urban Renewal or Removal? The Case Studies of Beaumont and Galveston, Texas.

Master Thesis Committee:

Dr. Shannon Van Zandt (Chair)

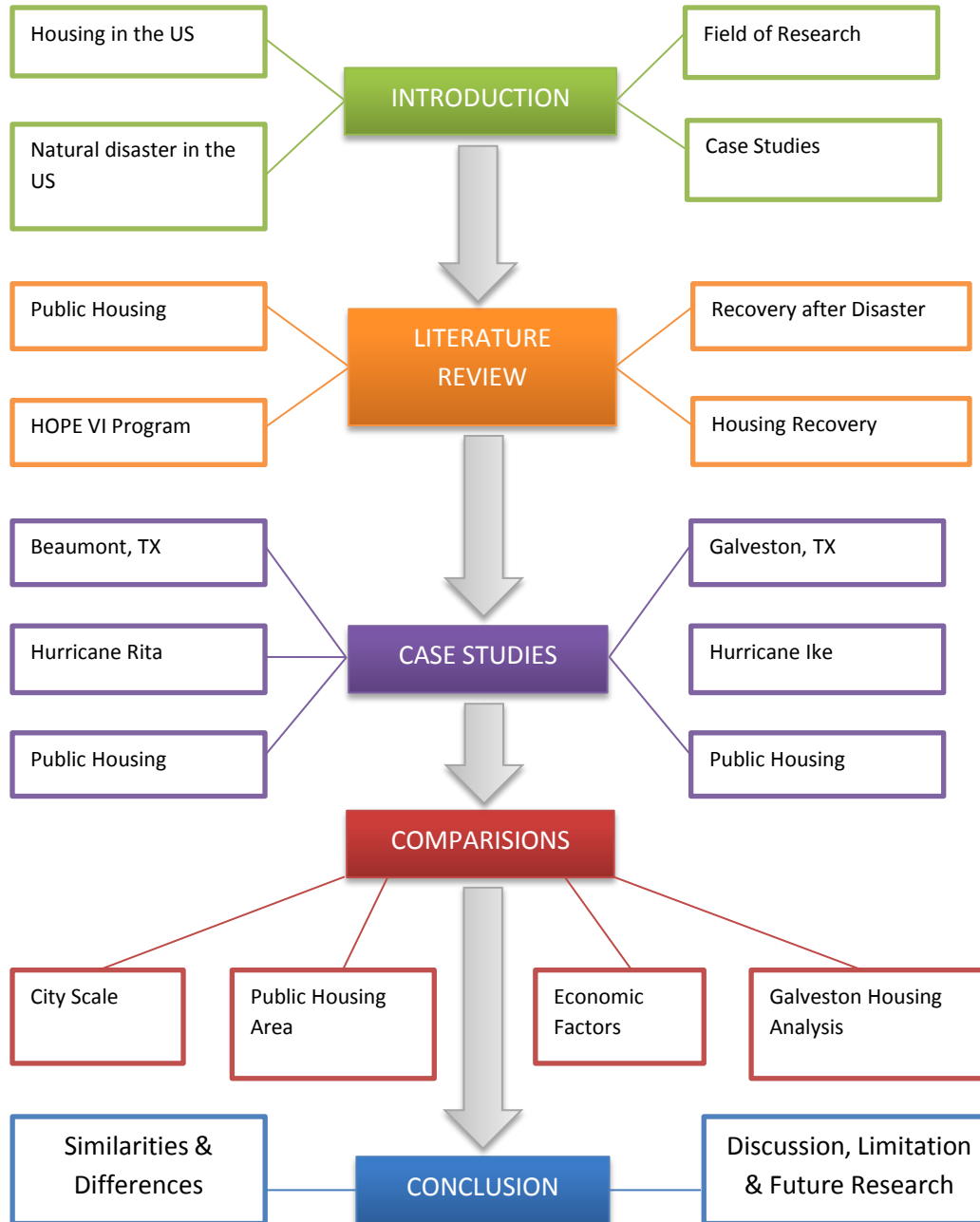
Dr. Walter G. Peacock

Dr. Wesley Highfield

Student: Tho N.D. Tran

March 8th 2013

Structure of the Thesis



INTRODUCTION

1. Housing in the U.S

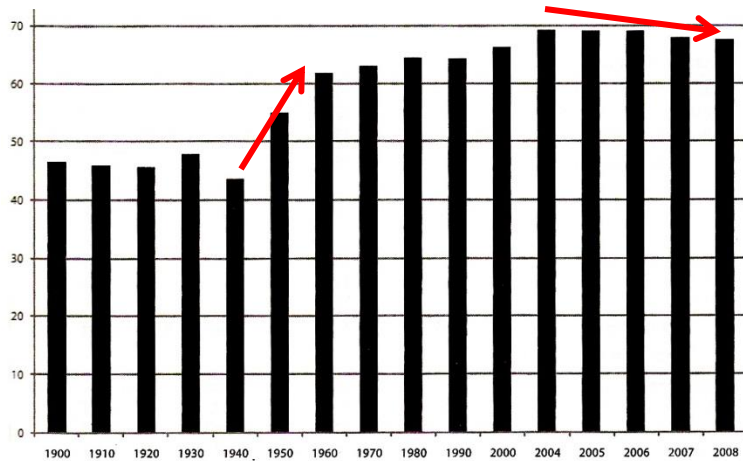
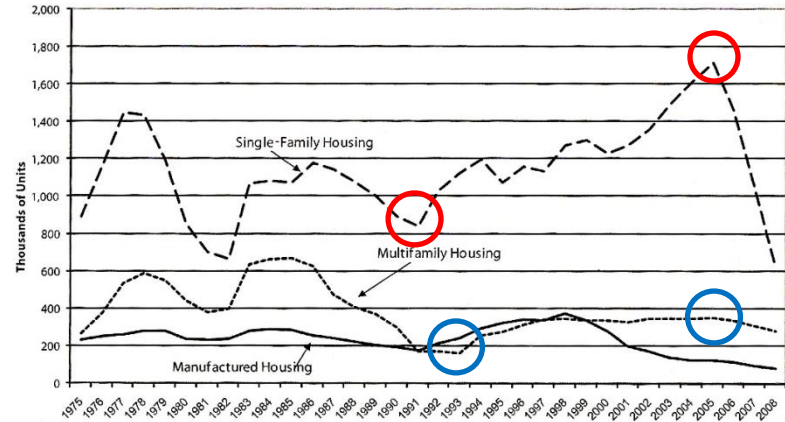
- Housing Act 1937: Government provide Public Housing
- Housing Act 1949: Housing goals, new public housing programs
- Housing Act 1965: HUD; Rent subsidies mechanism; Mortgage.
- Housing Act 1968: Urban renewal
- Housing Act 1974: Section 8 program, CDBG

Housing Construction Trend (1975-2006)

(Source: Schwartz, A. 2010. Housing Policy in the United States)

SF housing: increase from 1991 (but, 94-95 & 97-98); peak 2005 then decrease

MF housing: steadily increase from 1993, peak 2006, gradually decrease



Homeownership Rate (1900-2008)

(Source: Schwartz, A. 2010. Housing Policy in the United States)

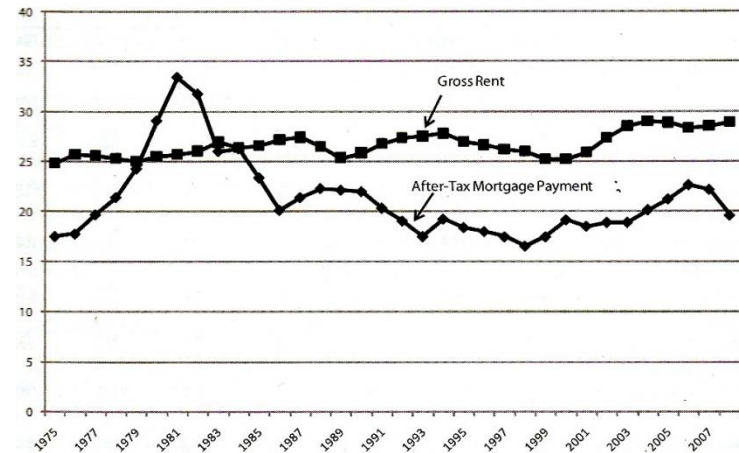
44% (1940) -> 60% (1960)

Peak 2004 (70%) then decrease

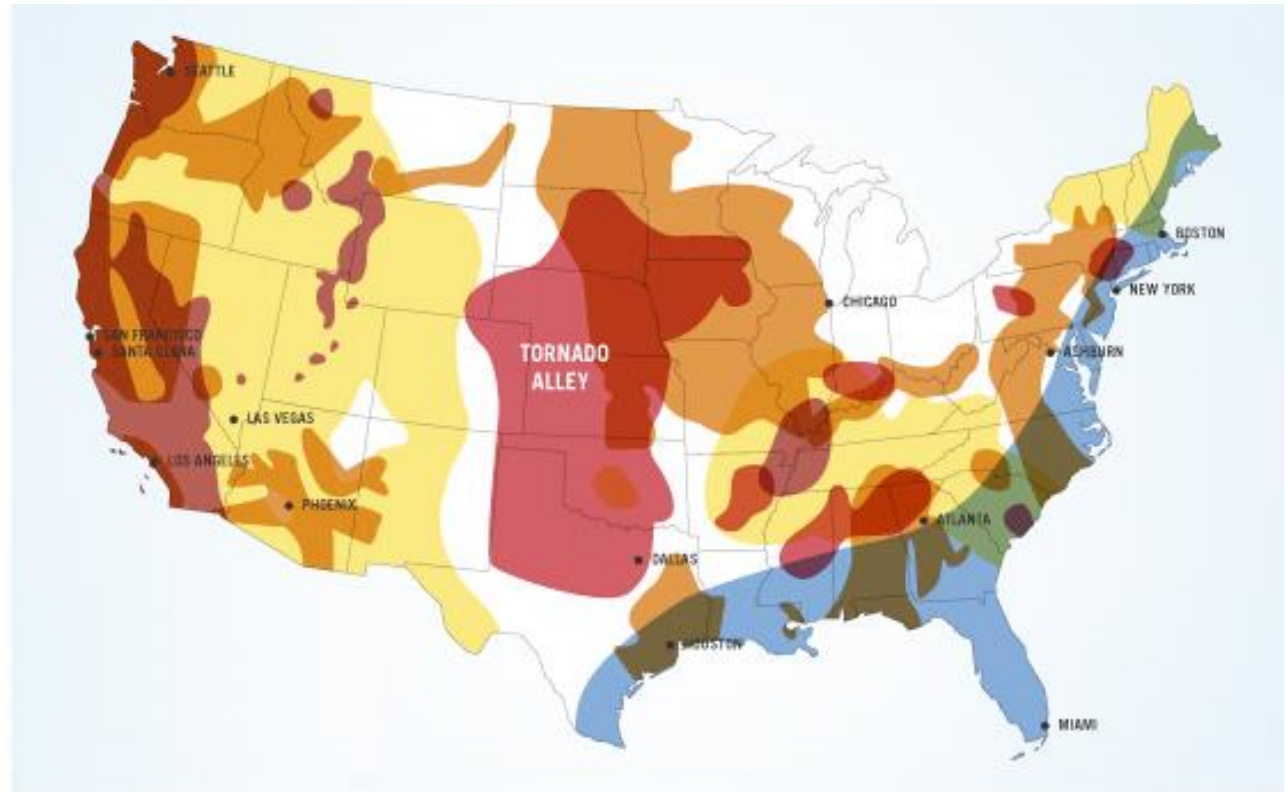
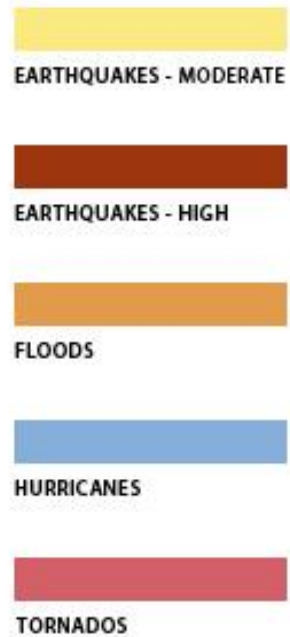
Median Housing Cost Harden for Renter and Owner (1975-2008)

(Source: Schwartz, A. 2010. Housing Policy in the United States)

Gross Rent: generally stable in compare with After-tax Mortgage payment for Owner



2. Natural Disasters in the U.S.



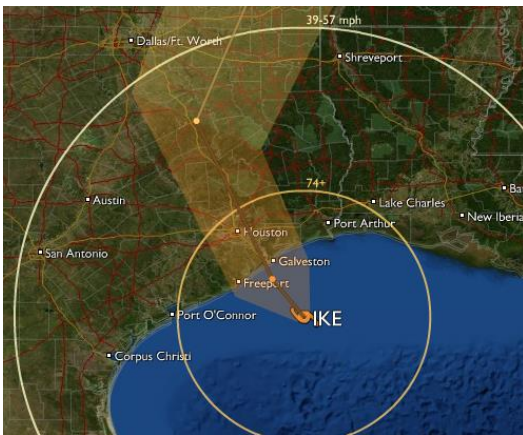
Source: <http://www.crisishq.com/why-prepare/us-natural-disaster-map>

CASE STUDIES

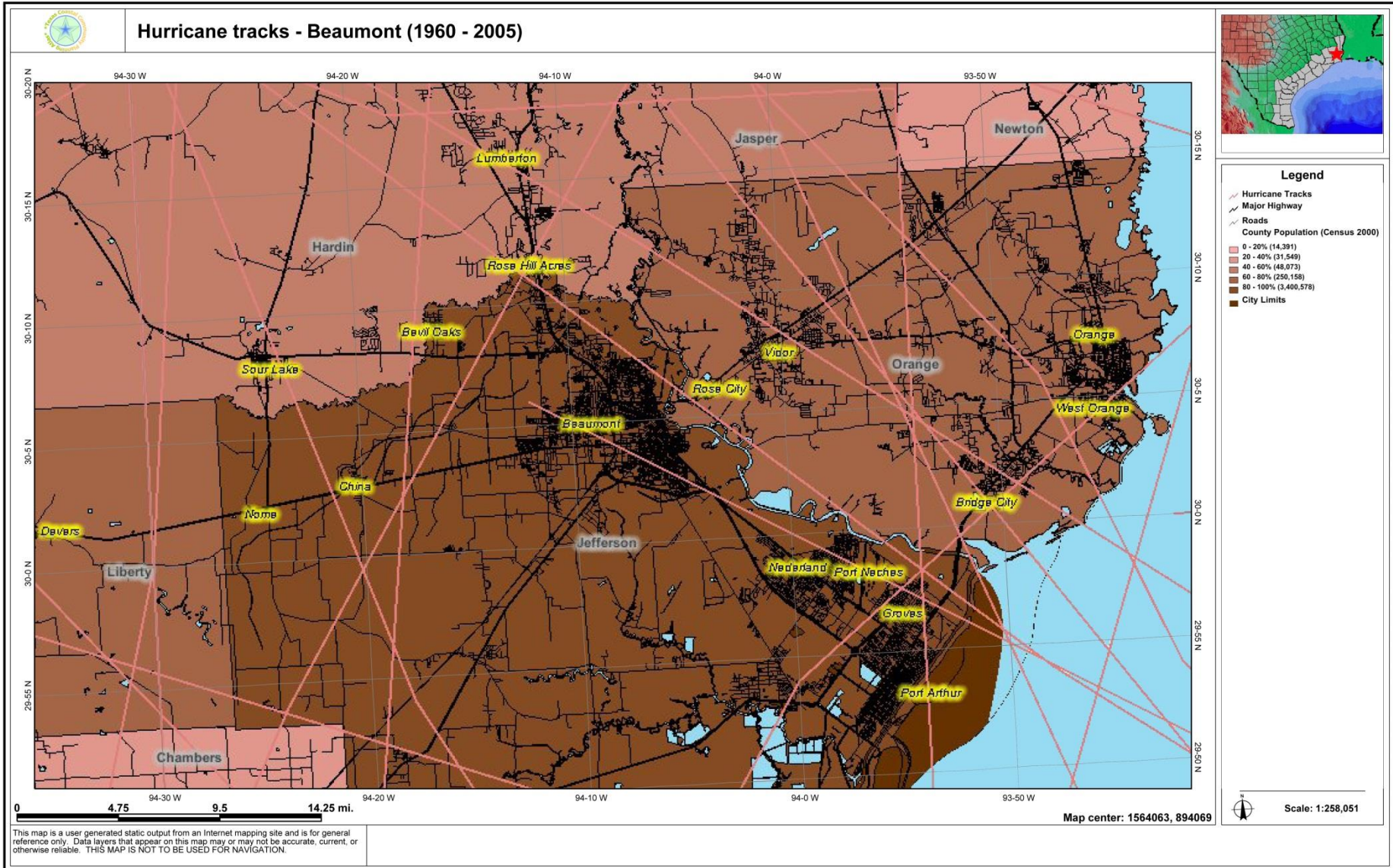
- Beaumont and Hurricane Rita (2005)



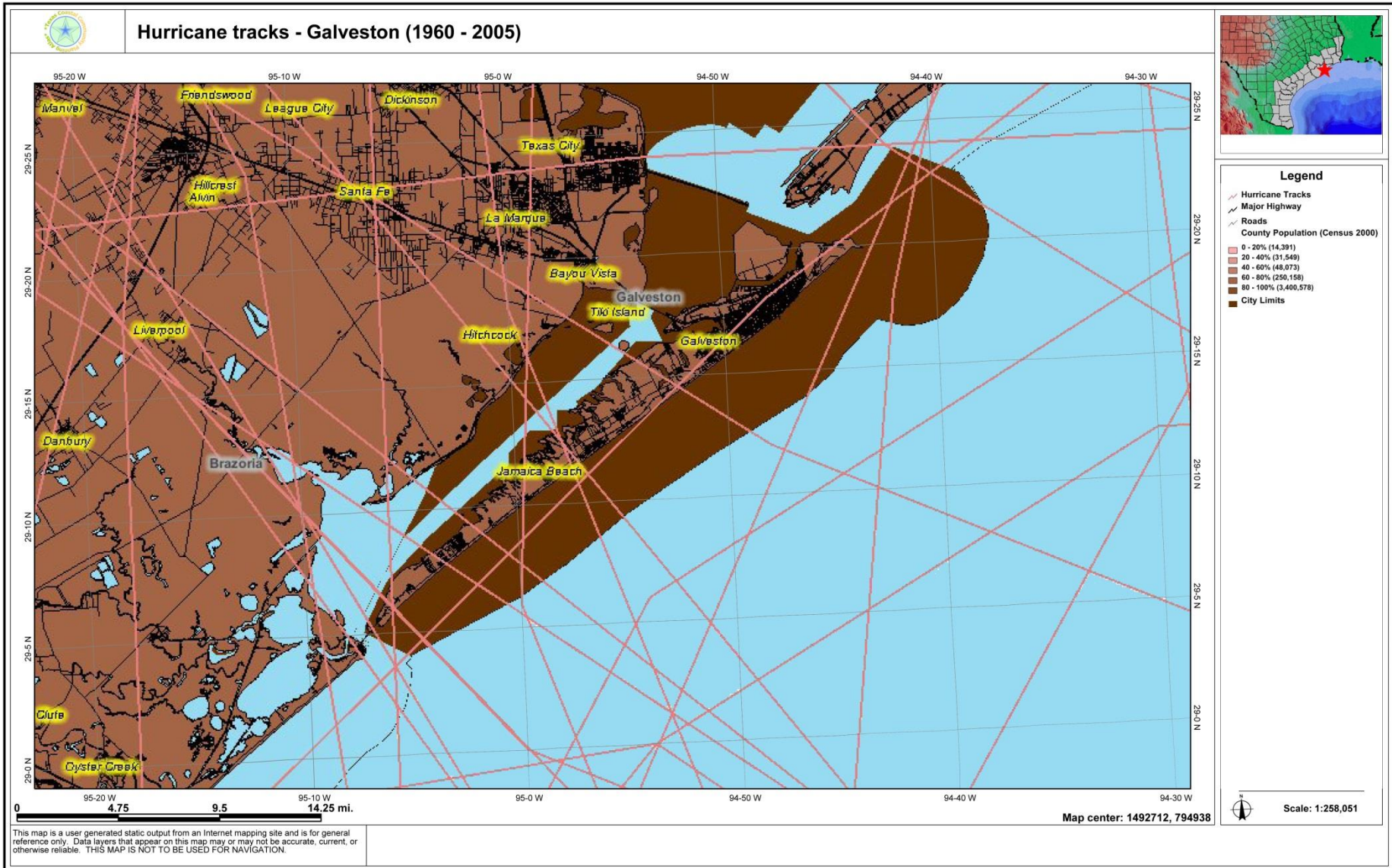
- Galveston and Hurricane Ike (2008)



Hurricanes and the City of Beaumont, TX

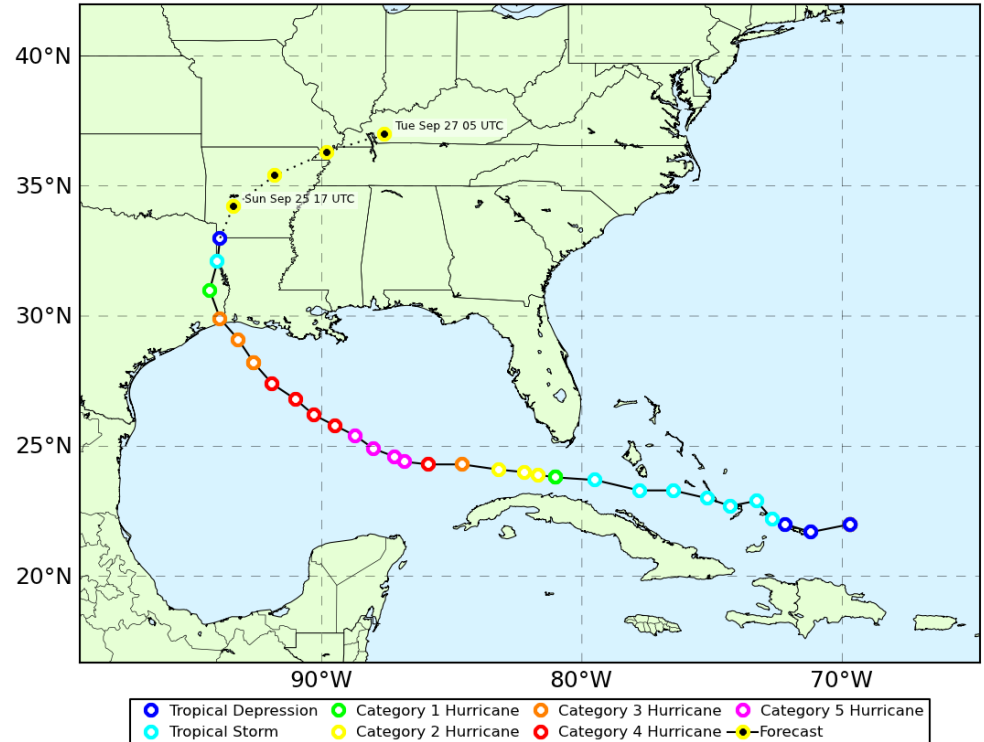


Hurricanes and the City of Galveston, TX



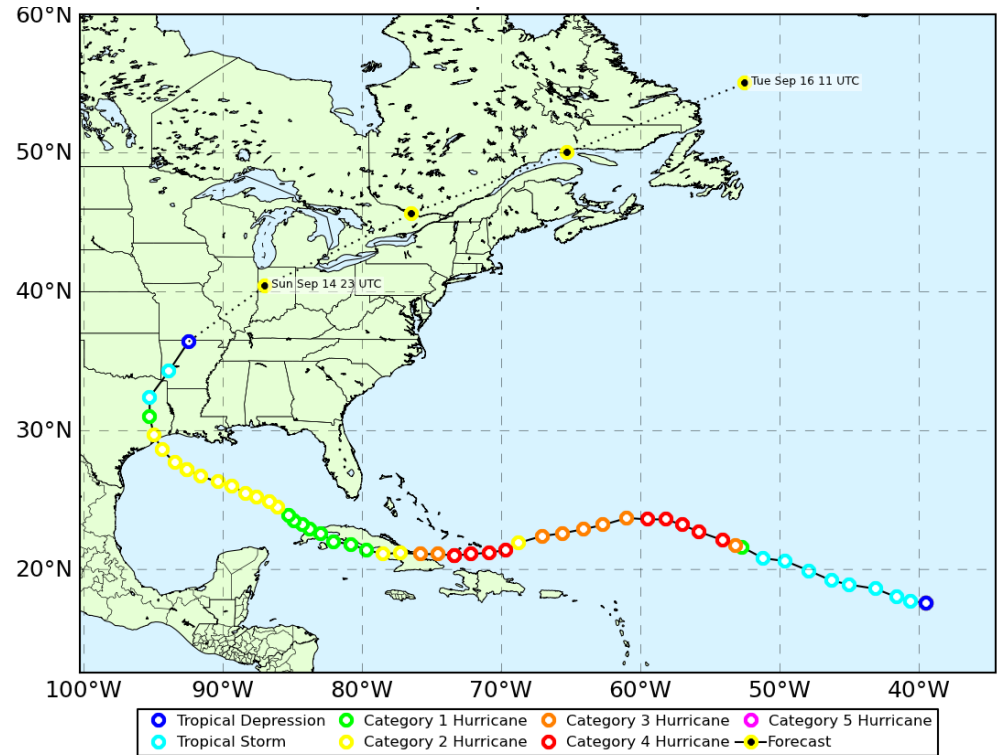
Hurricane RITA (Sep 18-26, 2005)

- Evacuate 3 million people
- More than 120 reported deaths
- Gulf coast area: more than 1 million people lost power
- Affected oil industries
- Total cost approximately equals \$12.04 billion



Hurricane IKE (Sep 1-14, 2008)

- Impact several countries: Haiti, Cuba, United States, ...
- In the U.S., affect different states: Florida, Louisiana, Texas, Arkansas, Ohio
- 2.8 – 4.5 million people living without power
- Galveston received huge impact: winds, storm surge, flooding,...

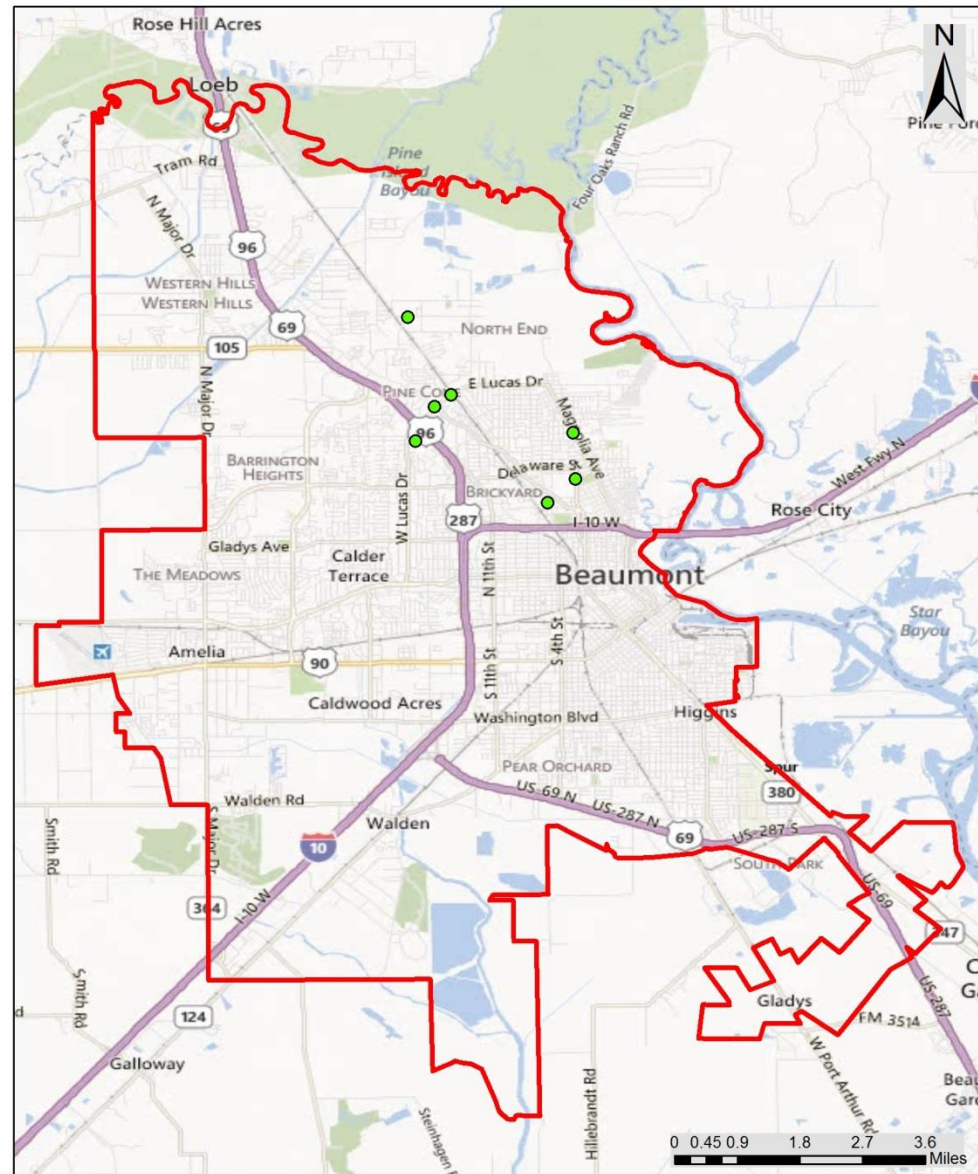


- Total cost approximately equals \$29.5 billion_ third costliest hurricane in history, after Katrina(2005) and Sandy (2012)

Public Housing in Beaumont _ General Information

- Beaumont Housing Authority (BHA): 8 public housing developments, (1,400 people)
- Good quality of housing management as well as additional service for residential (ex: job training, childcare)
- Long waiting list of family applied for public housing

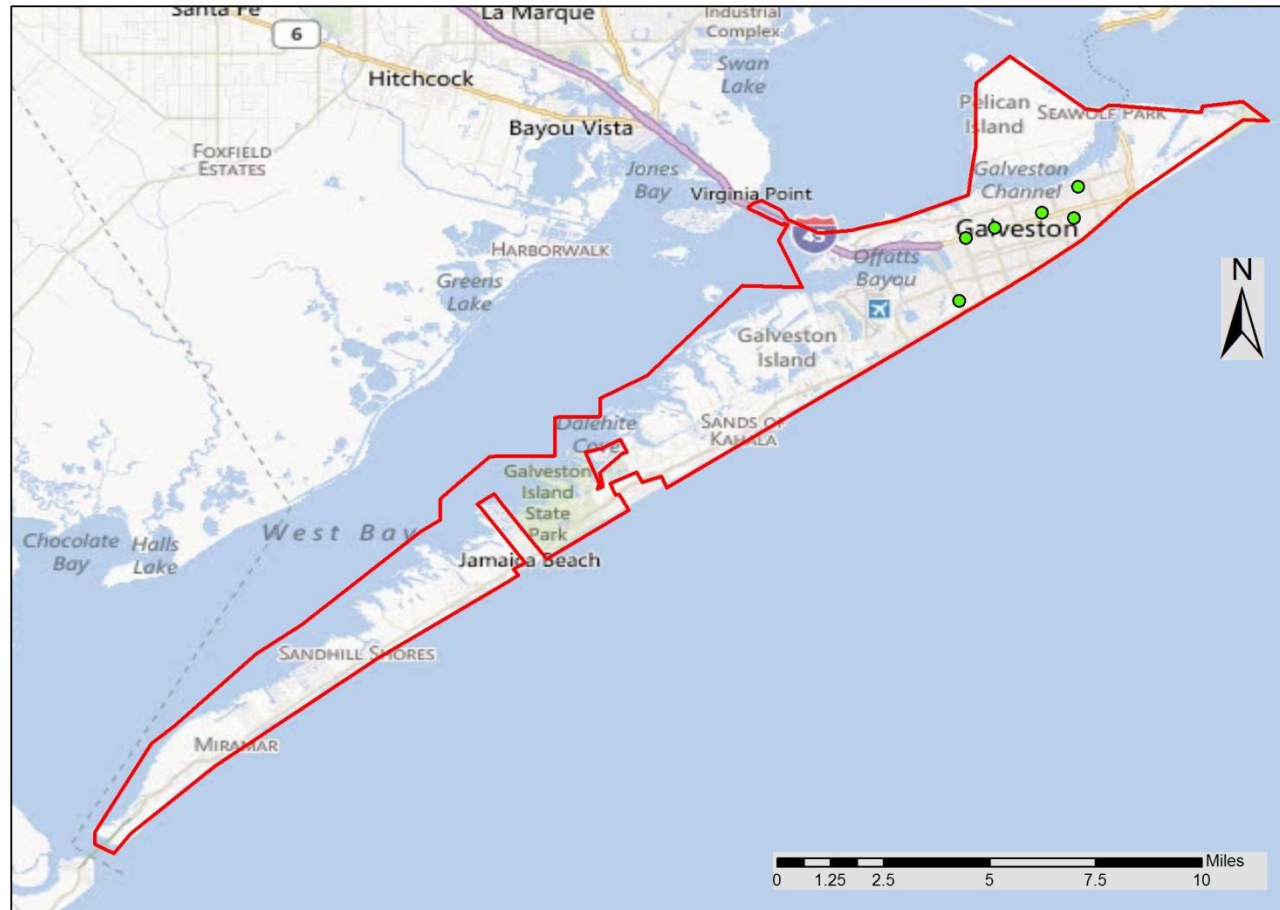
Public Housing Locations in Beaumont, Texas



Public Housing in Galveston _ General Information

Public Housing Locations in Galveston, Texas

- GHA: 6 public housing developments (1000 units)
- After Hurricane Ike, 75% housing damaged.
- Total : 569 public housing units were destroyed



Public Housing in Galveston _ Recovery process

- GHA signed legal agreement with Lone Star Legal Aid (LSLA)
- Oppose toward public housing redevelopment plan (Poverty concentration, Negative affect to economic attainment, Not have enough physical and financial resource)
- Intervention of HUD:
 - Deadline for Galveston to finalized redevelopment plan for public housing Sep 1 2012
 - Finally, after one time extending deadline, Galveston city council vote 5-2 adopt rebuild plan to avoid losing about \$600 million



Image source: Internet

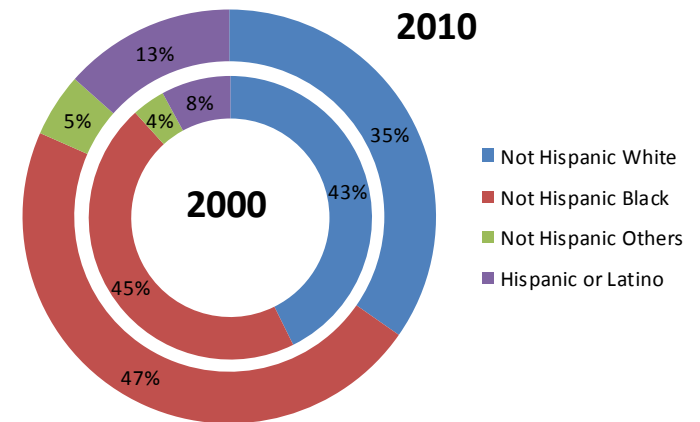
Case Studies Comparisons

1. General trend analysis in city scale
 - Using demographic decennial data 2000 and 2010
2. General trend analysis in Public housing areas
 - Using demographic decennial data 2000 and 2010
3. Economic change before and after Hurricane
 - Using employment data set 1 year before and after hurricane
4. Housing change after Hurricane Ike in Galveston
 - Using ACS 3 year estimate data

1. General trend analysis in city scale - RACE

BEAUMONT:

- Not Hispanic White: Reduce: 43%-35%
- Not Hispanic Black: Increase: 45%-47%
- Hispanic or Latino: Increase: 8%-13%

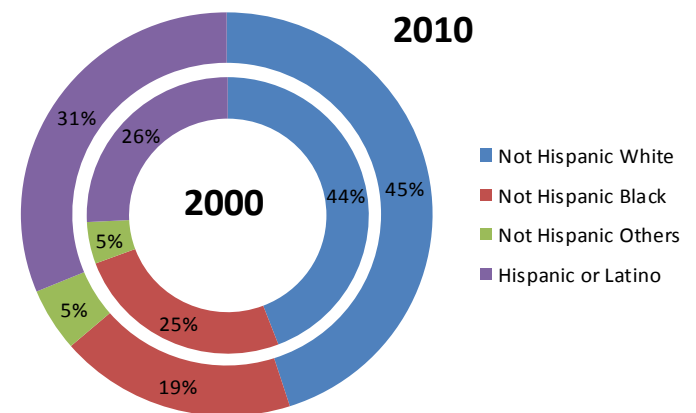


Beaumont, TX

Data Source: Census Bureau 2000, 2010

GALVESTON:

- Not Hispanic White: Slightly increase
- Not Hispanic Black: Reduce: 25%-19%
- Hispanic or Latino: Increase: 26%-31%



Galveston, TX

1. General trend analysis in city scale – Comparison

- **Similarities:**
 - Increasing in Hispanic or Latino population
 - Reducing owner-occupied housing unit and increasing vacancy (but different pace)
- **Differences:**
 - N.H.L. White: Beaumont reduce 8% / Galveston slightly increase
 - N.H.L. Black: Beaumont slightly increase / Galveston reduces 6%
 - Rental units: Beaumont increase 2% / Galveston reduce 7%
 - Vacant units: Beaumont slightly increase / Galveston doubles -> 38%

2. General trend analysis in Public housing area - RACE

Public housing area in BEAUMONT:

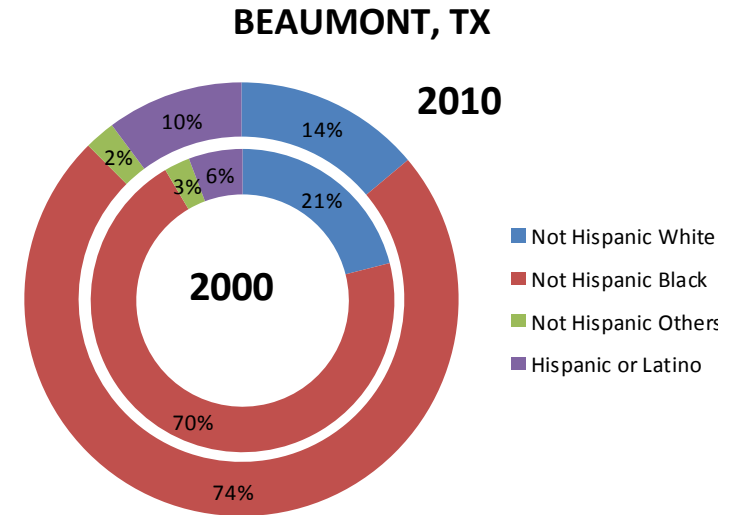
- Not Hispanic White: Reduce: 21%-14%
- Not Hispanic Black: Increase: 70%-74%
- Hispanic or Latino: Increase: 6%-10%

This area experiences as the same as city trend

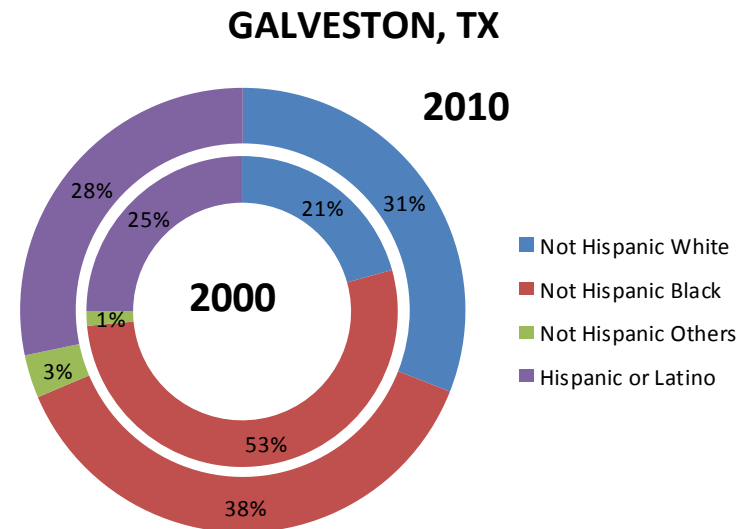
Public housing area in GALVESTON:

- Not Hispanic White: Increase: 21%-31%
- Not Hispanic Black: Reduce: 53%-38%
- Hispanic or Latino: Increase: 25%-28%

PH areas in Galveston generally follow city trend, but have great improvement in N.H.White pop



Data Source: Census Bureau 2000, 2010



2. General trend analysis in Public housing area - Comparison

- **Similarities:**
 - Increasing in Hispanic or Latino population
 - Reducing owner-occupied housing unit and increasing vacancy (but different pace)
- **Differences:**
 - N.H.L. White: Beaumont reduce 7% / Galveston increase 10%
 - N.H.L. Black: Beaumont increase 4% / Galveston reduces 15%
 - Rental units: Beaumont slightly increase / Galveston reduce 17%
 - Vacant units: Beaumont increase 4% / Galveston doubles -> 34%

3. Economic before and after Hurricanes – JOB

BEAUMONT:

- All type of jobs has increased: 46,213 (2004) – 50,260 (2006)
- Low (< \$1,250) and Moderate-wage job increased 5-6%
- High wage job (> \$3,333) increase: 17% with count of 2,141 jobs

GALVESTON:

- Total: reduce 2,964 jobs from 2007 to 2009
- Low and Moderate-wage job reduce 25% and 15% respectively
- High wage job slightly increase 1.5% (115 jobs)

3. Economic before and after Hurricanes

- WORK MOVEMENT

BEAUMONT:

- Number of people living and working in Beaumont increase 2,315 (=8.4% of 2004)
- Number of people living outside but working in Beaumont increase 18.1% (7,230)

-> the economic improvement of Beaumont that attract more people staying and working in the city

GALVESTON:

- Number of people living and working in Galveston reduce 26.7% in 2009 (3,321)
- Number of people living in Galveston working outside and Number of people living outside working in Galveston both reduce about 3-4%

After hurricane, Galveston became less attractive for new people moving in

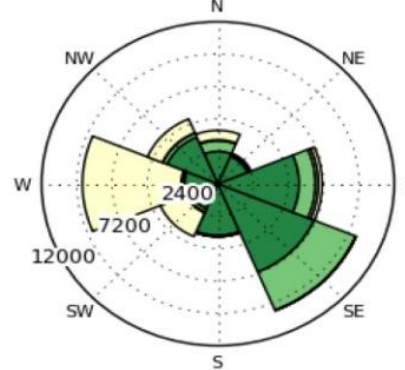
3. Economic change before and after Hurricanes

- JOB DISTANCE

BEAUMONT:

- Number of people travel less than 10 miles to work increase 2,421 (8.3% of 2004)
- People travel more than 50 miles increase 1,523 (14.1%)

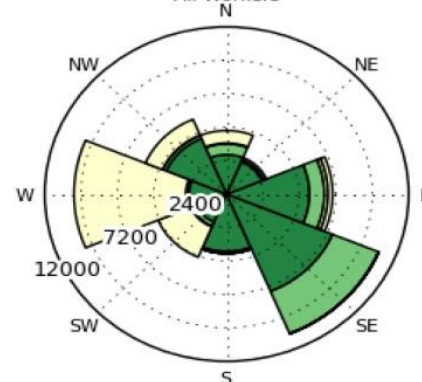
Job Counts by Distance/Direction in 2004
All Workers



Jobs by Distance - Home Census Block to Work Census Block

2004		
	Count	Share
Total Primary Jobs	46,213	100.0%
Less than 10 miles	29,072	62.9%
10 to 24 miles	5,846	12.7%
25 to 50 miles	524	1.1%
Greater than 50 miles	10,771	23.3%

Job Counts by Distance/Direction in 2006
All Workers



Jobs by Distance - Home Census Block to Work Census Block

2006		
	Count	Share
Total Primary Jobs	50,260	100.0%
Less than 10 miles	31,493	62.7%
10 to 24 miles	5,923	11.8%
25 to 50 miles	550	1.1%
Greater than 50 miles	12,294	24.5%

Housing change after Hurricane Ike in Galveston

1. Housing unit in structure

- 1-unit detached has greatest increase with 2,682 units (MoE 1,304)
- 2 to 4-unit building has largest reduce of 1,143 units (MoE 822)

2. Housing occupancy

- Owner-occupied units increase 202 units (MoE 969) but the share proportion reduce 0.7% (MoE 4.24)
- Renter-occupied units has greatest reduce with nearly 3,000 units (MoE 1,333)
- Vacant units increase 4,180 units (MoE 1,075)

CONCLUSION

- Beaumont has stable development and positive development after hurricane Rita in terms of housing and economy
- Galveston experiences general trend of shrinking economy, and the volatility after hurricane
- The evidences prove the trend in Galveston: lose jobs, increase vacant housing, people live and work in the City decrease, Renter experiences cost burden as well as shortage of affordable housing

CONCLUSION (cont.)

- Recommendation #1: Housing Authority should proactive with well prepared and innovative solutions.
- Recommendation #2: Housing for low income population need to be developed in mixed-income community in order to support the individual as well as family improvement
- Recommendation #3: Public-private partnership could be executed in any steps of the development as long as they share the same goal of supporting community.
- Recommendation #4: Collaboration between housing authority and academic experts or professional firms should be accessed as an effective way to conduct a successful development for new project.

Future Research

- Political issues in relationship with decision making of City
- Voting district and public concern toward public housing
- The role of City council demographic in term of public interest

Thank you!
Q & A