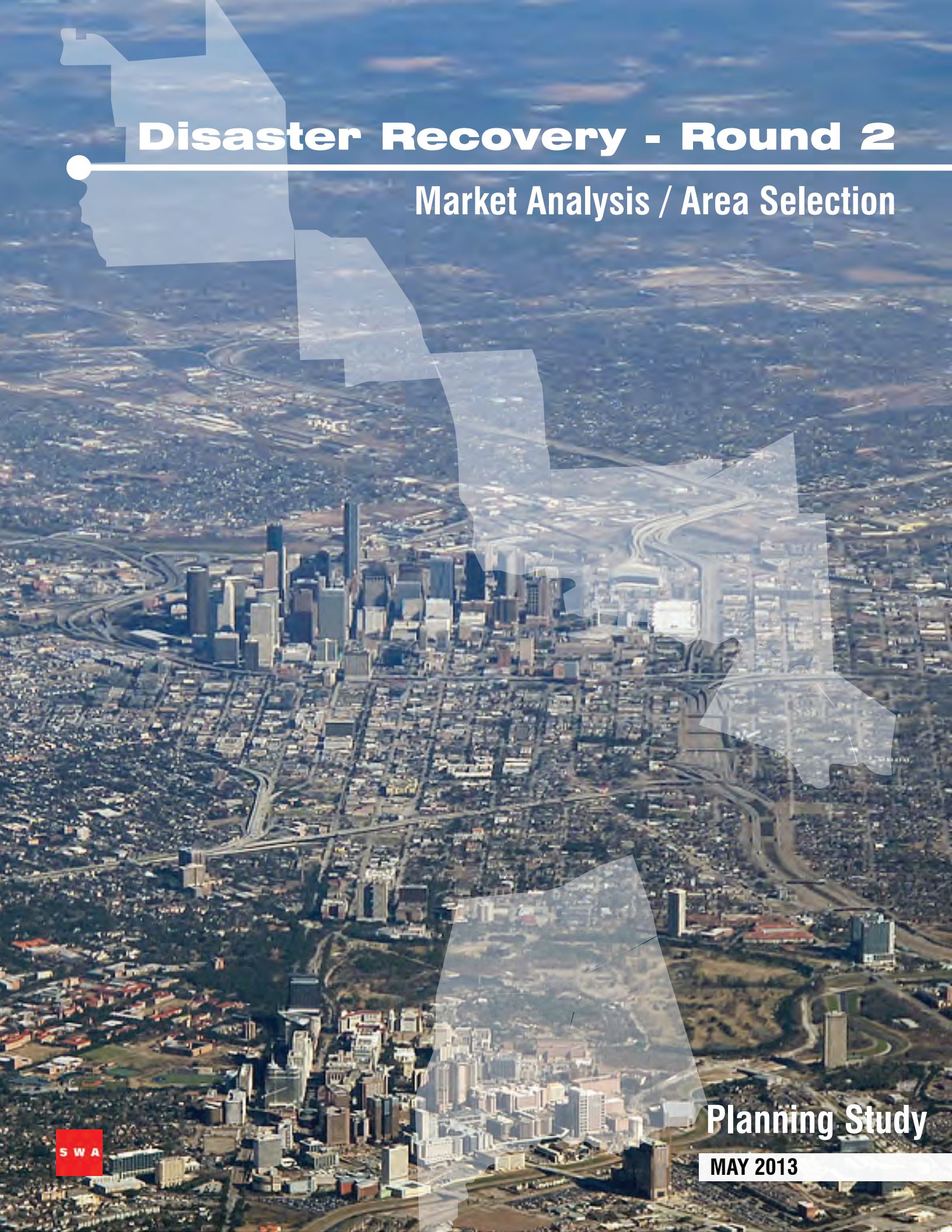
Disaster Recovery - Round 2

Market Analysis / Area Selection



Planning Study

MAY 2013

SWA

Stakeholder Team:

U.S. Department of Housing and Urban Development (HUD)

State of Texas, General Land Office (GLO)

City of Houston, Annise Parker, Mayor

City of Houston, Housing & Community Development Department

Houston Housing Authority (HHA)

Texas Low Income Housing Information Service (TLIHIS)

Texas Organizing Project

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CDS Market Research Community Development Strategies

ROBERTA F. BURROUGHS & ASSOCIATES Urban Planning Consultants

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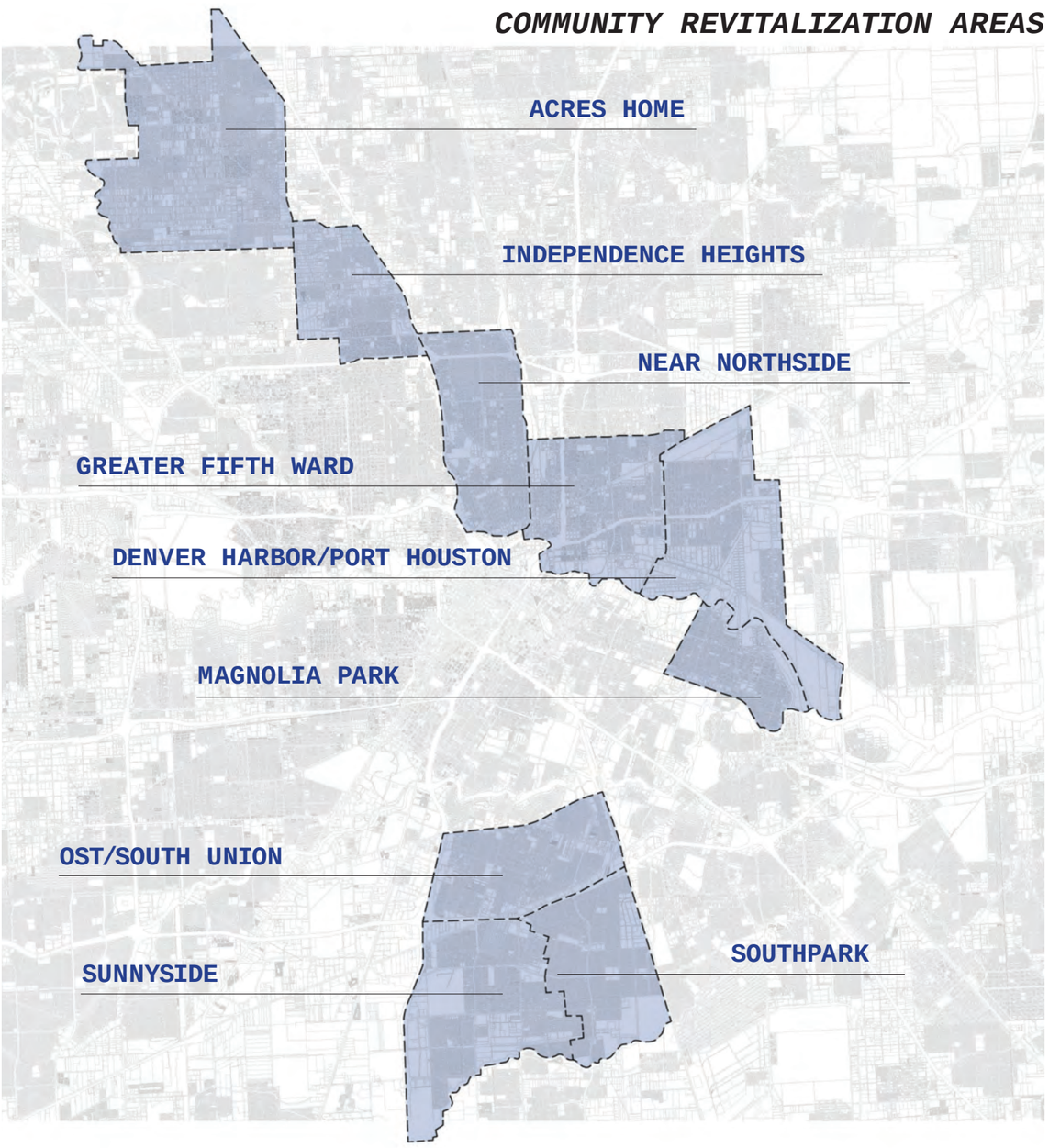
INTRO

INTRODUCTION



In early September 2008, Hurricane Ike devastated over $4 billion in property and real estate across the Houston metropolitan region. This included more than $3 billion in single family housing damages and more than $1 billion in multi-family housing damages. With more than 400,000 Houstonians living at or below 80% of the areas family median income, it is clear that affordable housing, both in single family and multi-family housing stock, remains a significant need in the City.

Many people living in low income households prior to the hurricane were more likely to return home shortly after the hurricane because although many were unable to repair their homes, they were also not able to find an alternative place to live due to limited financial resources. Now, nearly five years from the anniversary of the storm, low income families are still experiencing Ike's impact, in some cases with blue tarps still over rooftops.

The City of Houston, through its Housing and Community Development Department (HCDD), has worked diligently to provide relief to affected families through its standard housing programs, but these programs do not have the resources to meet the outstanding need. In 2008, Congress appropriated $6.1 billion in federal aid in response to Hurricanes Ike, Gustav and Dolly in the form of Community Development Block Grant (CDBG) emergency funding. The State of Texas, through the General Land Office (GLO), has granted $152 million of the appropriation to the City of Houston to be administered through HCDD in Round 2 of the City's disaster recovery housing program.

Unlike Round 1, where the City deployed the emergency funds to meet the greatest needs, the City proposed to leverage the DR2 dollars, together with City incentives and additional funding streams, into creating areas of opportunity in which comprehensive revitalization and recovery can occur. In conjunction with numerous State, City and private stakeholders, HCDD engaged the Houston community in identifying potential 'Neighborhoods of Opportunity' within the city limits. Stakeholder groups that have been engaged include:

- HUD
- GLO
- Houston Mayor's Office (HHA)
- Houston Housing Authority
- Texas Organizing Project (TOP)
- Texas Appleseed
- Texas Low Income Housing Information Service (TLIHIS)

Through this engagement effort, the community has identified nine potential Neighborhoods of Opportunity. HCDD and HHA have begun the process of working with developers to identify specific sites within these neighborhoods in which multi-family housing could be leveraged. Simultaneously, HCDD has worked with the community to identify specific single family housing needs. The goal of these activities is to identify where the disaster recovery funding will be invested in a manner that creates stable, diverse communities and provides relief to as many residents as possible.

PROJECT SCOPE

Horne LLP (Horne), the Houston disaster recovery grant administrator on behalf of the Texas General Land Office, was tasked by the GLO at the request of HCDD to provide assistance in developing a comprehensive revitalization plan that would outline the method for creating stable, diverse communities using the resources available to Houston. Horne engaged the SWA Group and Enterprise Community Partners (Enterprise) to provide expertise in creating a plan for the applicability of Disaster Recovery funds for select Houston inner city, historically low-income and minority neighborhoods, with the prospect of near-term gentrification, to develop into economically robust, stable mixed-income and racially diverse nodes, while preserving or creating low-income affordable and market rate rental housing.

SWA Group is a consulting firm that specializes in planning, landscape architecture and urban design services for public and private clients globally. The team was led by Kinder Baumgardner, managing principal of the Houston office as well as Todd Meyer, director of planning.

The SWA team included:

- CDS Market Research
- Perry Rose LLC
- Roberta F Burroughs & Associates

Mr. Steve Spillette and his team at CDS Market Research provided demographics analysis, market analysis, review and success assessment of the housing development proposals submitted to HCDD, as well as potential funding options.
Mr. Chuck Perry and his team at Perry Rose LLC were project advisors to bring the knowledge of best practices that are being applied in locations across the country with regard to affordable / workforce housing, development approach, financing options and implementation strategies. As developers of similar project types nationally, Mr. Perry brings an extremely valuable opinion of feasibility and viability of successful projects to the table.

Ms. Roberta Burroughs assisted in the planning process, and she and her team at Roberta F. Burroughs & Associates facilitated a public engagement process to communicate the recommendations of the team to the affected communities and obtain input and feedback.

Enterprise Community Partners provided technical assistance related to fair housing, national best practices for creating stable, diverse communities, and community engagement.

The team worked to build on the efforts to date and to expand the capacity of the disaster recovery neighborhood review and planning team at the City. This included review and documentation of best practices relative to the revitalization of inner-city neighborhoods, stakeholder interviews, analyzing the various neighborhoods of opportunity and review of the recently-submitted housing development proposals to HCDD. Following these activities, the team recommended specific sites for investment based on the likelihood that those sites could combine single family and multi-family development opportunities to create stable, diverse communities as the team also facilitated a public outreach program to engage residents, property owners, and other stakeholders.

METHODOLOGY + PROCESS

The methodology and process included the following four specific tasks:

Task 1 - Review of Background Information, Existing Studies and National Best Practices relative to the Areas of Opportunity.

Task 2 - Study Area Analysis - including demographics, market conditions, land use patterns, transportation, infrastructure, amenities, parks, open space, existing structures, ownership and value of improvements.

Task 3 - Redevelopment Plan - including application of the demographic and economic data relative to the selected nodes, secondary source and primary research of market trends and conditions, additional site analysis, stakeholder interviews and recommendations for product mix in order to select 4-5 areas of investment.

Task 4 - Community Outreach - including a meaningful facilitation of meetings in order to engage residents and property owners in the selected areas of investment the details of specific properties and development plans to be constructed using disaster recovery funds.

The review of existing information and analysis of the neighborhoods is described on the following pages. The team incorporated information from preferred sites as indicated by HCDD and the HHA, as well as the 'nodes of opportunity' as selected by the community last year. Additionally, the team assisted in the consideration of prospective multi-family projects within the potential sites in order to determine their viability relative to the stability and diversity of the proposed communities. The HHA indicated three (3) top priority sites for development based on their own criteria and elements of creating vibrant communities. HCDD received 40 developer proposals from their multi-family RFP to receive disaster recovery funds and identified projects which seem to have the greatest potential based on very specific qualifications, which included the following:

1. Years of experience
2. Completion of prior successful projects
3. Development team
4. Financial capacity
5. Borrowing capacity
6. Property management plan
7. Administering of government funds
8. Site control
9. Conceptual development plan
10. Income mix
11. Finance plan, sources and uses
12. Preliminary budget, financial feasibility and pro forma
13. Development schedule
14. Community input
15. References

SELECTION CRITERIA

In order to achieve Houston's goal of investing the disaster relief funds in a few key neighborhoods to maximize the impact and amount of community revitalization, the consultant team assembled the following list of selection criteria to apply to the proposed neighborhoods:

1. Consider areas of greatest need to repair or replace residential units damaged or lost to Hurricane Ike
2. Encourage near-term gentrification
3. Help to create economically robust neighborhoods
4. Contribute to establishing stable, mixed-income communities
5. Promote racially diverse neighborhoods
6. Housing choice - Allow people to make their own choices about where they want to live, in a variety of unit types and sizes
7. Limit displacement of existing low-income residents
8. Provide a mix of low-income and market-rate housing
9. Geographic Diversity - distribute funds in different parts of the City, but not spread too thin to make an impact in a neighborhood and help to drive meaningful economic revitalization
10. Leverage areas that have recent or current public (infrastructure, public buildings, parks, etc.) and private investment (new development of residential, commercial and industrial, etc.)
11. Provide access to neighborhood amenities including daily needs such as groceries, schools, parks, medical facilities, police stations, fire stations, libraries, etc.
12. Promote high-quality master planning, urban design, innovative architectural solutions and attractive landscapes
13. Work to establish safe and secure environments / streets
14. Provide social gathering spaces / places for recreation and relaxation
15. Mobility choice - Access to multiple transportation options including foot, bicycle, transit or automobile use
16. Build on recommendations of past studies and initiatives
17. Consider community input / previous selection of "Nodes of Opportunity"
18. Work from a short-list of proposals as identified by the City of Houston Housing & Community Development Department (based on developer reputation, financial capacity, site control, etc.) as well as potential sites to be developed by the Houston Housing Authority, which includes availability of land at prices that support the development of affordable housing.
19. Select areas / projects within the Mayor's 'Target Neighborhoods'
20. Confirm broad-based support of the selected areas

These criteria are a combination of goals and objectives as established by HCDD, HHA and State and local stakeholders, as well as important issues as identified by the consultant team.

PRELIMINARY PROJECT / SITE SELECTIONS

Based on the selection criteria, five (5) preliminary areas of investment have risen to the top of the list. These include the following neighborhoods:

1. Independence Heights
2. Near Northside
3. Greater Fifth Ward
3. Old Spanish Trail /South Union/ Griggs/ MLK
4. Sunnyside

The consultant team has pulled data from various sources in order to look at market conditions, development trends, demographics, 2010 census information including median income, employment rates, poverty rates, vacant housing, etc. In addition, the team has begun an assessment of the physical conditions and amenities of these areas, including land use patterns, location and position in the marketplace, visibility and connectivity to current or future transportation routes and transit lines, infrastructure improvements, parks and open spaces, condition of structures and properties, ownership, etc. This information follows below in more detail with maps and exhibits that show a wide range of issues, opportunities and constraints for each of the five potential neighborhoods.

The consultant team would like to reiterate that this list is preliminary and that more analysis and input from the project stakeholders is needed to make any final recommendations for the distribution of the disaster recovery funds.

FAIR HOUSING CONSIDERATION

If the City, HHA and its partners are successful in implementing the DR2 program in an economically viable manner, then the City, HHA and its partners hope to promote fair housing choice in the following ways:

- The City, HHA and its partners seek to provide multiple options to residents in these CRAs and aspire to finance the creation of mixed income developments that will encourage people from a wide variety of socioeconomic and ethnic backgrounds to live in the CRAS and nearby areas. They also plan to identify and use tools that will help people from low to moderate income backgrounds afford to stay in these areas.
- The public amenities and infrastructure within and nearby these CRAs will be available for everyone in each such CRA to have access to them. The City, HHA and its partners hope that these mixed income developments will encourage the creation of additional amenities and infrastructure for the public to enjoy.
- Our desired investment ideally will impact housing choice in the future in a positive manner by making it possible for low to moderate income residents to reside for years in and nearby the CRAs as they hopefully improve over time.
- Public transportation services that improve access to jobs, training opportunities and services for families and persons with disabilities are available within or nearby each CRA
- Other City departments besides the Housing and Community Development Department probably will get involved once our various projects to be developed under the DR2 Program begin to move forward.

TASK 1

Existing Conditions + National Best Practices

1.1 Review + Summary of Existing Studies
1.2 Existing Conditions of Housing Stock
1.3 Recent Public Improvements
1.4 Needs Assessment Summary
1.5 National Best Practices

1.1 REVIEW OF EXISTING STUDIES

Previous studies of some of the nine targeted communities for this study were reviewed and served as a tool in evaluating the study areas. The nine targeted communities are:

1. The Greater Fifth Ward
2. Independence Heights
3. Magnolia Park
4. Near Northside
5. Sunnyside
6. OST/South Union
7. South Park
8. Acres Homes
9. Denver Harbor / Port of Houston

The studies reviewed were carried out within the past five years. The following are summaries of these studies.

1.1 REVIEW OF EXISTING STUDIES

1. The Greater Fifth Ward

Fifth Ward Housing Study- **TIRZ 18 INITIATIVE: February 2011**

The City of Houston Tax Increment Reinvestment Zone (TIRZ) #18 and the Fifth Ward CRC, along with CDS Market Research and Spillette Consulting, performed a study of the housing market in Fifth Ward and nearby areas.

The study identified the conditions shaping the housing demand and supply within Fifth Ward to assist in creating framework recommendations for redevelopment needed to attract new residents and businesses to the area while protecting and serving current residents and businesses.

The following are the barriers and opportunities identified by the study for new housing and other development.

Barriers to Housing Growth:

- Physical barriers and lack of connectivity. The area lacks direct surface street connections to Downtown. Freeways, railroads, Buffalo Bayou and large industrial properties physically separate Fifth Ward from Downtown and other emerging areas such as East Downtown (EaDo) and the East End.
- Lack of sense of place. The Fifth Ward lacks a strong center, commercial anchors and signature public spaces to help create identity.
- Pervasiveness of deteriorated structures.
- Lack of quality neighborhood retail establishments.
- Small lot sizes. In some areas of Fifth Ward, lots and home sizes are small by current standards making these structures unrealistic for updating/enlargement.
- Substandard street conditions and lack of sidewalks. Current condition of pedestrian realm makes the Fifth Ward undesirable for residents who seek a walkable urban environment close to downtown.
- Lack of signature transit lines.
- Environmental contamination issues may exist in some of the areas former industrial sites.

Opportunities for Housing Growth:

- Freeway access. While disconnected from the urban core and some of the adjacent emerging areas, the Fifth Ward has excellent freeway access to Downtown and the greater Houston area.
- Lower French Town housing development. The recent and ongoing housing development in this area of Fifth Ward has begun to change the perception of the area and has been a catalyst for additional housing development in the area.
- Opportunity for in fill development. The abundance of vacant lots and those with deteriorated structures that could be poised for demolition provide opportunity for in fill development within the residential areas.
- Appealing lot sizes. Fifth Ward has existence of comparable suburban residential lot sizes in a close-in location.
- Existence of major development sites. Development of the MDI site east of Bringhurst and south of I-10 and the KBR site on the south side of Clinton Drive could have a transformative and identity making effect on the area.
- Numerous opportunities for open/green space. Existing community and neighborhood parks, if maintained and well managed, could provide open space amenities for new residential development.
- Opportunities for place-making. The Lyons Avenue corridor, with plans for the Delux Theater restoration and the Arts District near Gregg Street, could be an opportunity for place-making improvements that could transform the corridor into a walkable urban district and attract housing within walking distance.

Fifth Ward Pedestrian and Bicyclist Special District Study - **Houston-Galveston Area Council: September 2011**

The purpose of the Fifth Ward Pedestrian and Bicyclist Special District Study is to improve safety of pedestrians and bicyclists, provide greater connectivity within the study area, and reinforce the connections to Downtown and other destinations.

Information from stakeholder interviews, public surveys, needs assessment, and field observations was used to develop a series of recommended improvement projects. Twenty proposed improvements projects were created to address the needs and concerns of the community.

Map of Recommendations

Lockwood, Andrews, & Newnam, Inc. for Houston-Galveston Area Council, TIRZ 18, and Fifth Ward CRC—September 2011 4

Recommended Projects:

1. Lyons Avenue Bycycle Lane Coloration
2. Gregg Street - Sidewalk and Parking Improvements
3. Market Street - Sidewalk and Street Improvements
4. North - South Bike Tail ("Rail Trail") along Benson and Rail Track
5. Finnegan Park Bike Trail Connector
6. East-West Baron Street "Bike Boulevard"
7. Jensen and Buffalo Bayou Bike Connector (new Sidewalks from Baron to Lyons)
8. Rail Bridge under US 59 and New Bike Trail from bridge to Jensen
9. McKee and Hardy Street Bike Improvements
10. New Sidewalk Under US 59 from Ruiz to Runnels
11. Waco Street (IH 10 overpass) Sidewalk Widening
12. Runnels Street Crosswalk (near US 59) with Median Extension
13. Bruce Elementary School New Sidewalks
14. Crawford Elementary School New Sidewalks
15. South Jensen Drive New Sidewalks – (implemented by others)
16. Multi-Service Center & YES Prep. School New Sidewalks
17. Pedestrian (Hawk) Signal at Lyons Avenue and Pannell Street
18. New Sidewalks along Meadow Street/US 59 Feeder Road
19. Hare Street and IH 10 EB Feeder New Sidewalks
20. Additional Wayfinding Signage

1.1 REVIEW OF EXISTING STUDIES

The Fabulous Fifth: A Revitalization Strategy for Houston's Fifth Ward
- AIA Regional and Urban Design Assistance Team (R/UDAT): July 2012

This AIA R/UDAT project provided strategic assistance in repositioning and revitalizing the Fifth Ward and its traditional "main street" along the Lyons Avenue corridor. The goal of the process was to identify the community's values and vision for the future of the area, and develop a strategy and set of actions to realize that vision moving forward.

An interdisciplinary team of 8 national experts from across the country was assembled for the project. The team included architects, urban designers, economic and finance experts, planners, landscape architects and others. The team's mission was to serve the public interest by observing local conditions, listening to the community's ideas and formulating their best professional advice about the current issues and opportunities facing the area.

The goals of this study were in part shaped by other redevelopment opportunities already in place for this area:

- Starbucks Corporate Community Outreach and Partnering Program. Starbucks has selected the Fifth Ward as part of its corporate community outreach and partnering program for neighborhood improvements that include repair of housing exteriors, community clean up, and expansion of the "Fifth Ward Jam" park.
- Neighborhood place-making. Neighborhood organizers have sought input on ideas for streetscape improvements, lighting and neighborhood monuments and signs to help build a better place, image and brand for the community.
- Federal Funding through the Department of Housing and Urban Development (HUD). The Fifth Ward will also be a participant in the distribution of federal funding through HUD associated with impact mitigation from hurricane Ike. that damaged the Houston area.

The community and R/UDAT participants determined the character of the future Fifth Ward will grow from a commitment to :

- sustain the culture and population that have made it their home
- invite new residents, uses, events, places and opportunities to share in the future
- celebrate the heritage of the past and the possibilities of the future assembled through the music, art, and lively expression of the community.

The community and R/UDAT participants developed actionable recommendations that they defined as "Keys to the Future":

ESSENTIALS

- Security: Personal and Family
- Food: High Quality, Reasonable Prices and Nearby
- Education: Equipping All Learners for the Future
- Wellness

BUILDING THE COMMUNITY

- Existing and New Housing
- Neighborhood Maintenance and Infrastructure
- Employment: Training and Opportunity Building
- Transportation and Access

AMENITIES AND PROJECTS

- Recreation, Parks and Facilities
- Buy Local
- Signature Projects
- Signature Events

MOVE FORWARD, RESPECT THE PAST

- Embrace Demographic Change
- Elevate the Legacy of the Fifth Ward
- Be Connected

2. Independence Heights

Independence Heights - Northline Livable Centers Study -
Houston-Galveston Area Council: May 2012

The Independence Heights – Northline Livable Centers Study aims to further the goals of the Houston-Galveston Area Council's (H-GAC) Livable Centers Program. The study addresses the application of the Livable Centers program
goals in the identified study area, including identification of community and transportation improvements that could leverage private investment and improve the quality of life in the project area.

This plan made possible by a partnership between H-GAC and the Greater Northside Management District, and in cooperation with Independence Heights Redevelopment Council and Northline Development.

The plan aims for the following goals:

- Create quality, walkable, mixed-use places.
- Create multi-modal travel choices.
- Improve environmental quality.
- Promote economic development.
- Address historic and cultural preservation.
- Estimate potential for private investment to be leveraged from public improvements.
- Plan and design street, sidewalk, signage, and lighting improvements, including developing cost estimates.

A number of framework projects were identified as possible projects for the area. From this framework plan, the community and clients developed a vision plan of projects to be moved forward. The projects identified included:

- Circulation and Connectivity:
  - Pedestrian Friendly Routes
  - Interstate 45 Crossing
- Public Space
  - Neighborhood Parks Plan
  - Demolition Strategy
  - Increase Food Security
  - Safety in Neighborhoods
- Community Development Pattern
  - Demolition Strategy
  - Food Security
  - Library
  - Schools - including a middle school
  - Family and Community Support Services
  - Affordable and Diverse Housing
- Economic Development
  - Crosstimbers and N. Main Streets

  Implementation
  - Transit Oriented Development at Northline Light rail terminus
- Placemaking, Historic Preservation and Branding
  - Burgess Hall Redevelopment
  - Historic Preservation
  - Gateway and Signage - including locally owned businesses

1.1 REVIEW OF EXISTING STUDIES

3. Magnolia Park

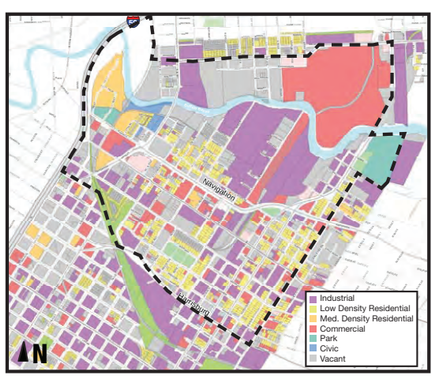
Magnolia Park falls within the Greater East End Management District (GEEMD). The following two summaries are for studies conducted within the GEEMD.

THE GREATER EAST END URBAN VILLAGE DEVELOPMENT POTENTIAL - Greater East End District / Better Houston: February 21, 2012

This report assessed the Development Potential of this strategic area so closely linked to Downtown, Buffalo Bayou, and the history of the City. It is reinforced by the new Dynamo Soccer Stadium in EaDo (East Downtown), and by increasing under-served demand for urban living and convenient access to transit.

The Greater East End Management District (GEEMD) is working to achieve the following goals and objectives:

1. To stimulate real estate development, job creation,new businesses, retail shops and cultural venues (including specialty museums).
2. To provide an exciting, walkable mixed-use environment that engages its Buffalo Bayou frontage.
3. To provide a range of housing choices and prices in a traditional neighborhood setting.
4. To provide multi-modal access to Metro's Harrisburg LRT line.
5. To provide the necessary infrastructure, including "complete streets" and a potential streetcar line.
6. To expand the tax base and tax increment revenues, following a practical and ambitions special purpose urban district or (SPUD) plan.
7. To activate the banks of Buffalo Bayou with pedestrian and bicycle connections to Downtown.



The GEEMD vision includes the following:

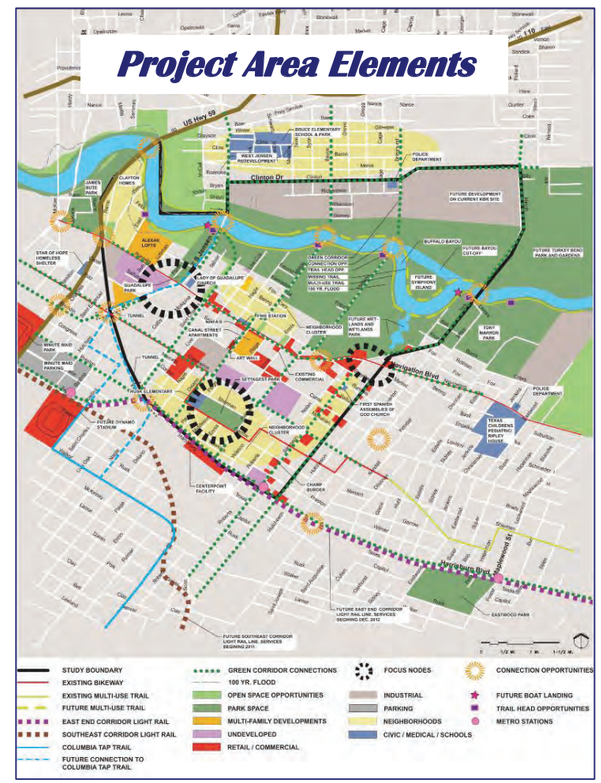
1. Expanded real estate and business investment along Harrisburg Blvd, Navigation Blvd and in the Commerce / Canal Urban Village Center, based on an adopted COH General Development Plan.
2. Expanded community involvement; participation in the planning process.
3. Re-use of the old streetcar line as part of a new streetcar circulator loop.
4. Establishment of an Entertainment / Museum Venues as local and visitor destinations.
5. Creation of a planned development district (Special Purpose Urban District or SPUD) guided by a General Development Plan supported by standards and financial incentives for high quality urban development based on the adopted plan. This includes expansion of the TIRZ (Tax-Increment Reinvestment Zone).
6. The first proposed SPUD is the Sampson-York corridor, with a mixed-use TOD (Transit Oriented Development) around METRO's York LRT station.
7. Creation and support to a variety of new businesses and shops.
8. An area-wide network of green space and pedestrian walks and bikeways, with "green fingers" extending from Buffalo Bayou.
9. Traditional mixed-income residential neighborhoods adjacent to a mixed-use Urban Village Center, linked by streetcar.

EAST END LIVABLE CENTERS PLAN - Houston-Galveston Area Council: May 2009

The East End Livable Centers Plan examined a variety of transportation modes for the area that included walking, biking and transit while also identifying opportunities for economic, environmental and "quality of place" benefits for the region.

The East End Livable Centers project addressed the following needs:

- Conceptual Master Plan
- Plan to Improve Pedestrian/Transit Access
- In fill/Mixed-Use Strategy and Land Use Program
- Conceptual Design of Guadalupe Park and Surrounding Area
- Urban Form Vision of Navigation Boulevard and Surrounding Neighborhoods
- Measurable Benefits of Resulting Reductions in Vehicle-Miles Traveled (VMT)
- Measurable Emission Reduction Benefits
- Economic Benefits
- Cost Estimates and Funding Sources



1.1 REVIEW OF EXISTING STUDIES

4. Near Northside

NORTHSIDE LIVABLE CENTERS STUDY - Houston-Galveston Area Council: August 2010

The goal of the Livable Centers Study is to identify improvements that create neighborhoods that are compact and mixed use, designed to be walkable and connected and accessible within the Northside District. The future MetroRail through Northside provides an important public investment in the neighborhood that can help to initiate this goal. The Study seeks to build off of this resource with focused public and private improvements that guide short and long-term growth. The overall vision for the neighborhood is to create a place with a strong local identity that is safe, connected, walkable, vibrant and green while preserving and enhancing existing historic and cultural resources.

The Study recommends a number of key elements focused on overall neighborhood structure, connectivity and circulation, pedestrian and bicycle amenities, parks and open space, land use and urban form and design guidelines. These recommendations are summarized below::

- Identification and emphasis of the Quitman and Fulton Street area as the “heart” of Northside.
- Encourage mixed use retail development along North Main Street, Fulton Street, Quitman Street and Irvington Boulevard.
- Encourage new development within the southern section of the neighborhood including the Hardy Yards District, University of Houston - Downtown District and Warehouse District.
- Encourage the continuation of the regional open space network along the Little White Oak Bayou, including neighborhood connections.
- Encourage pedestrian and streetscape improvements along main north-south and east-west streets as well as streets within close proximity of new transit stations.
- Identification of key locations for smaller neighborhood parks and open spaces including transit plazas.
- Encourage lower density in fill development opportunities within smaller vacant and under-utilized properties throughout the neighborhood.
- Encourage medium density in fill development opportunities within larger vacant and under utilized properties including near Fulton and Patton Streets, Burnett Street, and North Main Street.

5. Sunnyside

SUNNYSIDE CORRIDOR AND SH 288 CORRIDOR SCREEN LINE STUDY - METRO: November 2010

In an effort to proceed with the METRO Solutions Phase 3 plan for transit improvements, METRO conducted screen line studies in the Sunnyside and SH 288 Corridors. The study provided METRO with in-depth knowledge and information on the viability of transit operations within the Corridors. The results of this study also served as a basis for a community dialogue on regional transit services.The study identified the primary goals for the Sunnyside and SH 288 Corridors is to improve the transportation system in the corridor by maximizing mode choice and mobility with environmentally sensitive transit projects that encourage economic development and revitalization. The objectives are to:

- Maximize the use of transit in the corridor
- Improve transit operating efficiency within the corridor with no or minimal need for additional right-of-way

The project goals and objectives are as follows:

Goal 1: Develop a multi modal transportation system.

Objectives

- Improve transportation system accessibility and connectivity
- Reduce the time necessary to travel to and between the primary job markets and activity centers
- Improve transportation options for socially, economically, and physically disadvantaged groups
- Reduce dependency on automobile
- Provide an alternative to highway travel delays and congestion by means of additional transit capacity and quality

Goal 2: Improve the efficiency, reliability, capacity, and safety of existing transportation facilities.

Objectives

- Provide direct transit connection to major activity centers
- Provide area residents with enhanced transit options for a variety of trips within the corridor and region
- Provide more direct connections between residential and commercial activities
- Provide safe, reliable, and secure transit services

Goal 3: Preserve social integrity and support of urban communities.

Objectives

- Connect high volume pedestrian activity centers
- Serve existing and future high-density residential populations
- Provide transit investment supportive of redevelopment/development and land use plans
- Minimize traffic impacts on local streets within the study area
- Minimize impacts during construction
- Minimize right-of-way requirements

Goal 4: Plan for transportation projects that enhance the quality of the environment.

Objectives

- Improve air quality by reducing automobile emissions and pollutants
- Protect sensitive areas such as wildlife habitats, wetlands, flood plains and historic and cultural sites
- Provide a transit option to the amount of land used for parking and encourage a sense of place and neighborhood

Goal 5: Develop projects that are financially feasible.

Objectives

- Provide equitable transportation services and benefits to all geographic areas and constituencies
- Provide for equitable sharing of the costs of transportation improvements among those who benefit from them
- Maximize the economic benefits gained from transit capital investments.
- Be affordable to construct and operate

TASK 1 B

Existing Conditions + National Best Practices

1.2 Existing Conditions of Housing Stock

1.2 EXISTING CONDITIONS OF HOUSING STOCK

Houston's existing housing stock is divided into mostly single family homes and mutli-family units (or apartment units). The figure to the right illustrates the amount of affordable housing across the city, mainly dictating the central core within the inner loop has much more concentration of affordable housing. It is cognizant that the wealthier, less affordable housing moves westward towards Memorial Park, the Woodlands, Fort Bend, Sugarland, and the River Oaks areas. When comparing this to the many multi-family units in Houston, the observation we can make is that much of the smaller grain multi-family units in the center of the city is mostly affordable housing while the many in the outskirts of the city account for higher-end condos or apartments particularly in the southwest region of Houston. Further analysis of the housing stock within the Mayor's nine target areas should note a variety of housing types both at market rate as well as affordable housing. Mixed income housing is key to growth and success of certain node activity and access to housing for a number of demographic types.

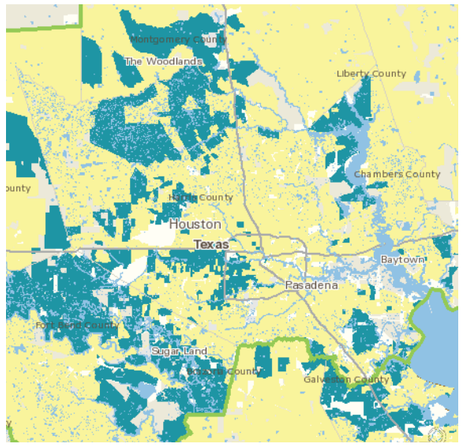
SINGLE-FAMILY UNITS

AFFORDABLE HOUSING <30% OF INCOME

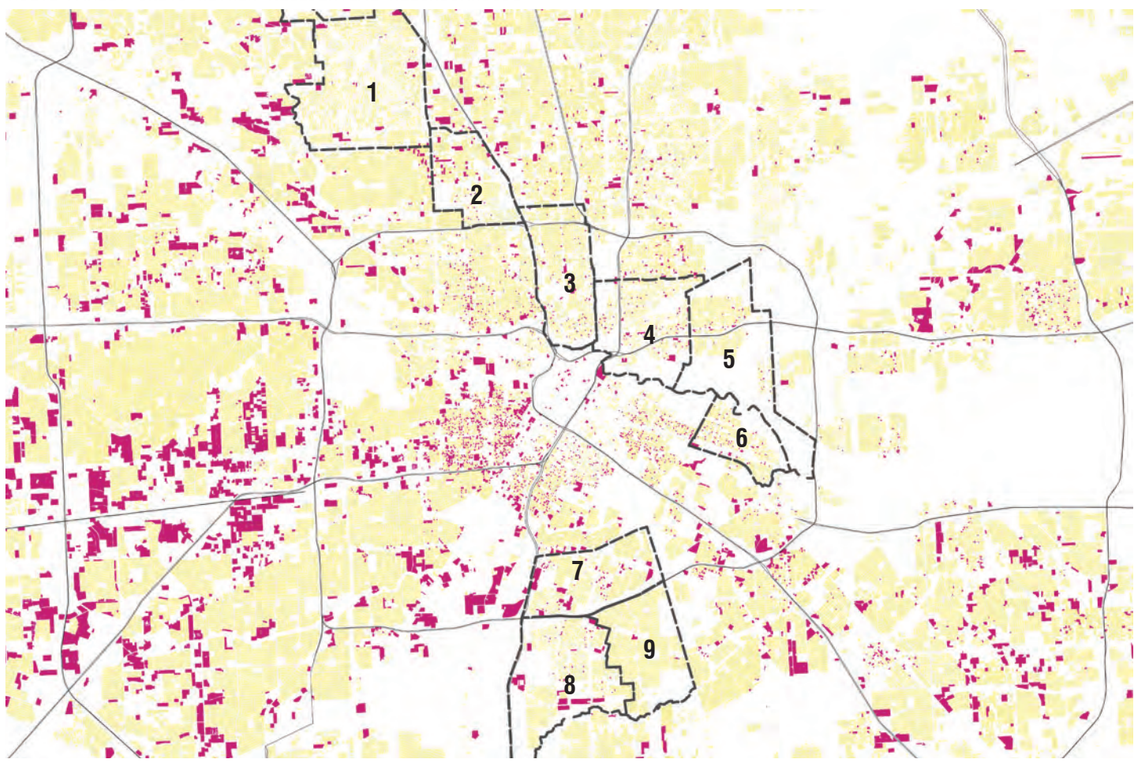
MULTI-FAMILY UNITS

UNAFFORDABLE HOUSING >30% OF INCOME

Source: AFFORDABLE HOUSING, CNT 2010



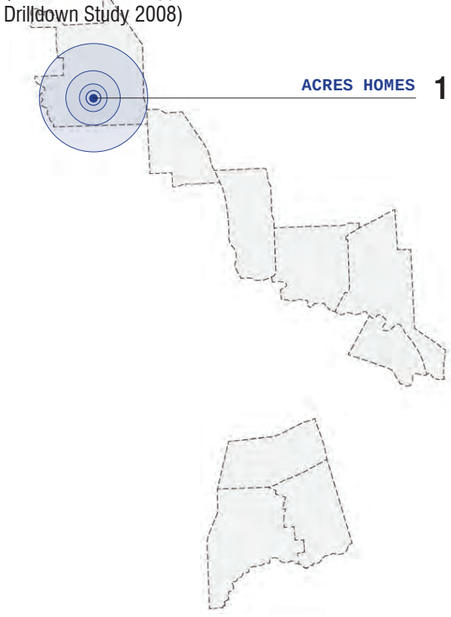
MULTI-FAMILY UNITS WITHIN RESIDENTIAL NEIGHBORHOODS



Source: CITY OF HOUSTON, 2012

The Acres Homes community is a 9 square mile area of land in northwest Houston, TX just north of the 610 loop. Also named Neighborhood 44, the area is loosely bounded by Pinemont Drive to the South, N. Shepherd to the East, Gulf Bank to the North, and Antoine to the west. It carries both urban and rural characteristics where many underdeveloped parcels act as a checkerboard pattern, sparse and spontaneous. As of 2002, Acres Homes had 8,548 housing units of which 31% were rental units. There are many shotgun houses as well as rather high-end homes in the west. Most areas have no curbs, no sidewalks, and very few storm drains and the region is predominantly residential, lacking commercial and industrial activities.

Some of the community neighborhoods in the area include: Carver Place, Garden City, the Highlands, Inwood, Lincoln City, Melrose Gardens and Willow Run. There are a total of 25,646 residences in zip codes 77088 and 77091 with resale values from $40,000 to $170,000. Rental homes are limited but range in price from $600 to $1,000. Apartments include Tidwell Estates, Fountain of Tidwell and Wood Glen Village of which occupancy is 80%-95%. (Source: BlockShopperHouston 2013, Houston Drilldown Study 2008)

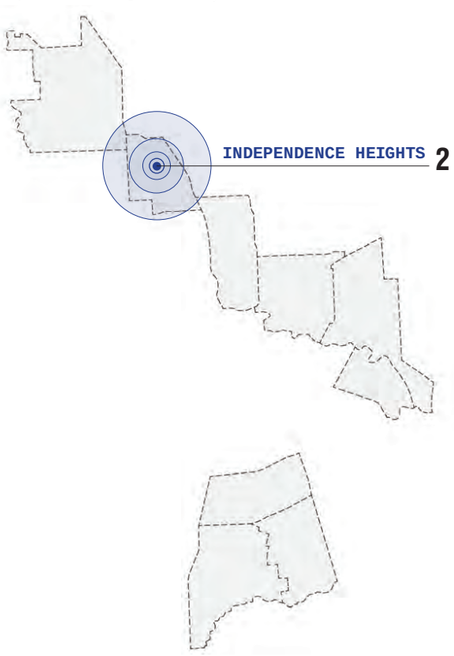


1.2 EXISTING CONDITIONS OF HOUSING STOCK

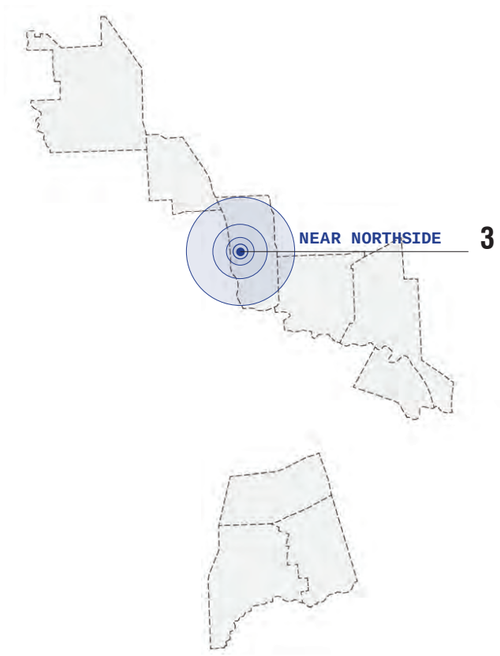
The Independence Heights neighborhood is a historic part of Houston was the first African-American municipality in Texas. The community is bounded by Tidwell to the north, Shepherd Drive to the west, the 610 Loop to the south and I-45 to the East. Housing conditions in the area is undergoing revitalization as of the Ike Storm in 2008.

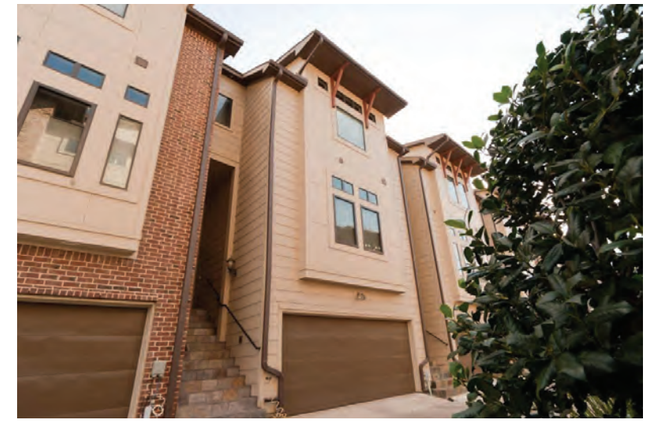
Currently, 37.7% of the 2,598 housing units in the market area are owner-occupied, 43.3% are renter-occupied and 18.9% are vacant. The annual rate of change since 2000 has been .68%. Median home value in the market area is $49,266 while the value in the United States is 192,285. From 2000 until today, the median home value changed by 2.84% annually.

Immediately outside of the area, Low Income Housing Tax Credits were used to build affordable housing, including Northline Apartment Homes by Stone Arch Development through a partnership with Capital One Community Finance and Raymond James Tax Credit Funds (Source: HGAC Livable Centers Study-Independence Heights, 2012).



The Northside Village is a historic neighborhood located in the boundaries of I-45, Hardy Street, Burnett Street, and Cavalcade Street. A portion of the neighborhood, from I-10 to edge along Main Street is a part of the Main Street Revitalization Corridor. A major rail yard lies on the neighborhoods' southern edge leaving only two streets to connect the northern and southern half of the neighborhood. There is also a rail yard that defines the eastern border of the community. The southern two-thirds of the area holds older Victorian gabled wood framed homes that dates back to the 1880's and 1890's. The northern piece includes Lindale Park with its large lots and more substantial homes. Alongside which, the major commercial corridors run along North Main and Fulton. The total number of households is 10,149 units, of which 1,177 are single family homes over 4 subdivisions, Crescent Park Village housing the most. The median sale price ranges from $117K to $158K. (Source: BlockShopper Houston 2013-data tracks the last 12 months of sales).

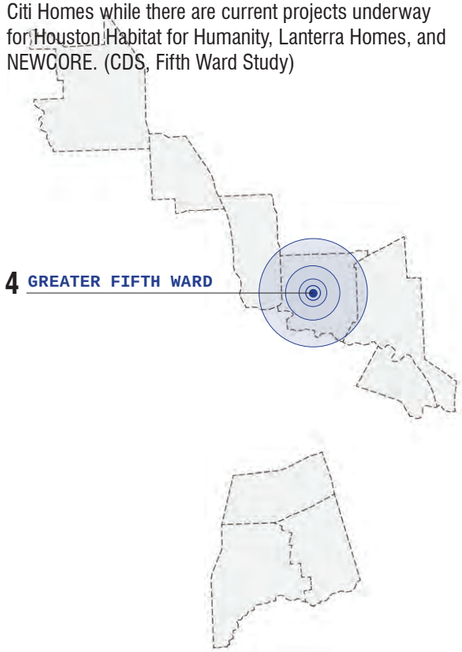




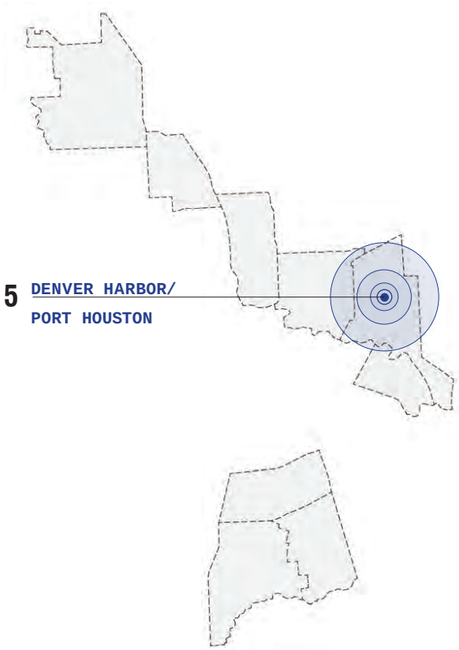
1.2 EXISTING CONDITIONS OF HOUSING STOCK

The Greater Fifth Ward neighborhood is bounded by Buffalo Bayou, Jensen Drive, Liberty Road and Lockwood Drive. It was created from the First Ward as well as the Second Ward. Lots within the area are slowly picking up in housing revitalization with the construction of new town homes and single-family units. Compared to the City of Houston, the neighborhood has a much larger share of single-family detached homes, an additional 24.8%. There is consequently a much higher rate of renters within these single-family detached units.

Home values in the area have increased in the past nine years by 40%, while the Consumer Price Index increased by 24% noting the value growth of single families. Multi-family properties report strong occupancy but, low rent levels. The weighted average rent in complexes within the area is currently $573 per month. Multi-family properties have an average built year of 1969 and are rather old in age. Some, of course have reported renovations and modernizations within the past 20 years. Some of the recent developments include Heritage Homes, Kelly Village and New Citi Homes while there are current projects underway for Houston Habitat for Humanity, Lanterra Homes, and NEWCORE. (CDS, Fifth Ward Study)

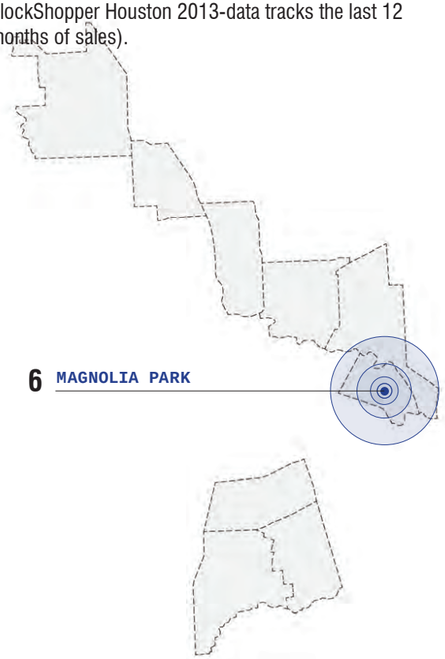


Denver Harbor/ Port Houston is another historic community located in East Houston near the Houston Ship Channel, which is bounded by Wallisville Road, the Houston Belt and Terminal Railroad, the Southern Pacific Railroad, and the Port Authority Railroad. The area contains many historic bungalows and cottage homes from the 1900's and is known to be a primarily residential area. The median price in this neighborhood ranges between $28K in Houston Harbor and $299K in Kingsport. There is a total of 4,846 single family units over 10 subdivisions with Denver having nearly one-third of the units (BlockShopper Houston). The total number of households as of 2007 is 6,006 with an average household income is $47,687. The percentage of occupancy per unit is 56% while per building is 68.6%. Consequently, the median home sale value is $83,790. (Source: Houston Drilldown Study 2008)



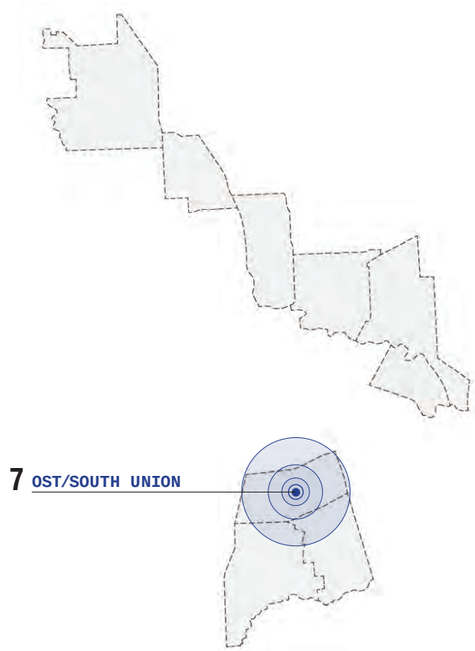
1.2 EXISTING CONDITIONS OF HOUSING STOCK

Magnolia Park is in East Houston just south of Denver Harbor/ Port Houston. It is one of Houston's oldest Hispanic neighborhoods. Magnolia Park borders the Ship Channel just south of the Turning Basin, north of Rusk and east of Terminal Road. It is an area of mostly single-family homes with a hand full of multi-family units that are well-maintained. There are nearly 5,302 single-family units over 10 subdivisions with Magnolia Park holding nearly 1/5th of the units. The median sale price ranges from $70K- $200K (Source: BlockShopper Houston 2013-data tracks the last 12 months of sales).



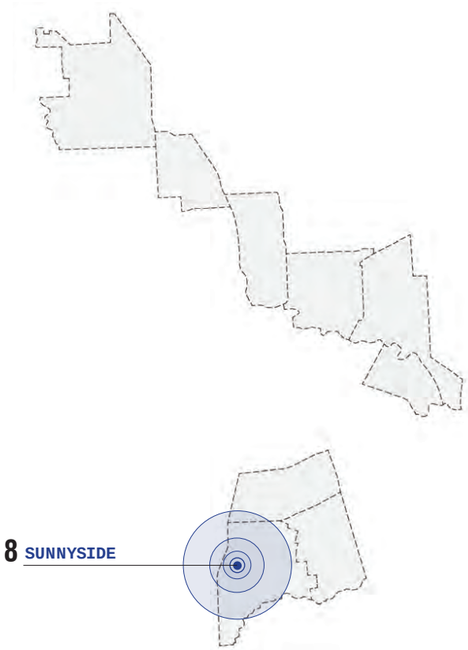
The Old Spanish Trail/ South Union neighborhood (super neighborhood 68) is bounded by Old Spanish Trail (US-90) on the north, SPUR 5 and the rail on the east, 610 Loop on the south and State Highway 288 on the west. It is home to several new redevelopment projects such as the Houston Texans YMCA, the new Young Branch Neighborhood Library, KIPP Academy, Peck Elementary and the METRO Southeast Line which are increasingly advocating new residential types in the area. There has been new additions of high-end homes just north of the OST in Riverside Terrace.

The total amount of single-family homes in the area are subdivided across ten subdivisions (5,696) with Riverside Terrace holding the maximum amount of new units at 1,354. The median sale price ranges between $53K (South Union) and $250K (Riverside Terrace). There are only a handful of multi-family units that are affordable housing in the area. (Source: BlockShopper Houston 2013-data tracks the last 12 months of sales)



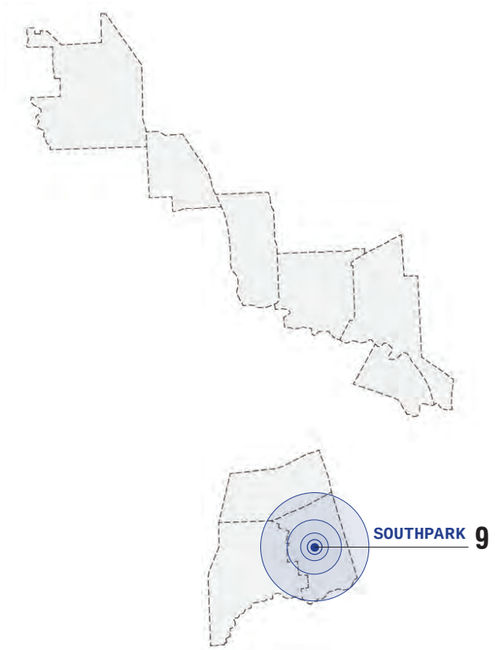
1.2 EXISTING CONDITIONS OF HOUSING STOCK

Sunnyside is a community in southern Houston and is located outside of the 610 Loop off State Highway 288 south of Downtown. It once housed one of the city's landfill and waste incinerator, and several salvage yards, which, by 2008, had been converted to a park. New houses began to appear in 2007, but is a "true food desert" with the lack of accessible grocery stores. The total number of households is equivalent to 9,342 with an average household income of $37,165 as of 2007 (Houston Drilldown Study 2008). The total number of single family units is 4,294 over 10 subdivisions with Chocolate Bayou Estates housing the maximum number of 995. The percentage of owner occupancy by unit is 46.9% while the owner occupancy by building is 64.7%, at an average home sale value of $76,833. (Source: BlockShopper Houston 2013-data tracks the last 12 months of sales)



The Southpark neighborhood is located a few miles south of McGregor Park and directly south of the 610 Loop. A few small and well-maintained houses share the area with deteriorating properties and vacant lots. By 2000, many houses adjacent to MLK Boulevard were converted to house commercial usage where there are many abandoned businesses, junk yards and vacant homes. As of 2007, the average household income has been $41,052. As of the same year, the median housing sale value has been $77,705. Most homes in the area are one-story structures, many of which have cedar shank siding and some have aluminum siding. Total number of household as of 2007 in the neighborhood is 8,098 (Houston Drilldown Study 2008).

There are about 10 subdivisions in the area, of which the South Park subdivision contains the maximum number of single family units at 1,577. The number of single family units is currently at 8,943 (data tracks the last 12 months of sales-BlockShopper Houston 2013).



TASK 1 C

Existing Conditions + National Best Practices

1.3 Recent Public Improvements
1.4 Needs Assessment Summary

1.3 RECENT PUBLIC IMPROVEMENTS

ACRES HOMES

- White Oak Bayou Trail. Currently the White Oak Bayou Trail extends 7.4 miles from 11th Street north to Antoine Dr. Many park amenities exist on this stretch of trail. The trail is proposed to extend from Alabonson to Beltway 8 and from 11th Street to the existing White Oak Heritage Trail West creating a connection from the Acres Homes area into Downtown and other areas along the trail.
- Fire Station #67 Expansion
- W. Little York Paving & Drainage
- Pinemont Pavinf & Drainage
- Gulfbank Paving
- Acres Homes Multi-Service Center Expansion

Renovation of house in Acres Homes

INDEPENDENCE HEIGHTS

- John F. Kennedy Elementary School. A new campus for Kennedy Elementary School opened in 2011, located at 400 Victoria Drive in Independence Heights.
- Metro North Line Rail. The North Line Metro rail is currently under construction. The rail will reach the Northline Commons Mall across I-45 directly east of Independence Heights.
- Airline Drive Drainage and Paving

Burrus Elementary School schoolyard greening

NEAR NORTHSIDE

- Metro North Line Rail. The North Line Metro rail is currently under contruction extending the existing Red Line by 5.3 miles through the heart of the historic Northside neighborhood. Starting at the University of Houston-Downtown station, the line runs north on North Main to Boundary, crosses east to Fulton, then proceeds north to Northline Commons Mall and the Northline Transit Center.
- Crawford/Sherman Elementary School. Crawford/Sherman Elementary School is currently under construction at Lorraine Street between McKee and Terry Streets with a planned move-in for the Fall of 2013.
- Addition of the Commerce Street Building and Shea Street Building to the University of Houston Downtown campus.

Crawford/Sherman Elementary School

GREATEAR FIFTH WARD

- New Playground on Curtis at Benson Street. NBA superstars, in town for All-Star weekend, made a stop in Houston's Fifth Ward to help build a much needed playground.
- Kennedy Place. This former 60-unit development was demolished in 2009 and redeveloped with federal stimulus funds from the Dept. of Housing and Urban Development.
- Sakowitz Apartments. The 166 unit New Hope affordable housing community is the first LEED for Homes certified affordable housing in the state of Texas.
- Lyons Village mixed-use project.

2424 Sakowitz Apartments

DENVER HARBOR / PORT OF HOUSTON

- Nieto Park Splash Pad. A new splashpad was installed at Nieto Park.
- Freeway underpass improvements at Wayside and I-10.
- Tree planting at Wayside between I-10 and 610.
- Market Street Paving - Lockwood to Wayside

Denver Harbor Civic Club Esplanade Beautification

MAGNOLIA PARK

- Metro East End Line Rail. The 3.3 mile East End Line (Green Line) travels along Harrisburg from the Magnolia Park Transit Center through the historic East End to a variety of downtown entertainment and business destinations.
- Brays Bayou Trail. Existing 10 foot wide concrete trails run through Mason Park and alongside Gus Wortham Golf Course.
- Stanaker Neighborhood Library Building Renovation
- Hidalgo Park Improvements

Magnolia Park Metro Station

1.3 RECENT PUBLIC IMPROVEMENTS

OLD SPANISH TRAIL/SOUTH UNION

- Phase II improvements to the Park at Palm Center
- Metro Southest Rail Line from Downtown to Palm Center is currently under construction.
- OST & Griggs Road Landscape Improvements
- New library at Griggs Road/Martin Luther King, Jr. Blvd.
- Construction of Peck Elementary in recent years.
- KIPP PEACE Elementary School
- KIPP Liberation College Prep

Esplanade Improvements

SUNNYSIDE

- KIPP Sunnyside High School
- Sunnyside Health Center + Multi-Service Center Replacement
- Houston Community College

KIPP: Sunnyside High School

SOUTHPARK

- KIPP Zenith Academy, KIPP Spirit College Prep
- Sunbeam Neighborhood Depository
- MLK Blvd. Drainage and Paving

KIPP: Zenith Academy

1.4 NEEDS ASSESSMENT SUMMARY

The City of Houston Needs Assessment is a collaborative effort with state officials and the community to provide a successful strategy for Round 2 Housing programs towards renewing and revitalizing neighborhoods affected by Hurricane Ike. Through community outreach and planning efforts, the City aimed to undergo a mixed fund process in key nodes of existing communities. The targeted areas are Acres Homes, Independence Heights, Northside Village/ Greater Fifth Ward/Denver Harbor/Magnolia Park, and OST/South Union/ Sunnyside/South Park.

The purpose of the approach is to establish a long-term agenda to making nodes in the target areas into "neighborhoods of opportunity" that will stabilize neighborhoods and promote ethnic and economic diversity. The resources needed would be Community Development Block Grant Disaster Recovery Round 2.2 Funds and City involvement.

The purpose of the document was to track the demographics, income categories, proposed uses for the disaster funds and activity in the regions damaged by Hurricane Ike.

The identified disaster recovery funds were targeted two ways:

1. targeted areas within the areas selected as in need of repair in the public meeting process;
2. by income category based on the amount of damage that occurred at the time of the storm.

In the end, the Needs Assessment was created to help direct program funds and serve as a basis for outreach and planning for housing in Round 2.

The organizations and individuals involved in determining the allocation of the Community Development Block Grant Disaster Recovery Round 2.2 Funds included Mayor Annise Parker, Civil Rights and Housing Advocates from Houston, Fair Housing Complainants with the assistance of Enterprise Group provided by HUD National Headquarters and key staff of the Housing and Community Development Department. In the process, information was gathered for areas from the LISC and community groups to hold public hearings that would advise the groups to better understand the conditions and needs in each of the targeted areas.

Source: City of Houston Needs Assessment March 2013

FIGURE 9-1: FUNDS BY ACTIVITY		
General Housing Activity Funding Available	$152,215,565	100%
Single Family Activities for Round 2	$ 63,076,220	41.4%
Rental Activities Round 2	$ 58,846,754	38.6%
LMI Subsidized Rental	$ 30,292,591	20%
Homebuyer Assistance Program	$0	0%

Figure 9-1: Fund allocation between programs

Source: City of Houston Needs Assessment March 2013

FIGURE 9-2: HOMEOWNER ASSISTANCE PROGRAM FUNDING		
Activity within Homeowner Assistance	**Percentage of Funding**	**Actual Funding Available**
Homeowner Assistance	100%	$ 63,076,220
Total	**100%**	**$ 63,076,220**

Source: City of Houston Needs Assessment March 2013

FIGURE 9-3: RENTAL ACTIVITY PROGRAM FUNDING		
Activity within Rental Activities	**Percentage of Funding**	**Actual Funding Available**
Multi Family Rental	89%	$52,433,966
Single Family Rental	11%	$ 6,412,788
Total	**100%**	**$58,846,754**

Source: City of Houston Needs Assessment March 2013

FIGURE 9-4: LMI SUBSIDIZED RENTAL		
Activity within LMI Subsidized Rental	**Percentage of Funding**	**Actual Funding Available**
LMI Subsidized Rental	100%	$30,292,591
Total	**100%**	**$30,292,591**

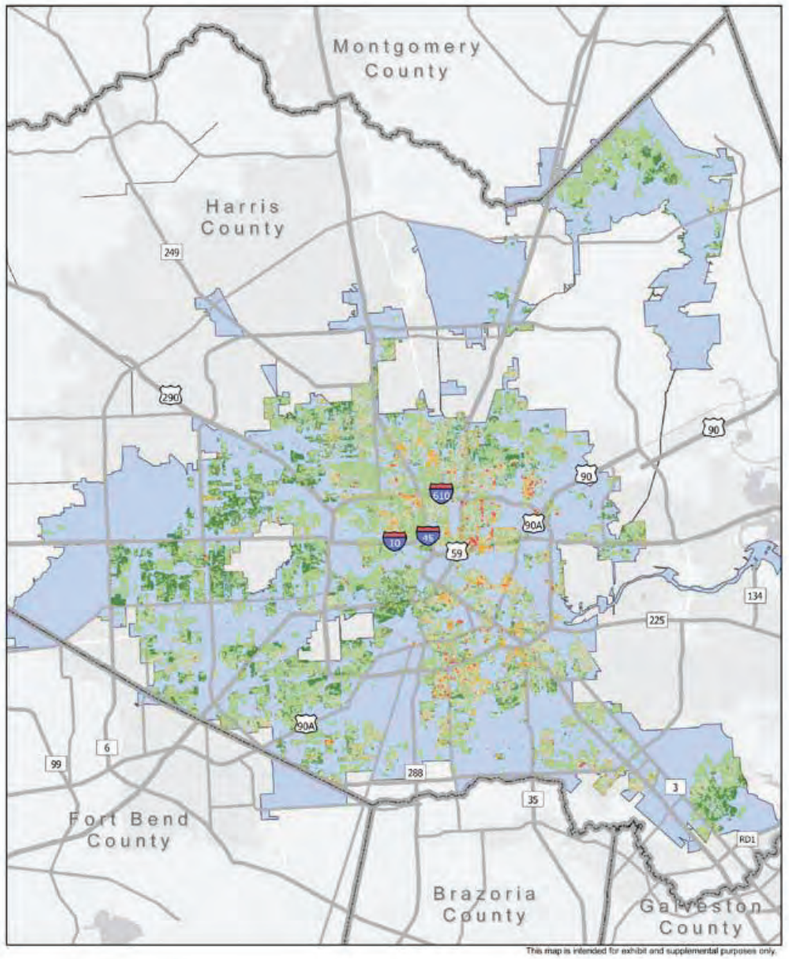
Figures 9-3 & 9-4: City determined funding priorites within categories

Source: City of Houston Needs Assessment March 2013

FIGURE 5-1: REGIONAL DAMAGES BY INCOME CATEGORY[2]			
Population Bracket	**Total Damages**	**Bracket % Allocation**	**Damages per Population Bracket**
VLI (30% AMFI and below)	$ 4,641,526,959.00	37%	$ 1,724,716,598.10
LI (31% to 50% AMFI)	$ 4,641,526,959.00	29%	$ 1,357,091,507.35
Mod (51% to 80% AMFI)	$ 4,641,526,959.00	34%	$ 1,559,718,853.55

Figure 5-1: As part of the assessment, the City determined the amount of funds per income category based on the Very Low, Low and Moderate Income damages. The following figures illustrates "income buckets" that will set aside for each income category used in conjunction with the targeted areas for the outreach plan. The City then follows to establish reasonable guidelines to ensure that the housing needs of low, very low and extremely low income households are met.

1.4 NEEDS ASSESSMENT SUMMARY

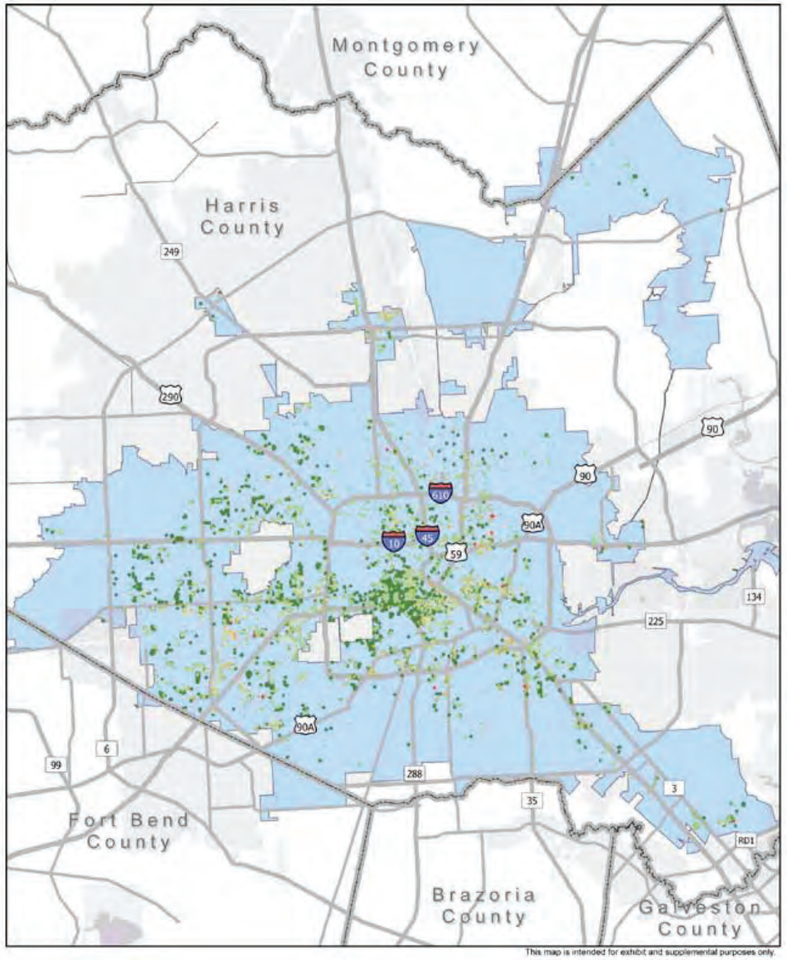


Single Family Damages

ODL	Count	Estimated Damage
0	174,644	$ 0
1	202,726	$ 2,391,689,464
2	19,102	$ 578,386,221
3	2,369	$ 80,416,273
4	328	$ 16,213,479
Total	399,169	$ 3,066,705,437

Multi Family Damages

ODL	Count	Estimated Damage
0	33,101	$ 0
1	23,564	$ 685,286,642
2	5,419	$ 777,644,534
3	204	$ 109,330,265
4	25	$ 1,651,077
Total	62,313	$ 1,573,912,519

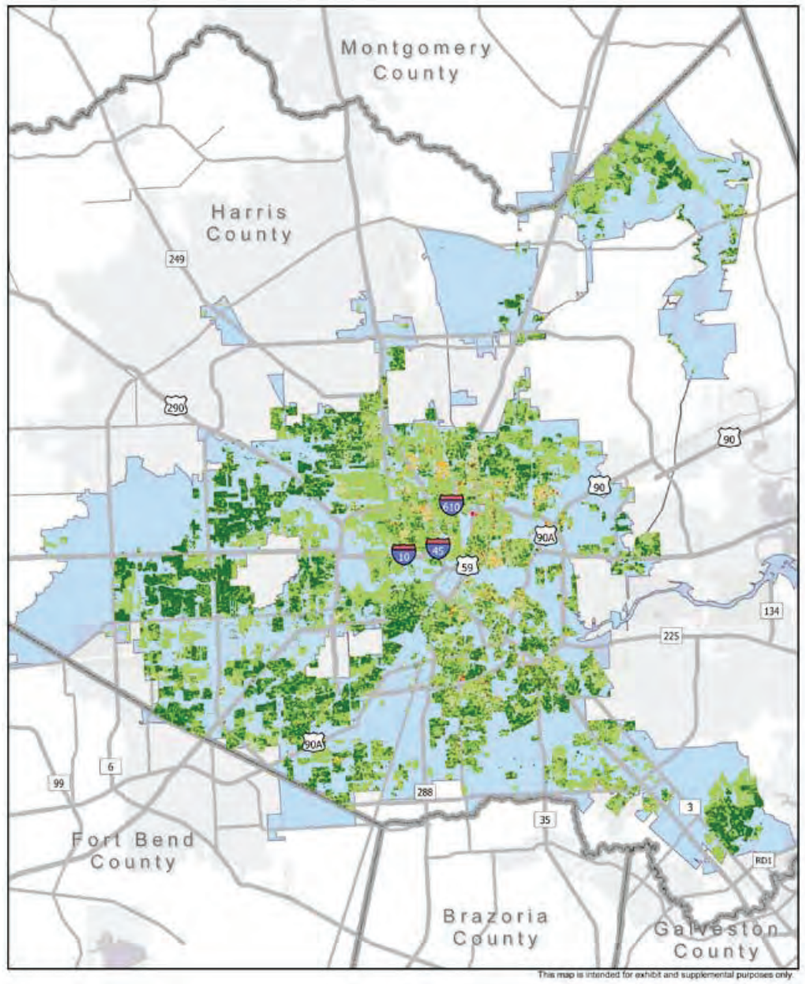


The Needs Assessment included the required targeted areas of concentrations of racial and ethnic minorities of 65% or greater, concentrations of poverty 35% or greater, and FEMA High Risk areas augmented with demonstrated flood areas (those who had visible flood-prone issues and those that experienced more than two calls to 311 services over the past five years). The Needs Assessment used these factors among others to identify flood risk areas in order to address the issue concerning lack of participation by flood prone area populations in federal programs that was raised in the State of Texas Phase 1 Analysis of Fair Housing Impediments.

The Needs Assessment discussed the City's demographics including difficulties that arise in affirmatively furthering fair housing in a majority minority community. In addition, it highlights that the City had $4,641,526,959 in damages directly caused by Hurricane Ike.

It is important to note that a small percentage of funds went to families with incomes over 80% and only in the Homebuyer Assistance Program. The City invested heavily in multi-family properties in Round 1. Leasing figures on the assessment show that these units are mainly leased to persons in the 50% AMFI and below categories (Source: City of Houston Needs Assessment, March 2013).

1.4 NEEDS ASSESSMENT SUMMARY



Total Damages

ODL	Count	Estimated Damage
0	207,745	$ 0
1	226,290	$ 3,076,976,106
2	24,521	$ 1,356,030,755
3	2,573	$ 189,746,538
4	353	$ 17,864556
Total	461,482	$ 4,640,617,956

TASK 1 D

Existing Conditions + National Best Practices

1.5 National Best Practices (by Enterprise Community Partners + Perry Rose)

1.5 NATIONAL BEST PRACTICES

INTRODUCTION + PURPOSE

In looking at national best practices to help inform the selection and planning of community revitalization areas (CRA) for each of the target neighborhoods, we drew upon examples that may have more relevance and applicability to Houston area neighborhoods: geography, housing types, income mix, demographic trends, and neighborhood characteristics. In doing so, it quickly became clear that Houston may be unique in its efforts under the Disaster Recovery Round Two program (DR2) to create targeted community revitalization without public control of land or real estate parcels, as was often the case with the HUD HOPE VI public housing transformation and now the Choice Neighborhoods programs. The Houston approach almost requires, at least in concept, an intentional focus to identify emerging opportunities in pockets within these target neighborhoods that may already be trending in one direction or another, demonstrated by increased real estate activities and/or home values due in part to private market dynamics or the presence of near term public-sector capital investments such as light rail. The ultimate goal to transform today's largely poor and minority communities into mixed-income and racially-integrated, inclusive neighborhoods in one or more of these community revitalization areas will require careful planning and coordination of investment strategies, supported by sound market data, and a sustained involvement of the public sector in partnership with private and nonprofit partners, civic organizations and community residents.

Before incorporating market data and specific proposals from multi-family developers and potential development projects of the Houston Housing Authority, we can say from observations and site tours that the area encompassing the Northside Village/ Fifth Ward presents the most interesting market and community dynamics. Significant and sustained public investments in this area may capture the momentum of a changing market to anchor the mix of housing affordability and inclusiveness. The Northside Village neighborhood and its nearby Hardy Yards, in particular, represents an interesting neighborhood of emerging opportunity. Because of its proximity to downtown, the large land assembly and planned access and infrastructure improvements, this area will eventually redevelop. Land values in the Hardy yards will probably increase dramatically once infrastructure improvements have been completed. Therefore, taking advantage of the current opportunity to locate affordable housing in this area may be a once in a decade opportunity. In addition, the development of affordable housing in Hardy yards may act as a catalyst and encourage more rapid redevelopment in the area. There are definite possibilities in the OST MLK transit corridor that warrants careful analysis, especially due to its proximity to the University of Houston campus, soon to be accessible by light rail. Independence Heights is an interesting community with a very engaged civic base. Its selection as a livable community pilot also puts it in the mix for further study and analysis.

Sunnyside, South Park and Acres Homes are communities dominated by single family housing and a few poorly maintained apartments, the lack of sidewalks, older drainage systems, each of which individually presents an opportunity for revitalization, but collectively will present significant challenges due to the need for huge public investments such as infrastructure resources, the communities' relatively large footprint areas, and the relative lack of easy access to job centers. There may be an opportunity to build a large self-contained mixed-income and inclusive development on a major land parcel in one of these neighborhoods, with a phased approach and sustained public/private investments, though much of such a development's success will be market dependent and its impact on the surrounding community unknown.

Furthermore, there are neighborhoods in Houston that may benefit from targeted application of Homeowner Assistance Program funding without the accompaniment of multi-family or single family rental. For example, the community members of Acres Homes have been very clear in multiple public meetings that they would prefer only single family residential assistance. Because of this, the planning team recommends that the City consider leveraging up to one-third of its Homeowner Assistance Program funding to provide disaster recovery assistance outside of the CRAs.

SUMMARY OF NATIONAL BEST PRACTICES

A few case studies stood out early in our research and actual experiences that provide valuable lessons for the proposed DR2 activities in Houston. They include:

- A HOPE VI public housing redevelopment in Seattle's High Point neighborhood
- The Curtis Park/Five Points neighborhood revitalization effort in Denver, Colorado
- Faubourg Lafitte and the Treme neighborhood in New Orleans, Louisiana
- Central Platte Valley, Denver, Colorado
- Barrio Logan, a set of transit-oriented development (TOD) in San Diego, California

Highlights of some of these best practices are provided in the following sections.

1. A HOPE VI Public Housing Redevelopment Project in Seattle's High Point Neighborhood
   (Source: U.S. Department of Housing and Urban Development, *http://www.huduser.org/portal/bestpractices/study_04092012_1.html*; Seattle Housing Authority)
   See Appendix C for HUD's High Point Best Practices

2. The Curtis Park/Five Points Neighborhood Revitalization Effort in Denver, Colorado
   (Source: "Five Point District," Cities and Towns Online)

3. Faubourg Lafitte and the Treme neighborhood in New Orleans, Louisiana
   (Source: Enterprise Community Partners, Gulf Coast Office)
   See Appendix A for LaFitte Project Summary
   See Appendix B for Underwriting Guidelines

4. Central Platte Valley, Denver, Colorado

6. Barrio Logan, a set of transit-oriented development (TOD) in San Diego, California
   (Source: http://www.sandiego.gov/redevelopment-agency/barriolo.shtml)

1.5 NATIONAL BEST PRACTICES

High Point, Seattle Washington [1]

High Point Community Housing developed by Seattle Housing Authority

Redevelopment at High Point incorporates the community and the environmental sustainability of the area on a 120-acre former public housing development. It calls for creating a safe, high quality and healthy residential environment with a range of housing types and affordability, from very low income to market rate. The redeveloped High Point became fully integrated with the surrounding community over ten years (2000-2010) with a total development cost of $550 million in public and private investments.

New streets have been realigned and reconnected with the West Seattle grid, new neighborhood facilities and community services operate at more inviting locations, and the mix of housing and resident income levels are more compatible with the greater neighborhood.

Seattle Housing Authority has worked from the start to include residents and community members in redevelopment planning. Through many meetings and collaborative design workshops, the residents and planners kept their eyes on making High Point a home for children and people of all ages and cultures. More than 450 High Point residents and their West Seattle neighbors participated in design surveys and hands-on workshops to shape the vision for High Point.

Place making is an ongoing process, and programs focused on afterschool activities, daycare, healthcare and community gardening, keep residents engaged as neighborhood stewards.

As a result of the decade-long redevelopment, High Point has grown to include hundreds of affordable and market-rate units with a final build-out of approximately 1,700 units, doubling its original density. Most homes have private yards and porches and sit on safe streets with controlled traffic. The homes show great variety in architecture, with varying character and styles on each block.

Proceeds from the land and home sales have helped fund low-income housing in the neighborhood and elsewhere. In addition, the land has been returned to the city's property tax rolls, where it can generate revenues to help keep the neighborhood economically self-sufficient.

[1] http://www.huduser.org/portal/bestpractices/study_04092012_1.html

Street Right-of-Way in the High Point Neighborhood

Community Playground

1.5 NATIONAL BEST PRACTICES

High Point, Seattle Washington

The completed High Point neighborhood includes housing units for residents with very low incomes (50 percent of area median income or below) and low incomes (80 percent or below) in addition to market-rate rental and for-sale housing. About half of High Point's 1,700 units are occupied by market rate households. High Point is now one of the most ethnically diverse neighborhoods in West Seattle. The following table shows the final income mix at High Point[2].

Housing Type	Income Category	Number of units
Public housing	Very low income	350 (ACC supported)
Affordable rental (LIHTC)	Low income	250
Senior housing (rental)	Very low income	75 (project-based section 8)
Senior housing (rental)	Market	160
For sale housing	Low Income	56
For sale housing	Market	790
Total		1681

Table Illustrating Income Mix at High Point

The case study of High Point may lend particular relevance to communities with a large site (from 50 – 100 acres) where there is an opportunity for significant place-making. These sites will generally require master planning with design guidelines, new infrastructure, open space planning, and various community amenities, retail and other points of neighborhood connections. The redevelopment will likely need to be implemented in phases, due both to financial constraints and market absorption of the new units. It is crucial to have an anchor institution (in High Point's case it is the Seattle Housing Authority) acting as land developer and providing significant capital contribution as well as operating subsidies to the project. It is also important to note that the high number of very-low-income residents served at High Point (about 25% of housing units serve residents between 0-30% AMI) is only possible because of ACC and project-based Section 8 rent subsidies provided by the housing authority.

[2] Seattle Housing Authority

[3] "Five Point District", Cities and Towns Online

Five Points Neighborhood, Denver, Colorado

Curtis Park, Denver[3]: East and north of downtown is the Five Points district, named for the five-way intersection formed at Welton Street, 27th Street, East 26th Avenue, and Washington Street. One of Denver's first streetcar suburbs, Five Points had declined in recent decades, but is now on the upswing. The area around Welton Street has evolved into a vibrant mixed-use district that offers a direct link to downtown Denver via light rail. An unusual assemblage of critical properties for redevelopment has led the transformation of the district's Uptown and Curtis Park neighborhoods into two of Denver's most popular "up and coming" neighborhoods.

Three large, multi-block, multifamily housing projects—Uptown Square, Benedict Park Place, and The Villages at Curtis Park—have provided a catalyst for additional private investment on smaller scale. The Denver Urban Renewal Authority targeted its Single-Family Rehabilitation program in the Curtis Park neighborhood during the Curtis Park Hope VI process, resulting in the rehabilitation of hundreds of owner-occupied single-family homes and encouraging long-time residents to remain in the neighborhood.

Uptown Square, a pivotal mixed-use project in Uptown that has added younger dwellers and destination shops and restaurants, is located on the site of the former St. Luke's Hospital, between East 20th and East 18th Avenues. Designed by RTKL, the Post Properties project includes nearly 700 rental apartments spanning four blocks that were built in four phases. Block 2 incorporates the original 1941, six-story, Art Deco hospital building, converted into 70 loft apartments. Blocks 2 and 4 are "Texas dough-nut" typologies featuring a central parking structure wrapped with housing to contribute to the urban streetscape. A new city zoning designation allowed for this type of mixed-use urban living. The streetscape environment was made possible by the Denver Urban Renewal Authority, which contributed $8 million in public infrastructure costs.

The final block (Block 5) was sold to another developer. Park Avenue Lofts, developed by Martin Fein Interests, includes an internal parking structure wrapped with five stories of residential apartments clad in brick. The project seals the gap between Uptown Square and Park Avenue and contributes to a new urban edge that is being created along Park Avenue.

Directly north and east of Uptown Square, spanning Park Avenue to knit together the Uptown and Curtis Park neighborhoods, is the Benedict Park Place project. Formerly the East Village subsidized housing and Arrowhead Apartments public housing project, the 15-acre site was acquired by the Denver Housing Authority (DHA) and turned into a mixed-income project, which at buildout will consist of five phases. The DHA leveraged $20 million from a HOPE VI grant in 2002 into a total investment of $205 million.

1.5 NATIONAL BEST PRACTICES

Five Points Neighborhood, Denver, Colorado

The project's 873 units include 250 public housing rentals, 270 tax-credit workforce rentals, 149 market-rate rentals, and 204 for-sale homes, thus providing approximately 520 permanently affordable housing units in this rapidly gentrifying area. Parking structures wrapped with housing will be built on four of the five blocks. The first three blocks, designed by Humphries Poli Architects and Studio Completiva, have been completed, and Blocks 4 and 5 are under construction. This multiblock project has transformed the hard auto-dominated edge of Park Avenue into a pedestrian scaled street, and the increased density has brought new life to the area.

The Villages at Curtis Park consist of a patchwork of DHA-acquired properties in the Curtis Park neighborhood. These revitalized properties have helped to transform this once crime-ridden neighborhood with the help of $25.7 million in HOPE VI funds and $132 million total in community investment. Blake Street Flats, designed by Humphries Poli, ties into the Blake Street Corridor and includes 24 mixed-income rental apartments. Glenarm Place, adjacent to Benedict Park Place Block 3, includes 19 mixed-income apartments in flats and two-story townhomes. Trimble Place and Atzlan Park encompass five blocks in historic Curtis Park and include 435 mixed-income apartment units. A fourth phase of home ownership is also planned. Together, the nine blocks provide nearly 580 new rental and for-sale homes, which will help weave together the historic urban fabric of the neighborhood. The combination of both affordable and market rate units in the Curtis project guarantees permanent affordable housing in the neighborhood for existing and new low income families.

Since both Curtis Park and Benedict Park place were Hope VI developments, the income mix in these projects was 1/3 public housing (30% AMI), 1/3 Low Income Housing Tax Credit Projects (60% AMI) and 1/3 market rate. However, in the smaller for-sale projects described below, the income mix was 100 percent market rate for projects with less than 30 units. In for-sale projects over 30 units the income mix was defined by Denver's Inclusionary Zoning Ordinance (IHO), which requires that 10% of the units be affordable to families making 80% of Denver's AMI. The IHO units are also deed restricted for 30 years, and can only be sold to another qualified affordable buyer.

The smaller infill development projects by the private sector have followed these larger-parcel investments, with the mix of large and small-scale redevelopment in Denver's oldest residential neighborhoods adding eclectic character and greater diversity. One such project is Merchants Row Brownstones, designed by in situ DESIGN. The six-unit project is modeled after New York brownstones, with raised stoops addressing the street. Large terraces and balconies offer indoor/outdoor living with views of downtown and the mountains.

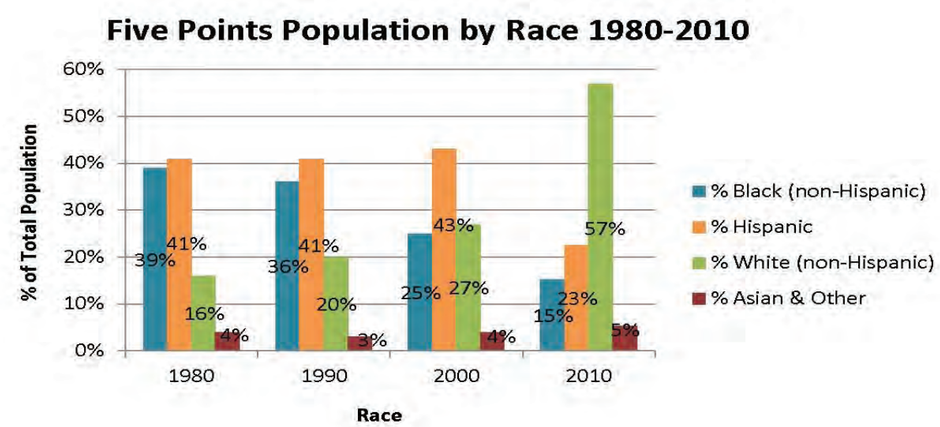
More than 40 neighbors in the Curtis Park Investors Group have funded development of the project, located on an important corner lot at 26th and Champa streets. The group previously developed the Champa Terrace townhomes, located in the 2900 block of Champa. That project won the Governor's Award for Downtown Excellence for being "a true urban infill project that came to life as neighborhood activism focused on detail and quality."

Five Points Historic Neighborhood

The Five Points Neighborhood, including its non-profit Community Development Corporations (CDC), the Denver Housing Authority, the Denver Urban Renewal Authority, the City of Denver, private developers and and a variety of active citizen neighborhood groups have been working on the issues of creating racial and economic diversity, affordable housing and balanced economic growth for the past 30 years. The Five Points neighborhood has undergone significant change during this period and progress has been made in achieving income and racial diversity.

Five Point's population declined significantly in the 1950s and many residents and property owners moved out. The number of households and the population dropped between the 1960s and the mid-1990s and in 2010 new urban dwellers slowly returned to the neighborhood increasing overall population and creating shifts in the racial composition. In terms of growth, Five Points was the third fastest growing Denver neighborhood between 2000-2010 and Five Points was the fastest growing urban neighborhood with transit and a location adjacent to the central business district. Seventy-three (73) other neighborhoods in Denver are growing slower or declining in population. With regard to income mix, Five Points remains a diverse setting that includes pockets in which incomes are both below and above the city averages. For example, the average family household income in 2008 in the Welton neighborhood was $31,195 versus $45,501 citywide. In the Downing neighborhood the average family household income in the neighborhood was $28,455 versus $45,501 citywide. However, in the Ballpark neighborhood the average family household income in the neighborhood was $51,607 versus $45,501 citywide.

Between 2000-2010, Five Points shifted from 'No Majority' to a 'White Majority' (see table below). Both African American and Hispanic population declined in Five Points. Similar racial shifts were visible in the three surrounding neighborhoods where the African American majority in 2000 (Northeast Park Hill, North Park Hill, and Skyland) changed. Norhteast Park Hill is now the only section with an African American majority in 2010. Several other Denver neighborhoods saw racial shifts or a shift from various categories to 'No Majority'. (Source: Piton Census Brief, Neighborhood Focus Report. Report online at: http://www.piton.org/census2010/)



Five Points Neighborhood Demographic Study of Race between 1980-2010

1.5 NATIONAL BEST PRACTICES

Faubourg Lafitte, New Orleans, Louisiana [4]

The Lafitte public housing development was constructed in 1941 with 896 units on a 27.2-acre site. Lafitte is located near the New Orleans central business district in the Tremé neighborhood.

The Housing Authority of New Orleans selected Providence Enterprise Orleans, LLC in August 2006 to redevelop Lafitte into a vibrant community to provide both affordable and market rate housing. The development team includes Providence Community Housing, a New Orleans-based nonprofit affordable housing developer; Enterprise Community Partners; and L+M Development Partners, a New York-based affordable and mixed-income housing developer.

REDEVELOPMENT PLAN

The new community, which has been renamed Faubourg Lafitte, will provide one-for-one replacement of Lafitte's pre-Katrina affordable units. It will eventually consist of 1,500 units on- and off-site comprised of affordable and market rate rental and for-sale units.

The 1,500 unit project is planned to be developed in two large phases, the first of which includes 812 units—568 rental units that were awarded Low Income Housing Tax Credits (LIHTC) and Community Development Block Grant (CDBG) funding in December 2006 and 244 workforce/market units. Of the first 812 units, 295 units will be constructed in the surrounding neighborhood and 517 units will be constructed on the former Lafitte site (376 will be rental units affordable to households earning up to 60% AMI, 52 units will be homeownership units and 89 will be apartments at unrestricted rates or at rates affordable to households earning up to 80% of AMI).

	Affordable							Market (Includes some 80% AMI rentals and Homeownership)			Total
	ACC Only	ACC/ LIHTC	PBS8	PBS8/ LIHTC	LIHTC Only	Home-Owner	Sub-total	Rental	Home-Owner	Sub-total	
Phase I On-Site	30	141	70	95	40	0	376	89	52	141	**517**
Phase I Off-Site	0	0	0	192	0	0	192	0	103	103	**295**
Total	**30**	**141**	**70**	**287**	**40**	**0**	**568**	**89**	**155**	**244**	**812**

Table Illustrating Housing Affordability

At this time, 276 of the on-site units are complete and fully occupied. Those 276 units are all tax credit-funded affordable units, and almost 50% of the occupants are pre-Katrina Lafitte residents.

The units in the surrounding neighborhood include 75 completed and occupied homeownership units that are a mix of new construction and historic rehab. The first sub-phase of the offsite rental program, the 34-unit Tremé Cottages, is a rehab development that is 70% complete. The development team also closed on a scattered-site LIHTC rental project in December 2011. This sub-phase of the offsite component consists of the rehabilitation of 28 houses comprised of 38 units. The houses were originally located within the footprint of the nearby VA Hospital site, but were moved to lots in controlled by Providence to avoid demolition. Rehabilitation of the homes commenced in January 2012 and is 100% complete with all units occupied.

[4] Enterprise Community Partners, Gulf Coast Office

CONSTRUCTION AND AMENITIES

Faubourg Lafitte will be part of the neighborhood through a reconnected public street grid and the development of infill housing. The overall design is strongly influenced by the rich, architectural styles found in the surrounding neighborhoods of Tremé and Tulane-Gravier and the community was planned with the input of former residents and neighbors through a series of charettes.

All of the Green Communities Certified new homes will feature modern amenities, including:

- Energy Star appliances -- refrigerators, dishwashers, dishwashers, washers and dryers
- Energy efficient central heat and air conditioning
- Off-street parking
- Access to community gardens
- Extensive landscaping and mature trees
- Front porches and back yards

Faubourg Lafitte is also on the Lafitte Greenway which will link neighborhoods from the French Quarter to City Park via a landscaped biking and walking trail.

Single-Family Homes reconstructed to include various amenities

Reconstruction of porches and Neighborhood Sidewalks in Faubourg Lafitte

1.5 NATIONAL BEST PRACTICES

Faubourg Lafitte, New Orleans, Louisiana [4]

RESIDENT SERVICES + RECREATION

The Sojourner Truth Neighborhood Center (STNC) is the hub for support services for Faubourg Lafitte residents and the Tremé community. Re-opened in 2009, STNC provides quality, enriching, engaging and creative programs to promote economic and emotional stability by offering resources and tools to improve quality of life and maximize strengths. STNC programs focus on four asset-based components: employment, youth development, wealth development, and health & wellness. Programs include group exercise classes, health seminars, financial and computer literacy, employment referrals, resume assistance and soft skills training. We also offer a senior program that promotes exercise, socializing and healthy meals. Our youth development program includes a structured afterschool program focusing on academic achievement, music and arts, a tennis program and Girl Scouts.

Some noteworthy facts: (as of May, 2013)

- The redevelopment of Lafitte has directly or indirectly caused Whole Foods to redevelop a vacant grocery store 4 blocks away. An independent grocery store a few blocks away, closed after Hurricane Katrina due to flooding, also re-opened.
- A couple of charter schools are under construction – one a direct result of Lafitte families joining together to advocate for it.
- A new Greenway/bike and walking path is being built across the street from Lafitte, which is now within walking distance of a huge new hospital complex.
- The streetcar line is being extended near Lafitte.
- Private investors and homebuyers are investing in single familysingle-family properties nearby.

A development such as Lafitte is unique due to a parallel approach combining mixed-income housing on 27-acre site with three hundred units of scattered-site, in-fill single-family rental and for sale houses in the surrounding neighborhood. Demand for the off-site affordable rentals has been overwhelming. Residents love the scattered-site, single-family homes and duplexes; as well as the low-density on-site housing. The one- and two-unit rentals are very popular and hold up better because they have no common hallways or stairways. Demand for one-bedroom rental apartments were stronger than expected. Many young adults who grew up at Lafitte/Treme returned to the neighborhood and are now living on their own, close to their families. Once again, the ability of Faubourg Lafitte to serve a large number of residents between 0-30% AMI is due to the ability of the Housing Authority of New Orleans to contribute a significant number of public housing operating subsidies (ACC) for very low-income units on site, and almost 200 project-based Section 8 vouchers to support the affordability of the off-site single family rental units for very low income residents, because of the Housing Authority and the development team's commitment for one-for-one replacement of low income public housing in the redevelopment process.

Neighborhood Children having the ability to enjoy neighborhood amenities

[4] Enterprise Community Partners, Gulf Coast Office

Central Platte Valley, Denver Colorado- *Railyard Revitalization*

As the city's birthplace in 1858 at the confluence of the South Platte River and Cherry Creek, the Central Platte Valley began as a mix of low-density residential and commercial uses and grew over the next several decades to become the heart of the fledgling community. By the mid-1900s, due to nearby Union Station, the CPV had evolved from a mixed-use neighborhood into a major rail yard, industrial, and warehouse area. By the 1980s, the decline in freight and passenger rail left the CPV and the Union Station area in a state of significant decay, with crumbling infrastructure, empty buildings, and vagrants.

After forging a redevelopment plan in the late 1980s, Denver made major investments in the form of replacing/removing the Valley's old viaducts, building Commons Park and opening the area up for redevelopment. East-West Partners purchased much of the land and has been leading the Valley's redevelopment since the late 1990s with their Riverfront Park project. Today, the Central Platte Valley is one of Downtown's most vibrant mixed-use districts. As the chart below indicates land prices in the valley have increased from $1.50 per square foot in 1991, to over $150 per square foot in 2000 and the most recent land sale in 2013 was over $220 per square foot.

The increase in land prices, development and gentrification that has occurred are the result of the fact that the City of Denver, the Denver Urban Renewal Authority and the Regional Transportation District have invested over a billion dollars in public funds in infrastructure, highway, transit and open space improvements in the valley over the past 25 years. These public investments have included:

1. On going Comprehensive Planning
2. Mainline consolidated at Mid-valley
3. Clean-up of Hazardous Wastes
4. Flood control study and improvements
5. Viaduct replacement projects: to increase connectivity to downtown and the neighborhoods
6. Other Connectivity Projects (Speer Blvd. Viaduct, Park Avenue Viaduct, Delgany Interceptor, Auraria Parkway)
7. Public Amenity Anchors: Coors Field, Pepsi Center, Aquarium, Commons Park and other Riverfront open space improvements
8. Formation of various Business Improvement, Urban Renewal and Economic Development Districts
9. Pedestrian connections to Lower Downtown Historic District (Millennium Bridge)
10. Connectivity to Highlands Neighborhood (Highlands Bridge)
11. Multi-model Transit Station at Denver Union Terminal

These public investments have leveraged a significant amount of private investment and the Central Platte Valley has become some of the most valuable urban property in the City of Denver and a prime spot for increasing urban development. More than 3,000 people now live in over 1,600 condos and apartments in eight residential projects. Office buildings have been developed and now thousands of people work in this once barren area.

Location of the Central Platte Railyard before construction

Location of the Central Platte Railyard after start of construction

1.5 NATIONAL BEST PRACTICES

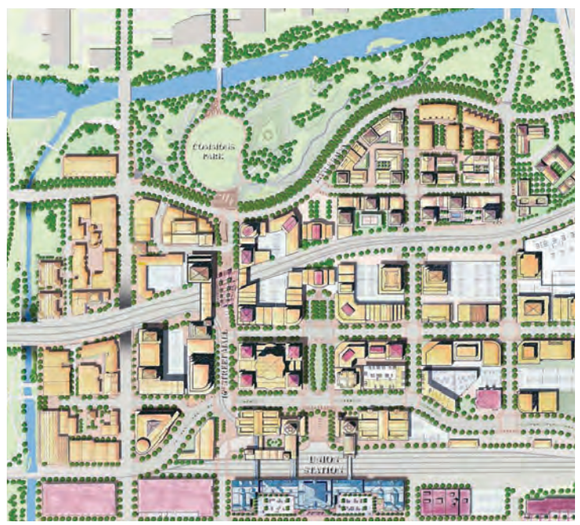
Central Platte Valley, Denver Colorado- *Railyard Revitalization*

In short, the Central Platte Valley has undergone massive redevelopment since the late 1980s. The area is now comprised of open space, cultural and entertainment facilities, and mixed-use housing, office and retail. While considerable land remains to be developed, the Central Platte Valley now has a mix of lower height to high-rise residential development and some commercial buildings. The Millennium Bridge is a dramatic pedestrian bridge that connects Central Platte Valley with Lower Downtown; its sophisticated architecture reflects the character of the district. It is one of three bridges that connect downtown with the Highland neighborhood to the northwest. To the north, the Prospect sub-district includes Coors Field, and is a mixed-use area with residential, restaurant, office, industrial and some new retail.

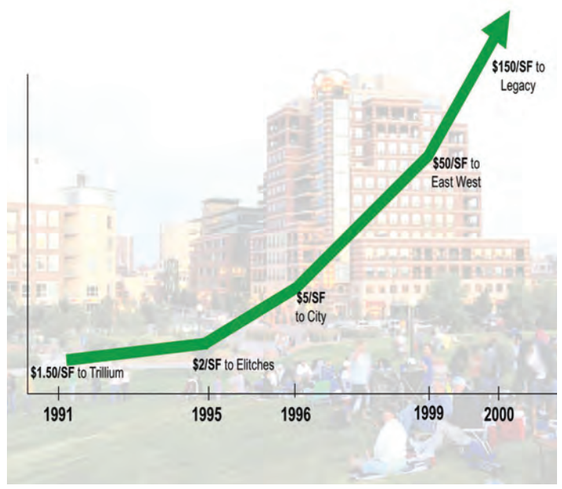
The southern part of the district (Auraria) abuts the Auraria Higher Educational Campus (including Metro State College, Denver Community College and the University of Colorado at Denver) and contains large entertainment uses, including Elitch Gardens and the Pepsi Center; the Downtown Aquarium, Children's Museum and REI are across the river. Large parking lots serve these facilities and characterize the area. Future opportunities to densify these areas are beginning to emerge as transit use increases and parking demand declines.

Speer Boulevard and 20th Street Viaduct are major roads that act as barriers for pedestrians within the district. To the west, Interstate 25 divides the Central Platte Valley from the Highland and Jefferson Park neighborhoods, however new pedestrian bridges extend the 16th Street connection from Commons Park to North Denver and LoHi across I-25 has become one of the hottest and most rapidly gentrifying neighborhoods in the city.

The Central Platte Valley will continue to attract mixed-use development in the coming years. With its open spaces and park amenities and connectivity the Valley will continue to grow.



Central Platte Railyard development plan



Cost of price index per square foot in the area

However, even with all of these improvements, development in the Central Platte Valley has not included a significant amount of workforce or affordable housing. Early plans included a recommendation that all market rate development (including both commercial and residential developments) should be required to pay a 10% housing fee to promote affordable housing. However, when the market softened in the early 90's and land prices declined citywide, the concept of requiring a housing fee was dropped. This concept was replaced by a complex requirement that at least 200 affordable for-sale and/or affordable rental residential units would be produced in a certain time frame. In addition, development of affordable housing in the Central Platte Valley was regulated by a specific affordable housing plan that contained provisions similar to the provisions now included in the City of Denver's Inclusionary Housing Ordinance. This plan required for-sale projects to devote approximately 10% of the units (or pay a fee in lieu) to house families earning 80% to 100% AMI or less and to deed restrict these units for 15 years. Under the specific affordable housing plan including both for-sale and rental regulations only about 70 units of affordable for-sale housing (in one project) and 90 units of affordable rental have been built in the Central Platte Valley. The rental units serve families earning 50% to 80% of Denver AMI and are required to remain affordable for 15 to 30 years. In essence, the net outcome of Denver's Central Platte Valley affordable housing requirements is that approximately 150 of the units produced have been affordable to families earning from 50% to 100% of the Denver AMI and these units are deed restricted for periods ranging from 15 to 30 years. Although a 200 unit affordable housing apartment project (4% LIHTC with 40% of the residents at 60% AMI) is currently being considered, Denver has lost a significant opportunity to develop affordable housing within walking distance of the central business district and today the Central Platte Valley is not racially or economically diverse. In fact, home prices, rents and incomes in the Central Platte Valley are almost 2 to 3 times higher than the averages for the City as a whole. For example, the average estimated 2009 value of housing units in 5-or-more-unit structures (88.7% of all units in the Central Platte Valley) were $738,500 versus an average of $254,175 for the City as a whole. Average rents in the Valley are $1069 versus $752 citywide and the average household income in 2009 in the Central Platte Valley was $81,393 versus $46,410 for the City as a whole. These statistics demonstrate that without careful planning, incentives and regulation, market forces on their own will not result in the development of affordable housing in neighborhoods directly adjacent to downtown and racial and economic diversity will not be a part of market driven redevelopment of close in, older industrial areas such as rail yards. Another lesson learned is that, as the affordable housing regulations become more complex, prescriptive and highly inflexible, the less likely they are to be implemented and to actually produce the desired affordable housing. In essence, simple, easy to monitor regulations with administrative flexibility to adjust to changing circumstances are more effective than complex inflexible regulatory structures.

Read more: [http://www.city-data.com/neighborhood/Central-Platte-Valley-Denver-CO.html#ixzz2TGJ2Hkbl]

Central Platte Railyard Revitalization

1.5 NATIONAL BEST PRACTICES

Barrio Logan Neighborhood

There are many Transit Oriented Development success stories involving affordable housing. San Diego's transit oriented Barrio Logan neighborhood is one of those stories. Barrio Logan is one of the oldest and most culturally rich urban neighborhoods in San Diego. From historic beginnings in the latter part of the 19th century to the vibrant mix of uses and people who reside and work in Barrio Logan, the neighborhood has played a vital role in the City's development. The Barrio Logan community is a living example of the change and evolution that have continuously shaped the area's cultural heritage, development patterns, economic opportunities, and social fabric.

Barrio Logan, once called Logan Heights and due to its connection to the community now east of Interstate 5, has a long history as a working-class Mexican-American community. Its early days as a base for homes and businesses for primarily Mexican immigrant workers helped shape the community into an important working class neighborhood.

As the influx of Mexican migrant workers created a dominant presence in Barrio Logan in the 1910s and 1920s, many industries relied on the laborers that settled in Barrio Logan and set up neighborhood shops and services.

The construction of Interstate 5 and the San Diego-Coronado Bay Bridge (State Route 75) in the 1960s fragmented the community into smaller areas that were cut off from each other. These events, together with other impacts on the mixed pattern of land uses, serves as a defining element of the neighborhood.

In the late 80's and the early 90's, the neighborhood began work on the Barrio Logan Redevelopment Plan. Based on this plan, the project area is experiencing a vigorous revitalization with the recent addition of over 350 affordable housing units, and the groundbreaking of the long awaited Mercado del Barrio project that will bring a local grocery market, neighborhood supporting retail and more affordable housing (91 units) to the area. The Mercado will provide a unique residential and commercial mixed-use district within the heart of Barrio Logan. The 6.8-acre site will include Latino-themed supermarket, neighborhood retail and restaurants all built to exceed USGBC LEED standards. Public amenities include art elements, pedestrian walkways, landscaping and plazas. The other affordable multi-family projects in the neighborhood include the Mercado Apartments (1994) consisting of 144 affordable housing units, Gateway Family Apartments including community meeting rooms and serving 42 low and very low-income families, ranging from 30% to 60% AMI, La Enstrada Family Apartments (2009) providing 85 units of affordable housing, Los Vientos Family Apartments (2009) providing 89 units of affordable housing serving low and very low-income families, ranging from 30% to 60% AMI. In addition, the Redevelopment Agency implemented a community and home improvement program featuring the renovation of 26 Barrio Logan homes occupied by low-income homeowners earning less than 120% of the AMI ($89,880). Other community improvements included painting out graffiti, pulling weeds, repairing fences, hauling away trash and debris, planting trees cleaning-up and beautifying the public right-of-way. (See photos to the right)

In 2007, Barrio Logan was the subject of a study about gentrification presented at the 6th Annual Partners for Smart Growth Conference. The findings of this study examined indicators of gentrification including:

- High Percentage of Renters (Barrio Logan: 86% vs. San Diego 50%)
- High percentage of minorities (86% Hispanic)
- Low-median Income (Barrio Logan Median Income of $30K vs. San Diego of $74K)
- Easy access to Downtown and other job centers
- Increasing metropolitan congestion
- Close proximity or adjacent to new Transit Line or Transit Station
- Comparatively low housing values (Median Barrio Logan monthly rent of $436 vs. $714 in San Diego; Barrio Logan Median house value of $111K vs. San Diego of $230K).

Barrio Logan

Green Street Community Enhancement Events

January 2010, June 2010, November 2010, May 2011

Large Debris Removal/ House Face Lift

Trash Removal

Home Face Lift

Graffiti Removal

Tree Plantings

Power Washing

FOOTNOTE: http://www.sandiego.gov/redevelopment-agency/barriolo.shtml

1.5 NATIONAL BEST PRACTICES

Barrio Logan Neighborhood

The Gentrification Study recommended the following actions for Barrio Logan:

- Community Involvement
- Develop a Vision Plan
- Preserve and Expand Affordable Housing
- Significant Public Investment in Infrastructure and Amenities

The Gentrification Study's Specific Recommendations with regard to Affordable housing in Barrio Logan included:

- Promote a mix of Housing Choices in Appropriate locations
- Provide Infill Incentives particularly around Transit Oriented Development
- Enact Inclusionary Housing Requirements
- Provide density Bonuses
- Promote a mix of Rental and Homeownership

The Gentrification Study's Specific Recommendations with regard to Infrastructure in Barrio Logan included:

- Invest planning and building in roads, transit, storm water improvements, sewer and water facilities:
- Invest in planning and building schools, parks, libraries, community centers, police and fire stations, health care clinics, etc.
- Provide services including grocery store, medical services religious and social services.

FOOTNOTE:

[http://www.smartgrowthonlineaudio.org/np2007/115c.pdf]

Other community development lessons learned from Barrio Logan about revitalizing a mixed income, mixed-use, working neighborhood include:

- Create compact and walkable mixed-use villages of different scales within communities
- Create employment centers for a strong economy
- Create an integrated regional transportation network of walkways, bikeways, transit, roadways, and freeways that efficiently link nodes and centers to each other and to employment centers
- Create high quality, affordable and well-maintained public facilities to serve the City's population, workers and visitors
- Create balanced communities that offer opportunities for all San Diegans and share citywide responsibilities
- Respect the neighborhood's historic and cultural heritage and resourcess
- Utilize design guidelines to require a high aesthetic standard
- Create an open space network formed by parks, habitats and waterways
- Create diverse residential communities connected by the open space network and a clean and sustainable healthy environment
- Create safe, efficient streets for people

The 1991 redevelopment plan is currently being updated. One of the main goals of the Barrio Logan Community Plan Update is to expand and preserve the supply of affordable housing through the construction of new units as well as the preservation and restoration of the older homes in Barrio Logan. Due to the unique nature of the small lot development in Barrio Logan, other methods of development to achieve infill housing is encouraged. These methods include the development of companion units on the lower density residential sites as well as the development of live/work style units to accommodate working artists within the community and small lot housing that allows for smaller-scale housing units. Furthermore, shopkeeper units which allow families to live above commercial, retail and office space is encouraged as part of this plan. Review of the data identifies the following about Barrio Logan and about its relation to the City as a whole:

- Households in Barrio (persons per household) are generally larger than those in the City as a whole, with the median household size in Barrio Logan being approximately one-third larger
- The larger households in Barrio Logan generally live on less income than those in the City as a whole, with the median household income in Barrio Logan being approximately 45% lower.

The data indicates three specific needs within the Barrio Logan Community. First, there is a need for larger living units to accommodate typically larger households. Second, the current community is in need of affordable housing opportunities, based on generally lower household income and larger household size. Finally, the community could benefit from development of jobs that are comparable with the citywide median for wages within and adjacent to the community. Other key housing goals in the Barrio Logan Redevelopment Plan Update include:

- Achieve a diverse mix of housing types and forms, consistent with allowable densities and urban design policies.
- Rehabilitate quality older residential development and balance it with new development.
- Promote construction of larger housing units suitable for families with children by utilizing density bonus incentives.
- Provide development of housing that incorporates universal design standards for persons with disabilities.
- Encourage preservation and renovation of culturally and historically significant residential units and provide incentives to retrofit or remodel units in a sustainable manner.
- Preserve existing single-family homes, which provide affordable housing and contribute to Barrio Logan's unique character.
- Support development of companion units in lower density areas in order to provide additional residential units and opportunities for co-generational habitation as well as a financial tool for low-income homeowners to meet their mortgage obligations.
- Promote the production of very-low and low-income affordable multi-family rental housing in all residential and multi-use neighborhoods
- Create affordable home ownership opportunities for moderate-income buyers.
- Encourage the development of moderately priced, market-rate (unsubsidized) housing affordable to middle income households earning up to 150% of area median income.
- Promote homebuyer assistance programs for moderate-income buyers.
- Utilize land-use, regulatory and financial tools to facilitate the development of housing affordable to all income levels.

These goals and lessons could all apply to Houston's community revitalization areas and proposed affordable housing development projects.

1.5 NATIONAL BEST PRACTICES

STAKEHOLDER INPUT

In addition to regular meetings with the City and the Houston Housing Authority, the team held a number of consultative sessions with representatives of Texas Organizing Project (TOP), Texas Low Income Housing Information Service (TLIHIS) and Texas Appleseed. See Appendix xx for the minutes from these meetings.

After reviewing the complete analysis of market data, the availability and placement of public improvements, the quality of multi-family proposals, and consulting with the advocates, the City narrowed the potential neighborhoods of emerging opportunity to five final Community Revitalization Areas (CRAs). These areas are: 1) the Greater Fifth Ward; 2) Near Northside Village; 3) SW Sunnyside; 4) the Old Spanish Trail/ South Union neighborhood; and 5) Independence Heights.

After narrowing the potential neighborhoods of opportunity, we revisited the case studies to be examined and began to refine the best practices and lessons learned from the national cases studies. We again met with the City and representatives from Texas Low Income Housing Information Service (TLIHIS). At this and a follow up meeting, advocates expressed concern about preserving long-term affordability of for-sale single-family housing in these neighborhoods and requested that best practices regarding the issue of preserving long-term for-sale housing affordability be added to the analysis. Therefore, we added a subsequent section about best practices related to long-term preservation of for-sale affordable housing and have included a copy of Preservation of Affordable Homeownership: A Continuum of Strategies by Rick Jacobus and Jeffrey Lubell in Appendix D as reference.

LESSON LEARNED

Essential elements of a healthy community

What the national best practices collectively tell us about neighborhood transformation:

- Incorporate housing types (rental and for sale) with quality design and a range of affordability options for residents of all ages and household composition
- Always strive to achieve more density, especially close to transit
- Where applicable, include green infrastructure, sidewalks, open space, parks and functioning drainage systems to encourage walkability and sustainable design
- Invest in public amenities such as schools, health clinics, libraries, police substations
- Encourage and promote investments in retail and commercial activities that serve the neighborhoods (e.g. shopping, supermarkets)
- Location near transit is a definite asset, though transit alone may not be sufficient to transform a distressed neighborhood into a mixed-income or mixed-race community
- Location near or easy access to job centers and major employers (downtown offices, universities, medical centers, manufacturing, hospitality industry such as hotels) is an important factor
- Careful phasing of the infrastructure, housing and commercial elements of the project is a key to effective revitalization. The infrastructure cost of each phase must be balanced with the land sales revenue produced by the vertical development to insure that upfront infrastructure costs do not unduly burden the project
- Presence of active, coherent civic and community organizations is critical to the long-term success of these transformed neighborhoods.

Income Mix Approaches

Unlike HOPE VI and the Choice Neighborhood programs, Houston is quite unique in its efforts under the Disaster Recovery Round Two program (DR2) to create targeted community revitalization without public control of land or real estate parcels, as was often the case with the HUD HOPE VI public housing transformation and now the Choice Neighborhoods programs.

In most HOPE VI/Choice Neighborhoods and national case studies involving transforming of public housing developments, the generally accepted income mix is a 1/3-1/3-1/3 distribution of public housing (supported by public housing operating subsidies or project based Section 8 contracts), low-income housing (funded in part by equity investment from Low Income Housing Tax Credits but without operating subsidies), and market rate, unrestricted rental or for sale housing. This income mix reflects three important facts unique to this program:

(a) Public housing authorities are reducing the concentration of very low-income residents from 100 percent to 30 percent on the redeveloped site, and replacing these subsidized units elsewhere in the city through hard units or tenant-based rent vouchers. The introduction of moderate- and market-income units is essential to transforming these historically distressed communities into stable and inclusive neighborhoods.

(b) Public housing authorities, while able to serve residents earning up to 80% of area medium income (AMI), are most often serving residents earning between 0-30% AMI. Housing Authorities receive annual contributions contracts (ACC) and Housing Assistance Program (HAP) or Section 8 contracts through congressional appropriations from the U.S. Department of Housing and Urban Development. These contracts provide rent subsidies to fill the gap between the portion of affordable rent paid by the low-income renter (defined as no more than one-third of renter's monthly earned income for rent and utilities), and actual operating expense for maintaining that rental unit. In Houston, rental units generally cost $4,500-5,000 to operate per year, regardless of tenants' incomes or rents received.

(c) Public housing authorities occasionally receive small grants from the federal government to provide tenant support services, a feature that is critical to supporting residents earning at or below 30 percent AMI..

In privately-owned and operated mixed income development without rental subsidies, it will be difficult to set aside a significant number of units for renters earning below 30% AMI, unless the development can also benefit from having units at market rents which can generate sufficient revenue to subsidize the gap. Most private and nonprofit developers we have talked to indicate a willingness to incorporate 10-12 percent of affordable rental units at or below 30 percent AMI, but not any higher.

For the DR2 program, using a careful balance between capital sources and operating subsidies and their allocation to each of the community revitalization areas, the City and its partners may be able to achieve the following income mix goal:

	0-30% AMFI	31-50% AMI	51-80% AMI
HCDD Rental	15%	45%	40%
HHA	100%	0%	0%
SF HAP	25%	60%	15%
TOTAL	36%	42%	22%

Notwithstanding the above, we feel that the best practice is to set goals for income targeting for each neighborhood and each project, and to make clear that these goals are flexible. (From our perspective, there is no factual basis for setting these goals, except perhaps the overall income distribution of the city or the region). The City may want to consider setting up a policy advisory committee that monitors and evaluates progress in meeting the goals on an annual basis. The committee should look not only at whether the goals are being met but also attempt to analyze the questions of why the goals are being met in some places and not in others, and to annually make recommendations about new goals and strategies to meet them.

1.5 NATIONAL BEST PRACTICES

LESSON LEARNED

Long-Term Affordability Strategy

There are several states and localities that require relatively longer periods of affordability for their respective federal, state or local housing programs. California, for instance, requires that any housing developed with state assistance remain affordable for a minimum of 45 years for homeownership units or 55 years for rental units. Montgomery County, Maryland places 30-year restrictions on homeownership units that are part of its inclusionary housing program. By itself, a 30-year period may not last long enough to ensure housing stays affordable over the long-term, but the Montgomery County restrictions renew upon resale of the property, in most cases preserving the affordability of the units well beyond 30 years. In Seattle, Washington, any affordable housing rental unit that receives capital subsidies from the Seattle Housing Levy, a locally generated affordable housing funding sources, is required to remain affordable for a total of 75 years.

In a whitepaper funded by the Annie E Casey Foundation, Preservation of Affordable Homeownership: A Continuum of Strategies, Rick Jacobus and Jeffrey Lubell summarized the continuum of long-term affordability strategies as follows:

"In general, long-term affordability is accomplished either through resale restrictions that preserve the affordability of specific assisted units or through deferred loans that allow the locality to capture a portion of home price appreciation at the time the assisted units are sold which can then be used to help subsequent buyers purchase homes of their choice."

There are ample opportunities to preserve the value of public subsidy while simultaneously offering meaningful opportunities for individual asset accumulation. The question for policymakers should not be whether to provide opportunities for individual wealth creation or preservation of ongoing affordability, but rather how to strike an appropriate balance between these two goals. Basically, there are four common approaches to achieving long-term affordability, these include:

1. Subsidy Forgiveness programs provide one-time assistance to homebuyers with no expectation that these funds will be repaid to help serve future buyers. These programs include homebuyer grants as well as loans that are forgiven if families remain in the homes for a certain period of time (forgivable loans).

2. Subsidy Recapture programs allow buyers to temporarily use public funds but expect these resources to be returned so they are available to assist future buyers. The most common form of subsidy recapture is a "silent second" mortgage that is subordinate to a family's primary mortgage, but requires no payment of principal or interest until the family sells its home (or in some cases, refinances the first mortgage). Sometimes these loans are interest free; other times sellers are required to repay the funds along with deferred interest. In some cases the loans are only deferred for a limited period of time (e.g., five years) after which homeowners are expected to begin making regular payments.

3. Shared Appreciation Loans are second mortgages that require no payments until the home is sold (or, in some cases, the first mortgage is refinanced). At the time of sale, the family is required to repay the original principal plus a share of home price appreciation in lieu of interest. These loans exhibit characteristics of both subsidy recapture (above) and subsidy retention (below).[4]

4. Subsidy Retention programs provide a one-time investment of public funds to bring the sale price of specifically designated homes (often, though not always, new construction) down to a level that is affordable to buyers at the target income level, who are then required to resell the homes at affordable prices. These programs utilize one of several different pricing formulas to keep resale prices at affordable levels. Common subsidy retention strategies include deed-restricted homeownership, community land trusts, and limited equity cooperatives."[5]

Two examples of these types of programs are described as follows:

[4] Enterprise Community Partners, Gulf Coast Office

In **Austin, Texas**, down payment assistance loans above $10,000 funded through the HOME program have an extended affordability period of 30 years. In addition, the city uses a shared appreciation mechanism on these larger loans to preserve subsidies for future low-income homebuyers. Borrowers must pay back the loan in full along with a share of any appreciation realized upon resale of the home. The share of appreciation repaid can supplement future loans and help keep the value of subsidy in line with the rising costs of housing in high-cost areas, like those near transit. FOOTNOTE

The recently-initiated **Atlanta BeltLine** is a $3 billion endeavor that stands to be one of the largest transit-oriented developments in history. When complete, the project will include a 22-mile light rail system encircling Atlanta's core along with 1,300 acres of new parkland and a 33-mile network of cycling and walking trails that will connect 45 city neighborhoods.

Anticipating a rapid increase in home prices around the BeltLine, a collection of organizations across the city began collaborating in 2008 to create the Atlanta Land Trust Collaborative (ALTC). The ALTC is a planned city-wide land trust system that will foster individual neighborhood-based CLTs. The first of these CLTs is envisioned to be in Atlanta's Pittsburgh neighborhood. While a rash of foreclosures that started in 2007 had a devastating effect on neighborhoods on the south side of the BeltLine, including Pittsburgh, it also provided an opportunity for the city of Atlanta and its partners to acquire vacant properties and incorporate them into the new ALTC as permanently affordable, resale-restricted homes.

The ALTC was now challenged with how to fund and market resale-restricted homes in targeted neighborhoods with market-rate home prices depressed by the foreclosure crisis, The **Fulton County/City of Atlanta Land Bank Authority (LBA)** stepped in to bank and hold land for several years, until housing market conditions turn around. Since July 2009, the LBA has banked some 80 vacant properties in and around Atlanta's Pittsburgh neighborhood, many of which will be incorporated into CLTs created through the ALTC.

A series of articles in the Winter 2010 issue of the National Housing Institute's Shelterforce magazine highlight the Atlanta BeltLine project, the Atlanta Land Trust Collaborative and the Fulton County/City of Atlanta Land Bank Authority.

Members of the planning team discussed these strategies with representatives of Texas Organizing Project (TOP), Texas Low Income Housing Information Service and Texas Appleseed. The consensus from this discussion seemed to be that, while many of these strategies might apply to future single-family affordable for-sale housing programs in the selected community revitalization areas, it was questionable as to whether these strategies should apply to the DR2 Single-Family Disaster Recovery program. It was discussed that it might be possible to ask Single-Family Disaster Relief recipients to provide a neighborhood community development corporation (CDC) with the right of first refusal to purchase the home if a recipient had a purchase offer.

On the other hand, if the home purchase or rehabilitation was a discretionary decision, not required by a hurricane or flood, it seemed that it might be reasonable to apply one of the long-term preservation strategies to future homeownership programs in the CRA's. For example, the group felt that the long-term affordability strategies might be tried in situations in which a CDC purchased a vacant lot or damaged home in one of the CRA's and built a new unit or rehabilitated an existing unit for sale to a low-income family on such sites. The group also suggested that the City might consider capping property tax increases for long-term residents and businesses in the neighborhoods of enhanced opportunity, if property taxes begin to rise to the extent that they are forcing long-term residents and businesses to leave the neighborhood.

The group felt that more discussion of long-term affordability strategies should be a part of an on-going planning process for each neighborhood as future strategies for implementing plans in CRA were developed subsequent to deployment of DR2 funds.

1.5 NATIONAL BEST PRACTICES

LESSON LEARNED

Sustaining the Momentum for Community Revitalization

In conversation throughout this planning effort, planning team members and our stakeholders agreed that the effort that the City is about to undertake in using DR2 funds to catalyze community revitalization and to build economically and racially inclusive communities will require commitment, partnerships, patience and flexibility in coordinating a set of complicated and at times contradictory strategies.

Over time, through careful planning and attention to implementation, we believe that the City is able to grow the CRAs into economically and racially diverse communities that are physically and socially connected to the larger surrounding neighborhood, brought about through the inter-relationship between DR2 single-family rehabilitation/rebuilding programs and the development of new multi-family mixed income rental housing. In addition, these CRAs can work to ensure long-term affordability of both single-family and multi-family housing by creating ongoing neighborhood outreach programs and effective neighborhood institutions that embrace, monitor and work to promote the goal of creating sustainable economically and racially diverse neighborhoods that celebrate the character of the older neighborhood but also utilize infrastructure and other public improvements to create a new unique since of place.

Below are some suggestions from best practices to sustain the momentum for community revitalization:

- Create programs with as much flexibility as possible and utilize annual monitoring by a policy advisory group, appointed by the mayor to monitor programmatic outcomes and to recommend annual policy and programmatic changes to meet communitywide goals.

- Engage in principled negotiations, not adversary/positional bargaining

- Community revitalization efforts need to be coordinated. CDC's should be included. The good news is that there are high performing CDC's, but they also need to work well together.

- Form effective partnerships with the Houston Housing Authority. In order to serve the 30% AMI population, creative and mutually beneficial partnerships will need to be formed with HHA so that the housing authority may be able to provide project based Section 8, other forms of hosing assistance and/or funding for supportive services to non-profit or for-profit housing developers. This type of predictable assistance will be necessary in order to secure financing for the projects serving the 30% AMI population.

- Recognize that, although the entire neighborhood may become more racially and economically balanced, there will still be parts of the neighborhood that will be less diverse and more homogeneous from a racial and economic perspective. Respect these special racial and ethnic areas and celebrate their cultural contribution to the community as a whole.

- Recognize changing demographics specific to the neighborhood. Nationally, Americans are showing a preference for more compact, walkable mixed-use communities over more typical suburban development, in part because traffic is so bad and no one wants to spend time commuting. But the change in the housing market has as much to do with demographics. While the majority US households used to be families with both parents and more than one child, this demographic group now comprises just 25% of the households and is shrinking. More and more households are childless or headed by single parents, and single adults comprise 41% of households. The demographic groups that are increasing – households that are smaller, older, and more ethnically diverse are the same demographic groups that have historically shown a preference for ethnically diverse, close-in, higher density housing near transit. This is the trend that we see at Faubourg Lafitte in New Orleans. On the other hand, some neighborhoods like Barrio Logan, show a demand for larger units to serve larger extended families. Therefore, the market demand of different demographic groups needs to be examined for each specific neighborhood.

The Need For Strong Partnership

In a May 9th meeting with the stakeholders, members of the planning team explored the strategies which these stakeholders believed might be helpful to ensure implementation of the goal of creating community revitalization areas that are true neighborhoods of opportunity for low and moderate income residents. In essence, the stakeholders asked three primary questions:

1. "Can the City produce a plan for a limited number of target areas that will create neighborhoods of choice with long-term sustainable economic and racial diversity?

2. "Can the City demonstrate realistically that it can establish an ongoing process to create and sustain neighborhoods that will accomplish this goal?

3. "What are the strategies that the City will utilize to achieve the goal of creating long-term, stable economically and racially diverse neighborhoods in the community revitalization areas?"

Some potential strategies that the City might utilize to achieve these objectives are listed below:

1. Establish a planning process in the CRAs that will connect the planning of single and multi-family housing improvements with the City on planning for expenditures on infrastructure (including needed sewer, water, drainage, street, sidewalk, curb and gutter improvements), subject to current City policies for developing and maintaining infrastructure. This planning process should also include the linkage of housing improvements to needed open space, and other neighborhood service infrastructure such as parks, community centers, schools, health clinics, libraries, social service delivery centers, police and fire stations. In addition this planning process should include planning for economic development, job creation, retail and commercial development strategies that will contribute to a pedestrian friendly wallkable healthy community that is connected to other centers throughout the city by multi-modal forms of transportation (including walking, biking, bus, light rail, car-sharing and private auto. The City can help explore and promote partnerships with civic organizations, philanthropy and business partnerships to support an ongoing multi-year funding commitment for this type of comprehensive neighborhood planning process in the selected community revitalization areas (which will probably last for 5 to 10 years) and establish benchmarks to determine if affordability is being met by neighborhood needs assessment.

2. Based on the first two years of experiences from the comprehensive planning processes in the first CRAs, the City, working in conjunction with its partners, may consider identifying a second set of CRAs and commit to funding and implementing a similar planning process in these new neighborhoods.

3. Design of the DR2 Single-Family Rehab/Rebuild and Multi-family mixed-income/mixed use apartments should demonstrate the highest quality and most innovative design features in order to transform the neighborhoods. This might be implemented through the creation of a set of design guidelines and/or deed restrictions for each neighborhood.

4. Focus on projects that are large enough, have enough scale and are connected to other infrastructure, open space and community facility improvements so that they will have a significant and lasting impact on the community. However, recognize that no one project may be catalytic and lead to immediate changes in the neighborhood. Often it is the completion of a series of projects and related infrastructure over a period of years that results in reaching the tipping point of neighborhood change.

5. Make homes more resistant to natural disasters. Research has shown that money spent upfront on hazards mitigation saves money and resources in the long run. An analysis conducted by the Multihazard Mitigation Council of the National Institute of Building Sciences found that every dollar spent on hazard mitigation saves an average of four dollars in avoided losses in terms of human losses (deaths, injuries, and homelessness), direct property damage, reduced cost of emergency response, damage to public and natural resources, and direct/indirect business losses.

6. Use the infrastructure funding, subject to current City policies for developing and maintaining infrastructure, for at least two purposes: a) make the neighborhoods more disaster resistant (it is not enough to just build new houses in neighborhoods with inadequate infrastructure); b) use the infrastructure funds to create neighborhood amenities and connectivity (streetscape, pocket parks, etc) and consider engaging CDC's or private developers in implementing infrastructure improvements related to or surrounding their projects, as permitted under current laws, rules and regulations.

7. Monitor economic and racial diversity. The City should consider measuring the improvement of overall quality of life in the neighborhoods by tracking reports on racial, ethnic and income diversity annually in each neighborhood.

1.5 NATIONAL BEST PRACTICES

LESSON LEARNED

The Need For Strong Partnership

8. The City should consider strengthening city's participation in the CRAs through code enforcement, façade loans, micro-business loans, trash removal, infrastructure improvement; and putting programs in place to sustain the community, including community centers with supportive services, partnering with the schools to create programs to assist in moving people from the cycle of poverty.

9. Homeowner counseling should be offered to and required of homeowners receiving DR2 Single Family funds. Liens should be recorded to enforce affordability requirements of these homeowners.

Final Observations

The stakeholders have asked if the City can demonstrate realistically that it can establish a process to create and sustain neighborhoods of choice with long-term sustainable economic and racial diversity. While this is the goal, all involved admit that the process of creating neighborhoods of enhanced opportunity is an experiment. Not everything that is proposed will work perfectly, mistakes will be made and no one can predict the outcomes with absolute certainty.

What we do know is that implementation of the proposed DR2 program represents a unique set of opportunities for the City of Houston to target single-family, multi-family and other public and private resources to revitalize a select group of neighborhoods and to attempt to create racially and economically diverse communities, with a sense of place and pride. What the national case studies also indicate is that there are numerous communities across the country that are and have been working on these issues for the past 30 years and, in some of these communities, significant progress has been made.

The targeted neighborhoods currently have high levels of poverty and could be more racially and ethnically diverse. However, because of their locations, proximity to downtown and/or transit, many of these neighborhoods are beginning to change. In all likelihood, the natural forces of market will displace long-time, low income, minority residents and businesses from these important neighborhoods. It may take years, but the market forces will most likely reduce the opportunities of choice within these neighborhoods and within the City of Houston, as a whole. In addition, past programs, that have not targeted resources have produced only marginal results in creating diverse neighborhoods and have had little community development impact toward revitalizing and helping to sustain culturally and historically significant parts of the City. The national cases that we have reviewed and the best practices outlined above suggest that, although the process may be difficult, careful planning and the thoughtful targeting of resources can control or at least influence the forces of gentrification and encourage the creation of racially and economically mixed communities with the probability of sustainable economic and cultural development.

It is the opinion of the consulting team that the proposed DR2 program has merit and has a higher probability of creating meaningful community change, including the development of dynamic racially and economically diverse neighborhoods, than past programs that have not included sufficient planning or coordination and/or have dispersed resources over such wide areas that they have resulted in little social or economic impact. Therefore, targeting DR2 funds in a few close-in, well-connected, infill neighborhoods of emerging opportunities is a worthwhile endeavor.

TASK2

Study Area Analysis

CITY

2.1 Developer Proposals + HHA Properties

2.2 Minority Concentration

2.3 Poverty Conditions

2.4 Food Desert

2.5 Local Economies

2.6 Location + Position in Marketplace (Context)

2.7 Edges + Transition Areas

2.8 Political Boundaries

2.9 Parks + Open Spaces

2.10 Transportation

2.11 Regional Infrastructure/ Coastal Resilience

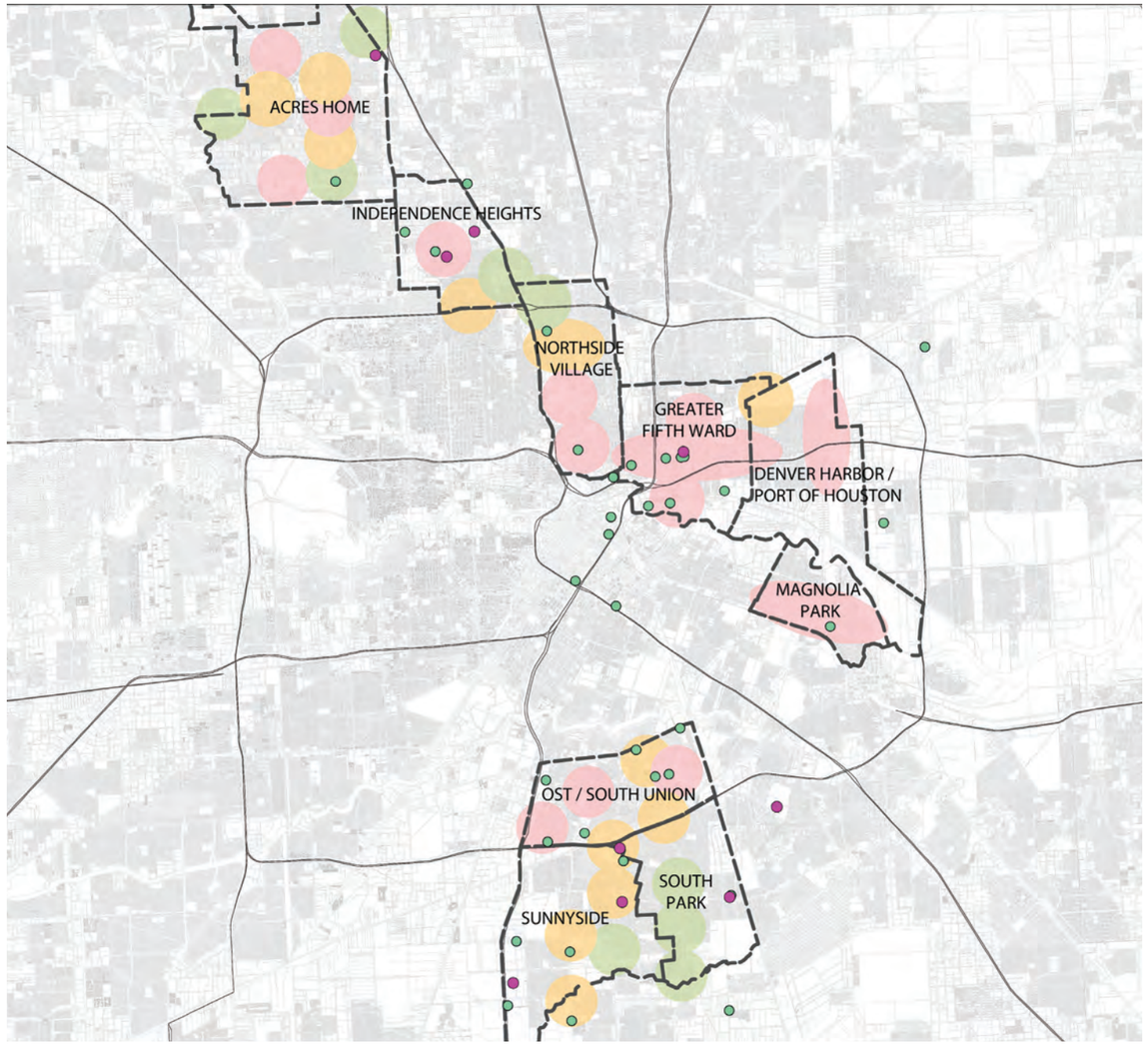
2.12 Demolished Structures (2004-09)/Developed Structures (2004-09)

2.13 Condition of Structures/ Year of Construction

2.14 Damage Assessment

2.1 DEVELOPER PROPOSALS + HHA PROPERTIES

Source: CITY OF HOUSTON, 2012

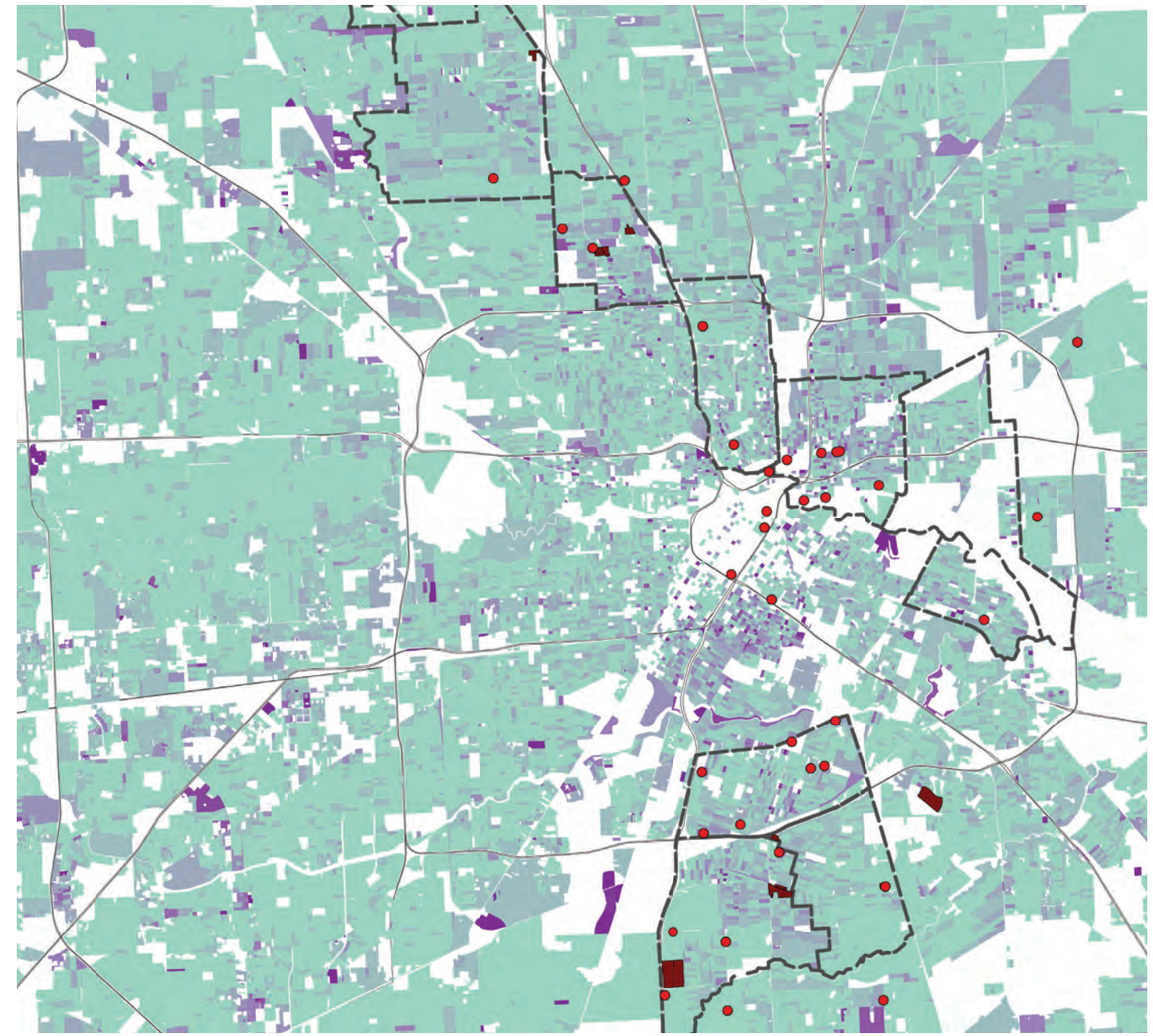


Within first round of the Disaster Relief study the local community input was integral to the selection of primary, secondary, and tertiary nodes of opportunity. Community input coupled with the City of Houston's multiple proposals, overlaid with Houston Housing Authority sites, helped to narrow the options for the location of mixed income housing. This was the first step toward analyzing optimum sites for intervention.

- HHA SITES
- DEVELOPER PROPOSAL SITES
- DR1 NODES OF OPPS CHOICE 1
- DR1 NODES OF OPPS CHOICE 2
- DR1 NODES OF OPPS CHOICE 3

2.2 VACANT RESIDENTIAL

Source: HCAD, 2011



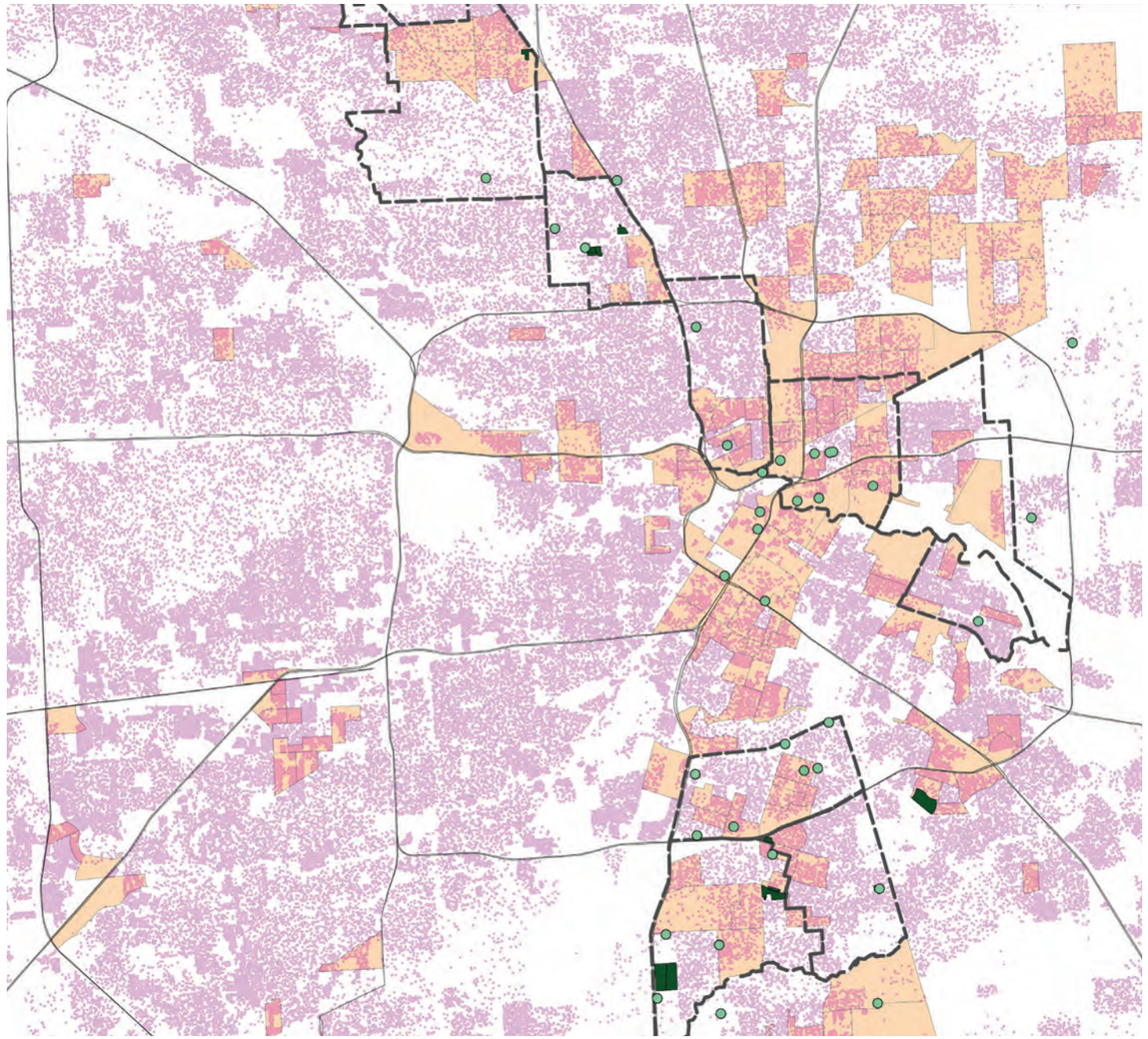
The figure above describes the nature of vacant households across Houston. As fairly conspicuous, much of the vacant households occur near downtown, particularly in the Greater Fifth Ward and Northside Village. It would be substantial to consider infill as a methodology of fueling investment in the region. Noticeably least vacant lands occur in the outskirts of the city, dictating relative sprawl.

LEAST HOUSEHOLD VACANCY — MAXIMUM HOUSEFHOLD VACANCY

- CITY DEVELOPER PROPOSALS
- HHA SITES

2.3 POVERTY/MINORITY CONCENTRATION

Source: HGAC, 2012

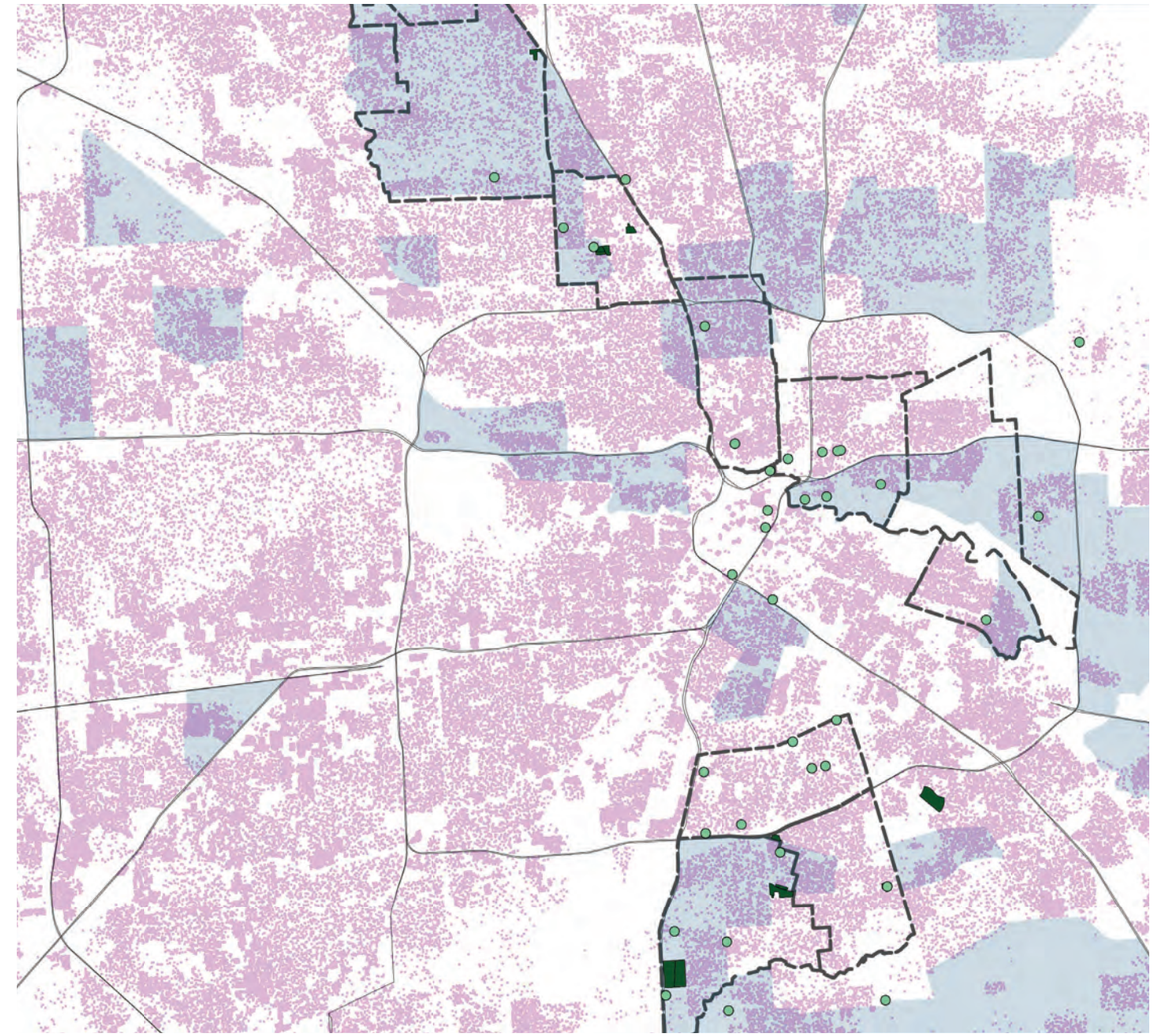


The significant concept to note when reviewing the population conditions in Houston, particularly for the Disaster Relief Funding is where poverty above 35% occurs, with 35% or more minority areas overlaid by population concentration (one point is equivalent to fifty people). Housing/commercial investments nearby or within such areas will be able to trigger economic activity.

- CITY DEVELOPER PROPOSALS
- HHA SITES
- POPULATION CONCENTRATION
- >35% POVERTY + >35% MINORITY

2.4 FOOD DESERT

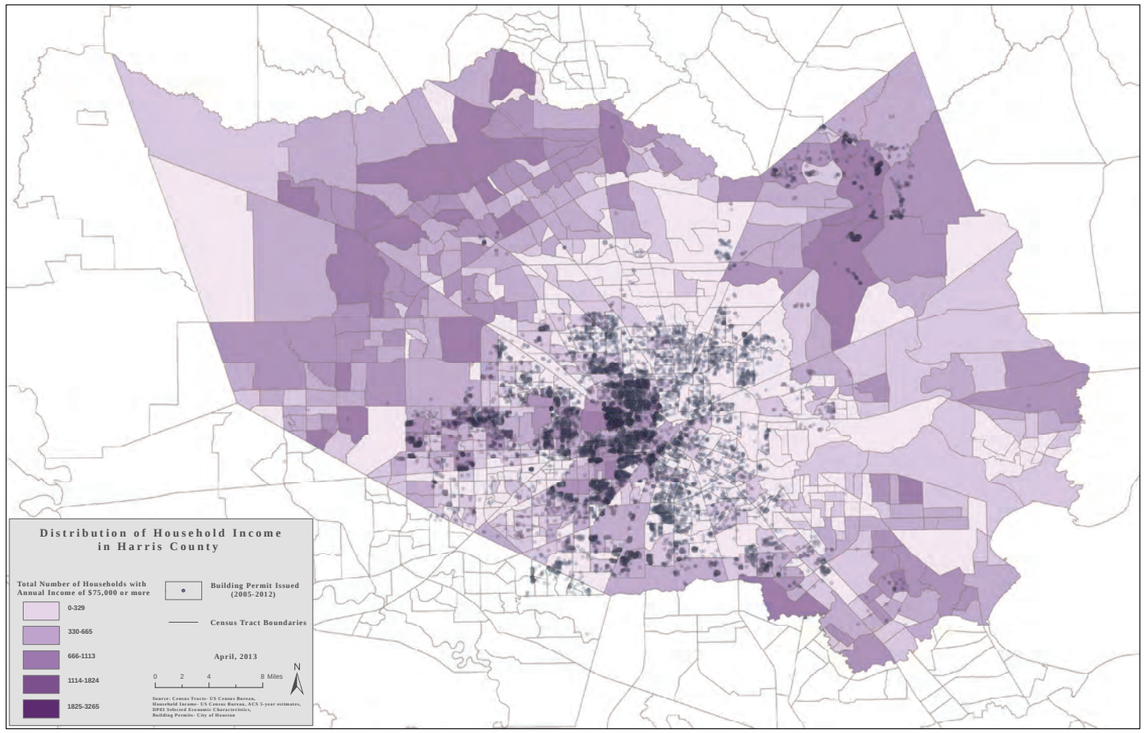
Source: HGAC, 2012



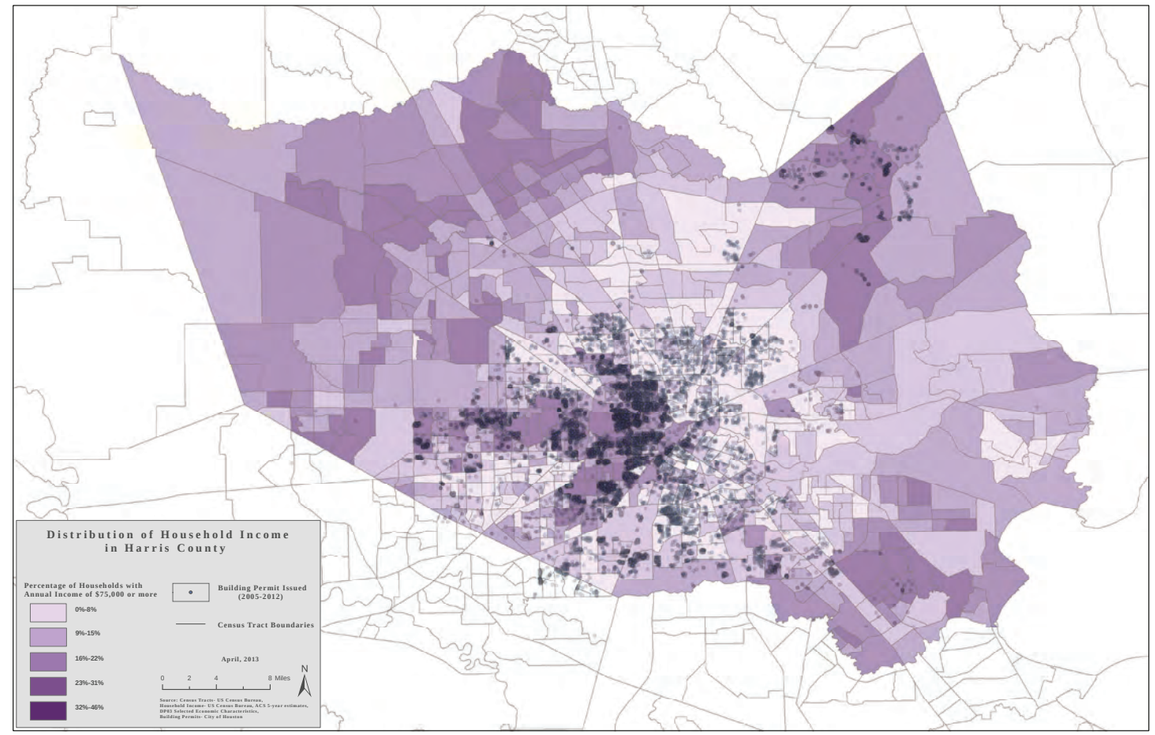
The figure above notes the areas of population concentration (one point is equivalent to fifty people) with the areas of notable food desert. Many of the developer proposals from the city as well as the Houston Housing Authority sites seem to fall within such areas. It is a key feature to note for selection of projects.

- CITY DEVELOPER PROPOSALS
- HHA SITES
- POPULATION CONCENTRATION
- FOOD DESERT

2.5 LOCAL ECONOMIES

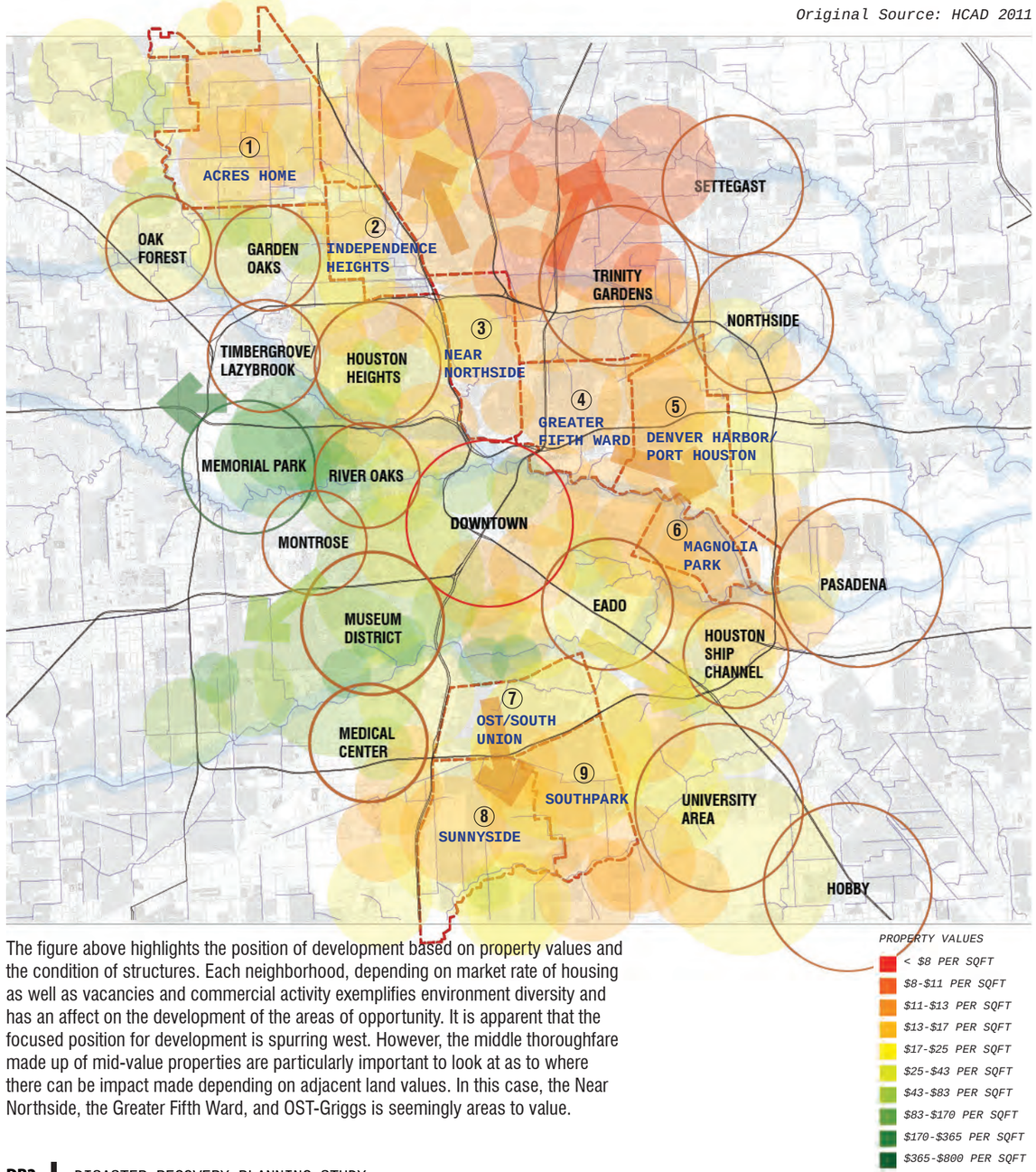


The city has experienced a volume of development within the inner loop with respect to the number of building permits issued between 2005 and 2012. Comparing that to the total number of households with an annual income of $75,000 or more, much of the development has been accruing west of downtown while more sparse development is illustrated east of the city.



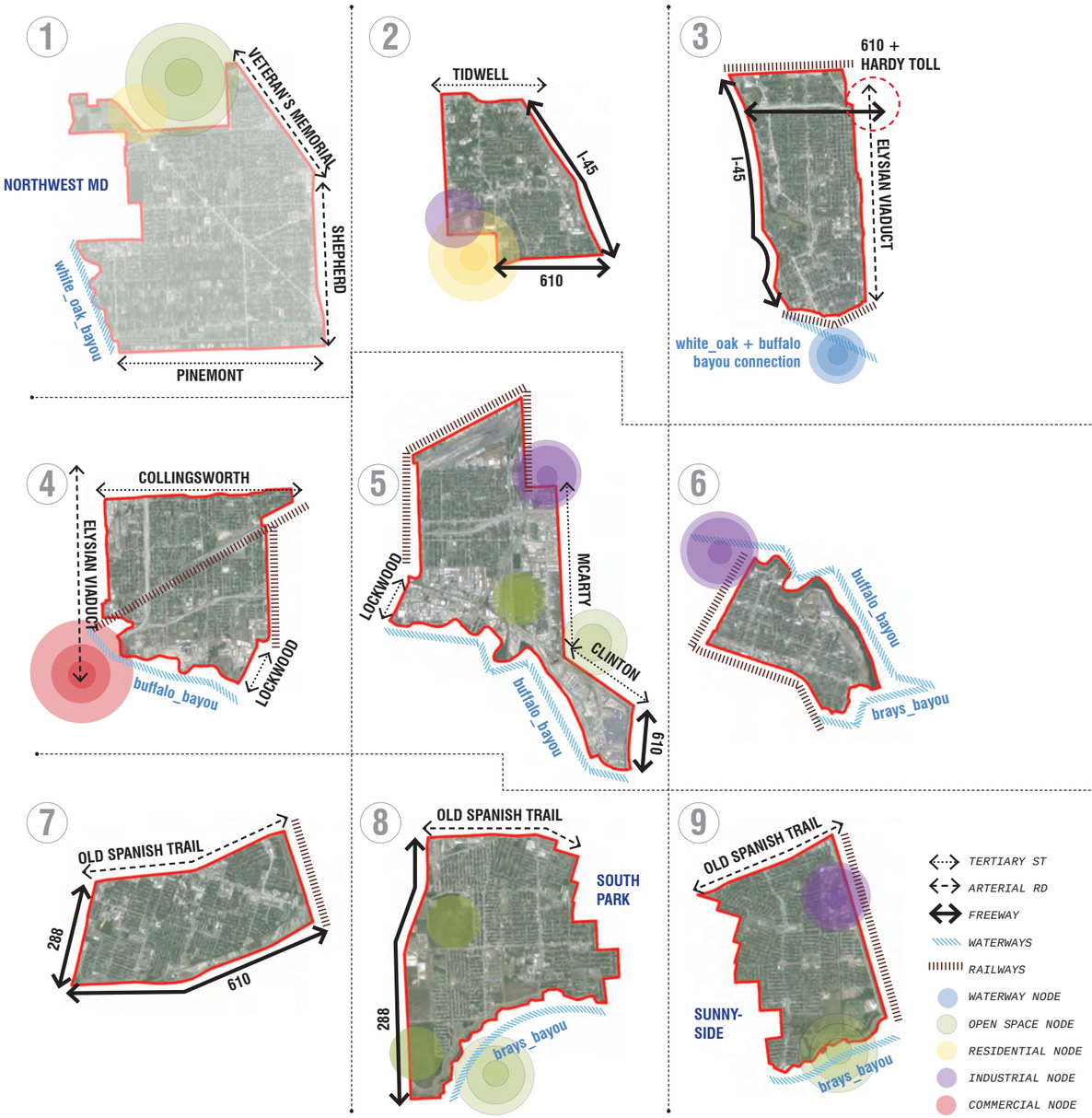
While the city center has experienced agile transformation in terms of development in the past eight years, it is interesting to note the percentage of households with an annual income of $75,000 or more occurring just in the vicinity of the outer loop.

2.6 LOCATION + POSITION IN THE MARKET PLACE



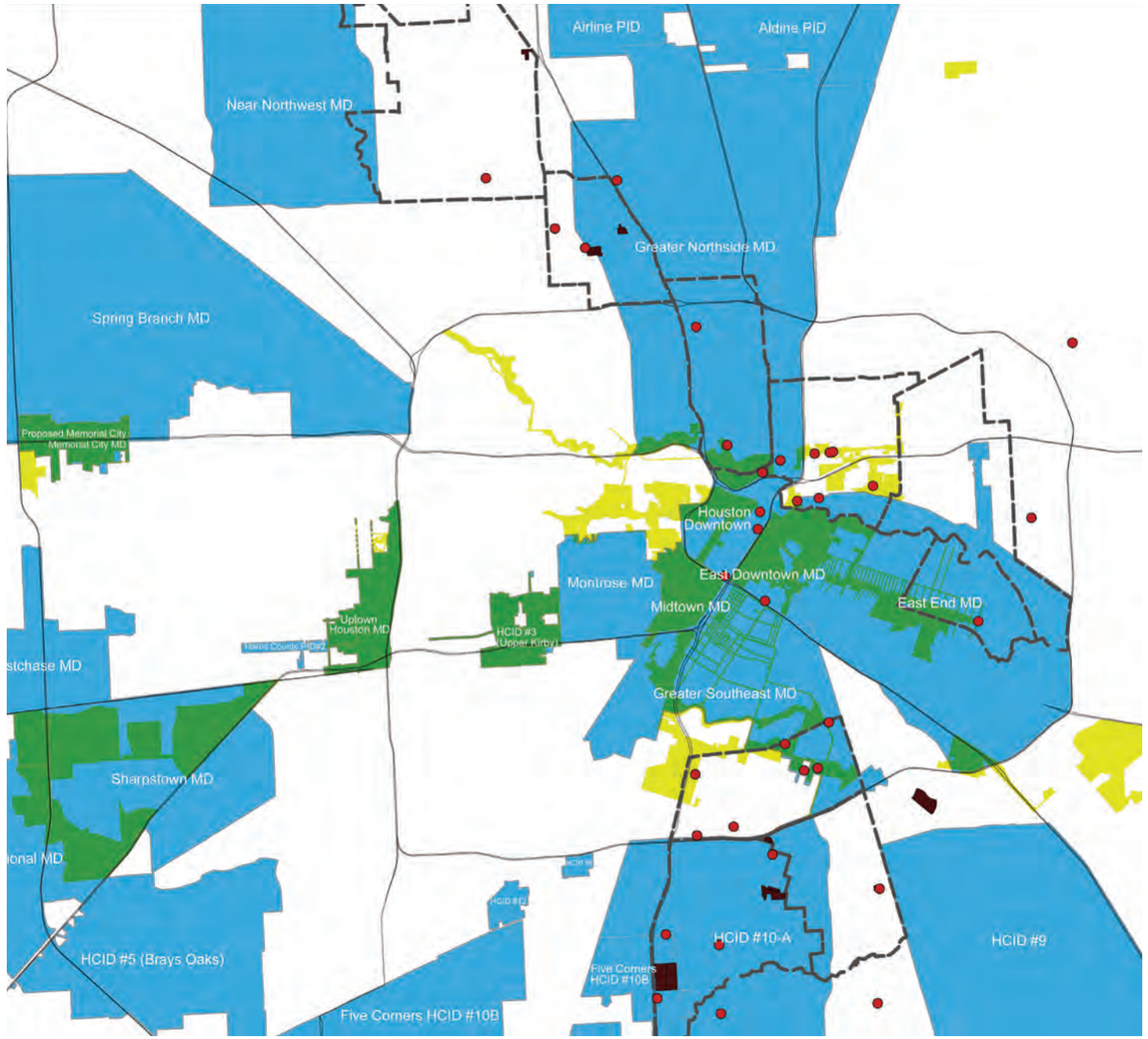
The figure above highlights the position of development based on property values and the condition of structures. Each neighborhood, depending on market rate of housing as well as vacancies and commercial activity exemplifies environment diversity and has an affect on the development of the areas of opportunity. It is apparent that the focused position for development is spurring west. However, the middle thoroughfare made up of mid-value properties are particularly important to look at as to where there can be impact made depending on adjacent land values. In this case, the Near Northside, the Greater Fifth Ward, and OST-Griggs is seemingly areas to value.

2.7 EDGES + TRANSITION AREAS



2.8 POLITICAL BOUNDARIES

Source: CITY OF HOUSTON, HGAC 2012

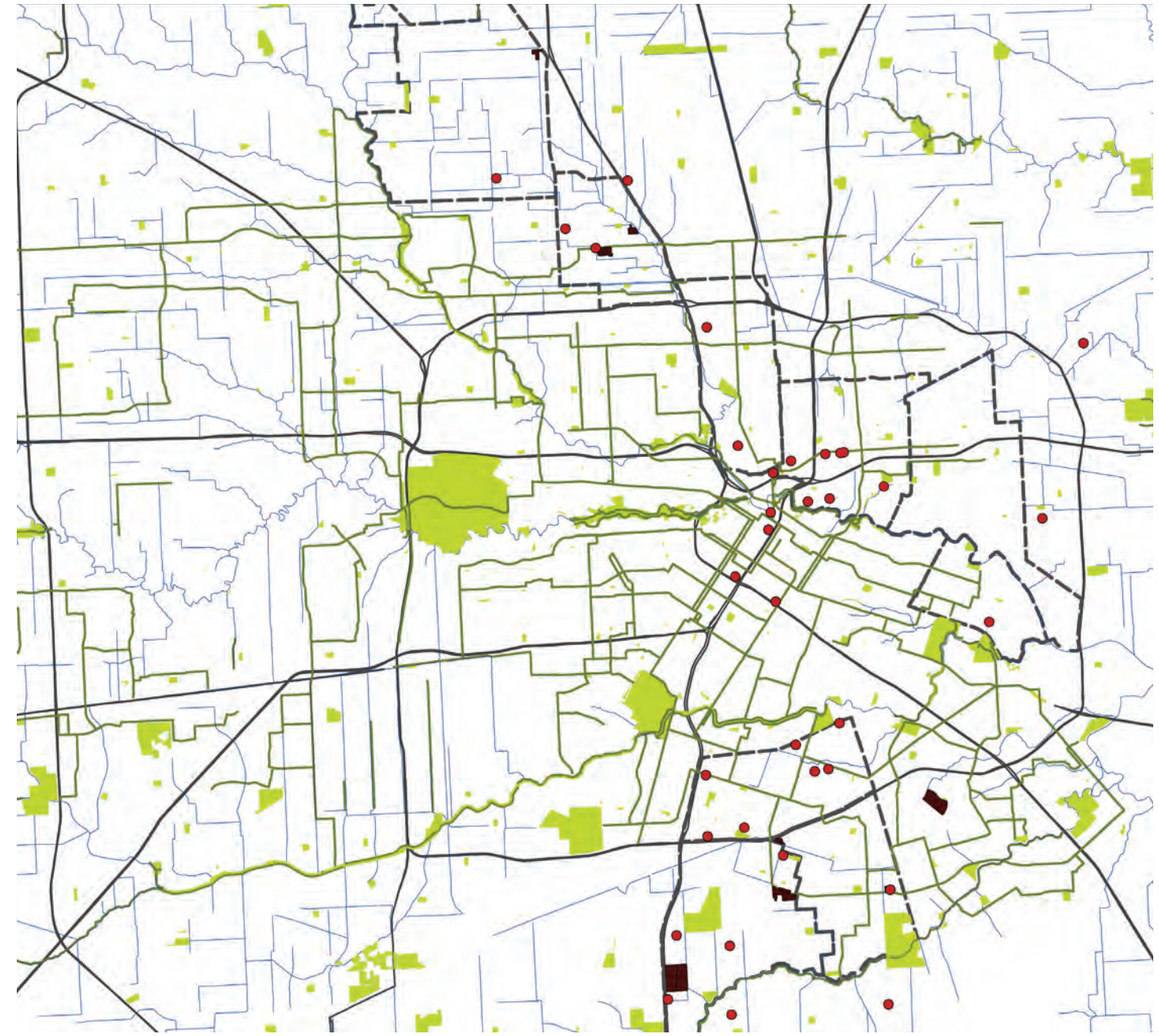


The city of Houston has certain district and political boundaries that highlights neighborhood entities, in this case, the two major boundaries defined by the management district and the TIRZ (Tax Increment Re-investment Zone) Area boundary. TIRZ is created to implement tax increment financing while management districts are created to empower, promote, develop, encourage and maintain neighborhood development. It is significant to allow for projects to fall within these boundaries.

- *CITY PROPOSAL SITES*
- *HHA SITES*
- *MANAGEMENT DISTRICT*
- *TIRZ AREA BOUNDARY*

2.9 PARKS + OPEN SPACES

Source: HGAC, 2012

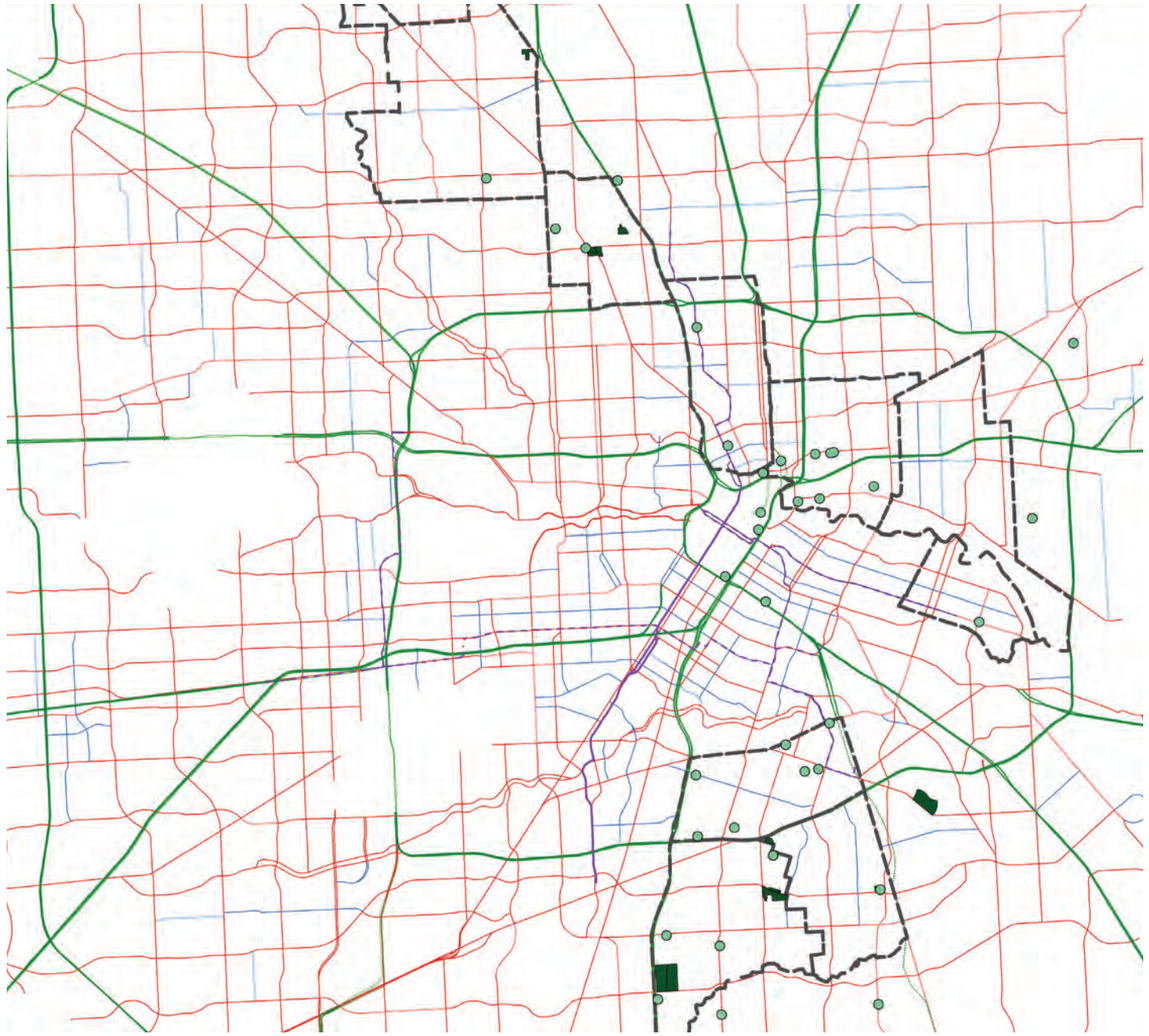


The figure above illustrates the number of open spaces there are in the region with Hike and Bike trails, parks and bayous are important factors to consider for project sites as a form of public investment and amenity.

- *CITY PROPOSAL SITES*
- *HHA SITES*
- *OPEN SPACE*
- *WATERWAYS*

2.10 TRANSPORTATION

Source: CITY OF HOUSTON, HGAC 2012

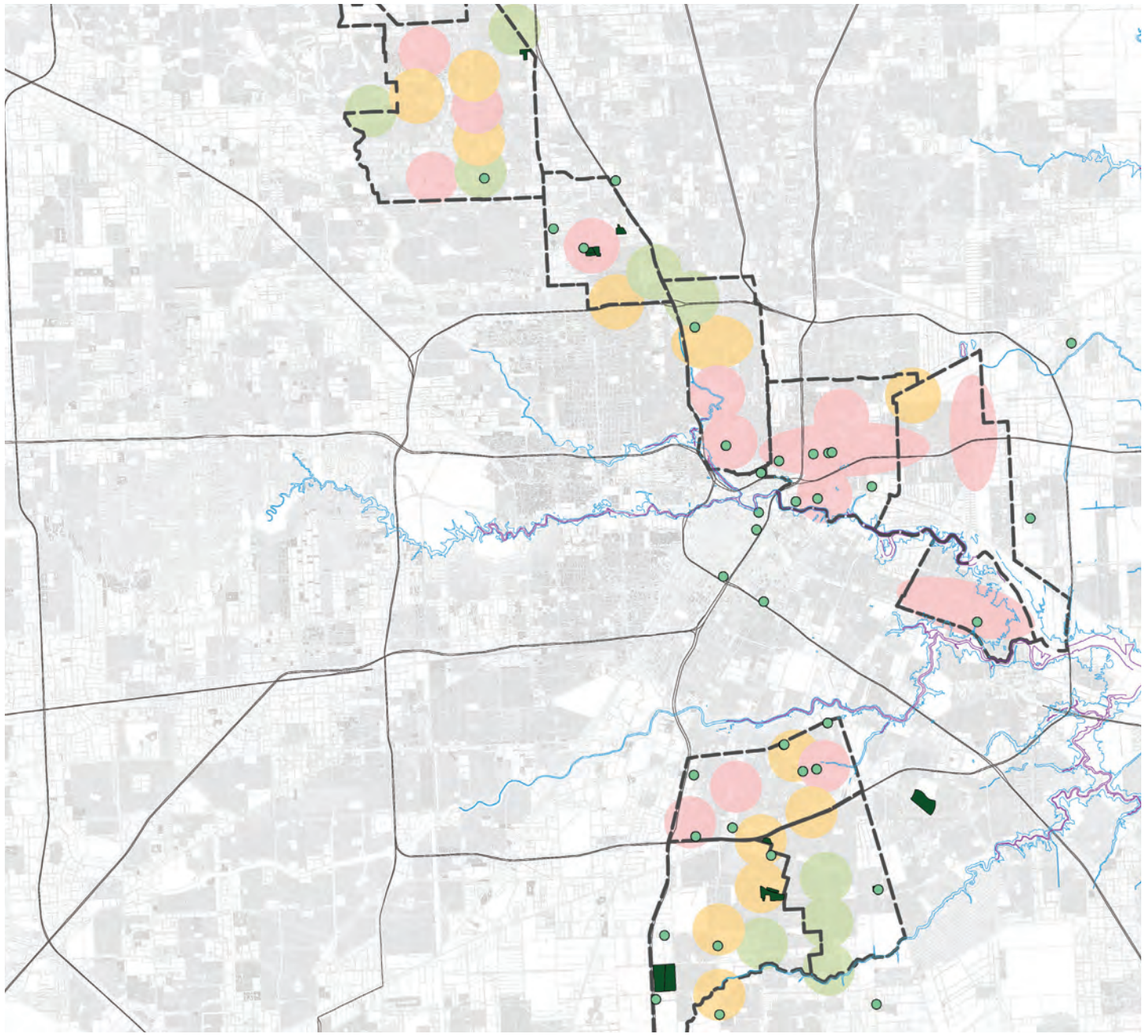


The map above locates many of Houston's transportation and street networks. For sites in the OST-South Union regions, the light rail expansion is particularly crucial to highlight.

- PROPOSED FREEWAYS
- EXISTING FREEWAYS
- MAJOR COLLECTOR
- MAJOR THOROUGHFARE
- TRANSIT CORRIDOR
- PROPOSED TRANSIT CORRIDOR
- CITY PROPOSALS
- HHA SITES

2.11 REGIONAL INFRASTRUCTURE/ COASTAL RESILIENCE

Source: HGAC LIDAR, 2008

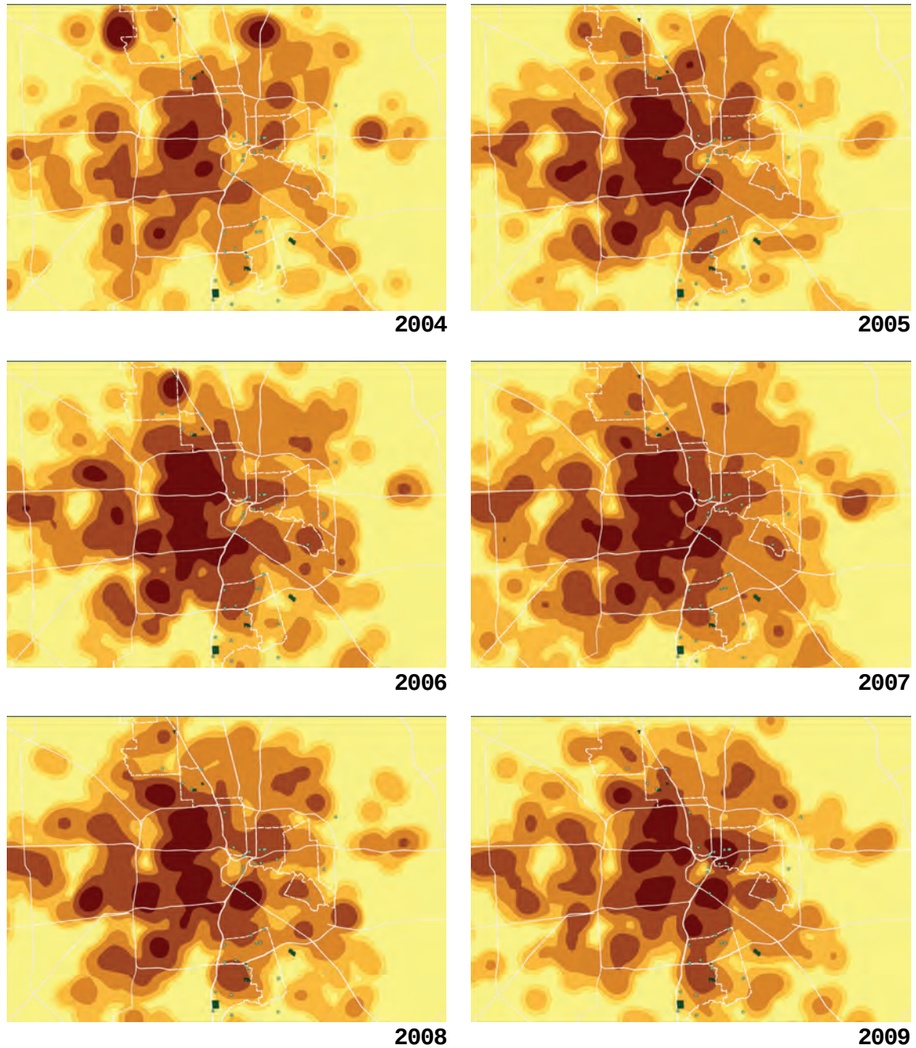


Coastal resiliency is a topic to evaluate when noting the damages to development from Hurricane Ike in 2008. The figure above illustrates the five feet contour and the twenty-five feet contour, between which development is susceptible to rising floods.

- 5 FEET CONTOUR
- 25 FEET CONTOUR
- CITY PROPOSALS
- HHA SITES
- DR1 NODES OF OPPS CHOICE 1
- DR1 NODES OF OPPS CHOICE 2
- DR1 NODES OF OPPS CHOICE 3

2.13 DEMOLISHED STRUCTURES 2004-2009

Source: CITY OF HOUSTON 2004-2009

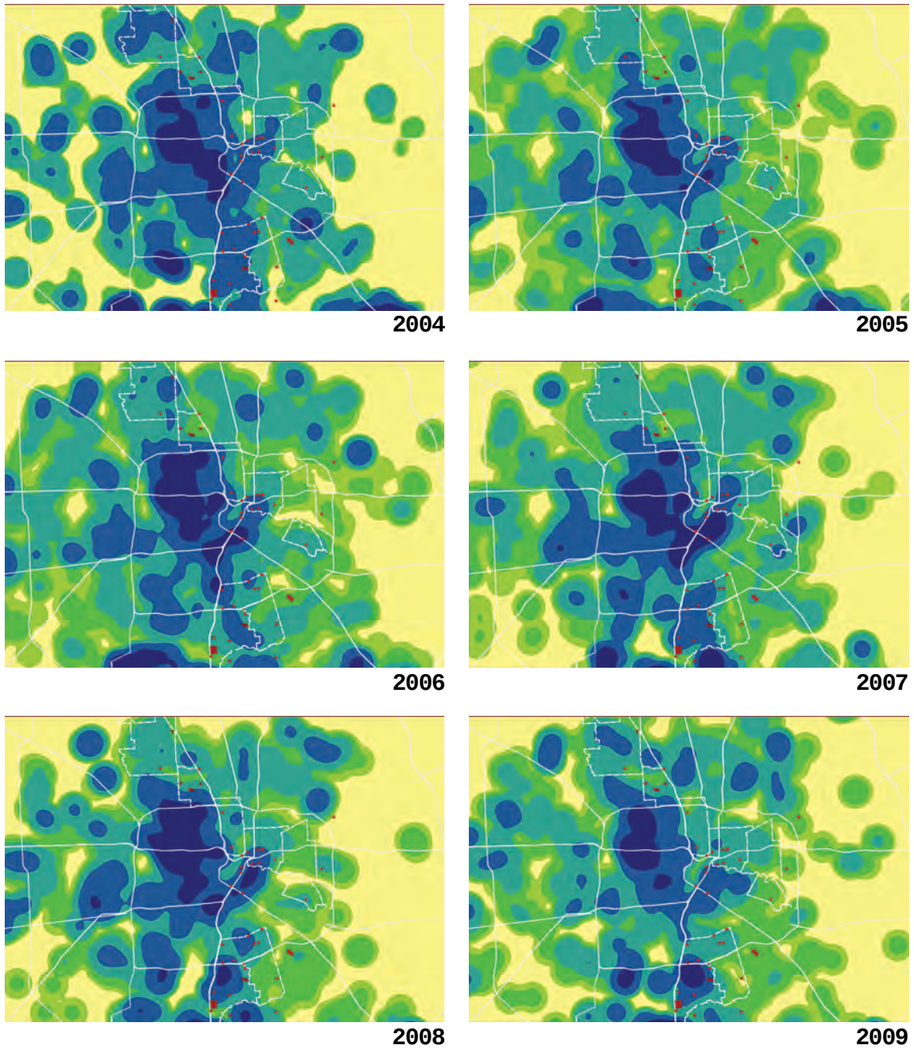


least demolished **most demolished**

The figure to the left dictates the amount of demolished structures in Houston from the years 2004-2009. Over time there has been considerable amount of demolitions in the city center.

2.14 DEVELOPED STRUCTURES 2004-2009

Source: CITY OF HOUSTON 2004-2009

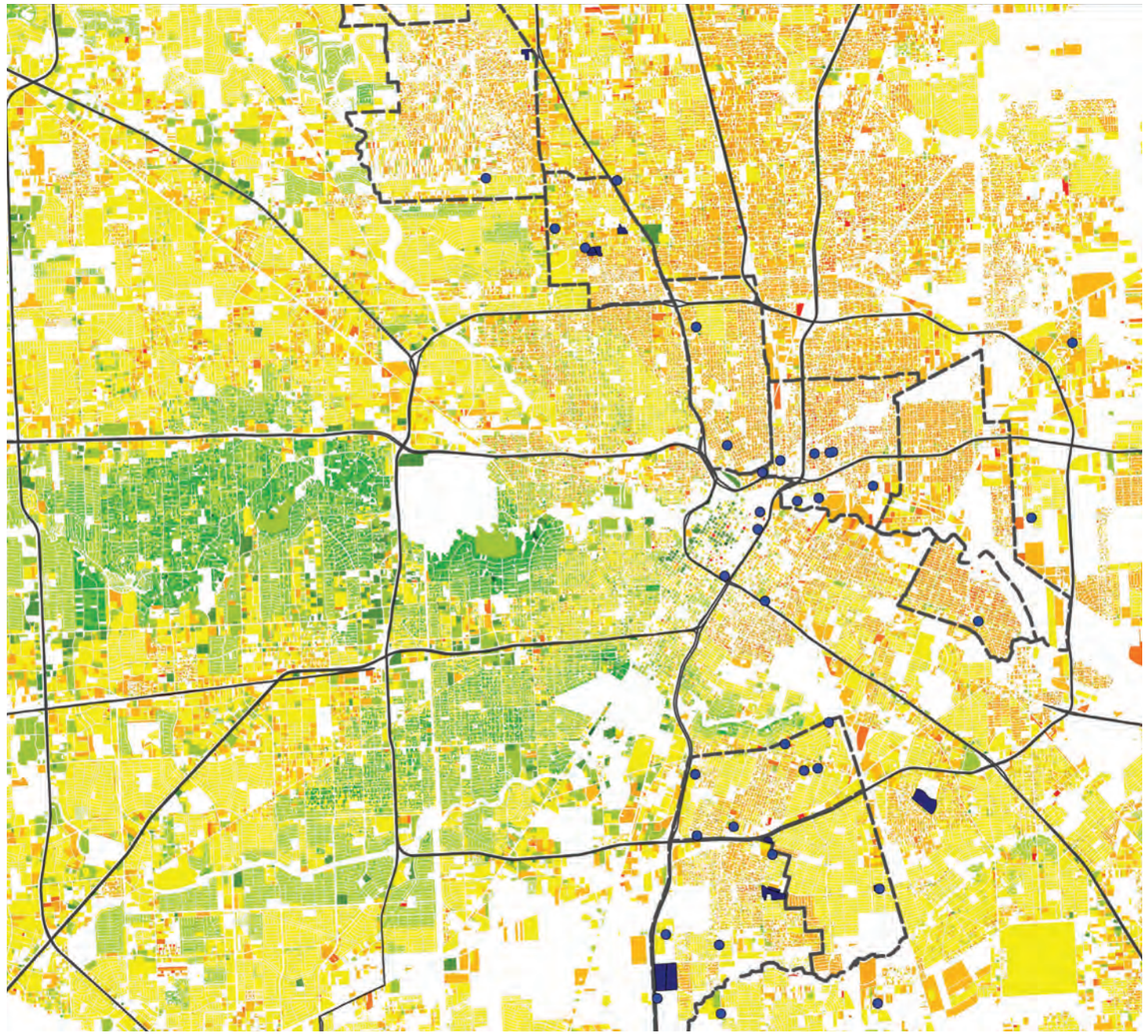


least developed **most developed**

The figure to the left dictates the amount of developed structures in Houston from the years 2004-2009. Over time there has been considerable amount of development congruent to the amount demolished.

2.15 CONDITION OF STRUCTURES

Source: HCAD 2011



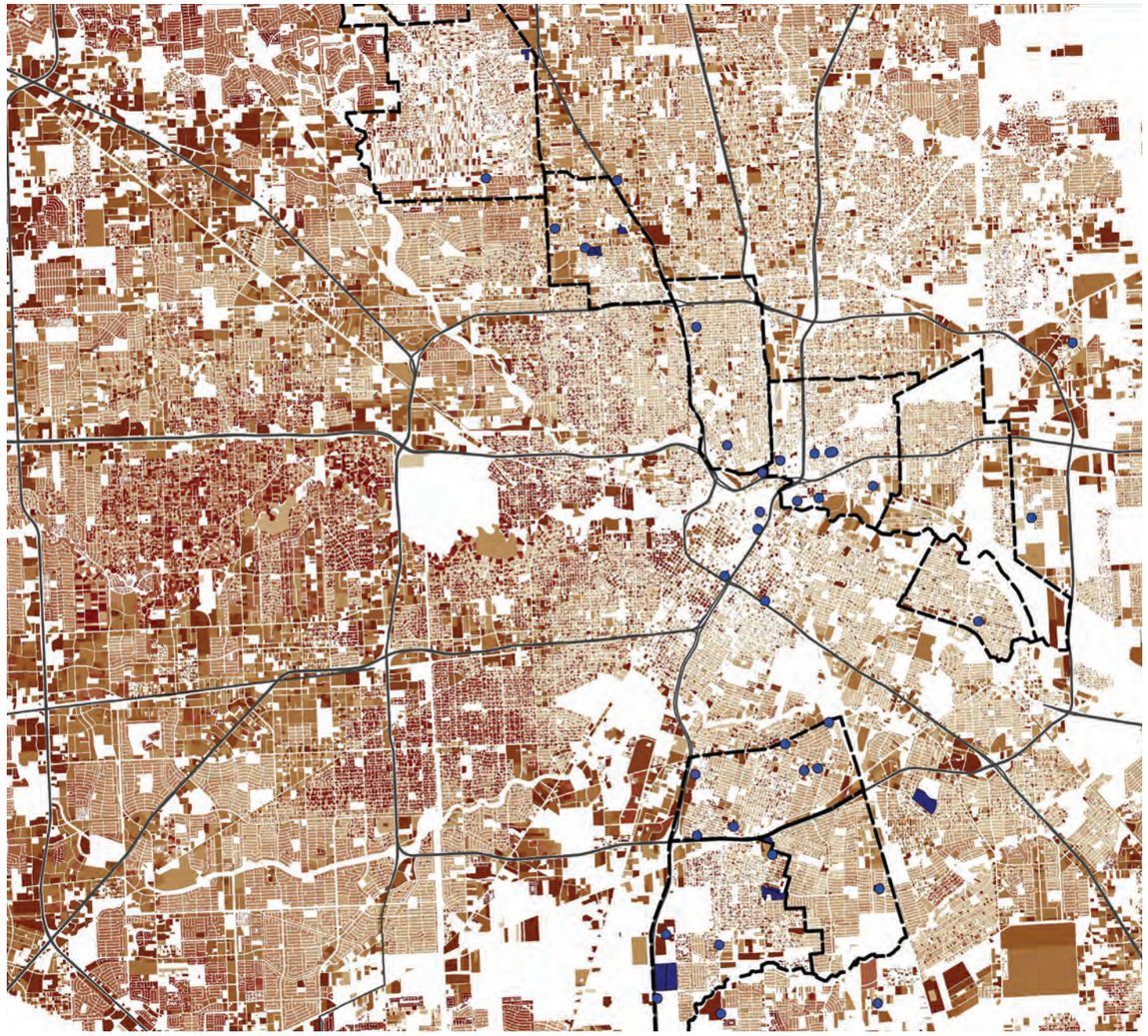
The conditions of the structures around the areas of interest are important to consider when looking into property values, conditions around the area and viable investment projects.

- SUPERIOR
- EXCELLENT
- GOOD
- AVERAGE
- LOW
- VERY LOW
- POOR

- CITY PROPOSALS
- HHA SITES

2.16 YEAR OF CONSTRUCTION

Source: HCAD 2011



The figure above illustrates older constructed areas as opposed to the newer construction neighborhoods. One of the criteria to recognize is the amount of infill opportunities in and around project sites.

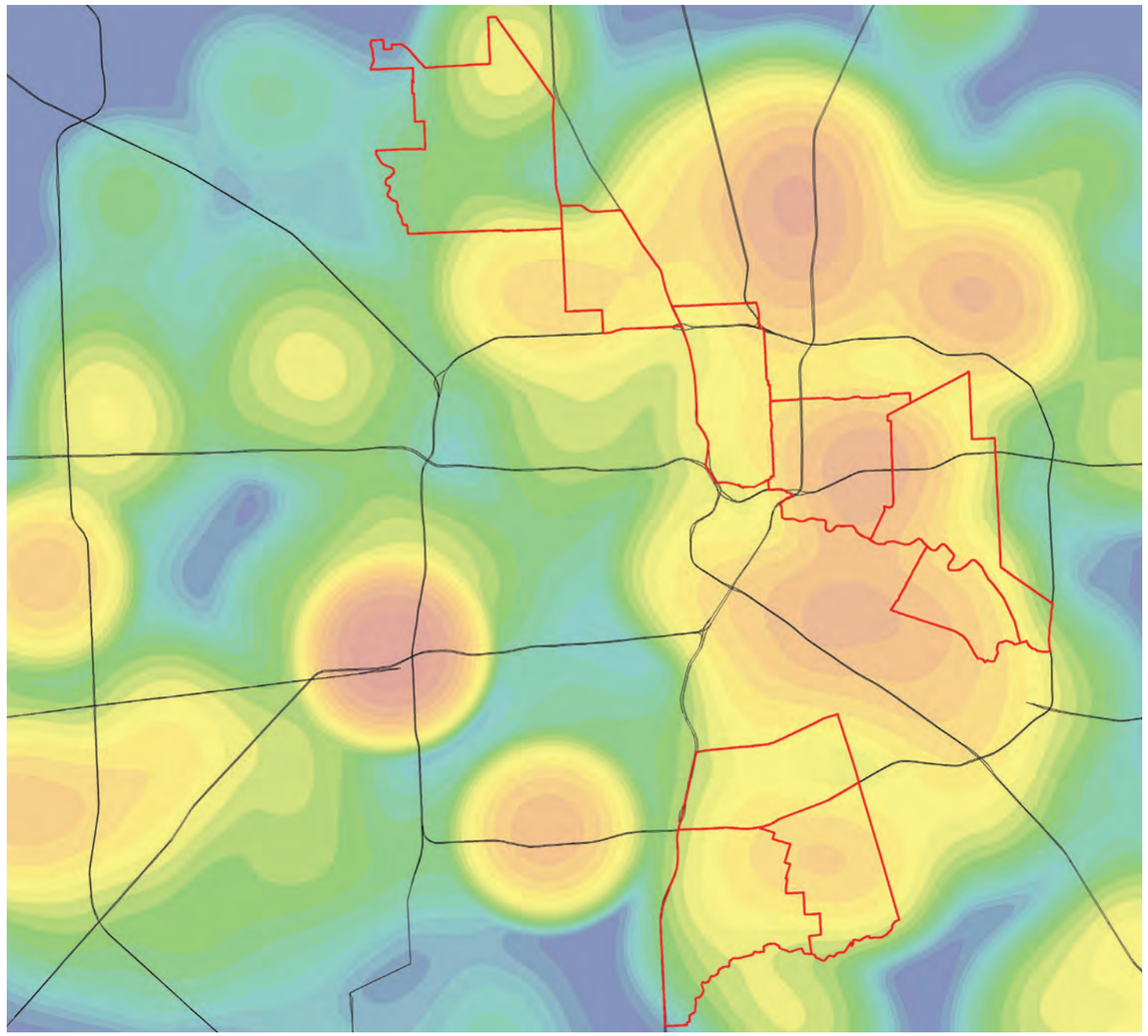
- CITY PROPOSALS
- HHA SITES

old construction — new construction

2.17 DAMAGE ASSESSMENT

Areas of Damage
Single Family / Multi-Family Residences

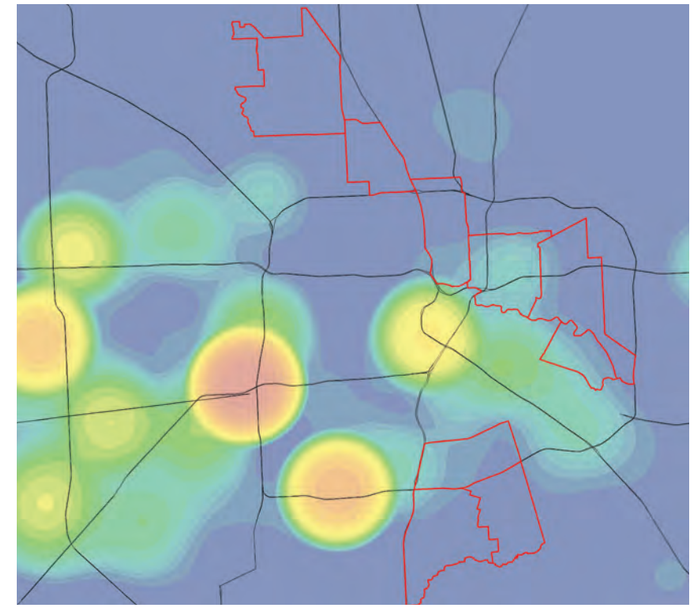
Source: LJA Engineering



The map above demonstrates the level of damage sustained from Hurricane Ike by both single family and multi-family homes combined.

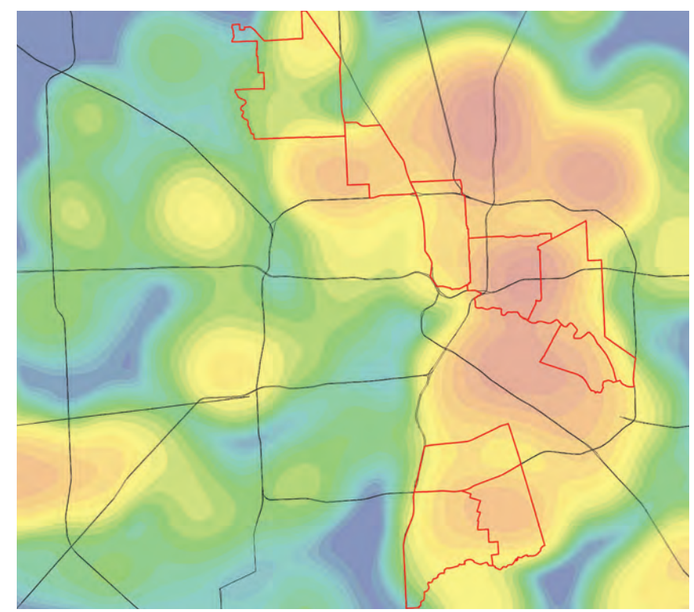
areas of less damage — **areas of most damage**

Source: LJA Engineering



Areas of Damage
Multi-Family Residences

This map demonstrates the level of damage sustained from Hurricane Ike by multi-family homes.



Areas of Damage
Single-Family Residences

This map demonstrates the level of damage sustained from Hurricane Ike by single family homes.

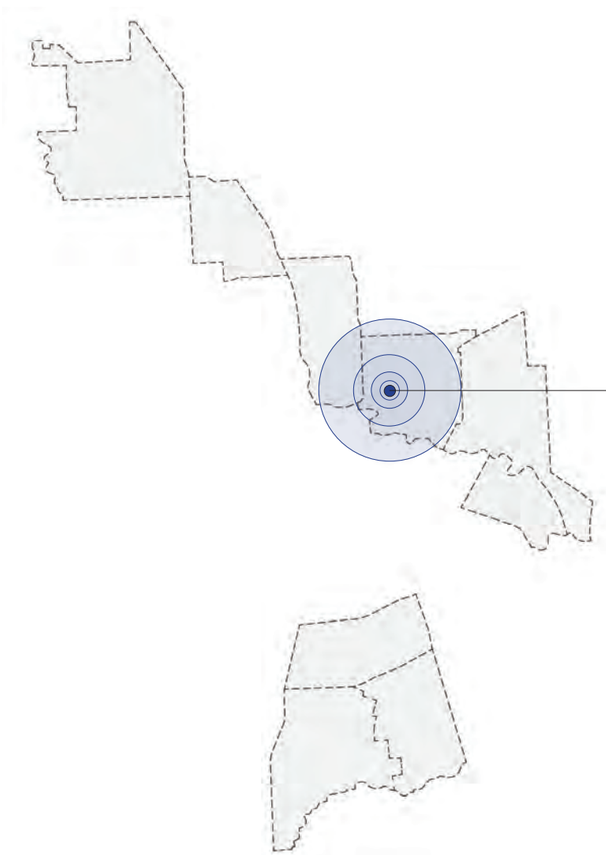
TASK2B

Study Area Analysis

2.16 Market Research (by CDS)

2.15 CURRENT MARKET ASSESSMENT

GREATER FIFTH WARD / NEAR NORTHSIDE



GREATER FIFTH WARD

The area we are defining as the core study area for Fifth Ward / Northside Village is generally bounded on the north by Quitman/Liberty Road, the west by Interstate 45 North, the south by Buffalo Bayou east of US 59 and Interstate 10 between Us 59 and Interstate 45, and the east by Lockwood Drive.

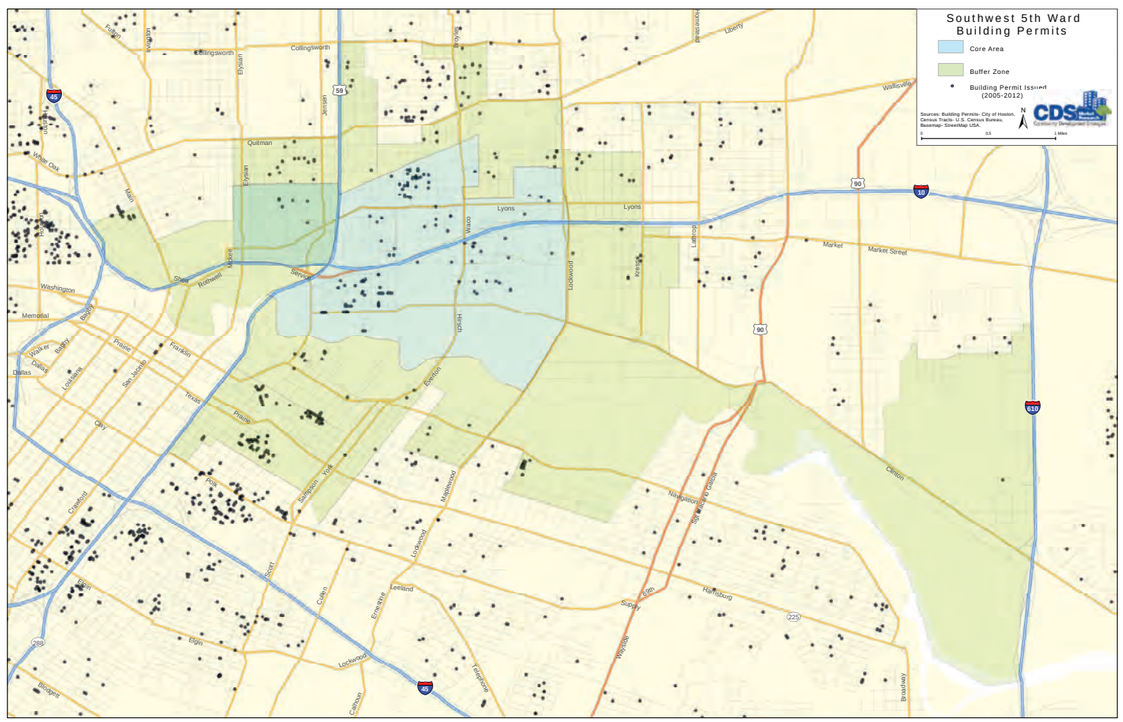
Looking at its proximity to downtown Houston, one would think that would be a driving force for economic or development activity in the Fifth Ward area. This clearly appears to be the case in one of the subsectors discussed below (Lower French Town) where market rate townhouse building is underway once more after the recession, and there is potential that it could and may, in fact, now be happening in two other subsectors depending on the actions of a major landowner in one (Buffalo Bayou Corridor) and the impact of completion of the northern extension of Metro light rail line along North Main and Fulton Streets (Northside Village). However, the timing of actual bricks and sticks on the groun d and the final verdict of the market in response to what is offered remains unclear. What is apparent is that good geographic location is not turning the tide in a consistently identifiable manner for the remainder of the core study area, and there is little evidence of market driven activity throughout most of the Fifth Ward.

Potential exists for multifamily development within Lower French Town, the Buffalo Bayou Corridor and Northside Village. However, fairly visible and extensive roadway and public infrastructure improvements will likely have to be ensured or completed in the first two subsectors before this will occur. The amount and direction of multifamily development in the latter two subsectors will be highly dependent on decisions and announcements hoped to be forthcoming from Cathexis about the KBR site that would substantially impact Buffalo Bayou Corridor, Finnigan Park, and Lower French Town and from Cypress Realty about Hardy Yards which would impact Northside Village and, possibly, the West Fifth Ward. Depending on the nature of those announcements and which segment or segments of the market the developer may address, activity(ies) within either site could "suck up the oxygen" in that subsector for additional, competitive projects or possibly generate increased demand for them.

AREA OVERVIEW

The general impression developed from fairly extensive grid driving in the core area is one of a very slow pace of commerce, old city infrastructure in poor condition and a working class population struggling due to lack of employment opportunities within the community and perhaps adequate means of transportation out of the area to a distantly located job. While this may be said of certain subsectors within all of the study areas, it seems to be more pervasive in the Fifth Ward overall. There are "hotspots" where development is occurring or feels as though it's about to, and there are dead zones. An imperfect but nonetheless helpful measure of activity is study of the location of residential building permits within the boundaries of the area. Concentrations of permits going back to 2005 show a no discernible overall pattern, and there appear to be only four concentrations of permits over a relatively large study area. Individually, these will be addressed in the subsector comments below. However, it appears that almost all of the housing permits north of I-10 reflect activity that is related to subsidy-assisted housing. Almost all of the activity south of I-10 appears to be reflecting market rate construction.

Notice should be taken that individual dogs loose on the streets and dogs gathered or roaming in packs were observed with too much frequency in the Fifth Ward (much more so than in other study areas), particularly in the northern part of the Lyons Corridor, the North Fifth, Kashmere Gardens and, occasionally, in the West Fifth. Single women and families with children may particularly shy away from residing in areas where they sense this sort of additional danger.


Southwest 5th Ward
Building Permits
Core Area
Buffer Zone
Building Permit Issued
(2005-2012)
Sources: Building Permits- City of Houston, Census Tracts- U.S. Census Bureau, Basemap- StreetMap USA.
CDS
Community Development Strategies
0
0.5
1 Miles
N
Collingsworth
Quitman
Lyons
Market
Washington
Memorial
Wallisville
Liberty
Clinton
Harrisburg
Navigation
Scott
Cullen
Lockwood
Wayside
Telephone
Blodgett
Elgin
Crawford
Dallas
Louisiana
Texas
Prairie
Gray
Polk
Rusk
Canal
Wood
Lockwood
Kashmere
Lathrop
Homestead
Gregg
Jensen
Dixie
Fulton
Ennis
Leeland
Cullen
Sunset
Dow
Hobart
Lockwood
Telephone
Cullen
Lockwood
Liberty
Broadway
Lyons
Market
Market Street
Wallisville
Liberty
Harrisburg
Navigation
Clinton
Lockwood
Telephone
Cullen

There is not much exciting happening in Denver Harbor. The housing was originally quite modest and remains so with intermittent efforts on the part of individual homeowners or clusters of them to brighten up a home or two or a block here and there. There is a subjective assessment that homes and neighborhoods flanking Market Street south of I-10 are being kept in overall better condition than those north of the freeway. There is a distinctly Hispanic character to most of the Denver Harbor area which was indicated by the names of businesses and presence of pedestrians.

An advantage Denver Harbor may one day have, though no signs of that change appear visible at present, is that its principal thoroughfare (Lyons Ave. east of Lockwood) may benefit from spillover were the Lyons Corridor to begin to prosper at some point in the future.

Finnigan Park

Finnigan Park is the area south of Interstate 10, east of Gregg Street, generally north of Clinton Drive and west of the Union Pacific railway.

The east portion of Finnigan Park offers nothing impressive in the way of existing housing or new activity. Wheatley High School has a large campus, in good repair immediately north of Finnigan Park, a large, public recreation area.

The western portion of Finnigan Park(between Gregg Street and Hirsch) has little but old housing and vacant land at present, but the purchase of a large tract by a local townhome builder (Lovett) in the center of this area indicates that housing activity, perhaps most or all of it market rate, could possibly occur soon. An interview with a broker listing almost six acres fronting Clinton Drive immediately south of the above mentioned tract, is asking $26 per square foot for the land. Now occupied by warehousing, the broker, Russell Hernandez of Hernandez Properties, says that his clients are confident that values will rise to that level once plans to develop are revealed by Lovett and also for the KBR site on the south side of Clinton that was recently purchased by a local investment firm Cathexis.

Lower French Town

Lower French Town is the area south of Interstate 10, east of Jensen Road, north of Buffalo Bayou and west of Gregg Street.

The shape of things to come seems apparent in Lower French Town. Market rate housing, consisting mostly townhouses (some within fairly large, gated developments), are replacing older houses that once occupied the smaller blocks and commercial/industrial buildings that are being razed to make way for new development. Developers are continuing to complete existing projects, and some have signs up on nearby tracts indicating more, similar developments to come in the near future. As an indicator of how attractive the area has become, a local broker (Lee Girard of Girard Properties) with a listing on a townhouse on Gregg Street indicated that he had fielded 40-50 inquiries on the listing, multiple offers and expected a quick contract at nearly full price.

Proximity to, and a very short drive into, downtown along South Jensen to Franklin allow residents of this area to funnel into and out of the CBD without substantive delay. As development has previously pushed east from downtown to the east side of the Elevated US 59, it now continues to press further down Prairie and Commerce, all of which serves to confirm buy signals, price security and the potential for appreciation to home shoppers looking at Lower French Town.

The fact that Lovett's site in Finnigan Park to the east is well known and may be developed as housing coupled with the recent purchase within the Buffalo Bayou Corridor of the 136 (?) acre KBR site by a well-financed group lends additional comfort to the presumption that the neighborhood will only get better with time.

Buffalo Bayou Corridor

Buffalo Bayou Corridor is the area south of Clinton Drive and Larimer Street for the most part, east of Jensen Road, north of Buffalo Bayou and west of Lathrop Street.

Nothing may be said about this area without first acknowledging the elephant in the room. The 136 acre KBR site (formerly headquarters and facilities for that giant corporation) reportedly purchased by Houston-based Cathexis, has set high expectations for what could happen in this formerly industrial area along Buffalo Bayou. Nothing has been publicly announced for the property, and the new owners are doing an excellent job of keeping their planning process out of the public eye, but other investors have begun to acquire properties to the east, and builders are already active to the west and north within Lower French Town. It is not an exaggeration to say that the future direction and growth of this subsector and those adjacent to it hinge on the forthcoming decisions and actions of this single land owner.

West Fifth Ward

West Fifth Ward is the area south of Kelley Street, east of Elysian Street, north of Interstate 10 and west of US 59.

The areas in the northern portion of the West Fifth Ward are primarily commercial and industrial. South of Collingsworth to Quitman Street remains mostly commercial with some older, tired residential sectors in the southeast quadrant. Continuing south to the rail tracks is a very old, very rundown area of mostly single family houses.

The portion below the railway is primarily industrial in nature or vacant tracts of land. Of note, St. Arnold's Brewery is located on Lyons Avenue overlooking Interstate 10 west of US 59. There is no evidence of market rate activity in this subsector or much to point to in the way of indication of any other residential construction.

Near Northside

Northside Village is the area south of Quitman Street or Lorraine Street, east of Interstate 45, north of Interstate 10 and west of Elysian Street.

If you're familiar with the revival of once down-market areas of Houston, recall how The Heights or Midtown and surrounding areas appeared 30-35 years ago. Northside Village has a close-in location with access to major freeways, a sufficient population of older, aesthetically pleasing homes mixed among vacant lots and larger tracts for higher density housing product. Add to this the new Metro light rail, and the potential exists for a fairly rapid change in the character of this subsector.

Evidence that this belief is becoming somewhat widespread may be found in the number of "For Sale" signs on commercial tracts in the vicinity of North Main Street between downtown and Boundary Street. Developers such as Cypress Realty (Hardy Yards) and Urban Living (North Main at James) have already staked out sites in the area and begun to generate speculation and plans or placed signs announcing projects to come. Clearly, the eyes of the developer community are on this area, and some market rate projects will likely get underway.

Modern but not brand new townhouses between North Main and Interstate 45 North indicate that such activity had started to spread eastward from the First Ward and Woodland Heights during the last development cycle, probably stalling due to the recession. Some current new construction and recent or ongoing renovation of existing houses was observed west of North Main. There is not much evidence of new construction east of North Main to Elysian at this time. Encouragingly, townhouse development has strongly revived in the First Ward along with additional renovation and some new construction located in Woodland Heights. Price pressure from those communities could spark new spillover into Northside Village with the anticipated point of entry to be along Hogan (due to the bridge over Interstate 45) initially clustering around the intersection of North Main at Hogan before moving toward downtown and then north to Boundary Street and possibly up North Main to the freeway. Russell Hernandez, a realtor active in the Fifth Ward, says that there is sufficient interest and activity in the area by his clients and others that he believes the next five years will be transformative. He estimated that prices for good development tracts along the new rail corridor will have tripled by next year from levels coming out of the recession.

The Hardy Yards, a 40 acre, former Union Pacific Railway property now under control of Cypress Realty, may be the southern anchor for this subsector. If developed as anticipated, Hardy Yards would add Over 2,400 new apartment and townhouse units plus 60,000 square feet of retail space.

Obviously, the roadway improvements along North Main, Boundary Street and Fulton Street that are related to construction of the light rail are an important factor in giving this area a new sense of excitement and potential. They make their immediate

GATEWAY THOROUGHFARE IMPRESSIONS

Lyons Avenue

– Two lane street –

Despite its promotion as a locus of economic revival for the area, Lyons Avenue disappoints.

East from Lockwood to the Union Pacific railway is a mixture of modest single family homes and commercial and industrial buildings. Once over the railway, there are primarily neighborhood oriented retail businesses (grocer, pharmacy, discount stores, etc.) in much less than pristine condition flowing into the subsector of Denver Harbor.

West of Lockwood on Lyons are modest, older single family homes with commercial businesses interspersed along the way, the occasional church or school, a newly renovated park and the Lyons Village apartment and offices (not well occupied) until the road passes beneath US 59. Young Men's College Preparatory School is the stand-out facility located along this portion of the street.

West of 59 and just past i ts intersection with Jensen, Lyons slims to a two lane roadway. There are vacant tracts of land and industrial use buildings (St. Arnold's Brewery) in generally poor condition until the road terminates at McKee.

Quitman Street / Liberty Road

– Two lane street –

Quitman is noteworthy, not due to its condition (generally poor to terrible) or what fronts it (nothing very impressive) so much as its course. It is the eastward continuation of White Oak Drive coming from The Heights generally parallel to and north of Interstate 10 West across Interstate 45 to enter into Northside Village. It continues eastward as Quitman Street across the West Fifth Ward through French Town between I-45 and US 59 and becomes Liberty Road separating the Lyons Avenue Corridor from the North Fifth Ward east of US 59. Thus, it connects more of the Fifth Ward to more areas of Houston than any road other than the freeways.

However, not a lot of space need be devoted to this thoroughfare other than with regard to how it affects Northside Village. Liberty Road east of US 59 is in dismal condition with essentially the Union Pacific railway and yards on its south side and very poor condition housing on its north.

Quitman west from US 59 passes through the center of the West Fifth Ward. Along the street frontage are older commercial/industrial buildings, vacant lots and deteriorated houses. These conditions continue further north and south of Quitman throughout the West Fifth. Between parallel railroad tracks is the CDC Recycling Center, a dismal cluster of old warehousing accompanied by scrap yards on either side of the road. This is a visual and potential environmental blight on the area and will likely repel any sort of market activity for some distance around it.

Substandard housing continues west of the tracks until reaching the large and well-maintained campus of Jefferson Davis High School where progress into a much improved in condition section of neighborhood oriented retailers provi hartered or private as opposed to public. Jensen become smore commercial/industrial as it progress northward beyond Collingsworth toward the North 610 Loop.

Clinton Street

– Four lane street –

Headed east from Jensen, Clinton is presently a street in reasonable condition but with some need for repair. Its condition and appearance degrades east of Hirsch Road due to its historical and continuing existence serving industrial users. If speculation about the future of development of the KBR/Cathexis site in Buffalo Bayou Corridor, the MDI site in Finnigan Park and continuation of building in Lower French Town rejuvenate the area through which this street passes, the City of Houston and/or prlvate developers must improve the condition of this roadway prior to or in conjunction with that growth or risk losing momentum.

Hirsch / Altoona / Waco Road

– Four lane boulevard –

Industrial/commercial south of Clinton Drive, this road passes through substandard residential housing areas from Clinton over Interstate 10 going north through the Lyons Avenue Corridor, North Fifth Ward and Kashmere Gardens. There is no substantive commercial acticity or any market rate housing development occurring at present nor is the potential for it apparent.

Elysian / Hardy

– From downtown to Harrington north of Interstate 10, Elysian is a four lane street. Between Harrington and the North 610 Loop, Elysian and Hardy are parallel, one-way, four lane streets that serve principally to shuttle commuter traffic between the southern terminus of the Hardy Toll Road at the 610 Loop into and out of downtown Houston. –

Passing almost continuously through a mixture of lower quality single family housing and older commercial/industrial businesses, there is no market rate activity presently observed.

According to the Harris County Toll Road Authority's web site: The Hardy Downtown Connector project will extend the Hardy Toll Road from its current terminus at IH 610 North Loop to downtown Houston and will consist of four toll lanes (two in each direction) for a distance of 3.6 miles. This project will link the current Hardy Toll Road directly into downtown Houston and should help alleviate congestion at the IH 610 North Loop, IH 45, and US 59. The project has a total estimated cost of $350 million. This project will be completed in two phases. Phase I includes the relocation of the Houston Belt & Terminal rail line which will be followed by the construction of overpasses at Quitman and Collingsworth, and an underpass at Lorraine Street, to eliminate at-grade crossings. Phase II will be the construction of the toll lanes. Relocation of the rail line is currently under way and is expected to be complete in 2014.

North Main Street

– Two lane street with light rail up to Boundary Street –

North Main Street exits downtown passing the University of Houston Downtown Campus and the Hardy Yards site and older industrial/commercial businesses until intersection with Hogan where more commercial and down-market, neighborhood retail businesses front the street as well as a large City of Houston Health Department facility. There is noticeable vacant land here and closed businesses with what appear to be fairly new commercial realty signs which may indicate an impending wholesale transition of property to developers.

North Main takes on a more residential character as older homes front or side the road amongst older commercial uses north of Quitman continuing to intersection with Interstate 45 and beyond to skirt Woodland Heights and The Heights,.

The soon-to-be-active, light rail line exiting downtown from Main Street follows North Main to Boundary Street where it turns eastward along Boundary and north again at Fulton Street. The popularity and ridership on this line will determine a lot about the future of development in Northside Village.

Fulton Street

– Two lane street with light rail north of Boundary Street –

Fulton Street begins north of downtown at Burnet Street (the north side of Hardy Yards) and proceeds through an economically challenged neighborhood with a mixture of substandard housing (some of which were, at one time, quite attractive) to an appreciably nicer residential area in the vicinity of Hogan. North of Hogan, quality of housing improves again in general with better upkeep and renovation of some homes more noticeable though there are intermittent disappointments.

General land use along Fulton begins to change near Quitman with a relative new Walgreens at the southwest corner and a Fiesta Grocery at the southeast corner. Headed north where the light rail will soon merge at Boundary Street, the road becomes largely retail, much of which shows signs of improved maintenance or renovation and upgrade of purpose. The Houston Housing Authority operates a large public housing community along the west side beginning at Luzon and continuing north to Hays.

Interstate 45 North

– Limited Access Freeway –

Interstate 45 is a major freeway connecting Houston to Galveston and Dallas within the State of Texas. It is the major north/south traffic conduit for the Houston Metro area. Access to and from it within the study area is limited to partial or full intersections at Quitman and North Main respectively. There is limited commercial activity along this corridor in this area.

Interstate 10 – Limited Access Freeway - Interstate 10 is a major freeway connecting Houston to Beaumont/Port Arthur and San Antonio and points west within the State of Texas. It is the major east/west traffic conduit for the Houston Metro area. Access to and from it within the study area includes various ramps in or near downtown with full intersections at Waco and Lockwood. There is fairly limited retail or commercial activity along this corridor in this area other than at the full intersections where freeway-oriented retail may be found.

US 59 North

– Limited Access Freeway –

U.S. Highway 59 is a major local freeway that brings commercial traffic into and out of Houston from other points in Texas and often from Mexico. It is generally oriented southwest/northeast across the Metro area and also serves as a major commuter thoroughfare from Houston's suburbs. Passing east of downtown Houston, it provides access to the study area north of Interstate 10 at Quitman Road and Collingsworth.

MARKET DATA SUMMARY

Home Sales

The recession had a major effect on detached home sales in the core study area, with average sales prices very low. Prices have since returned to levels higher than before the recession. MLS classified all sales as single family in this area, even though some are likely attached townhomes.

The 2nd Ward, while having fewer sales, has considerably higher prices. Recently built townhomes are selling Vmostly from $200,000 to $250,000.

Sales volume and prices for detached homes in the core of Northside Village dropped in average price during the recession and have yet to fully recover.

Recently built townhomes had been available well under $200,000 but 2012 sales (just two) averaged over $200,000. These units sell at much higher prices per square foot than the older detached homes.

The South Moody Park buffer area, immediately to the north, shows trends similar to the core area.

Southwest 5th Ward Core Area – Single Family Detached
(Census Tracts 2113 Block Groups 1-4, Census Tract 2114)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	34	$ 86,523	94%	77	1,370	$ 61.63	1960
2008	40	$ 32,405	93%	83	1,523	$ 78.14	1978
2009	43	$ 20,313	98%	102	1,346	$ 80.47	1981
2010	25	$ 89,638	99%	84	1,264	$ 66.08	1981
2011	26	$111,121	94%	87	1,518	$ 71.58	1989
2012	30	$109,902	91%	68	1,411	$ 70.64	1980

2nd Ward Buffer Area – Single Family Detached
(Census Tract 3101)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	14	$181,411	100%	50	1,541	$ 115.23	1976
2008	9	$189,461	101%	71	1,830	$ 100.18	1989
2009	7	$160,658	95%	57	1,726	$ 87.91	1978
2010	8	$240,813	99%	31	2,011	$ 101.95	1981
2011	12	$199,604	92%	52	1,865	$ 102.04	1990
2012	17	$238,729	94%	15	1,771	$ 84.92	1990

2nd Ward Buffer Area – Townhomes / Condos
(Census Tract 3101)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	29	$237,715	99%	80	1,848	$ 128.00	2004
2008	48	$223,533	98%	149	1,733	$ 127.59	2007
2009	22	$220,391	99%	51	1,830	$ 120.98	2006
2010	21	$196,657	96%	56	1,778	$ 111.43	2003
2011	28	$221,029	94%	92	1,997	$ 104.19	2008
2012	38	$248,239	99%	46	1,973	$ 112.43	2009

[1] From Harris County Appraisal District

Northside Village Core Area – Single Family Detached
(Census Tract 2123)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	23	$120,976	99%	104	1,409	$ 81.98	1958
2008	12	$104,908	98%	114	1,490	$ 50.69	1953
2009	6	$103,497	92%	50	1,637	$ 68.77	1953
2010	15	$ 95,913	90%	115	1,334	$ 75.94	1937
2011	8	$ 68,022	90%	59	1,229	$ 56.42	1941
2012	8	$ 86,863	92%	73	1,148	$ 73.10	1938

Northside Village Core Area – Townhomes / Condos
(Census Tract 2123)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	11	$205,038	99%	88	1,589	$ 131.15	2006
2008	4	$160,863	88%	108	1,562	$ 105.64	2006
2009	3	$187,667	99%	94	1,838	$ 103.46	2006
2010	1	$127,000	100%	92	1,444	$ 87.95	2006
2011	1	$147,000	100%	40	1,916	$ 76.72	2006
2012	2	$226,000	95%	8	2,155	$ 104.87	2006

South Moody Park Buffer Area – Single Family Detached
(Census Tract 2104)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	16	$128,488	95%	65	1,516	$ 75.43	1947
2008	7	$ 80,479	85%	102	1,597	$ 51.17	1942
2009	12	$ 87,492	96%	67	1,268	$ 72.60	1943
2010	10	$ 88,800	88%	62	1,315	$ 69.68	1936
2011	15	$ 82,593	92%	89	1,317	$ 62.14	1948
2012	10	$ 89,651	94%	106	1,277	$ 73.40	1939

[1] From Harris County Appraisal District

Sales volume and prices for detached homes in the core of Northside Village dropped in average price during the recession and have yet to fully recover.

Recently built townhomes had been available well under $200,000 but 2012 sales (just two) averaged over $200,000. These units sell at much higher prices per square foot than the older detached homes.

The South Moody Park buffer area, immediately to the north, shows trends similar to the core area.

The 1st Ward buffer area, directly west of the core area across the Hogan bridge over the freeways, had moderate impacts at worst from the recession. Average prices for recently built townhomes averaged over $300,000 in 2010 and 2012. Prices per square foot for 1st Ward townhomes are much higher than in the core Northside Village area.

1st Ward Buffer Area – Single Family Detached
(Census Tract 5101)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	28	$256,558	98%	103	1,699	$ 155.04	1953
2008	19	$275,665	97%	99	1,931	$ 132.20	1972
2009	26	$252,220	96%	52	2,014	$ 119.17	1973
2010	33	$230,039	95%	95	1,737	$ 130.42	1964
2011	25	$239,971	99%	110	1,881	$ 131.08	1968
2012	32	$265,290	95%	109	1,963	$ 132.57	1984

1st Ward Buffer Area – Townhomes / Condos
(Census Tract 5101)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	8	$252,550	98%	36	1,763	$ 167.96	2004
2008	15	$292,663	99%	111	2,119	$ 137.67	2005
2009	26	$286,060	96%	145	2,265	$ 126.17	2007
2010	22	$306,223	98%	121	2,319	$ 131.65	2009
2011	18	$272,519	97%	92	2,156	$ 125.62	2007
2012	23	$325,430	97%	85	2,231	$ 144.60	2009

[1] From Harris County Appraisal District

Name	Address	Core, Buffer, or Gen. Vicinity	Year Built	Year Renov.	# Units	Avg. Sq.Ft.	Market Performance			Subsidies?	
							Occ. %	Avg. Rent / Sq.Ft.	Avg. Eff. Rent / Sq.Ft.	Inc. Restr.	Sec. 8
Dakota Lofts	711 William St	GV	1993		53	824	NA	$1.36	$1.36	N	N
Columns on 59th	2828 Collingsworth	GV	1967	2004	140	735	90%	$0.88	$0.88	N	N
Canal Place	2104 Canal St	Buffer	2007		250	1,047	96%	$1.32	$1.32	Y	N
Fulton Village	3300 Esler St	Buffer	2003		108	1,112	99%	$0.66	$0.66	Y	N
Lofts at the Ballpark	610 Saint Emanuel St	Buffer	2002		375	993	91%	$1.21	$1.21	N	N
Marquis Lofts on Sabine	150 Sabine	Buffer	2001		198	1,015	95%	$1.65	$1.65	N	N
Marquis Downtown	2115 Runnels St	Buffer	2003		244	1,002	94%	$1.36	$1.36	N	N
Pleasant Hill Village	3814 Lyons Ave	Core	1998		165	523	95%	$1.12	$1.12	N	Y
Wheatly Manor	5201 Market St	Core	2000		108	750	90%	$0.71	$0.67	N	Y

Source: ALN

Apartments

There is a limited supply of apartment housing in the core study area. Newer properties close to downtown achieve Class A-level rents. Pleasant Hill Village is a senior living complex.

SW 5th Ward

Core Area

Population of core study area fell from 2000 – 2010.

School-age children population decreased especially quickly.

Anglo population rose moderately.

Hispanic population rose substantially.

Black population decreased substantially.

Income levels still heavily weighted toward low end of spectrum, but most low households income groups decreased in number from 2000 to 2010.

Significant increase in households over $200K income level by 2009 from almost none in 1999.

Population and Age – SW 5th Ward Core Area
Includes Portion of Lyons / Jensen / Lorraine / Near Northside

	Count		Change	Share	
Age Group	2000	2010	2000-2010	2000	2010
0 to 4	864	869	5	9.1%	9.9%
5 to 14	1,886	1,367	(519)	19.9%	15.6%
15 to 24	1,511	1,286	(225)	16.0%	14.7%
25 to 34	1,125	1,252	127	11.9%	14.3%
35 to 44	1,217	1,078	(139)	12.9%	12.3%
45 to 54	1,006	1,157	151	10.6%	13.2%
55 to 64	698	873	175	7.4%	10.0%
65 to 74	585	429	(156)	6.2%	4.9%
75 and over	572	425	(147)	6.0%	4.9%
Total	9,464	8,736	(728)	100.0%	100.0%

Race / Ethnicity – SW 5th Ward Core Area
Does NOT Include Lyons / Jensen / Lorraine / Near Northside

	Count		Change	Share	
Ethnicity	2000	2010	2000-2010	2000	2010
White alone	149	393	244	1.7%	4.9%
Black alone	6,448	4,971	(1,477)	75.2%	62.4%
Asian alone	26	70	44	0.3%	0.9%
Hispanic	1,901	2,462	561	22.2%	30.9%
Mixed / other	54	72	18	0.6%	0.9%
Total	8,578	7,968	(610)	100.0%	100.0%

Previous Year Household Income – SW 5th Ward Core Area

	Count		Change	Share	
Income Group	Census 2000	5-Yr. 2011 ACS	1999 - 2009	Census 2000	5-Yr. 2011 ACS
Less than $10,000	1,362	959	(403)	40.6%	30.2%
$10,000 to $14,999	409	553	144	12.2%	17.4%
$15,000 to $24,999	599	490	(109)	17.9%	15.4%
$25,000 to $34,999	345	147	(198)	10.3%	4.6%
$35,000 to $49,999	305	280	(25)	9.1%	8.8%
$50,000 to $74,999	209	313	104	6.2%	9.9%
$75,000 to $99,999	59	184	125	1.8%	5.8%
$100,000 to $149,999	33	93	60	1.0%	2.9%
$150,000 to $199,999	19	32	13	0.6%	1.0%
$200,000 or more	15	124	109	0.4%	3.9%
Total Households	3,355	3,175	(180)	100.0%	100.0%

Occupancy heavily weighted toward renters, with high vacancy rate.

Most housing pre-1970 but significant share post-2000 (18%).

Single family detached units predominant (60%). Unusually high duplex count (5%).

Housing Occupancy Status 2010 – SW 5th Ward Core Area

	2010	
Tenure	Count	Share
Owner	1,061	27.1%
Renter	2,113	53.9%
Vacant	748	19.1%
Total	3,922	100.0%

Housing Year Built – SW 5th Ward Core Area

	2010	
Year Built	Count	Share
2005 or later	313	8%
2000 to 2004	398	10%
1990 to 1999	277	7%
1980 to 1989	204	5%
1970 to 1979	290	7%
1960 to 1969	592	14%
1950 to 1959	705	17%
1940 to 1949	759	18%
1939 or earlier	592	14%
Housing Total	4,130	100%

Housing Structure Type – SW 5th WardCore Area

	2010	
Structure Type	Count	Share
1 unit detached	2,465	59.8%
1 unit attached	143	3.5%
2 units	196	4.8%
3-4 units	328	8.0%
5-9 units	255	6.2%
10-19 units	332	8.0%
20-49 units	143	3.5%
50 units or more	263	6.4%
Total	4,125	100.0%

Buffer Areas

The selected buffer areas around SW 5th Ward added population from 2000 to 2010.

Remarkably, the Hispanic population decreased in these areas overall, with whites and to a lesser extent blacks constituting the growth.

The area to the west of the core study area around Hardy Yards and St. Arnold's decreased in population.

The growth of the white and black populations in the northern second ward more than offset the decrease in the Hispanic population. HHA property Clayton Homes is in this area.

The remainder of the 2nd Ward showed a similar trend.

Race / Ethnicity – All SW 5th Ward Buffer Areas
Includes Lyons / Jensen / Lorraine / Near Northside

	Count		Change	Share	
Ethnicity	2000	2010	2000-2010	2000	2010
White alone	665	1,636	971	3.7%	8.6%
Black alone	5,443	5,894	451	30.2%	30.9%
Asian alone	129	145	16	0.7%	0.8%
Hispanic	11,643	11,181	(462)	64.7%	58.7%
Mixed / other	117	207	90	0.7%	1.1%
Total	17,997	19,063	1,066	100.0%	100.0%

Race / Ethnicity – Lyons / Jensen / Lorraine / Near Northside

	Count		Change	Share	
Ethnicity	2000	2010	2000-2010	2000	2010
White alone	23	32	9	2.6%	4.7%
Black alone	280	146	(134)	31.6%	21.6%
Asian alone	10	1	(9)	1.1%	0.1%
Hispanic	566	425	(141)	63.8%	62.9%
Mixed / other	8	72	64	0.9%	10.7%
Total	887	676	(211)	100.0%	100.0%

Race / Ethnicity –Northern 2nd Ward

	Count		Change	Share	
Ethnicity	2000	2010	2000-2010	2000	2010
White alone	136	483	347	5.5%	15.9%
Black alone	888	1,306	418	36.1%	43.1%
Asian alone	63	43	(20)	2.6%	1.4%
Hispanic	1,342	1,144	(198)	54.5%	37.8%
Mixed / other	34	53	19	1.4%	1.7%
Total	2,463	3,029	566	100.0%	100.0%

Race – Ethnicity – Remainder of 2nd Ward

	Count		Change	Share	
Ethnicity	2000	2010	2000-2010	2000	2010
White alone	157	793	636	7.4%	27.8%
Black alone	115	479	364	5.4%	16.8%
Asian alone	28	76	48	1.3%	2.7%
Hispanic	1,807	1,473	(334)	85.0%	51.6%
Mixed / other	20	34	14	0.9%	1.2%
Total	2,127	2,855	728	100.0%	100.0%

DEMOGRAPHICS

Near Northside / Hardy Core Area

Population

The core study area of the Northside / Hardy area includes some overlap with the SW 5th Ward, specifically the area south of Quitman between Hardy Street and US 59.

The core study area lost population from 2000 to 2010, with especially heavy losses in children and young adults.

The core area remains almost entirely Hispanic, even though Hispanics accounted for the vast majority of population loss. The small white population remained stable.

The income distribution has been heavily weighted towards low and moderate levels. Moderate income households between $25,000 and $50,000 decreased during the period but households between $50,000 and $100,000 increased moderately. Households earning over $100,000 accounted for less than 3% of total households as of the most recent ACS.

Occupancy

Renters account for the greatest share of households. Vacancy as of 2010 was relatively high at about 18%.

The core study area has very old housing stock for Houston. Over half of housing units were built before 1950. An estimated 9% of units have been built since 2000.

Single family detached homes make up the greatest share of housing, at nearly 60% of all units. The core area also has a relatively high share of attached single family (townhomes) and duplexes, which together make up approximately an estimated 22% of the housing stock.

Population and Age – Northside / Hardy Core Area

Includes Portion of Lyons / Jensen / Lorraine / Near Northside

	Count		Change	Share	
Age Group	2000	2010	2000-2010	2000	2010
0 to 4	545	464	(81)	8.1%	8.6%
5 to 14	1,105	840	(265)	16.5%	15.6%
15 to 24	1,233	748	(485)	18.4%	13.9%
25 to 34	1,175	751	(424)	17.5%	14.0%
35 to 44	924	763	(161)	13.8%	14.2%
45 to 54	703	751	48	10.5%	14.0%
55 to 64	409	546	137	6.1%	10.1%
65 to 74	363	271	(92)	5.4%	5.0%
75 and over	253	247	(6)	3.8%	4.6%
Total	6,710	5,381	(1,329)	100.0%	100.0%

Race / Ethnicity – Northside / Hardy Core Area

Does NOT Include Lyons / Jensen / Lorraine / Near Northside

	Count		Change	Share	
Ethnicity	2000	2010	2000-2010	2000	2010
White alone	235	288	53	3.5%	5.4%
Black alone	347	245	(102)	5.2%	4.6%
Asian alone	27	15	(12)	0.4%	0.3%
Hispanic	6,078	4,808	(1,270)	90.6%	89.4%
Mixed / other	23	25	2	0.3%	0.5%
Total	6,710	5,381	(1,329)	100.0%	100.0%

Previous Year Household Income – Northside / Hardy Core Area

	Count		Change	Share	
Income Group	Census 2000	5-Yr. 2011 ACS	1999 - 2009	Census 2000	5-Yr. 2011 ACS
Less than $10,000	352	423	71	20.0%	25.7%
$10,000 to $14,999	192	187	(5)	10.9%	11.4%
$15,000 to $24,999	386	368	(18)	22.0%	22.4%
$25,000 to $34,999	251	201	(50)	14.3%	12.2%
$35,000 to $49,999	363	158	(205)	20.6%	9.6%
$50,000 to $74,999	113	181	68	6.4%	11.0%
$75,000 to $99,999	37	81	44	2.1%	4.9%
$100,000 to $149,999	47	30	(17)	2.7%	1.8%
$150,000 to $199,999	11	5	(6)	0.6%	0.3%
$200,000 or more	6	12	6	0.3%	0.7%

Housing Occupancy Status 2010 – Northside / Hardy Core Area

	2010	
Tenure	Count	Share
Owner	663	32.1%
Renter	1,036	50.1%
Vacant	367	17.8%
Total	2,066	100.0%

Housing Year Built – Northside / Hardy Core Area

	2010	
Year Built	Count	Share
2005 or later	118	6%
2000 to 2004	58	3%
1990 to 1999	84	4%
1980 to 1989	18	1%
1970 to 1979	122	6%
1960 to 1969	137	7%
1950 to 1959	312	16%
1940 to 1949	363	19%
1939 or earlier	729	38%
Housing Total	1,941	100%

Housing Structure Type – Northside / Hardy Core Area

	2010	
Structure Type	Count	Share
1 unit detached	1,153	59.4%
1 unit attached	204	10.5%
2 units	219	11.3%
3-4 units	193	9.9%
5-9 units	62	3.2%
10-19 units	67	3.5%
20-49 units	23	1.2%
50 units or more	20	1.0%
Total	1,941	100.0%

Northside Village / Hardy Buffer Areas

Two buffer areas were studies: an area immediately to the north of the core study area (South Moody Park) and one immediately to the west (First Ward).

South Moody Park

South Moody Park is similar to the core area in that it lost population from 2000 to 2010, especially in younger age ranges, though the loss was considerably less dramatic.

Hispanics accounted for the entirety of the loss; other groups remained constant. This area has a more substantial black population than the core area.

As with the core study area, South Moody Park is typified by low and moderate income households mostly under $50,000. Interestingly, the $100,000 to $150,000 income group is estimated to have increased substantially during the last decade, though the overall profile hasn't changed a lot.

Population and Age – South Moody Park

Age Group	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
0 to 4	552	535	(17)	9.5%	10.0%
5 to 14	1,054	911	(143)	18.2%	17.1%
15 to 24	1,000	767	(233)	17.3%	14.4%
25 to 34	907	732	(175)	15.7%	13.7%
35 to 44	780	697	(83)	13.5%	13.1%
45 to 54	638	696	58	11.0%	13.1%
55 to 64	385	535	150	6.7%	10.0%
65 to 74	269	254	(15)	4.7%	4.8%
75 and over	197	201	4	3.4%	3.8%
Total	5,782	5,328	(454)	100.0%	100.0%

Race / Ethnicity – South Moody Park

Ethnicity	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
White alone	316	332	16	5.5%	6.2%
Black alone	877	904	27	15.2%	17.0%
Asian alone	8	23	15	0.1%	0.4%
Hispanic	4,556	4,025	(531)	78.8%	75.5%
Mixed / other	25	44	19	0.4%	0.8%
Total	5,782	5,328	(454)	100.0%	100.0%

Previous Year Household Income – South Moody Park

Income Group	Count Census 2000	Count 5-Yr. 2011 ACS	Change 1999 - 2009	Share Census 2000	Share 5-Yr. 2011 ACS
Less than $10,000	413	432	19	25.2%	25.9%
$10,000 to $14,999	178	110	(68)	10.8%	6.6%
$15,000 to $24,999	344	345	1	21.0%	20.7%
$25,000 to $34,999	241	227	(14)	14.7%	13.6%
$35,000 to $49,999	225	220	(5)	13.7%	13.2%
$50,000 to $74,999	158	113	(45)	9.6%	6.8%
$75,000 to $99,999	67	62	(5)	4.1%	3.7%
$100,000 to $149,999	14	127	113	0.9%	7.6%
$150,000 to $199,999	-	-	-	0.0%	0.0%
$200,000 or more	2	33	31	0.1%	2.0%
Total Households	1,642	1,670	28	100.0%	100.0%

Population and Age – First Ward

Age Group	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
0 to 4	154	72	(82)	7.2%	3.4%
5 to 14	348	143	(205)	16.2%	6.7%
15 to 24	485	270	(215)	22.6%	12.6%
25 to 34	349	598	249	16.2%	27.9%
35 to 44	284	393	109	13.2%	18.3%
45 to 54	228	307	79	10.6%	14.3%
55 to 64	129	214	85	6.0%	10.0%
65 to 74	100	84	(16)	4.7%	3.9%
75 and over	73	61	(12)	3.4%	2.8%
Total	2,150	2,142	(8)	100.0%	100.0%

Race / Ethnicity – First Ward

Ethnicity	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
White alone	206	762	556	9.6%	35.6%
Black alone	414	322	(92)	19.3%	15.0%
Asian alone	31	62	31	1.4%	2.9%
Hispanic	1,492	969	(523)	69.4%	45.2%
Mixed / other	7	27	20	0.3%	1.3%
Total	2,150	2,142	(1,268)	100.0%	100.0%

Previous Year Household Income – First Ward

Income Group	Count Census 2000	Count 5-Yr. 2011 ACS	Change 1999 - 2009	Share Census 2000	Share 5-Yr. 2011 ACS
Less than $10,000	71	38	(33)	12.9%	4.7%
$10,000 to $14,999	58	69	11	10.5%	8.5%
$15,000 to $24,999	182	105	(77)	33.0%	12.9%
$25,000 to $34,999	64	143	79	11.6%	17.5%
$35,000 to $49,999	59	140	81	10.7%	17.2%
$50,000 to $74,999	67	179	112	12.1%	22.0%
$75,000 to $99,999	33	59	26	6.0%	7.2%
$100,000 to $149,999	18	41	23	3.3%	5.0%
$150,000 to $199,999	-	34	34	0.0%	4.2%
$200,000 or more	-	7	7	0.0%	0.9%
Total Households	552	816	264	100.0%	100.0%

First Ward

The First Ward experienced dramatic change over the last decade. Its total population remained constant but shifted greatly in composition.

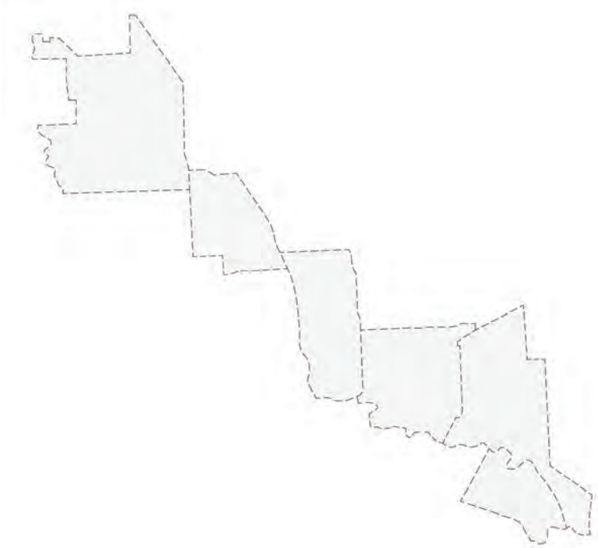
The presence of children decreased substantially; persons under age 25 comprised about 46% of the population in 2000, losing over half of their numbers by 2010. Working-age adults aged 25 to 64 completely offset this decline.

The First Ward had a major change in ethnic composition as well. Hispanics constituted over 69% of residents in 2000; this dropped to less than half by 2010 as that group experienced a 35% in numbers. The white population, in contrast, more than doubled and now accounts for more than a third of the total. The black population declined moderately.

The share of low income households decreased over the period. Middle income, along with some high income, households have been increasing rapidly. Nearly one-quarter of households are now estimated to earn $50,000 to $75,000.

CURRENT MARKET ASSESSMENT

OLD SPANISH TRAIL / SOUTH UNION



OST/SOUTH UNION

The area we are defining as the core study area for OST / Griggs is generally bounded on the north by Old Spanish Trail (OST), the west by Scott Street, the south by the 610 South Loop and the east by the Burlington Santa Fe Northern railway.

Some market rate, single family construction is underway by companies such as Mayberry homes. Mayberry often builds in price ranges that allow buyers to participate in government assistance programs, but the company does have houses in the Riverside area that exceed those limits and target a conventional buyer. Townhouse development would be feasible in the same subsector but would almost certainly meet with opposition from local civic groups. The OST / Griggs area has a wide array of current housing ranging from well-maintained, upper scale single family in its northern sectors to very poorly maintained, inferior houses in the southern and western portions. Installation of light rail along MLK Boulevard south of University of Houston to Griggs and improvements to Griggs creates the potential for gated patio or townhouse communities, and the street reconstruction east of MLK south of Griggs may eventually tempt single family builders, but no evidence of current plans or pending announcements could be found at this time. Rapid growth west of State Highway 288 spun off from or related to the Texas Medical Center has already led to development in peripheral areas west of the study area and could eventually create similar, market rate opportunities moving eastward along OST or Griggs.

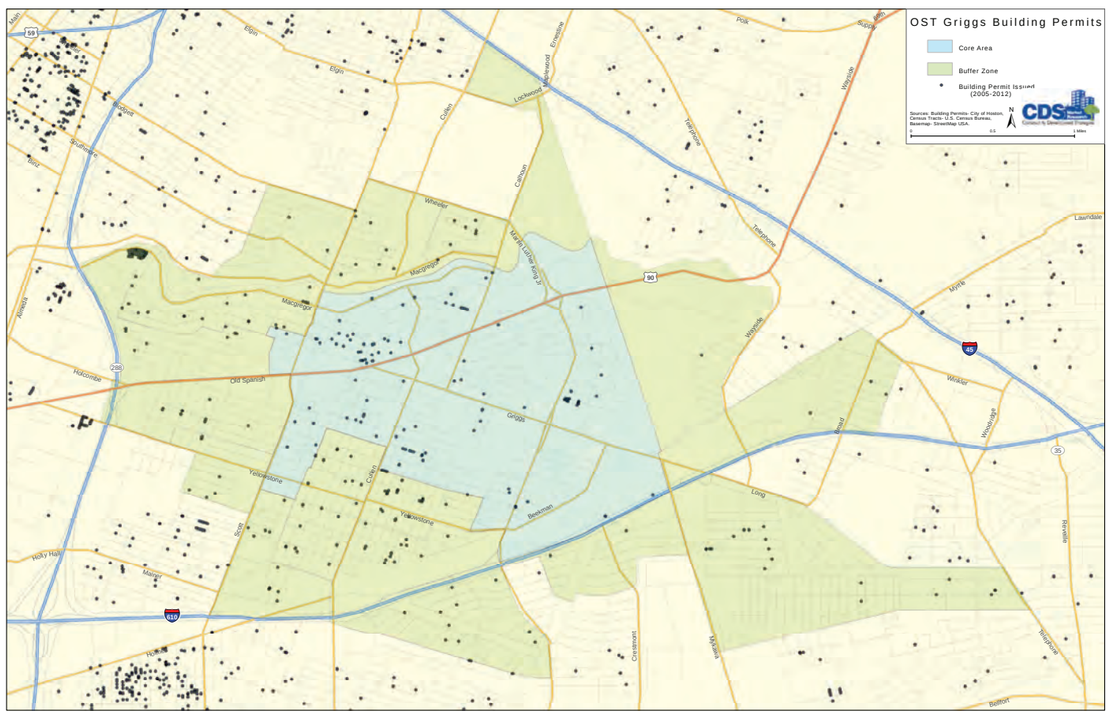
As is almost but not always the case for urbanized areas, sites large enough for market rate multifamily projects are not commonplace in this study area. They would more likely than not be located along OST or Griggs Road - the nearer to SH 288, the better. Several potential tracts were identified though prior industrial use or current environment created by neighboring or nearby properties raise environmental and/or security concerns. As the economy improves and, if desirability of being near the Medical Center, 288 corridor, downtown or the universities continues to increase, developers will begin to consider taking a risk on projects along these streets. However, neighborhood resistance to higher density, rental development north of OST and Griggs toward Brays Bayou and the challenging argument to be made presently that market rate product would be successful in neighborhoods to the south conspire to push the arrival of that point in time into the future.

AREA OVERVIEW

The proximity of this study area to three principal features is creating a mixture of market rate commercial and residential development mostly confined so far to the peripheral areas west and northwest of the study area. Easily identified, these features are the Texas Medical Center, the State Highway 288 Corridor, and two large universities (University of Houston and Texas Southern).

The OST/Griggs area is defined as much by the thoroughfares passing through it as the neighborhood subareas within it. It seems self-evident and is supported anecdotally that availability of good quality and safe housing within the study area is and will continue to draw in young professionals, single and married, who are finding some sectors of its peripheral areas, particularly to the west, desirable for purchase or rental of market rate housing. To date, most of this new housing is in the form of gated townhouse or patio home developments and larger apartment projects. There appears to be evidence of the beginnings of renovation of existing housing stock in some neighborhoods within the core area. However, CDC sponsored and/or City of Houston (COH) supported, single family housing construction is mostly what is found in scattered locations within the study area boundaries. There appears to be a little, but not a lot, of true market rate activity in single family construction and one gated home community actually within the core area.

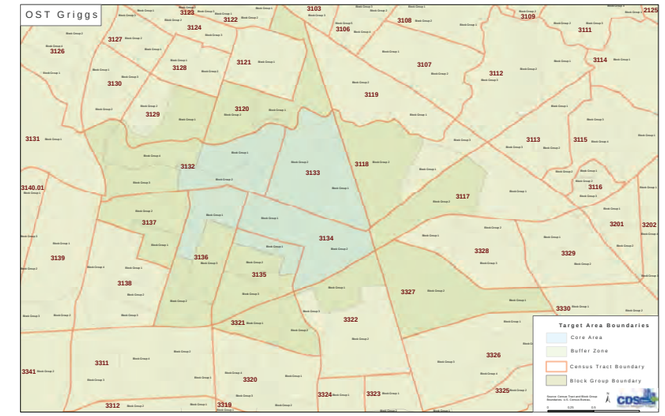
From a market rate builder's perspective, it remains "safer" and developments are more easily financed and sold if they are located very close to or west of 288 as opposed to east of it. No evidence was found of large-scale, purely market rate developments, either for sale or rent, within the actual study area.



There are infrastructure projects underway in the study area that may change this in coming years, and some evidence of potential is beginning to reveal itself even now as the light rail is being extended south from U of H along MLK turning east on Griggs. The bulk of "new" development of all types in this study area is occurring along that route. This includes the new Lora Peck Elementary School, the KIPP/Peace School on MLK north of OST, the Oasis InTown community by Chesmar Homes, the new Texans YMCA at the SEC of MLK and Griggs, improvements to Palm Center and a newly enhanced city park to its east.

There is some likelihood that the combination of enough positive developments such as these could spark a market response. The road and transit upgrades, the educational and recreational enhancements, along with the deteriorated condition of many remaining, larger properties in the vicinity or outright vacant land creates a possibility that profit-seeking developers could sense opportunity and begin to take positions in the area, but solid evidence is not yet present on the ground or in the form of announced projects.

The residential areas on the northern side of the area (above OST and Griggs) seem to be well maintained with an overall higher quality of properties. There are newer homes and homes now under construction within these neighborhoods. The issues and concerns found within the study area tend to lie mostly within the neighborhoods forming an arc along its southern portion (i.e., below OST and Griggs). La Sallette Place, Scott Terrace, MacGregor Oaks and MacGregor Palm Terrace all, to varying degrees, have an uneven and discomforting mixture of homes, vacant lots (sometimes or often overgrown or strewn with trash depending on location) and declining or already deteriorated houses. It is common in some subsectors and not wholly uncommon within any of these neighborhoods to find a an unsafe structure, trashed lot, light industrial or other noxious use business in operation with a short distance of a fairly pleasant residential structure or even entire blocks. This inconsistency is highly disturbing to a market oriented developer trying to determine where to risk his limited funds. One might be forgiven for believing



Riverside and University Oaks

The neighborhoods in the northern part of the study area are in better present condition and began their lives as communities of higher quality housing stock. Riverside (defined for this purpose as north of OST and west of Scott) and University Oaks (herein defined as north of OST between Scott and the BNSF tracks) areas are experiencing both market rate and sponsored/subsidized new, single family construction.

Shad Bogany, a broker with Gary Greene Realtors, current President of the Texas Association of Realtors, and a realtor active in many areas of Houston, said generally about OST/Griggs, 288/Airport as well as the 5th Ward that a key to stabilizing these areas so that true market rate housing could take a foothold is for the city to support civic clubs and similar organizations as much as possible, even at the expense of funding some of the programs that provide assistance to specific purchasers (down payment assistance, for example). In addition, more active code enforcement and policing can help change the public perception of a community while improving the lives of the current residents within it. Of critical note with respect to Riverside and University Oaks is that these two areas appear to have active local civic clubs and organizations that try to assert neighborhood positions in public forum and enforce deed restrictions.

Depending upon the individual block or section, housing in this area ranges widely from estate sized homes along MacGregor facing Brays Bayou to middle-class ranch style houses going south and eastward. Almost all of it is being maintained well, with some exceptions wherein older houses nay be marking time before being converted into lots for builders. The market is working to transform this area, slowly but surely, and there are features lacking in the other subsectors such as a new elementary school (Thompson) near the west end and the large MacGregor Park on the east end.

Few overgrown lots and no trash dumping was seen on a tour of these communities, and the level of maintenance of existing homes was, with some exceptions, noticeably better than in other parts of the study area. This matters, especially when you are trying to advance the argument to a prospective buyer that they should purchase a home on the east side of 288 versus the west.

Additionally, an observation worth making is that this area retains its original single-family character. Townhouse developments have begun in the peripheral areas but not yet in these. Mr. Bogany observed that division of lots for multi-unit development in these 'sacrosanct' neighborhoods would be met with strong resistance, "much like Ashby Tower" near Rice University. Due to the somewhat historical character of the subdivisions between Brays Bayou and OST, efforts to preserve this continuity may be worthwhile. Doing so could well push the value of housing within it higher for the residents and tax revenue higher for the COH.

La Salette Place/Scott Terrace

This area has a much more wide-ranging mixture of residences. Most are reasonably well maintained houses, but there is ample evidence of lesser maintenance (perhaps rent houses), abandonment, and instances of dumping on vacant lots and tracts. Bordering to the west and not helping the quality of this area is a random mixture of old and generally poor condition commercial/industrial businesses.

The occasional house was found under construction within this area. The builder of one, Lawrence Garvin of Lazer Homes, indicates that CDC or COH support programs are necessary for such projects to succeed but that a problem for builders with such programs is the amount of paperwork involved and the inconsistencies of funding for them. Those factors make it difficult for builders to work with buyers and to move inventory quickly enough to establish momentum of volume in a given area.

Foster/MacGregor Place

This is the central part of the core study area, bounded by OST, Scott, MLK and 610. It is also the most mixed up of the areas with regard to current land use. There are solid sections of generally well maintained houses in MacGregor Trails (the triangle described by OST, MLK and Griggs), much less consistent quality houses south of OST (certainly south of Yellowstone) and scattered commercial/industrial uses across the central portion of this subsector.

Mrs. Paulette Wagner, of the MacGregor Trails Civic Club (area north of OST), indicates that their organization's involvement and enforcement of deed restrictions to the extent possible make a large difference in her neighborhood. She expressed concern that, as older residents, who have made up a majority of residents in many of the neighborhoods in the study area pass away, their heirs often choose to rent instead of sell. This is changing the rent/own balance of the neighborhood and making it more difficult to gain community support since tenants tend to be much less involved than owners. Holding their own against this evolution is a measure of success.

Of note is that the area south of OST/Griggs and west of Cullen is where the concentration of sponsored and subsidy-supported housing construction seems to be located. A number of newer or new houses have been built in the vicinity of Perry and England west of Cullen. A Single Room Occupancy facility operated by New Hope Housing has been built at 4115 Perry. This helps to aid specific people, of course, and its concentration succeeds in changing the character of the area somewhat, but it does not inspire market rate activity. In fact, it may do just the opposite if the area is perceived as being a mix of commercial, industrial, and now largely subsidized housing.

MacGregor/Palm Terrace

This is the area with the most appeal to the residential or commercial builder if trying to identify where something market rate might commence and take root.

There is the infrastructural improvement to MLK coupled with the extension of the rail line along with the new, Lora Peck elementary school nearby, a revived market rate, gated community (Oasis InTown) that appears to be successfully making sales, the new YMCA, the new park on Griggs, the potential for transformative change along Griggs, and the new street paving, curbs, and sidewalks in the residential neighborhood to the south encircled by Griggs, MLK and Beekman. The city should do all in its power to leverage these sorts of infrastructure investments into market-driven activity. These improvements also directly benefit the northeastern area and the residential sections along the west side of MLK of the Foster/MacGregor Place subsector.

The most prominent project that appears to be strictly market rate is Oasis InTown located on the east side of MLK north of Griggs. It was originally begun in the middle of the last decade and is now being completed by Chesmar Homes. According to their sales representative, George Childress, prices within its gates were actually lowered by over $10,000 when Chesmar took over. According to Chesmar's website, they currently offer three 3 bedroom, 2½ bath home plans ranging from 2,063 to 2,298 square feet in size and priced from $243,990 to $264,990. Even though the pace of sales is not rapid (8 homes in four months), Mr. Childress stated that they planned to raise prices by $5,000 in May 2013. With only about a dozen lots remaining out of the original 38, they may be sold out by the end of summer.

North and West Peripheral Areas

Not really a part of the core study area per se and affected by a combination of market drivers, there is reason to mention the area bounded by the universities, Brays Bayou and the Medical Center on the north bank of Brays and the area to the west of the core area on both sides of 288.

The housing market north of Brays appears to be driven at present, and possibly far into the future, by student/university oriented factors. Newer properties and old, for sale or rental, appear to be skewing their pitch to those sorts of residents or to Med Center employees. There does not yet seem to be new commercial or retail activity beyond the occasional, single use building.

West of the study area to 288 and further west across 288 to Almeda Road is a mixture of Med Center affiliated or related facilities, commercial properties that were put there to take advantage of 288 access before it became the commuter route that it is today, and residential properties oriented toward Med Center employees and downtown commuters. The market generally rules in these areas and is doing so efficiently. More development will occur here, either driven by the Medical Center demand or to provide housing for it. Once this area is saturated, pressure to cross SH 288 in search of new development opportunity should increase the attractiveness of the core area to developers.

GATEWAY THOROUGHFARE IMPRESSIONS

State Highway 288

– Limited Access Freeway –

This is the principal highway corridor from downtown Houston passing adjacent to the Medical Center area (just west of the Study Area) to intersection with the 610 Loop (Houston's inner circumferential freeway). It serves as the main commuter route for the towns of Pearland and Alvin located south of Houston. It is below grade level through much of the study area, but exits along it provide easy access to the area as well as to the Texas Medical Center.

South 610 Loop

– Limited Access Freeway –

This is Houston's interior circumferential freeway. It is approximately 38 miles in length. The Loop frontage directly adjacent to the study area provides nothing inspiring in the way of new development. Most of it is vacant or deteriorated industrial or warehouse buildings. There is a recent townhouse community along the north side the Loop between Crestmont and Mykawa but no additional activity of that sort currently underway.

Old Spanish Trail

– Four lane boulevard –

The major thoroughfare within the study area is Old Spanish Trail (OST), which traverses the entire area and continues beyond in both directions as a part of State Highway 90. OST at one time was the southern limit of the Texas Medical Center west of 288 though the Med has now crossed it in places and will continue to expand until it fully straddles the road. This makes OST a principal commuting route into and out of the Medical Center, but there are reasons to believe that OST has the potential to become a commercial/retail hub serving the Medical Center population. It would certainly be the easiest and least expensive area close by in which to develop.

Beginning at the intersection with 288 and proceeding east, there is a Harris County Court Annex followed by a mixture of older and relatively recent commercial/retail buildings, older and often deteriorated buildings and vacant land. HEB, the area's only full grocer, is located at the southwest corner of OST and Scott along with recently built CVS and Walgreens pharmacies at the southeast and northwest corner of that intersection. Beyond Scott, the same pattern of mixed development continues but with a somewhat perceived sense of further and continuing decline and more vacant land.

OST has already begun to see some limited but recent and new retail and commercial development. Again, nothing substantive to date and no major residential projects built or announced in the current cycle, but there is land sufficient for both to be found along both sides of this road. It may be of interest to note that, based on the weathered condition of realtor/broker signs on various properties, many of the larger, vacant tracts of land have been available for some time and have yet to find buyers.

McGregor Park, the most prominent public recreational facility in the area, makes up the north side of OST east of Calhoun. OST leaves the study area east of the new and improved intersection at MLK.

Griggs Road

– Four lane boulevard –

Griggs originates in the northwest part of the study are within Riverside and continues with residences until intersecting OST where it becomes more commercial in character. Though not possessing the same aesthetic appeal as MLK or recent activity as OST, the Griggs corridor through the area may also present market opportunity. There are many vacant tracts and underutilized (deteriorated) commercial and retail buildings located along Griggs that could begin to be upgraded or transformed if the overall Houston economy continues to surge and the spark ignited in this study area by infrastructure improvements and the surrounding employment concentrations is properly tended.

Griggs does benefit aesthetically from landscaping and curb repair work to the boulevard median strips, but the inconsistency of the repaired curbing mixed with original curbing serves mainly to emphasize the point that there is perhaps not enough funding available to really do it right. That sends a counter signal to the market developer. At the southeast side of the area, specifically upon intersecting MLK, the Metro rail turns onto Griggs for several blocks before terminating. The new Texans YMCA is located at this intersection and the Palm Center adjacent to the southeast followed by a new park. For the most part, land and buildings on the north side of Griggs are almost universally deteriorated and underutilized. Palm Center appears to be an underutilization of a large tract of land, but so long as vacant or abandoned properties abound, there is not a lot of impetus to rid the area of it in favor of redevelopment unless the scale of that change was determined to be adequate to jump start more development activity nearby.

Martin Luther King Boulevard (MLK)

– Four lane boulevard –

Headed south from the University of Houston where Wheeler become MLK, the boulevard bisects MacGregor Park. At OST, property becomes old and tired commercial on the east side, which seems to call out for change, with generally good quality residential flanking the road around a new Lora Beck Elementary and KIPP School. Overall, the neighborhood to the west (MacGregor Trails) is better maintained and attractive than that to the east. According to Mrs. Paulette Wagner, a higher percentage of resident owners and concentrated effort to enforce deed restrictions by an active civic club in her community located on the west may offer explanation.

Potential for marked change to the overall area is found at the intersection with Griggs. (See those comments above.) Below Griggs down to 610, MLK has the subsector we've designated MacGregor Palm Terrace on the east and Foster/MacGregor Place on its west. See those comments, especially as they relate to recent street improvements in the residential section between Yellowstone and Griggs.

Cullen Boulevard – Four lane boulevard – Headed north from 610, Cullen is a thoroughly unimpressive hodgepodge of old, tired, commercial and retail businesses that entice no one to want to be in the residential areas on either side of them. There is an section with potential as Cullen crosses the triangle formed by OST, Griggs and Calhoun. Weingarten Realty owns retail buildings here. They appear to be underutilized, but a change in the make-up of the area could alter that. These building may also approach land value for a mixed-use redevelopment at some point in the future. Cullen continues north through the aforementioned University Oaks area to terminate at South MacGregor.

Scott Street

– Four lane boulevard –

North from 610, Scott is much like Cullen with some exceptions. There are a few nicer apartment and townhouse projects (South Union Place Apts. and Scott Street Townhouses), but the overall condition and feel of the area is not generally appealing. The quality of the residential areas on either side changes almost from street to street in some cases. As with MacGregor Trails, indications are that sections with active civic organizations may be making a difference. If true, there is not enough of that going on to affect the area at large. At the intersection of Scott and OST is the core retail for the study area. (See notes above regarding HEB and pharmacies.) Scott continues north through Riverside/University Oaks and the University sector to eventually intersect with Interstate 45.

Yellowstone Boulevard/Beekman Road

– Varied width roadway –

Though designated a boulevard, Yellowstone headed east from 288 along the south side of the study area is a two or three lane street with no median. It is generally commercial in nature from 288 to Tierwester and a mixture of modest single family, multifamily, and commercial until Milart Street (west of MLK) where the housing stock improves in quality. The name changes to Beekman east of MLK where aforementioned upgrades to the roadways have been completed. In the future, there may be an opportunity for new single family builders in this section along Beekman east of MLK.

MARKET DATA SUMMARY

Home Sales

The core study area offers moderately priced single family homes built primarily in the 1950s and 1960s. The averages reflect the fact that many homes sell for less than $100,000, while more modernized or newly built homes in the Riverside Terrace area can fetch in excess of $300,000.

The only buffer area analyzed in terms of home sales was the western portion of Riverside Terrace, toward SH 288. Its home prices are highly variable owing to the diverse nature and age of the housing stock, but overall average much higher prices per square foot.

Areas to the west north of Brays Bayou are recovering after a significant slowdown during the recession. They are generally priced slightly below the median home value for the Houston region.

OST / Griggs Core Area – Single Family Detached
(Census Tracts 3133, 3134, 3132 Block Groups 1-2, 3136 Block Group 1)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	53	$123,491	95%	77	1,742	$ 59.42	1956
2008	50	$113,137	95%	80	1,960	$ 56.63	1957
2009	46	$ 82,995	93%	78	1,591	$ 50.43	1961
2010	42	$140,665	93%	83	2,133	$ 56.15	1960
2011	29	$157,423	92%	93	2,135	$ 55.98	1965
2012	41	$ 75,077	98%	86	1,673	$ 39.04	1955

Western Riverside Terrace Buffer Area – Single Family Detached
(Census Tract 3132 Block Groups 3 and 4)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	23	$278,280	94%	67	3,217	$ 81.22	1945
2008	14	$159,090	96%	71	2,193	$ 70.95	1949
2009	15	$112,496	100%	57	2,080	$ 45.92	1957
2010	3	$283,000	95%	80	2,636	$ 100.63	1943
2011	16	$302,039	96%	83	3,079	$ 78.95	1954
2012	28	$209,994	93%	123	2,557	$ 83.68	1967

North of Brays Bayou – Single Family Detached
(Census Tracts 3120 and 3129 Block Group 1)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	30	$189,212	94%	67	2,194	$ 87.23	1951
2008	16	$137,222	95%	86	1,734	$ 80.78	1954
2009	16	$157,764	95%	56	2,256	$ 74.63	1951
2010	10	$103,740	94%	32	1,729	$ 59.38	1951
2011	15	$139,173	96%	48	1,965	$ 67.59	1961
2012	15	$160,547	93%	97	2,025	$ 75.21	1952

[1] From Harris County Appraisal District

OST / Griggs Core Area – Townhomes / Condos
(Census Tracts 3133, 3134, 3132 Block Groups 1-2, 3136 Block Group 1)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	13	$118,247	98%	252	1,141	$ 103.95	2006
2008	12	$122,268	99%	214	1,181	$ 104.03	2007
2009	11	$152,815	99%	181	1,360	$ 110.40	2008
2010	6	$112,433	99%	102	1,030	$ 92.49	2009
2011	4	$103,975	96%	173	1,030	$ 100.95	2009
2012	6	$101,300	96%	80	1,086	$ 93.36	2009

[1] From Harris County Appraisal District

Most townhome/condo sales activity is related to the Contemporary South Townhouse Condominiums on the South Loop. These are very affordably priced, in the low $100s. However, they take a notably long time to sell; their relatively small unit sizes may discourage fast absorption despite the low prices.

MARKET DATA SUMMARY (cont.)

Name	Address	Core, Buffer, or Gen. Vicinity	Year Built	Year Renov.	# Units	Avg. Sq.Ft.	Market Performance			Subsidies?	
							Occ. %	Avg. Rent / Sq.Ft.	Avg. Eff. Rent / Sq.Ft.	Inc. Restr.	Sec. 8
Alice Street	3645 Alice St	Buffer	1966	2006	64	804	95%	$0.81	$0.81	N	Y
Avalon at Gulfgate	6156 S Loop E Fwy	GV	1972	2003	196	711	90%	$0.85	$0.82	N	N
Bayou Bend Gardens	5800 Bayou Bend Ct	Buffer	1971	2004	1	700	NA	$0.89	$0.89	N	Y
Bayou View Garden	3200 N Macgregor Way	Buffer	1955	2003	52	600	50%	$1.04	$1.04	N	Y
Cambridge Oaks	4444 Cullen Blvd	Buffer	1992		210	628	100%	$1.72	$1.72	N	N
Casitas Nueva	2510 Beatty St	GV	1975		90	708	70%	$0.90	$0.86	N	N
Catalina Village	3560 Dixie Dr	Buffer	2002		288	1,162	9%	$0.73	$0.73	N	N
Colony Manor	2520 Beatty St	GV	1967	2006	72	727	100%	$0.94	$0.94	N	N
Concord at Gulfgate	7120 Village Way	GV	2002		288	1,162	95%	$0.70	$0.66	N	Y
Gatehouse	2704 Beatty St	GV	1972	2006	50	737	98%	$0.86	$0.86	N	N
MacGregor Gardens	3629 MacGregor Way	Buffer	1958	2004	84	657	NA	$0.87	$0.87	N	N
Nubia Square	3711 Southmore Blvd	Buffer	1972	2004	192	747	93%	$0.83	$0.83	N	Y
Plum Creek	6969 S Loop E Fwy	GV	2000		152	942	97%	$0.92	$0.88	Y	Y
Savoy	5500 Sampson St	GV	2001	1997	180	795	97%	$1.11	$1.11	N	N
Scott Street Townhomes	7245 Scott St	Buffer	2002		96	1,007	99%	$0.72	$0.72	Y	Y
Sir John	6602 Madrid St	Buffer	1962	1990	92	763	NA	$0.70	$0.70	N	Y
Skyview at Palm Center	5514 Griggs Rd	Core	2000		360	1,118	NA	$0.70	$0.70	N	N
Southmore Place	3710 Southmore Blvd	Buffer	1972	2005	72	725	NA	$0.79	$0.79	N	Y
Spanish Village	4000 Griggs Rd	Core	1973	2004	126	847	30%	$1.01	$1.01	N	Y
Winkler Villa	123 Winkler Dr	GV	1972		135	895	98%	$0.73	$0.73	N	Y
Zollie Scales Manor	4001 Corder Ave	Buffer	1969	2001	158	631	NA	$0.98	$0.89	N	Y

Source: ALN

Apartments

The core study area and environs have a wide selection of apartment properties with significant variation in rents and occupancy levels. Older but renovated properties that ask relatively high rents, like Bayou View Garden and Spanish Village, show low occupancies. The Savoy, in contrast, is nearly full with rents of $1.11/sq.ft. Cambridge Oaks, which has no vacancies, is oriented toward University of Houston students and has very high rents.

DEMOGRAPHICS

OST / Griggs

Core Area

The OST / Griggs core study area lost population from 2000 to 2010.

Loss occurred in all age categories except 45 to 54 year olds and those over age 75.

Most population loss occurred among blacks. The white population was small but stayed essentially constant. The Hispanic population grew substantially.

The area has been losing lower-income households; all income categories below $35,000 lost count, while all higher income groups gained. The strongest growth was in the $50,000 to $74,999 group, a middle income group.

The median income of the City of Houston was $42,877 and of Harris County was $50,928 per the 2011 1-year ACS.

Population and Age – OST / Griggs Core Area

Age Group	Count		Change	Share	
	2000	2010	2000-2010	2000	2010
0 to 4	655	585	(70)	6.9%	6.5%
5 to 14	1,426	1,115	(311)	14.9%	12.4%
15 to 24	1,348	1,316	(32)	14.1%	14.6%
25 to 34	1,211	1,053	(158)	12.7%	11.7%
35 to 44	1,400	1,086	(314)	14.7%	12.1%
45 to 54	1,145	1,350	205	12.0%	15.0%
55 to 64	1,010	987	(23)	10.6%	11.0%
65 to 74	856	808	(48)	9.0%	9.0%
75 and over	492	693	201	5.2%	7.7%
Total	9,543	8,993	(550)	100.0%	100.0%

Race / Ethnicity – OST / Griggs Core Area

Ethnicity	Count		Change	Share	
	2000	2010	2000-2010	2000	2010
White alone	251	268	17	2.6%	3.0%
Black alone	7,857	6,847	(1,010)	82.3%	76.1%
Asian alone	115	55	(60)	1.2%	0.6%
Hispanic	1,234	1,741	507	12.9%	19.4%
Mixed / other	86	82	(4)	0.9%	0.9%
Total	9,543	8,993	(550)	100.0%	100.0%

Previous Year Household Income – OST / Griggs Core Area

Income Group	Count		Change	Share	
	Census 2000	5-Yr. 2011 ACS	1999 - 2009	Census 2000	5-Yr. 2011 ACS
Less than $10,000	433	277	(156)	20.9%	13.9%
$10,000 to $14,999	308	189	(119)	14.9%	9.5%
$15,000 to $24,999	318	299	(19)	15.4%	15.0%
$25,000 to $34,999	274	229	(45)	13.2%	11.5%
$35,000 to $49,999	325	377	52	15.7%	18.9%
$50,000 to $74,999	244	387	143	11.8%	19.4%
$75,000 to $99,999	113	122	9	5.5%	6.1%
$100,000 to $149,999	44	83	39	2.1%	4.2%
$150,000 to $199,999	7	9	2	0.3%	0.5%
$200,000 or more	4	26	22	0.2%	1.3%
Total Households	2,070	1,998	(72)	100.0%	100.0%

Owners outnumber renters in the OST / Griggs core study area, though there is also a high number of vacant units (some have been removed since 2010).

Over half of the core study area's housing was built between 1950 and 1969. An estimated 17% was constructed since 1999.

Nearly two-thirds of housing units are single family detached.

Housing Occupancy Status 2010 – OST / Griggs Core Area

Entire Core Area, 2010 Census

Tenure	2010 Count	2010 Share
Owner	2,062	48.7%
Renter	1,399	33.0%
Vacant	776	18.3%
Total	4,237	100.0%

Housing Year Built – OST / Griggs Core Area

Census Tracts 3133, 3134 only; 2011 5-Yr ACS

Year Built	2010 Count	2010 Share
2005 or later	66	3%
2000 to 2004	374	14%
1990 to 1999	90	3%
1980 to 1989	29	1%
1970 to 1979	315	12%
1960 to 1969	389	15%
1950 to 1959	1,106	42%
1940 to 1949	213	8%
1939 or earlier	47	2%
Housing Total	2,629	100%

Housing Structure Type – OST / Griggs Core Area

Census Tracts 3133, 3134 only; 2011 5-Yr ACS

Structure Type	2010 Count	2010 Share
1 unit detached	1,658	63.4%
1 unit attached	104	4.0%
2 units	14	0.5%
3-4 units	34	1.3%
5-9 units	54	2.1%
10-19 units	458	17.5%
20-49 units	129	4.9%
50 units or more	165	6.3%
Total	2,616	100.0%

Buffer Area – Riverside Terrace, Census Tract 3132

Instead of exmaning all buffering Census tracts, only Riverside Terrace was examined in-depth. It is adjacent to the core study area to the west along Brays Bayou. These statistics show all of Census Tract 3132, a portion of which is also included within the core study area.

Census Tract 3132 lost population from 2000 to 2010. There was no consistent pattern of loss or gain across age groups, though it is notable that younger adults (age 25-44) have lost population.

The lowest income ranges lost households during the decade in Riverside Terrace; this could be partly due to the effect of inflation.

Very high income households over $200,000 gained strongly during this period. Households earning over $100,000 constituted 23.9% of the total in Riverside Terrace; this contrasts with the core study area share at 6.0%.

Population and Age – Riverside Terrace

Age Group	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
0 to 4	211	198	(13)	5.3%	5.2%
5 to 14	561	420	(141)	14.1%	11.1%
15 to 24	464	581	117	11.7%	15.3%
25 to 34	523	397	(126)	13.2%	10.5%
35 to 44	601	416	(185)	15.1%	11.0%
45 to 54	539	651	112	13.6%	17.1%
55 to 64	389	478	89	9.8%	12.6%
65 to 74	448	294	(154)	11.3%	7.7%
75 and over	234	363	129	5.9%	9.6%
Total	3,970	3,798	(172)	100.0%	100.0%

Race / Ethnicity – Riverside Terrace

Ethnicity	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
White alone	229	228	(1)	5.8%	6.0%
Black alone	3,264	3,059	(205)	82.2%	80.5%
Asian alone	132	56	(76)	3.3%	1.5%
Hispanic	286	387	101	7.2%	10.2%
Mixed / other	59	68	9	1.5%	1.8%
Total	3,970	3,798	(172)	100.0%	100.0%

Previous Year Household Income – Riverside Terrace

Income Group	Count Census 2000	Count 5-Yr. 2011 ACS	Change 1999 - 2009	Share Census 2000	Share 5-Yr. 2011 ACS
Less than $10,000	257	163	(94)	16.8%	10.7%
$10,000 to $14,999	120	119	(1)	7.8%	7.8%
$15,000 to $24,999	216	242	26	14.1%	15.9%
$25,000 to $34,999	193	136	(57)	12.6%	8.9%
$35,000 to $49,999	159	201	42	10.4%	13.2%
$50,000 to $74,999	170	181	11	11.1%	11.9%
$75,000 to $99,999	180	115	(65)	11.7%	7.6%
$100,000 to $149,999	124	159	35	8.1%	10.5%
$150,000 to $199,999	62	72	10	4.0%	4.7%
$200,000 or more	53	133	80	3.5%	8.7%
Total Households	1,534	1,521	(13)	100.0%	100.0%

The occupancy characteristics of Riverside Terrace housing units does not dramatically differ from that of the core study area, though vacancy is higher.

The distribution of housing age skews older in Riverside Terrace, with half built between 1940 and 1959. However, an estimated 22.4% was built in 2000 or later.

The proportion of single family detached is lower in Riverside Terrace than the core study area. Riverside Terrace has a higher frequency of smaller multi-unit housing structures; 15.3% of units are in structures of 2 to 9 units compared to 3.9% in the core study area. In Riverside Terrace 17.2% of units are in structures of 10 units or more, compared to 28.7% in the core study area.

Housing Occupancy Status 2010 – Riverside Terrace
From 2010 Census

Tenure	2010 Count	2010 Share
Owner	921	44.5%
Renter	711	34.3%
Vacant	439	21.2%
Total	2,071	100.0%

Housing Year Built – Riverside Terrace
From 2011 5-Yr ACS

Year Built	2010 Count	2010 Share
2005 or later	110	5.4%
2000 to 2004	347	17.0%
1990 to 1999	28	1.4%
1980 to 1989	38	1.9%
1970 to 1979	221	10.8%
1960 to 1969	126	6.2%
1950 to 1959	451	22.1%
1940 to 1949	562	27.5%
1939 or earlier	160	7.8%
Housing Total	2,043	100.0%

Housing Structure Type – Riverside Terrace
From 2011 5-Yr ACS

Structure Type	2010 Count	2010 Share
1 unit detached	1,134	55.5%
1 unit attached	42	2.1%
2 units	76	3.7%
3-4 units	128	6.3%
5-9 units	108	5.3%
10-19 units	365	17.9%
20-49 units	12	0.6%
50 units or more	178	8.7%
Total	2,043	100.0%

Riverside Terrace - Tract 3132

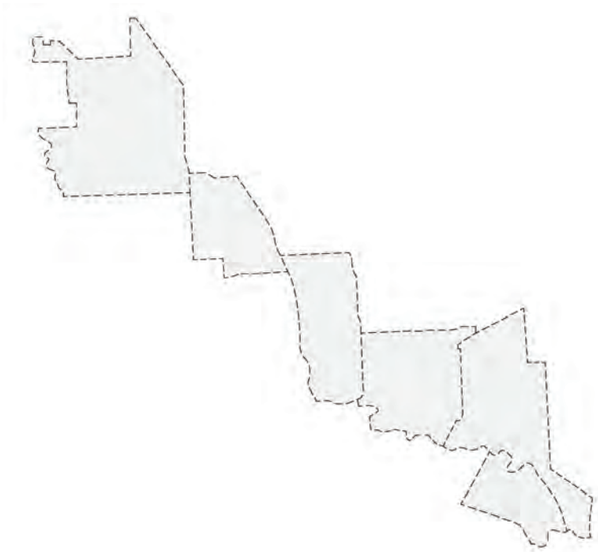
Income Group	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
Less than $10,000	257	163	(94)	16.8%	10.7%
$10,000 to $14,999	120	119	(1)	7.8%	7.8%
$15,000 to $24,999	216	242	26	14.1%	15.9%
$25,000 to $34,999	193	136	(57)	12.6%	8.9%
$35,000 to $49,999	159	201	42	10.4%	13.2%
$50,000 to $74,999	170	181	11	11.1%	11.9%
$75,000 to $99,999	180	115	(65)	11.7%	7.6%
$100,000 to $149,999	124	159	35	8.1%	10.5%
$150,000 to $199,999	62	72	10	4.0%	4.7%
$200,000 or more	53	133	80	3.5%	8.7%
Total Households	1,534	1,521	(13)	100.0%	100.0%

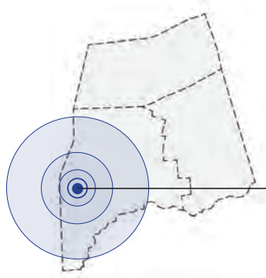
Census 2010

Tenure	2010 Count	2010 Share
Owner	384	26.5%
Renter	883	60.9%
Vacant	184	12.7%
Total	1,451	100.0%

CURRENT MARKET ASSESSMENT

SUNNYSIDE





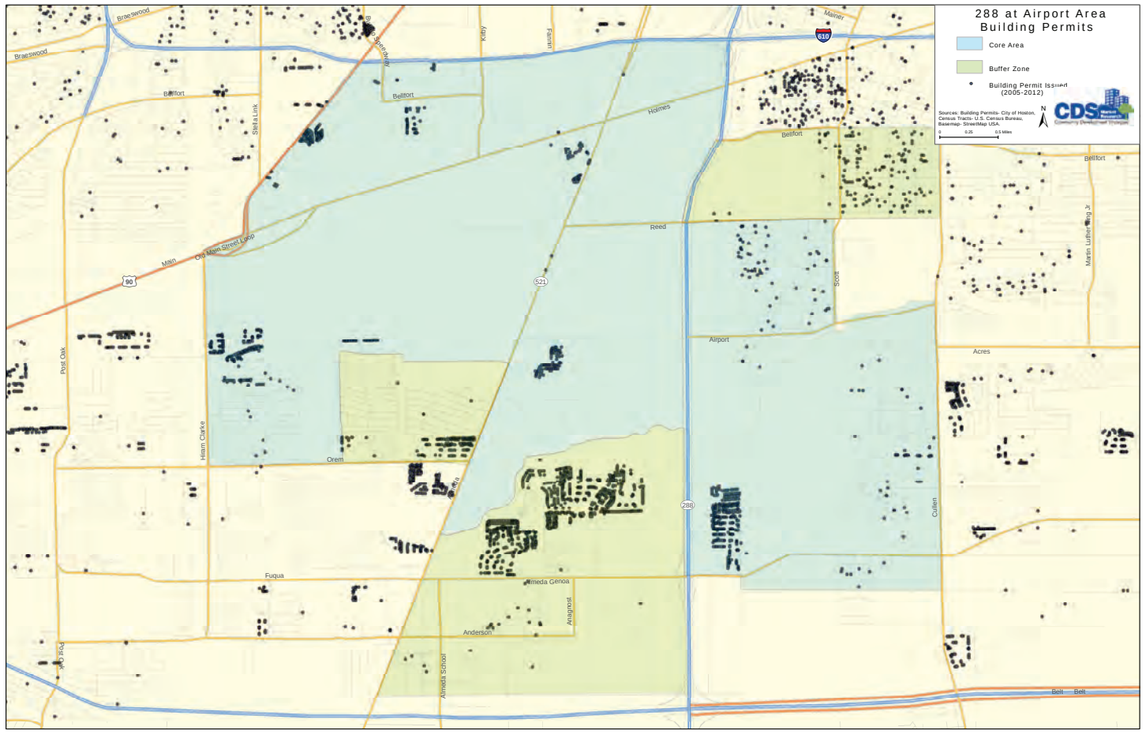
SUNNYSIDE

The area we are defining as the core study area for SH 288/Airport is generally bounded on the north by the 610 South Loop, the west by Almeda Road (Highway 521), the south by Almeda Genoa Road and the east by Cullen Street.

The City Park development offers evidence that support exists in this general part of Houston for market-rate housing, both multifamily and single family, albeit in the "entry-level" price range (mostly $150,000 or less for single family). The difficulty will be encouraging a closer connection of market rate development to the existing, older subdivisions east of SH 288, subdivisions which become more deteriorated and less appealing the closer to the 610 Loop one goes. The intersection of SH 288 at Airport Road lies at the northeast boundary of the market-rate potential zone and thus would be somewhat more pioneering. Market rate development for single and multifamily product appear possible but, in order to succeed, price ranges would likely need to be lower than what is already being offered further south and west of this intersection.

AREA OVERVIEW

The motivating factor to date and key to the future of this area is found in the State Highway 288 corridor that traverses it north-to-south. A straight, relatively short and quick commute (at various times of day) to the Texas Medical Center and to downtown Houston is the principal component of the impact that 288 has on this area of Houston and towns to the south, such as Pearland and Alvin. Access to the 610 Loop for peripheral commutes is also a plus but not the main factor in the desirability of the study area.



SUBAREA ANALYSIS

Having further subdivided the area into quadrants at Airport Road, the following observations apply:

Northeast Quadrant

What appears to be CDC or City of Houston (COH) supported housing development is visible in scattered locations in the Northeast Quadrant (NEQ) bounded by 610, 288, Airport and Cullen. This pertains primarily to the community of Sunnyside and Brookhaven. The occasional home/duplex or a small cluster of these (similar enough that they are perhaps by the same builder) is visible when driving the neighborhood streets. Builders in the area indicate that the City of Houston programs supporting buyers are essential to the continuation of this sort of development. However, while such addition to the housing stock does provide opportunity to the individual purchaser to own a home, the scattered nature and inconsistency of environment that accompanies such building does little to change the feel of the area and diminishes the impact that consolidation of effort in an identifiable community that could later enforce standards and deed restrictions might have.

No evidence was observed of pure market rate housing being developed within or on the borders of these neighborhoods. Depending on the section and sometimes the individual street, vacant lots (possibly never built upon) still exist amidst otherwise residential streets. Overgrowth of vegetation was not uncommon on many of these lots though some are obviously being mowed and maintained by either adjoining property owners or perhaps local civic clubs.

Commercial activity is inconsistent within these communities. The occasional newer or possibly renovated single-use building is noted, but there are not indications of planned construction of new shopping or office facilities, nothing obvious to lend a feeling of new activity and improvement to the overall area. Much of the retail along Bellfort, Scott, and Cullen is showing its age or is far past its prime, and a significant amount of vacant land still exists along these thoroughfares.

Cullen Road, between Reed Road and Airport Road, is clearly the commercial hub of this area with better quality and more retail offerings. There are newer bank branches, fast food, and pharmacies along this thoroughfare with a smattering of multi-tenant, retail centers. The preponderance of retailers are more in alignment with the profile of low to moderate income shoppers. Discount stores, check cashers, beauty supply, etc. are typical as opposed to more affluent, specialty retailers.

Northwest Quadrant

The Northwest Quadrant, bounded by 610, Almeda Road, Airport Road and 288, consists almost exclusively of old and new industrial facilities and vacant land which may or may not have housed industrial use at one time. Any residential development existing or now taking place in this submarket is located along the west side of Almeda Road and includes The Fountains at Almeda Apartments and a new townhouse community located south of Bellfort, both close to 610.

Southeast Quadrant

The Southeast Quadrant, bounded by Airport Road, 288, Almeda Genoa Road and Cullen is also largely vacant land along the 288 corridor. To the east are older, but not old, subdivisions built in the 1960s of South Acres, Cullen Estates and Crestmont along with a smattering of newer single family communities such as Sky View Forest. Housing in this area appears to have originally been built to a higher standard of quality and higher price tier than that in the NEQ. Consequently, it seems to have been maintained at a higher standard overall. From signs visible when driving, there appear to be active civic associations holding regular meetings and enforcing deed restrictions, a critical feature to uniformity of appearance and condition in planned residential areas. Still, there are no overt signals that market opportunity exists for any use other than possibly single family construction.

KB Homes has a community named Sky View Forest that, according to their sales representative, has over 600 lots. The section currently completing seems to have mostly sold out, and a newer section is underway. However, the representative stressed the point that about one third of their buyers used city subsidies to purchase and that he understood that the company was contemplating a slowing or halt to building due to funding issues and paperwork involved with those programs.

Southwest Quadrant

The most dynamic submarket within the study area is the Southwest Quadrant (SWQ) bounded by Airport, Almeda Road, Almeda Genoa Road and 288.

The City Park master-planned development by Sam Yager Incorporated controls all four corners of West Orem at SH 288. The vast majority of the land within the community is located within the southwest corner of that intersection. City Park today is essentially a residential community consisting of three apartment projects of recent vintage (Landmark at City Park, Stonebridge at City Park, and Ranch at City Park) and single family sections totaling over 1,200 lots.

Representatives of two builders now active off West Orem were interviewed, K. Hovnanian Homes and Devon Street Homes. They are selling in the $80-120 thousand and $145-175 thousand price range and report closings of six and 2-3 homes per month respectively. Price differential is driven by lot and home size plus upgrades available to buyers. Hovnanian has sold about 540 homes to date. Both representatives attribute the appeal of the area to the previously described commute advantages provided by SH 288. Both mentioned improvement of public school performance and extension of public transportation closer to their locations as things that would improve their specific market appeal.

South of City Park, fronting on Almeda Genoa is the Royal Oaks Subdivision, and located along the west side of Almeda Road north of West Orem are additional single family communities, but Almeda Road still has a mostly industrial/vacant feel about it due, in no small part to the presence of an active rail line along its east side that limits access and crossings.

City Park holds various tracts of commercial reserves along the 288 freeway at West Orem, and one sees the potential for neighborhood retail or professional use development on those properties at some point.

However, commercial and retail developers has already voted with their dollars and skipped the overall area from the South Loop beyond Almeda Genoa in favor of development along the Beltway 8 and into Pearland. Pearland is the hub of this side of Houston, far surpassing the study area in intensity, concentration of activity and desirability. Traffic congestion that causes increased commute time to points south may improve the desirability of the study area for backfill development of housing, commercial or retail, but the market has not signaled that conclusion as of this time.

Builders reported that young professionals, both single and married, find the newer housing in the area attractive, especially those moving to Houston from other cities. Some buyers consider older housing in the area versus newer, but the builders are targeting their price points and financing so that potential apartment dwellers can often own for less than the cost of rent. Potential purchasers of older housing find the higher payment cost of owning a new home mitigated by the upkeep required for an older property. So long as the SH 288 freeway provides a quick commute to the Medical Center and downtown, this argument may continue to prevail.

Builders in this area are also selling new houses to purchasers qualifying for City of Houston down-payment assistance. Peter Kerai of Centex, building Parkside on Airport Road west of 288, says that up to half of the buyers in their 40' lot section access this program. The company is seeking land for a section of 35' section to keep pricing down as construction costs increase.

Speaking generally about the area with Mr. Charles Cave of the Southeast Civic Coalition and the Crestmont Park Civic Club, the following conclusions were reached. The area in question is a stable, middle class community with nice housing generally available at lower prices than new. However, the housing in the area is not appreciably increasing in value or improving in state of repair. Code enforcement and policing by the City of Houston could be improved and would be of benefit to the area.

GATEWAY THOROUGHFARE IMPRESSIONS

State Highway 288

– Limited Access Freeway -

While industrial and older residential use border 288 immediately south of 610 Loop, most of the remainder of the freeway frontage south of Bellfort to Almeda Genoa remains undeveloped. Some of this land is available for purchase by developers. Some is not. There is a node of multifamily and industrial development on the east side at Reed Road. A Houston Community College campus has been opened off the southwest corner of Airport with the Oakmoor Apartments.

Airport Road

– Four lane boulevard -

East of 288 on Airport is a relatively new South Campus for Houston Community College and The Oakmoor Apartments located next to the Parkside subdivision by Centex. East of 288 is vacant land, the subject site being the northeast corner of SH 288 followed by older residential. The homes on the southern side of the road generally seem to be in better condition than on the northern side though they began as approximately the same quality of housing. Continuing eastward past Scott is more of the same vintage housing with South Acres/ Crestmont Park to the south and Sunnyside to the north.

Almeda Road – Four lane state highway – Almeda Road begin south from 610 with a mixed environment due to the railroad on the east and Fountains at Almeda Apartments on the west side. Then it turns distinctly industrial south to Holmes Road. (As a side note, east of Almeda on Fannin south of Holmes is Fannin Street Station Townhouses. This is reported by the builder's representative as a 240 unit total development with 90 of the 140 units in the first phase sold. Prices have increased to a low of $225K from $190 K 2.5 years ago, and they are now selling at a rate of 9-10 per month.) Continuing south on Almeda, the land on both sides is virtually undeveloped save for the occasional industrial use. From just north of West Orem, older and new, starter single family subdivisions begin to occur on the west side of Almeda Road.

Bellfort Avenue

– Four lane boulevard -

West of 288, Bellfort is solidly industrial. East of 288, the road passes through a challenged neighborhood of houses where few are in good condition, many are being poorly maintained, and there are numerous vacant lots and parcels.

Cullen Street

– Four lane boulevard –

Cullen is an active commercial/retail thoroughfare paralleling 288 to the east. Beginning at 610, it is primarily old and tired in feel. North and south of Reed road, the intensity and variety of retail picks up with fairly new pharmacies, banks and fast food, but the overall quality does not improve significantly. South from there leads into nicer, older single family areas of South Acres, Crestmont and Cullen Estates tending older mixed and industrial use again to Almeda Genoa.

Scott Street

– Four lane boulevard –

Scott transects Sunnyside and other residential areas south from 610. South of Airport is a fairly recent extension (based on road condition) where there is ample vacant land and some newer development. The most prominent of these is a KIPP Spirit School that appears new and the new South Acres Ranch, a tax credit, single family housing community opposite the school. The manager of South Acres Ranch, Lynda Stallworth, says that there are 130 four bedroom homes, 100% occupied with a waiting list. She thinks there is a lot of demand in the area for more of the same, and it is a very high quality of income-tested housing for larger households. There is a new medical facility just north of Almeda Genoa Road.

Reed Road – Four lane boulevard – West of 288, Reed is vacant land but for the Livestock Show parking lot on the south side. East of 288 is a new warehouse/distribution complex off the south side followed by the Mariposa and Cypress Creek Apartments followed by older residential areas with the outcropping of retail commercial businesses at intersections with Scott and Cullen.

West Orem Road

– Four lane boulevard –

This appears to be one of the most recently built roadways in the area. As a part of City Park, it is a crisp, four-lane, divided boulevard with newer, active single family subdivisions on the south and newer apartment properties on the west and east nearer 288. City Park controls most of the land on both sides to the Sims Bayou crossing. Kirby Drive is in place south of the road and planned to connect to future sections of Kirby both north and south as it is constructed. There is a large community ball field and sports complex on Kirby south of this road.

Almeda Genoa Road

– Two lane road -

West of 288 is a mixture of older industrial use and vacant land with some older and newer single family areas east of Almeda Road. East of 288 on Almeda Genoa is the Sky View subdivision followed by a mixture of uses on a series of small acreage tracts fronting both sides of the road and then residential and older commercial all the way to Cullen.

MARKET DATA SUMMARY

Home Sales

The older neighborhoods in the core study area feature very low home prices. Since 2010 average prices have been below $50,000.

Prices in the North Sunnyside buffer area are at similar levels, perhaps slightly higher.

The newly developing City Park area to the southwest is a different story. The recession did not appear to make much impact, with average prices per square foot remaining between $60 and $65 and total prices between $100,000 and $120,000.

SH 288 / Airport Core Area – Single Family Detached
(Census Tracts 3313, 3315)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	79	$ 65,729	95%	72	1,353	$ 45.88	1971
2008	77	$ 58,904	92%	72	1,531	$ 39.14	1974
2009	85	$ 59,721	98%	56	1,417	$ 41.51	1975
2010	74	$ 44,618	93%	63	1,323	$ 31.92	1969
2011	59	$ 38,221	93%	78	1,362	$ 27.89	1966
2012	68	$ 47,132	97%	65	1,387	$ 33.87	1975

North Sunnyside Buffer Area – Single Family Detached
(Census Tract 3312)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	20	$ 63,523	95%	70	1,294	$ 46.67	1972
2008	36	$ 45,471	89%	86	1,146	$ 34.51	1971
2009	18	$ 66,411	97%	85	1,299	$ 45.54	1987
2010	16	$ 79,862	97%	79	1,265	$ 58.22	1984
2011	12	$ 57,639	89%	172	1,271	$ 44.40	1973
2012	10	$ 46,990	97%	53	1,347	$ 29.45	1975

City Park Buffer Area – Single Family Detached
(Census Tract 3309)

Year	# Sales	MLS Averages					
		Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	76	$122,458	95%	83	1,731	$ 60.56	2001
2008	111	$112,721	97%	91	1,719	$ 65.71	2003
2009	109	$102,935	98%	63	1,721	$ 56.99	2004
2010	124	$116,168	96%	66	1,798	$ 64.35	2006
2011	118	$107,515	96%	101	1,756	$ 61.81	2007
2012	105	$105,150	97%	69	1,734	$ 60.88	2004

[1] From Harris County Appraisal District

Name	Address	Core, Buffer, or Gen. Vicinity	Year Built	Year Renov.	# Units	Avg. Sq.Ft.	Market Performance			Subsidies?	
							Occ. %	Avg. Rent / Sq.Ft.	Avg. Eff. Rent / Sq.Ft.	Inc. Restr.	Sec. 8
Alta Gardens	33525 S Sam Houston Pkwy E	GV	2006		240	1,051	NA	$0.82	$0.82	Y	Y
Cullen Park	4700 Wenda St	GV	2001		240	1,081	91%	$0.72	$0.69	N	Y
Cypress Creek at Reed Road	2910 Reed Rd	Core	2009		132	1,067	100%	$0.86	$0.86	Y	Y
Fountains at Almeda	9000 Almeda Rd	GV	2008		252	1,006	98%	$1.30	$1.30	N	N
Landmark at City Park	2201 W Orem Dr	Buffer	2009		288	968	95%	$1.01	$1.01	N	N
Lansbourough	10010 Cullen	GV	2006		176	968	94%	$0.73	$0.73	Y	Y
Mariposa at Reed Road	2829 Reed Rd	Buffer	2009		180	903	99%	$0.88	$0.88	Y	Y
Oakmoor	11900 Oakmoor Parkway	GV	2007		248	925	99%	$0.90	$0.90	Y	Y
Ranch at City Park	11900 City Park Central Ln	Buffer	2005		270	896	98%	$1.19	$1.19	N	N
Reed Parque Townhouse	2725 Reed Rd	Buffer	2000		192	962	97%	$0.77	$0.77	Y	Y
Riverbrook-Duplex	9425 Scott St	Buffer	1974	2000	220	738	90%	$0.83	$0.83	N	Y
Scott Plaza	9703 Scott St	Buffer	1964	2007	150	844	100%	$1.02	$1.02	N	Y
Simmons Gardens	10225 Scott St	Buffer	1997		120	766	96%	$0.71	$0.71	Y	Y
South Acres Ranch I and II	11409 Scott St	GV	2009		130	1,432	100%	$0.74	$0.74	N	Y
Stonebridge at City Park	11800 City Park Central Ln	Buffer	2004		240	880	99%	$1.04	$1.04	N	N

Source: ALN

Apartments

This general portion of the City features a good supply of recently built apartments. Many of both the newly built and older properties accept some form of subsidy. However, the properties in City Park are not subsidized and feature rents in excess of $1.00 per square foot, with strong occupancies of at least 95%. Of note also is the Fountains at Almeda, close to Loop 610, which has class A-level rents, most likely due to proximity to the Texas Medical Center.

DEMOGRAPHICS

Core Area

Population

The analysis of Census and American Community Survey data for the SH 288 / Airport area was constrained by changes in Census geography from 2000 to 2010. Therefore, the area north of Sims Bayou and west of SH 288 was not able to be included in the analysis. The portion of this area east of Almeda Road, closest to the HHA site, is mostly devoid of population and so its lack of inclusion should not negatively impact the quality of analysis results.

The core area Census tracts showed a gain in population from 2000 to 2010. There was no consistent pattern across age groups.

The black population, which is the overwhelmingly dominant ethnicity in the core study area, remained constant. Hispanics have made the greatest gains, accounting for most population growth.

Low and moderate income households were a majority during both time periods, with little change in income distribution.

Occupancy

The core area has a high proportion of owner-occupied households and a relatively low vacancy rate compared to many disadvantaged neighborhoods.

Most housing, about 61%, was built between 1950 and 1969. Interestingly, 19% has been built since 2000, which could reflect activity by individual lot owners or CDCs.

Single family detached homes comprise nearly the entirety of the housing stock in the core study area.

Population and Age – SH 288 / Airport Core Area

(Census tracts 3313 and 3315)

Age Group	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
0 to 4	561	791	230	5.1%	6.7%
5 to 14	1,628	1,463	(165)	14.9%	12.4%
15 to 24	1,317	1,500	183	12.1%	12.7%
25 to 34	1,098	1,400	302	10.1%	11.9%
35 to 44	1,431	1,357	(74)	13.1%	11.5%
45 to 54	1,259	1,705	446	11.5%	14.5%
55 to 64	1,369	1,269	(100)	12.5%	10.8%
65 to 74	1,497	1,164	(333)	13.7%	9.9%
75 and over	755	1,143	388	6.9%	9.7%
Total	10,915	11,792	877	100.0%	100.0%

Race / Ethnicity – SH 288 / Airport Core Area

(Census tracts 3313 and 3315)

Ethnicity	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
White alone	161	237	76	1.5%	2.0%
Black alone	10,271	10,288	17	94.1%	87.2%
Asian alone	23	68	45	0.2%	0.6%
Hispanic	395	1,098	703	3.6%	9.3%
Mixed / other	65	101	36	0.6%	0.9%
Total	10,915	11,792	877	100.0%	100.0%

Previous Year Household Income – SH 288 / Airport Core Area

(Census tracts 3313 and 3315)

Income Group	Count Census 2000	Count 5-Yr. 2011 ACS	Change 1999 - 2009	Share Census 2000	Share 5-Yr. 2011 ACS
Less than $10,000	542	339	(203)	14.3%	7.6%
$10,000 to $14,999	435	540	105	11.5%	12.2%
$15,000 to $24,999	585	780	195	15.4%	17.6%
$25,000 to $34,999	571	695	124	15.1%	15.7%
$35,000 to $49,999	671	732	61	17.7%	16.5%
$50,000 to $74,999	506	653	147	13.3%	14.7%
$75,000 to $99,999	238	404	166	6.3%	9.1%
$100,000 to $149,999	235	214	(21)	6.2%	4.8%
$150,000 to $199,999	9	29	20	0.2%	0.7%
$200,000 or more	-	50	50	0.0%	1.1%
Total Households	3,792	4,436	644	100.0%	100.0%

Housing Occupancy Status 2010 – SH 288 / Airport Core Area

(Census tracts 3313 and 3315)

Tenure	2010 Count	2010 Share
Owner	3,345	70.7%
Renter	1,020	21.6%
Vacant	368	7.8%
Total	4,733	100.0%

Housing Year Built – SH 288 / Airport Core Area

(Census tracts 3313 and 3315)

Year Built	2010 Count	2010 Share
2005 or later	653	14%
2000 to 2004	260	5%
1990 to 1999	93	2%
1980 to 1989	228	5%
1970 to 1979	424	9%
1960 to 1969	1,191	25%
1950 to 1959	1,720	36%
1940 to 1949	183	4%
1939 or earlier	84	2%
Housing Total	4,836	100%

Housing Structure Type – SH 288 / Airport Core Area

(Census tracts 3313 and 3315)

Structure Type	2010 Count	2010 Share
1 unit detached	4,657	96.3%
1 unit attached	79	1.6%
2 units	15	0.3%
3-4 units	24	0.5%
5-9 units	32	0.7%
10-19 units	-	0.0%
20 or more	-	0.0%
Mobile home	29	0.6%
Total	4,836	100.0%

Buffer Area

Population

Two buffer areas for the SH 288 and Airport site were examined. One is an adjacent Census tract to the north, east of SH 288, called North Sunnyside in this analysis.

This tract experienced growth of both black and Hispanic households from 2000 to 2010, with black still accounting for 91% of the population.

A much greater number of very low income households exist in this buffer tract. Generally however, lower income groups have decline moderately in number while upper middle class households have increased slightly. There were no households estimated in the 2011 5-year ACS earning over $150,000 per year.

The other buffer tract that was examined is the tract southwest of the HHA site, south of Sims Bayou, west of SH 288. This tract contains the City Park development, which has both single family and multifamily market-rate housing.

This tract has experienced rapid population growth as a result, more than doubling between 2000 and 2010. There was a much greater presence of white population – about 21% in 2000 – but the growth has been almost entirely in black and Hispanic persons, decreasing the white share to less than 9% even as it remained essentially constant.

The growth has been strongly middle class, with households earning between $35,000 and $100,000 comprising two-thirds of growth. The number of households earning less than $35,000 showed little change during the period. There remains very few households in the highest income groups.

Race / Ethnicity – Buffer Tract 3312 (North Sunnyside)

Ethnicity	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
White alone	22	51	29	0.8%	1.5%
Black alone	2,575	3,166	591	94.8%	91.2%
Asian alone	5	3	(2)	0.2%	0.1%
Hispanic	91	222	131	3.4%	6.4%
Mixed / other	22	31	9	0.8%	0.9%
Total	2,715	3,473	758	100.0%	100.0%

Race / Ethnicity – Buffer Tract 3309 (City Park)

Ethnicity	Count 2000	Count 2010	Change 2000-2010	Share 2000	Share 2010
White alone	712	676	(36)	20.9%	8.6%
Black alone	1,175	3,753	2,578	34.5%	47.6%
Asian alone	32	309	277	0.9%	3.9%
Hispanic	1,452	3,043	1,591	42.6%	38.6%
Mixed / other	39	105	66	1.1%	1.3%
Total	3,410	7,886	4,476	100.0%	100.0%

Previous Year Household Income – Buffer Tract 3312 (North Sunnyside)

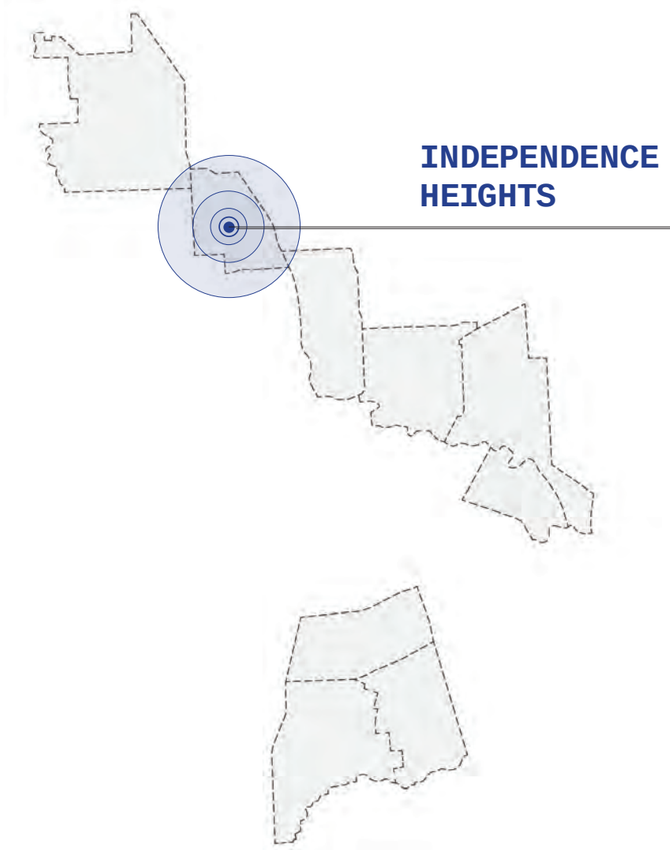
Income Group	Count Census 2000	Count 5-Yr. 2011 ACS	Change 1999 - 2009	Share Census 2000	Share 5-Yr. 2011 ACS
Less than $10,000	257	242	(15)	24.6%	22.2%
$10,000 to $14,999	154	182	28	14.7%	16.7%
$15,000 to $24,999	200	124	(76)	19.1%	11.4%
$25,000 to $34,999	205	151	(54)	19.6%	13.8%
$35,000 to $49,999	100	206	106	9.6%	18.9%
$50,000 to $74,999	72	108	36	6.9%	9.9%
$75,000 to $99,999	12	22	10	1.1%	2.0%
$100,000 to $149,999	19	56	37	1.8%	5.1%
$150,000 to $199,999	-	-	-	0.0%	0.0%
$200,000 or more	26	-	(26)	2.5%	0.0%
Total Households	1,045	1,092	47	100.0%	100.0%

Previous Year Household Income – Buffer Tract 3309 (City Park)

Income Group	Count Census 2000	Count 5-Yr. 2011 ACS	Change 1999 - 2009	Share Census 2000	Share 5-Yr. 2011 ACS
Less than $10,000	125	72	(53)	12.0%	2.5%
$10,000 to $14,999	50	103	53	4.8%	3.6%
$15,000 to $24,999	215	198	(17)	20.6%	6.9%
$25,000 to $34,999	193	187	(6)	18.5%	6.5%
$35,000 to $49,999	198	942	744	18.9%	32.8%
$50,000 to $74,999	145	646	501	13.9%	22.5%
$75,000 to $99,999	70	408	338	6.7%	14.2%
$100,000 to $149,999	34	221	187	3.3%	7.7%
$150,000 to $199,999	6	40	34	0.6%	1.4%
$200,000 or more	10	55	45	1.0%	1.9%
Total Households	1,046	2,871	1,825	100.0%	100.0%

CURRENT MARKET ASSESSMENT

INDEPENDENCE HEIGHTS STUDY AREA



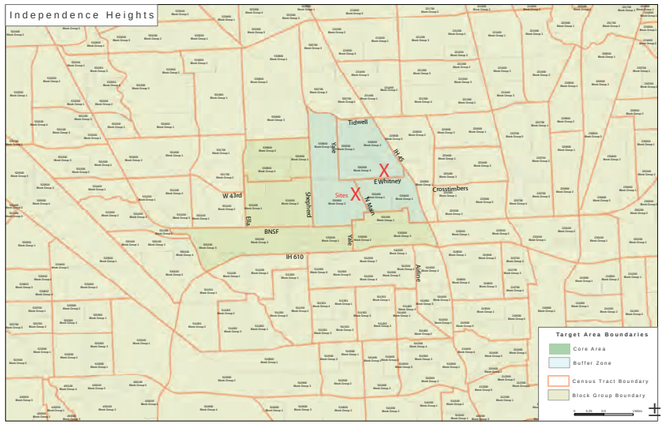
The area we are defining as the core study area for SH 288/Airport is generally bounded on the north by the 610 South Loop, the west by Almeda Road (Highway 521), the south by Almeda Genoa Road and the east by Cullen Street.

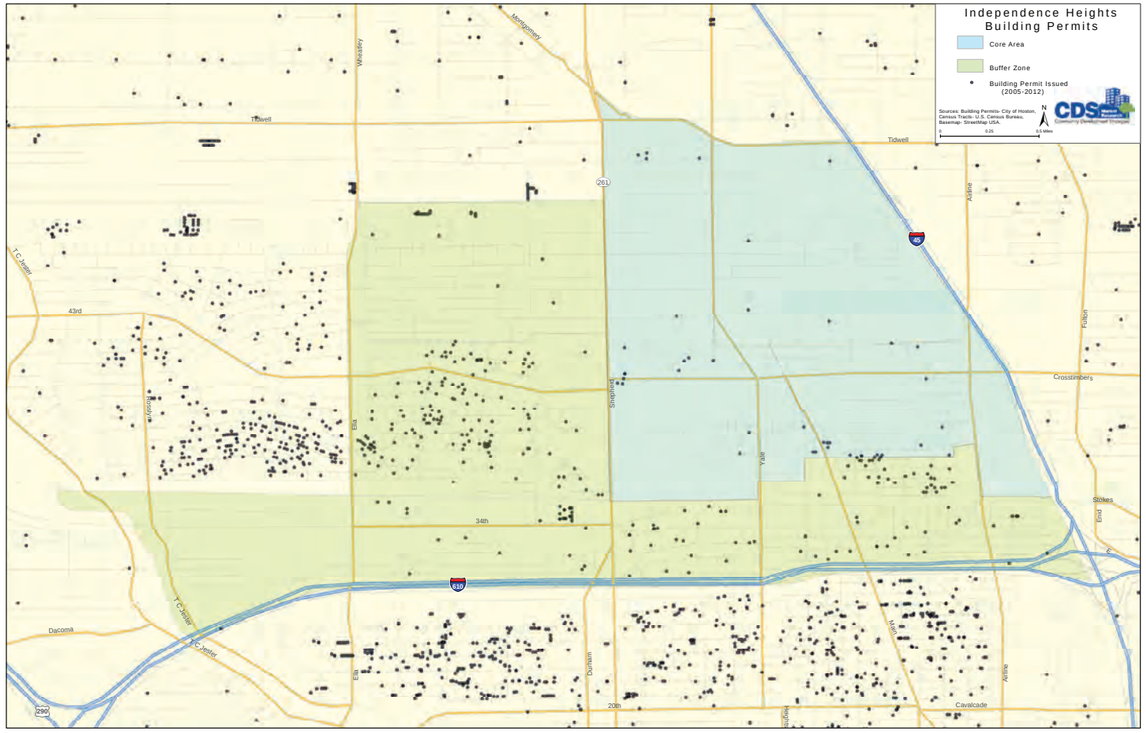
The Independence Heights study area is an aging area of modest structures, many of which are in deteriorated condition, unimpressive commercial development or industrial uses, and vacant lots. Little or no market-rate investment appears to be occurring within the neighborhood itself. While major investment targeting affluent residents is occurring in adjacent areas to the south and west, the City will have to find ways to overcome freeway and land use barriers along with visual deterrents (dilapidated structures, poor visible public infrastructure) if this upward market activity is to leach into the Independence Heights neighborhood. Shepherd and 610 create physical boundaries that are difficult to jump and maintain appraisal value arguments. The reality of what truly is "in the Heights" or "in Garden Oaks" when said to a colleague or friend does matter to owners. Finally, there is a perceived lessening of safety when on the wrong side of these boundaries that will discourage single women or couples from taking a chance on housing in the core area in the foreseeable future.

AREA OVERVIEW

Independence Heights was the first town incorporated in Texas by African Americans. This was done in 1915. Much of the existing housing stock in the area is quite vintage in character and in very poor condition with much of it reportedly suffering damage during the hurricane in 2008 that has yet to be repaired.

There is a marked scarcity of housing that has been recently constructed within the core study area as well as east, north or northwest of it. Alternatively, builders are quite active in the adjoining areas south of 610 stretching from Airline west of Shepherd (northern portions of The Heights and Sunset Heights) and west of Shepherd north of 610 continuing slightly north of 43rd Street (Garden Oaks). There is some permit activity north of 610 between Shepherd to Yale, but this sector is actually a legal extension of Garden Oaks and similar to it in the quality and size of houses present. Virtually all of this construction is market rate, single family homes or townhomes mixed with renovation of older houses that are too large, well-preserved or "cute" to tear down.





The only areas within the core that show permits activity are in the southeast part bounded approximately by 41st Street, North Main, 610, and Airline and a cluster of townhomes being developed off the northeast corner of Shepherd and Crosstimbers. According to a respondent in the sales office for the latter, these townhomes are priced at $149,900. The builder could not be reached for comment but, based on location and price point, a reasonable conclusion could be reached that these townhouses are aimed at buyers who like the area but are not able to afford to purchase in the Garden Oaks market and may perhaps qualify for purchase assistance from the city. If successful, such a development could spark copycat activity in the core area along or near Shepherd from 610 north but not likely far north of Crosstimbers. However, when the sales representative was asked about pace of sales, the reply was a non-specific, "Okay."

Speaking with two community leaders, Tanya DuBose and John Branch, the following positive attributes of Independence Heights were offered by Ms. DuBose. "It's still a neighborhood where people know their neighbors. There are new schools (Kennedy Consolodated Elementary at the southwest corner of Victoria and Oxford) and both physical and curriculum improvements schedule for other schools in the area (Washington High and Burrus Elementary)." Mr. Branch stressed the historic character of the housing and the location near freeways and downtown as positives. Both noted that the neighborhood does not have a true historic designation that would protect such structures, and he expressed concern that the overall community needed more infrastructure investment but without the higher property taxes that customarily follow such improvements.

As negatives, Ms. DuBose emphasized trash dumping on vacant property, insufficient infrastructure (especially storm drainage) and inadequate public transportation. She was particularly concerned that extension of light rail service east of I-45 on Fulton might curtail such service even more.

The periphery of Independence Heights was examined for indications of other market rate, housing activity. Areas reviewed were Garden Oaks west of Shepherd and its extension east of Shepherd and just north of 610 to Yale. We also looked south of 610 in what would generally be considered the northern part of The Heights. Finally, a review was made of the area north of Independence Heights between I-45 and Shepherd up to Tidwell Road.

Overall, these areas are seeing fairly intense levels of construction of new homes, new townhomes, and renovation. It is important to recognize the physical and psychological lines that partition those areas from Independence Heights as we have defined it. South of the Loop is considered by most potential buyers and realtors to be a part of The Heights and Sunset Heights, a "cool" area to live in, especially for young professionals and couples but also for older, more established families with a preference for historic, aesthetically distinctive but eclectic neighborhoods. West of Shepherd is accepted as a rejuvenating area where lots are large and a lot of home can be had for the money though the mathematical perception is changing. As prices in Garden Oaks increase, the perception is tending toward "a lot of house for a lot of money".

SUBAREA ANALYSIS

For purposes of this study, the core study area has been divided into subsectors identified alphabetically as follows:

Area A

bounded by Tidwell on the north, Shepherd on the west, Crosstimbers on the south and Yale on the east.

Depending on the cross street, there can be mostly commercial use, a mixture of commercial with single family, or almost all single family houses. It appears that much of it dates from the 1950s through 70s. When there is a concentration of houses, it is mostly ranch style in varying condition on larger than standard lots. Virtually all of the roadways within these areas are paved without curbs and with open ditch drainage. Note previous comments about townhouse development in this subsector.

Area B

bounded by Tidwell on the north, Yale on the west, Crosstimbers on the south and Interstate 45 on the east.

The same general comments hold true for this subsector as for Area A except that the single family tends to be in more concentrated, organized subdivisions of a somewhat later period than in A – perhaps 60s and 70s. Most of these neighborhoods have concrete paved streets with rolled curbs, closed drainage and sidewalks. Homes seem to be in a bit better overall state of repair, and there is much less commercial use of property. The commercial that is in this area tends to be fronted on the bordering streets, particularly Crosstimbers, Whitney (parallel to Crosstimbers on the north), and West Tidwell.

Area C

bounded by Crosstimbers on the north, Shepherd on the west, the BNSF railway on the south, and Yale on the east.

This subsector is highly affected in character and substantially occupied by the Pine Forest Distribution Center that, along with retail and commercial uses located along Shepherd and Crosstimbers, occupy about three quarters of the land area in this subsector. Pine Forest alone has almost 1.1 million square feet of front and rear load service and distribution space. Housing immediately east of Pine Forest is modest and moderately well kept.

Area D

bounded by Crosstimbers on the north, Yale on the west, the BNSF railway on the south, and Interstate 45 on the east.

This appears to be the oldest housing area within Independence Heights, and the homes and neighborhood show their age in both condition of buildings and city infrastructure. Too often, the roads within this area are very narrow and flanked closely by open ditch drains. If a car is parked on the street in some blocks, it is difficult for another car to pass safely. There is a noticeable increase in the incidence of severely deteriorated houses, abandoned structures, vacant lots, and trash dumping. The best that can be said is that the housing stock is inconsistent.

At the same time, this is the part of the core study area where the new single family housing is being built by groups such as Catholic Charities according to Tanya DeBose. There is a cluster of such home permits, appearing to be several dozen in total, located along streets from about 38th to 41st east of North Main. This is essentially the only type of single family housing being added to this core area.

Area E

bounded by the BNSF railway on the north, Shepherd on the west, North 610 Loop on the south and Interstate 45 on the east.

The portion of this area west of Yale is an appendage of Garden Oaks with housing stock that reflects the character of that neighborhood located primarily west of Shepherd. There are numerous new and renovated homes in this area. East of Yale is another matter altogether. Housing here is more akin to that found in Area D with a sense of more vacant lots and tracts, perhaps from demolition of older houses or simply land that never was built upon. There is a cluster of newer, clapboard sided houses being built by Houze that tout super high energy efficiency, but they are somewhat randomly scattered on streets south of the railway.

GATEWAY THOROUGHFARE IMPRESSIONS

Interstate 45 North

– Limited Access Freeway –

This is the major north/south freeway in Houston, It connects Houston to Galveston and Dallas within Texas. It is a heavily trafficked transit and commuter corridor with commercial and retail businesses located along both side service roads. These businesses, of varying age and quality serve the local communities and the Houston area at large. There are some recent commercial business upgrades along this freeway, mostly on the northbound (outbound) side but none directly affecting the character of the study area.

North 610 Loop

– Limited Access Freeway –

This is Houston's interior circumferential freeway. It is approximately 38 miles in length. The Loop frontage directly adjacent to the study area provides nothing inspiring in the way of new development. Most of it is vacant or deteriorated residential buildings, the occasional commercial business or a sound barrier wall. The service road on the opposite side of 610 has smaller commercial businesses that cater primarily to freeway users or the overall area.

Shepherd Street – Major thoroughfare – North Shepherd is a primary north/south road for this part of Houston and does intersect with 610. It has mostly neighborhood retail in this section with some commercial businesses and schools. The character of this retailing has been improving due to the burgeoning increase in density from townhouse development in the Heights (south of the Loop) and the dramatic increase in household income associated with single and multifamily population growth in The Heights and Garden Oaks. Up and down Shepherd from the study area to Memorial Drive, restaurateurs are experimenting with new concepts for food and drink establishments. Upgraded retail is beginning to enter the market, and a new 24 Hour Fitness Center is under construction on Shepherd to serve the area. Inflows of Hispanic population into the area north of Garden Oaks and Independence Heights have also contributed to these changes in retail makeup.

Airline Drive

– Four lane boulevard –

Airline is a route into downtown Houston with an I-45 HOV entrance/exit point located just north of 610. From 610 to the railroad tracks, it is bounded by an older, rundown section of Independence Heights. North of the railway, it is almost all industrial beyond Crosstimbers to the point where it passes under I-45 headed to Tidwell.

Crosstimbers Street

– Four lane boulevard –

Going west from I-45, Crosstimbers is general fronted by older commercial businesses and some light industrial. There is a HPD storefront located in the 900 block, and the occasional single family subdivision that abuts the road. Numerous parcels of vacant land exist and the Kennedy Elementary School was recently closed and relocated to Victoria Street. Pine Forest Distribution Center occupies a large stretch of frontage on the south side of Crosstimbers as it approaches Shepherd. At the southeast corner of the intersection with Shepherd, there is an old Sears store fronting Shepherd and occupying a large tract of land which may present a future opportunity for redevelopment.

West Tidwell Road

– Four lane boulevard –

West from I-45, West Tidwell is almost all older commercial/light industrial use mixed with older multifamily and some vacant land. A new medical diagnostic facility has been opened on the south side of the road slightly east of Shepherd and across the street for an existing Doctors Hospital facility.

Yale Street – Four lane boulevard – Headed north from the 610 Loop, Yale is bordered on the west by the easternmost section of Garden Oaks where higher value houses and new, market rate home construction are occurring. Housing to the east is generally in very poor and declining condition. Pine Forest Distribution Center occupies frontage on opposite sides of the road north and south of the railway followed by Washington High School (an older facility) and mixed quality residential up to Crosstimbers. North of Crosstimbers, Yale passes through a mixture of residential homes in reasonably good condition and commercial businesses of various types.

North Main Street

– Four lane street –

North Main going north from 610 passes through inferior and declining quality residential areas that are often further negatively affected by narrowly paved roads with open ditch drainage. Visible from North Main are some of the homes built by organizations dedicated to assisting home purchasers. Near Crosstimbers, the road tends to be fronted by more vacant land, and north of Crosstimbers, North Main is surrounded by older houses and commercial/industrial buildings. The road dead-ends north of Whitney Road.

MARKET DATA SUMMARY

Home Sales

Average home prices in the core study area dropped somewhat during the recession but appeared to start bouncing back in 2012. Price levels are low for a close-in neighborhood, under $100,000, though the homes are aged (1950s-1960s) and small (1,000 to 1,500 square feet).

The southern part of Independence Heights, along Loop 610, features even lower-priced homes, averaging below $50,000 in 2008 through 2010, with sale prices well below listing. Since then they have begun to rise again though their average days on market are still relatively long.

A townhome development east of Shepherd and north of Crosstimbers accounts for the majority of townhome sales in the core study area. The prices are entry-level for in-town new construction; however they have had a slow to moderate sales pace.

Independence Heights Core Area – Single Family Detached
(Census Tracts 5304, 5305, 5306)

		MLS Averages					
Year	# Sales	Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	35	$ 81,414	95%	57	1,336	$ 61.80	1961
2008	32	$ 83,620	93%	72	1,404	$ 55.96	1964
2009	17	$ 65,936	91%	71	1,296	$ 41.92	1962
2010	30	$ 73,540	93%	42	1,409	$ 46.67	1950
2011	23	$ 59,545	94%	82	1,137	$ 48.58	1963
2012	24	$ 73,337	97%	56	1,342	$ 54.50	1962

Independence Heights Core Area – Townhomes / Condos
(Census Tracts 5304, 5305, 5306)

		MLS Averages					
Year	# Sales	Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	0	NA	NA	NA	NA	NA	NA
2008	0	NA	NA	NA	NA	NA	NA
2009	11	$189,268	100%	53	1,754	$ 107.91	2009
2010	20	$185,890	100%	141	1,748	$ 106.76	2009
2011	8	$181,513	99%	275	1,757	$ 103.83	2010
2012	13	$169,538	98%	619	1,693	$ 100.69	2010

South Independence Heights Buffer Area – Single Family Detached
(Census Tract 5303)

		MLS Averages					
Year	# Sales	Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	17	$ 56,226	92%	98	1,022	$ 57.58	1960
2008	12	$ 43,462	90%	116	1,192	$ 37.64	1948
2009	10	$ 35,618	88%	64	1,006	$ 34.94	1947
2010	20	$ 38,645	85%	57	989	$ 37.68	1958
2011	18	$ 56,212	89%	108	1,105	$ 44.49	1954
2012	19	$ 68,342	96%	107	1,321	$ 48.26	1954

[1] From Harris County Appraisal District

Garden Oaks / Shepherd Park Plaza – Single Family Detached
(Census Tracts 5302, 5309, 5310)

		MLS Averages					
Year	# Sales	Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	199	$241,990	97%	60	1,819	$ 136.37	1957
2008	153	$281,525	96%	67	2,071	$ 138.45	1962
2009	165	$269,874	96%	82	1,879	$ 145.03	1961
2010	162	$291,377	96%	59	2,009	$ 143.61	1964
2011	170	$287,364	96%	73	2,082	$ 140.75	1965
2012	196	$294,789	97%	61	2,001	$ 149.13	1964

Prices are much higher in the Garden Oaks and Shepherd Park Plaza neighborhoods to the west, generally ranging from $250,000 to $300,000 even for 1950s-1960s properties. Sales volumes have been high.

Townhome / condo development in this buffer area has been limited. The days on market average is lower than for the core area townhome development but nonetheless is lower than that for detached homes. Prices remain below $200,000.

Garden Oaks / Shepherd Park Plaza – Townhomes / Condos
(Census Tracts 5302, 5309, 5310)

		MLS Averages					
Year	# Sales	Sale Price	Sale % of List	Days on Market	Sq.Ft.[1]	Sale Price / Sq.Ft.	Year Built[1]
2007	3	$185,667	97%	67	2,069	$ 90.59	1999
2008	7	$152,643	101%	144	1,752	$ 87.16	2006
2009	11	$179,163	96%	62	2,025	$ 88.40	2008
2010	9	$182,086	97%	87	1,961	$ 92.68	2008
2011	12	$186,768	97%	118	1,966	$ 94.88	2009
2012	16	$182,045	96%	102	1,929	$ 94.52	2009

[1] From Harris County Appraisal District

MARKET DATA SUMMARY (cont.)

Name	Address	Core, Buffer, or Gen. Vicinity	Year Built	Year Renov.	# Units	Avg. Sq.Ft.	Market Performance			Subsidies?	
							Occ. %	Avg. Rent / Sq.Ft.	Avg. Eff. Rent / Sq.Ft.	Inc. Restr.	Sec. 8
Candlelight Gardens	5116 Alba Rd	Buffer	1971	2002	63	750	98%	$0.73	$0.73	N	Y
Compass Pointe	5050 Yale St	Buffer	1974	2003	250	776	70%	$0.82	$0.82	N	N
Crosstimbers Park	500 W Crosstimbers St	Buffer	1960	2002	98	784	88%	$0.69	$0.69	N	N
Dominion Square	1001 Pinemont Dr	Buffer	1974	2001	136	938	75%	$0.55	$0.55	Y	Y
Donovan Village	601 W Donovan St	Buffer	1967	2003	78	820	93%	$0.82	$0.82	N	N
Ella Square	3011 Ella Blvd	Buffer	1964	2000	61	619	100%	$0.88	$0.88	N	N
La Vista Villa	4920 Marable Dr	Buffer	1975		54	604	50%	$0.71	$0.65	N	N
Mirabella	816 Oak St	Buffer	1970	2000	98	911	89%	$0.81	$0.77	N	N
Orchard at Garden Oaks	880 W 34th St	Buffer	2010		118	873	98%	$0.83	$0.83	Y	Y
Reserve at Garden Oaks	3405 N Shepherd Dr	Buffer	2012		166	912	36%	$1.46	$1.46	N	N
Tiffany Oaks	838 Oak St	Buffer	1973	2012	61	760	98%	$0.96	$0.91	N	Y
Ventana Gardens	5135 North Fwy	Buffer	1961	2001	84	714	80%	$0.89	$0.84	N	Y

Source: ALN

Apartments

There is very little new apartment construction in the vicinity of the core study area. The Reserve at Garden Oaks is a complete reconstruction of an older apartment property and is asking by far the highest rents in the area. It is still in the lease-up process. Other 1960s-1970s era properties renovated during the 2000's but still offer rents well below $1.00 per square foot. In general, occupancies are not as consistently strong as in other parts of Houston.

The Independence Heights buffer area is oriented much more strongly toward owner occupied housing than the core area.

The buffer area has more older housing the core study area, with 29% built before 1950.

The proportion of single family detached units is very high at approximately 81%.

Housing Occupancy Status 2010 – Independence Heights Buffer Area
From 2010 Census

Tenure	2010 Count	2010 Share
Owner	3,790	59.9%
Renter	1,706	27.0%
Vacant	827	13.1%
Total	6,323	100.0%

Housing Year Built – Independence Heights Buffer Area
From 2011 5-Yr ACS

Year Built	2010 Count	2010 Share
2005 or later	234	4%
2000 to 2004	268	4%
1990 to 1999	138	2%
1980 to 1989	233	4%
1970 to 1979	841	13%
1960 to 1969	1,489	23%
1950 to 1959	1,308	21%
1940 to 1949	1,264	20%
1939 or earlier	602	9%
Housing Total	6,377	100%

Housing Structure Type – Independence Heights Buffer Area
From 2011 5-Yr ACS

Structure Type	2010 Count	2010 Share
1 unit detached	5,010	80.6%
1 unit attached	129	2.1%
2 units	70	1.1%
3-4 units	64	1.0%
5-9 units	111	1.8%
10-19 units	410	6.6%
20-49 units	127	2.0%
50 units or more	293	4.7%
Total	6,214	100.0%

DEMOGRAPHICS

Looking specifically at the Census tracts that comprise Garden Oaks and Shepherd Park Plaza, located immediately west of the core study area, the population has also decreased; however, the share of the white population is about 59%. The share of the black population is very low at under 6% and falling. The Hispanic share is similar to the overally buffer area and actually fell over the 10-year period.

Race / Ethnicity – Garden Oaks / Shepherd Park Plaza
Tracts 5309, 5310, and 5302 Block Group 1

	Count		Change	Share	
Ethnicity	2000	2010	2000-2010	2000	2010
White alone	5,618	5,310	(308)	58.0%	59.4%
Black alone	643	500	(143)	6.6%	5.6%
Asian alone	70	122	52	0.7%	1.4%
Hispanic	3,230	2,878	(352)	33.3%	32.2%
Mixed / other	128	130	2	1.3%	1.5%
Total	9,689	8,940	(749)	100.0%	100.0%

TASK3

Redevelopment Plan

3.1 Introduction/ Executive Summary
3.2 Summary of Disaster Recovery Relief Programs: Single-Family Homeowner Assistance and Multi-Family Rental
3.3 Community Revitalization Areas
3.4 Independence Heights
3.5 Near Northside
3.6 Greater Fifth Ward
3.7 Old Spanish Trail/South Union
3.8 Sunnyside

3.1 INTRODUCTION / EXECUTIVE SUMMARY

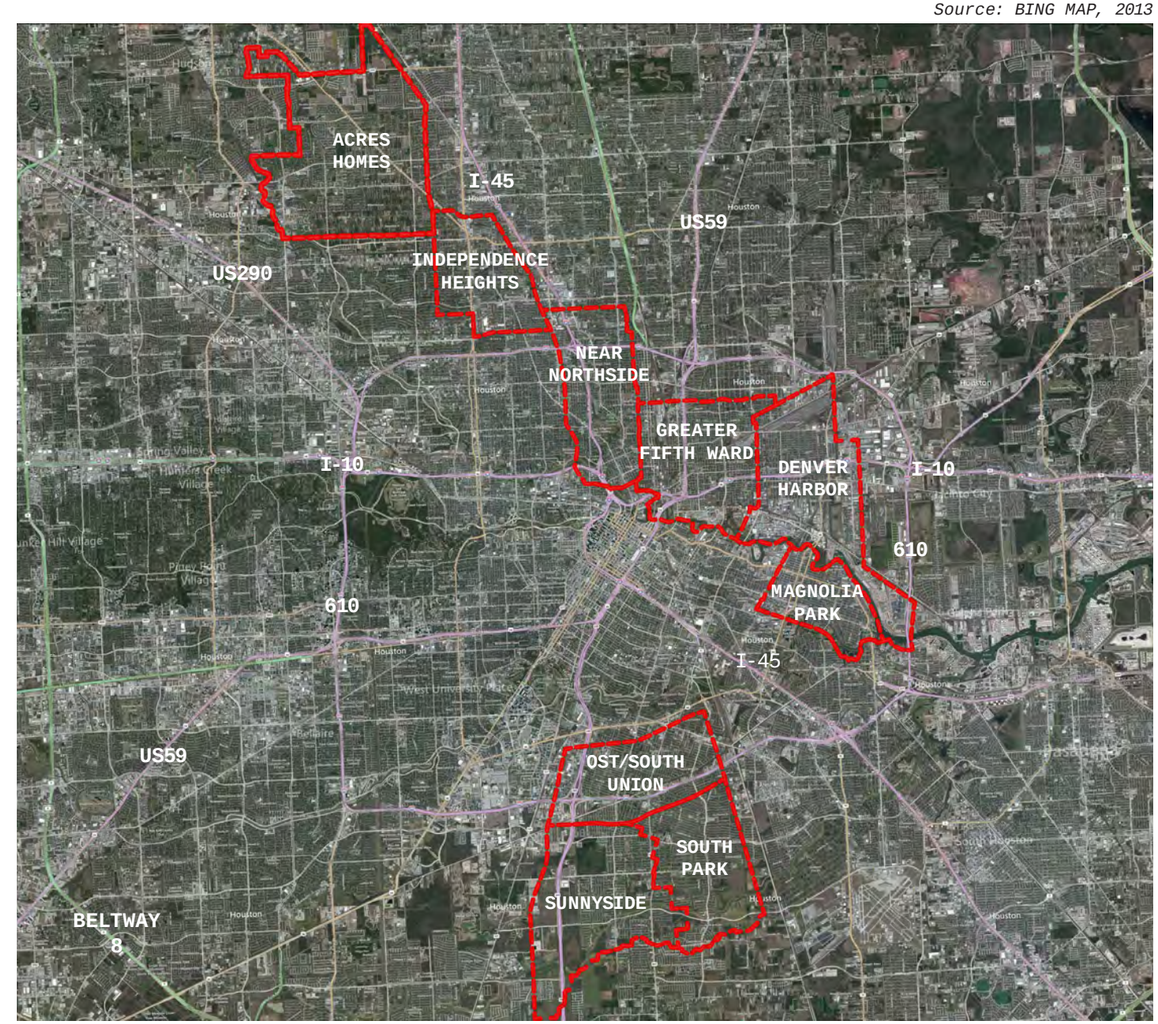
The goal of Task 3 of the planning study was to provide the City of Houston, Housing and Community Development Department (HCDD) with data and information to support their selection of specific Community Revitalization Areas (CRA's) in connection with the Round 2 Disaster Recovery Programs (DR2 Program). This includes existing land use, transportation and transit facilities, land ownership, parks and open spaces, condition of structures, assessed damage, neighborhood amenities, recent and proposed infrastructure improvements and application of the LEED for Neighborhood Development (LEED ND) criteria as established by the U.S. Green Building Council (USGBC). LEED ND is the definitive guide in the U.S. to create sustainable neighborhoods by integrating the principles of smart growth, high-quality urbanism and green building techniques into the first national system for community planning and design.

The objective of HCDD in the Disaster Recovery Programs is to develop a comprehensive revitalization strategy and redevelopment plans for the CRA's in selected inner-city neighborhoods that have historically been low-income and have had high concentrations of minority population. The outcome of this investment is to encourage near-term gentrification and produce neighborhoods that are stable, mixed-income, economically robust and racially diverse. These transformed neighborhoods are intended to include a mix of low-income, affordable and market-rate rental housing in different product types. The plan also includes construction, reconstruction and/or rehabilitation of existing homes in order to prevent the involuntary displacement of existing low-income residents in the CRA's.

In order to achieve these goals and objectives, the City will seek to coordinate improvements in these neighborhoods with a variety of agencies and funding sources in addition to the residential units that are restored or constructed in the CRA's. This strategy of combining (i) new and restored affordable DR2 Program-funded housing activities with (ii) investment in various public infrastructure projects and civic facilities will be critically important to realize near-term impact and revitalization in the selected areas. The public investment strategies outlined in Task 3 are organized by CRA and are intended to be a menu of options that the City can consider for implementation. This includes proposed land uses in key areas, proposed mobility improvements that range from new streets to transit connections, bicycle routes and pedestrian path enhancements. The considerations also recognize that each neighborhood has a unique community identity that should be preserved and enhanced as much as possible while encouraging interaction among diverse socioeconomic and ethnic groups of people. Finally, a range of policy recommendations have been proposed in each CRA to assist in the long-term maintenance and sustainability of the revitalized neighborhoods.

The success of the program will ultimately depend on many different entities and factors working together to promote positive change. This includes political will and leadership, agency coordination, funding prioritization and capital allocation, participation from the private sector, calculated risk, willing program participants and volunteers. Cooperation with the Houston Housing Authority (HHA) will also be critical to achieving the goals of the DR2 Program, including the servicing of a balance of income groups in the CRA's, particularly the needs of very low income residents and long-term affordability.

Source: BING MAP, 2013



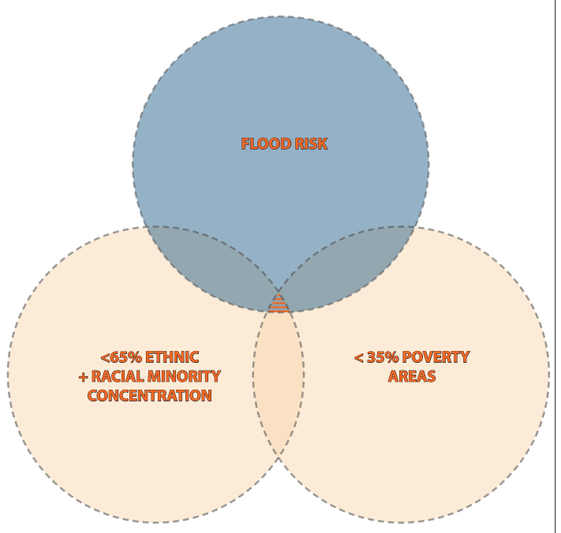
Aerial View of the City of Houston limits in conjunction with the nine community revitalization areas

3.2 SUMMARY OF DISASTER RECOVERY RELIEF PROGRAMS

Single-Family Homeowner Assistance and Multi-Family Rental

The primary objective of the DR2 Program is to provide decent, safe and sanitary housing in hurricane-impacted areas through the provision of activities designed to mitigate storm damage that occurred as a result of Hurricane Ike, as well as any future hurricanes. A second objective is to ensure that the housing needs of very low, low and moderate-income households are assisted with housing in no less than the proportion to the relative percentages of the overall populations which suffered housing damage within the communities being served. A third objective is to prioritize the provision of decent, safe and sanitary housing for elderly and disabled populations with an emphasis on housing choice and design to reduce maintenance and insurance costs as well as provide for the provision of independent living options.

The goal of the Homeowner Assistance portion of the Program is to provide very low, low and moderate income homeowners whose homes sustained damage from Hurricane Ike the choice to have their homes rebuilt in place, to relocate to a new home built in the CRA, or if they so desire, to relocate to areas of higher opportunity. In order to provide homeowners with informed fair housing choice, the Homeowner Assistance portion of the DR2 Program will be communicated to the community through targeted, door-to-door outreach and personal, one-on-one fair housing options consultations.



Homeowner outreach will be focused on the area where flood risk, ethnic / racial minority concentration and poverty areas intersect.

Targeted outreach will be performed in Houston in areas where there are high concentrations of poverty, ethnic and racial minority, and areas which were demonstrated to have sustained flood damage during Hurricane Ike. Refer to the diagram below that illustrates this objective. The Homeowner Assistance portion of the Program is not a first-come, first-serve initiative. The priority in meeting homeowner need is focused on elderly and special needs participants.

The goal of the Multi Family and Single Family Rental portions of the DR2 Program is to repair or replace affordable rental units within the area being served that were damaged or destroyed by Hurricane Ike. A minimum of 51% of the units must be restricted for ten or more years to low-to-moderate income (LMI) individuals earning 80% or less of the Area Median Family Income (AMFI) at affordable rents. The rents must comply with High HOME Investment Partnership (HOME) Rents and other existing Land Use Restriction Agreement (LURA) restrictions, as applicable. Program funding is awarded based on a formal procurement process.

Both the Single-Family Homeowner Assistance and the Multi-Family Rental elements of the DR2 Program will be implemented in some of the Target Neighborhoods as identified by Mayor Annise Parker and the advocates. These target neighborhoods include:

- Acres Homes
- Independence Heights
- Near Northside
- Greater Fifth Ward
- Denver Harbor / Port of Houston
- Magnolia Park
- Old Spanish Trail / South Union
- Sunnyside
- Southpark

A variety of criteria was used in order to determine which areas would most effectively achieve the goals and objectives as described in Section 3.1. More detail on these areas is provided in Sections 3.4 - 3.8 of the report.

Downtown Houston flooding during Hurricane Ike, 2008

3.3 COMMUNITY REVITALIZATION AREAS

AREAS OF GREATEST NEED

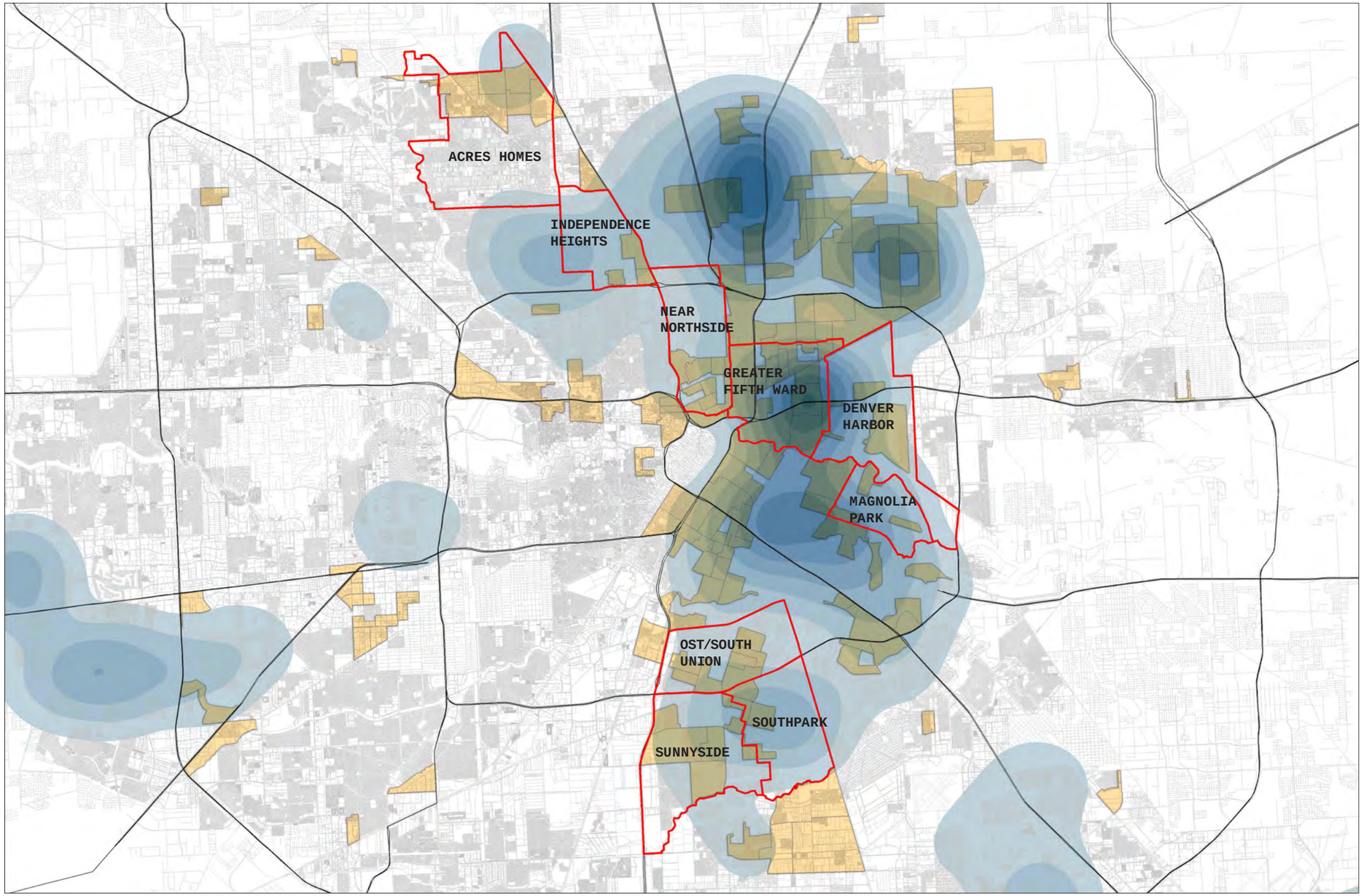
Following Hurricane Ike in 2008, LJA Engineers was contracted to perform a visual inspection of the damaged properties and to create a database of structures that sustained both wind and water (flooding) damage. This database will be used to help determine which properties are eligible to receive funding from the Single-Family Homeowner Assistance Program.

As the data was compiled, the areas of greatest need were determined at the points where the following criteria intersect:

1. Flood Risk - areas that flooded in the 2008 storm and are likely to flood again in similar storm events in the future;
2. Greater than 35% poverty concentration - i.e. areas whose residents represent the lowest income levels in the metropolitan region; and
3. Greater than 65% concentration of ethnic minority populations.

Viewing the map of the damage caused by the hurricane, it is clear that a significant amount of it occurred in areas that meet the three aformentioned criteria. This became one of the primary reasons that the Mayor and the advocates' Target Neighborhoods were established in these neighborhoods. The reality is that many of these areas have suffered disinvestment for years, in terms of decades of deferred maintenance due to the resident owners being unable to afford the upkeep or absentee landlords having little or no interest in maintaining the physical integrity of the neighborhoods or their properties. In addition, many of these areas have also not seen a great deal of public investment in terms of civic facilities or infrastructure since the lower density and population base in many cases is perceived as reduced need and resources are deployed elsewhere. Hurricane Ike simply made matters worse in many of these areas, which is why the application of the DR2 Program funds in these areas is important to their revitalization.

Source: Damage Data from LJA Engineering, 2009



WATER + WIND DAMAGE
SINGLE FAMILY

areas of least damage — areas of most damage

AREAS WITH >35% POVERTY + >65% MINORITY

3.3 COMMUNITY REVITALIZATION AREAS

RFP PROCESS FOR DEVELOPER APPLICATIONS/ HHA STRATEGY

As previously mentioned, the Single-Family Homeowner Assistance funds will be awarded to eligible recipients through targeted outreach in specific areas. The funds for the Multi-Family Rental units will be awarded to private and/or non-profit developers to implement the units through a competitive process that is currently under review.

Earlier this year, HCDD released an RFP soliciting proposals from qualified developers to build multi-family rental units for low-income residents by the end of 2015. The successful applicants will be awarded a portion of the DR2 funds in order to subsidize the cost of developing the rental units. HCDD used a threshold scoring process to evaluate the proposals based on a wide series of criteria. This included items such as the qualifications of the developer, a track record of implementing successful projects, financial and borrowing capacity, administering to and effective use of government subsidies, conceptual development plans, property management plans, site control and specific location, income mix, financing plan and pro forma, implementation schedule and community input. Priority was given to projects within the Mayor's Target Neighborhoods.

As a result of this process, HCDD selected several Community Revitalization Areas (CRA's) that relate to the developer proposals meeting the criteria of the DR2 Program objectives described above. The selected CRA's include the following:

- Near Northside
- Fifth Ward
- OST /South Union

Simultaneously, the HHA has been working hard to search for locations in various areas of town on which to build units for low-income residents. This process has yielded several preferred locations that have been planned and tested for program fit and feasibility. These areas include:

- Independence Heights
- Sunnyside

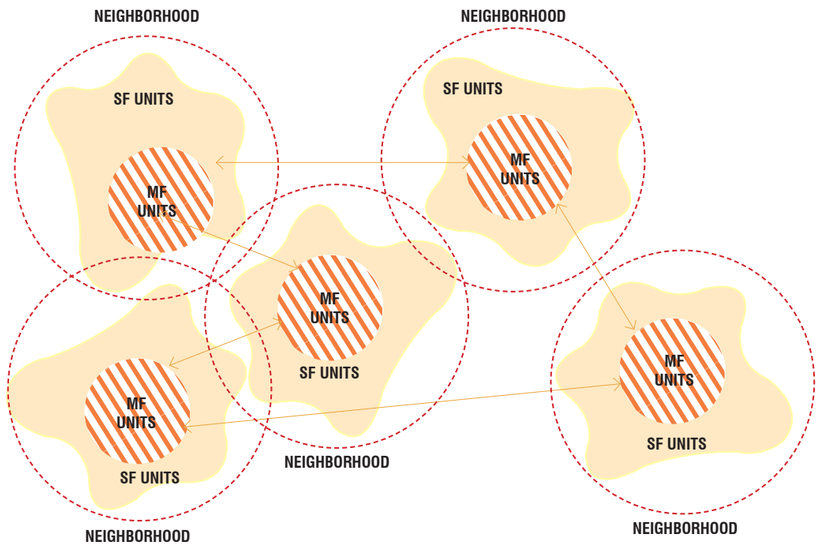
Based on these five areas identified as preferred locations of multi-family rental and low-income housing, the planning team assembled data on the existing conditions within these areas, assessed them for the feasibility of achieving the program goals, evaluated the feasibility of the investment in the various markets and made recommendations for City investment beyond the DR2 Program funding.

LOCATION OF MULTI-FAMILY RENTAL IN CONJUNCTION WITH SINGLE-FAMILY HOMEOWNER ASSISTANCE PROGRAM

The strategy for locating the Multi-Family Rental units in the CRA's (Near Northside, Fifth Ward, OST / South Union, Independence Heights and Sunnyside) is that the new development, will in part help to transform and positively impact the existing neighborhoods. This is true from the standpoint of removing vacant structures, underutilized properties and blight, but also from developing new residential units that will help to revitalize commercial corridors. These higher-density residential units are also highly appropriate next to the significant investment currently being made in light rail and other infrastructure improvements. Another consideration is the preservation of affordable housing in these neighborhoods where property values are rising and development of affordable housing in the future may be increasingly difficult due to increasing land values.

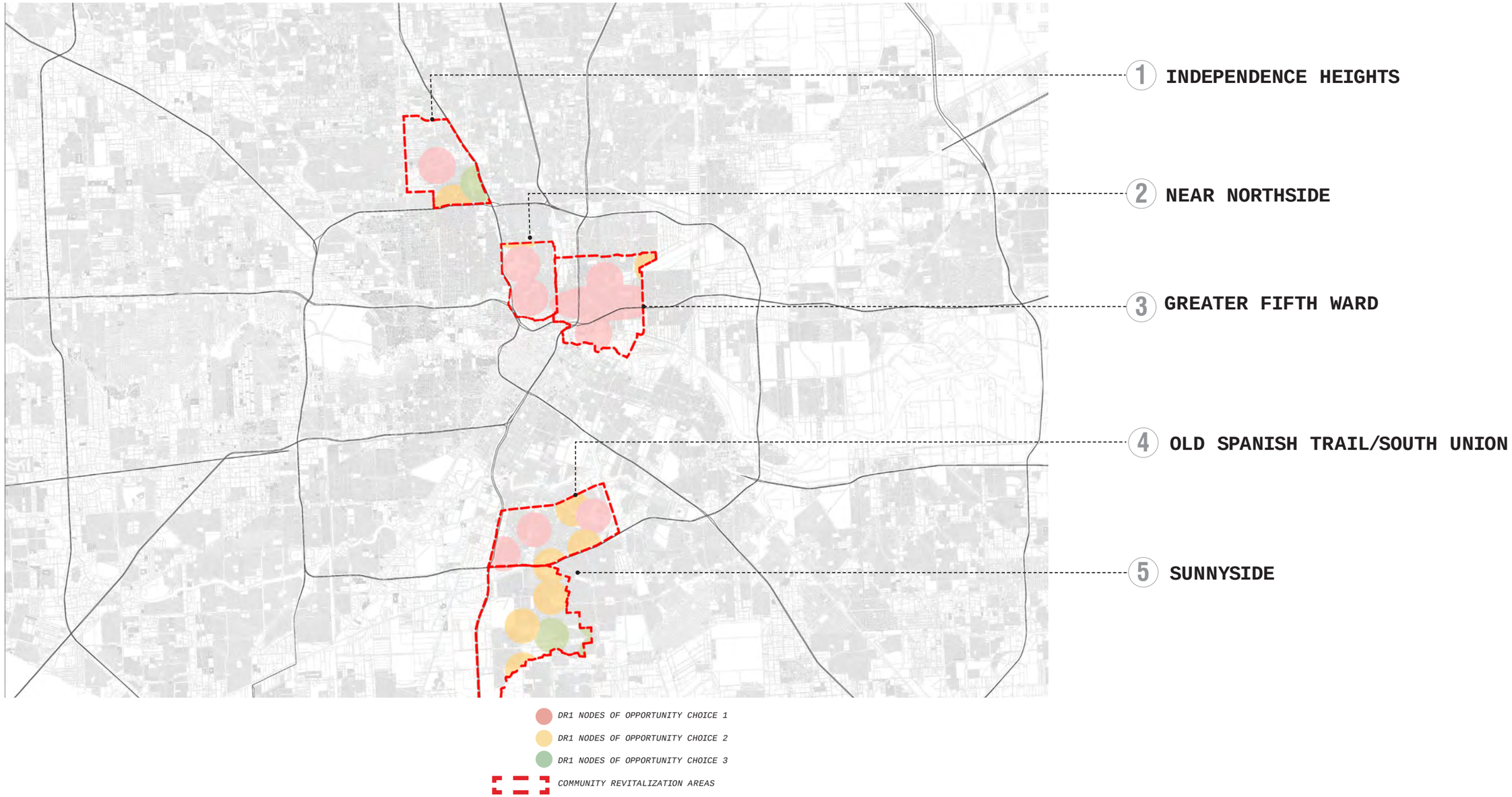
In conjunction with the investment in the CRA's through multi-family development, the Single Family Homeowner Assistance Program (SFHAP) will provide funds to repair or replace residences of qualified owners. Some of these funds will be for single-family residences that are not in the CRA's. However, the strategy is to concentrate the SFHAP funds in one or more clusters around the multi-family development locations in order to further revitalize the neighborhoods. The addition of these new and renovated structures may incentivize other property owners in the neighborhood to better maintain their properties and ultimately increase property values. In addition, the City has also committed to find non-DR2 Program funds for capital improvements of infrastructure and civic facilities such as utilities, streetscape upgrades, parks, sports and other recreational facilities, pedestrian path and trails, bicycle routes, bayou improvements, transit facilities, lighting upgrades, community gathering places and increased security and police patrols.

The following sections of the planning study analyze and assess the characteristics and potential of each of the CRA's in more detail. This includes an inventory of the existing neighborhood amenities, recent and proposed infrastructure improvements, existing land uses as well as transportation and transit options. In addition, a menu of options for the City to consider has been included as discussed above to further spark revitalization in the CRA's. Land uses have been proposed for key sites to complement the existing residential stock and new units to be added or existing units to be renovated. Ideas for the preservation and enhancement of local social and cultural values and community identity are suggested. Finally, recommendations for changes to public policy, code enforcement, delinquent tax collection and other issues are discussed.



3.3 COMMUNITY REVITALIZATION AREAS

Source: CITY OF HOUSTON, 2012



TASK3A

Redevelopment Plan

3.4 Independence Heights

3.4.1 Introduction
3.4.2 Existing Land Use
3.4.3 Existing Transportation + Transit
3.4.4 Existing Ownership
3.4.5 Existing Parks + Open Spaces
3.4.6 Condition of Structures
3.4.7 Damage Assessment
3.4.8 City CIP + Private Investments
3.4.9 Neighborhood Amenities
3.4.10 LEED ND Criteria Application
3.4.11 Recommendations
(a) Proposed Public Realm Improvements
(b) Proposed Land Uses
(c) Community Identity
(d) Proposed Policy Recommendations

3.4.1. INTRODUCTION

Independence Heights

Independence Heights is a historic African-American community in northwest Houston. The area is bordered by Tidwell Road to the north, Shepherd Drive to the west, the 610 Loop to the south, and Interstate 45 to the east. During World War I, Independence Heights became the first town in Texas incorporated by African-Americans. Independence Heights developed its own business district along North Main Street with a wide variety of businesses: grocery stores, restaurants, a lumber company, drug store, black smith shop, law offices and electrical shop. Some of these historic buildings can still be seen along North Main Street.

The periphery areas of Garden Oaks, Shepherd Park and The Heights have seen a fairly intense level of redevelopment and gentrification in recent years, attracting young professionals and more established families. Although home and land values in these surrounding areas are significantly higher, this trend has yet to shift north of Loop 610 and east of Shepherd into Independence Heights.

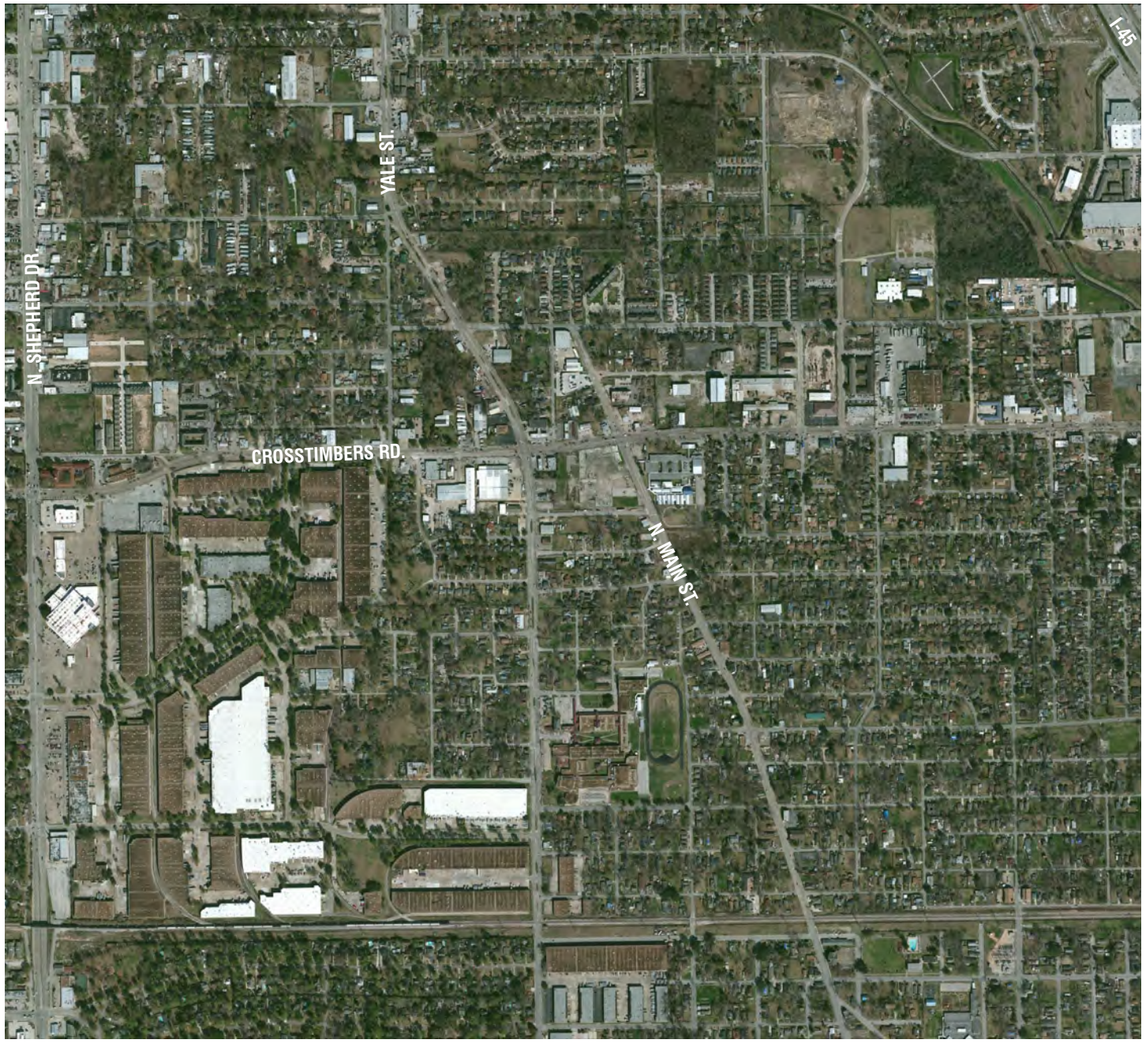
Today, Independence Heights is home to over 14,000 residents, with the majority of the population being 60% African-American followed by Hispanics at 32%.

Independence Heights Historic District

Street view at Yale St. and 38th St.

Street view at Yale St. and Crosstimbers Rd.

Source: CITY OF HOUSTON, 2012

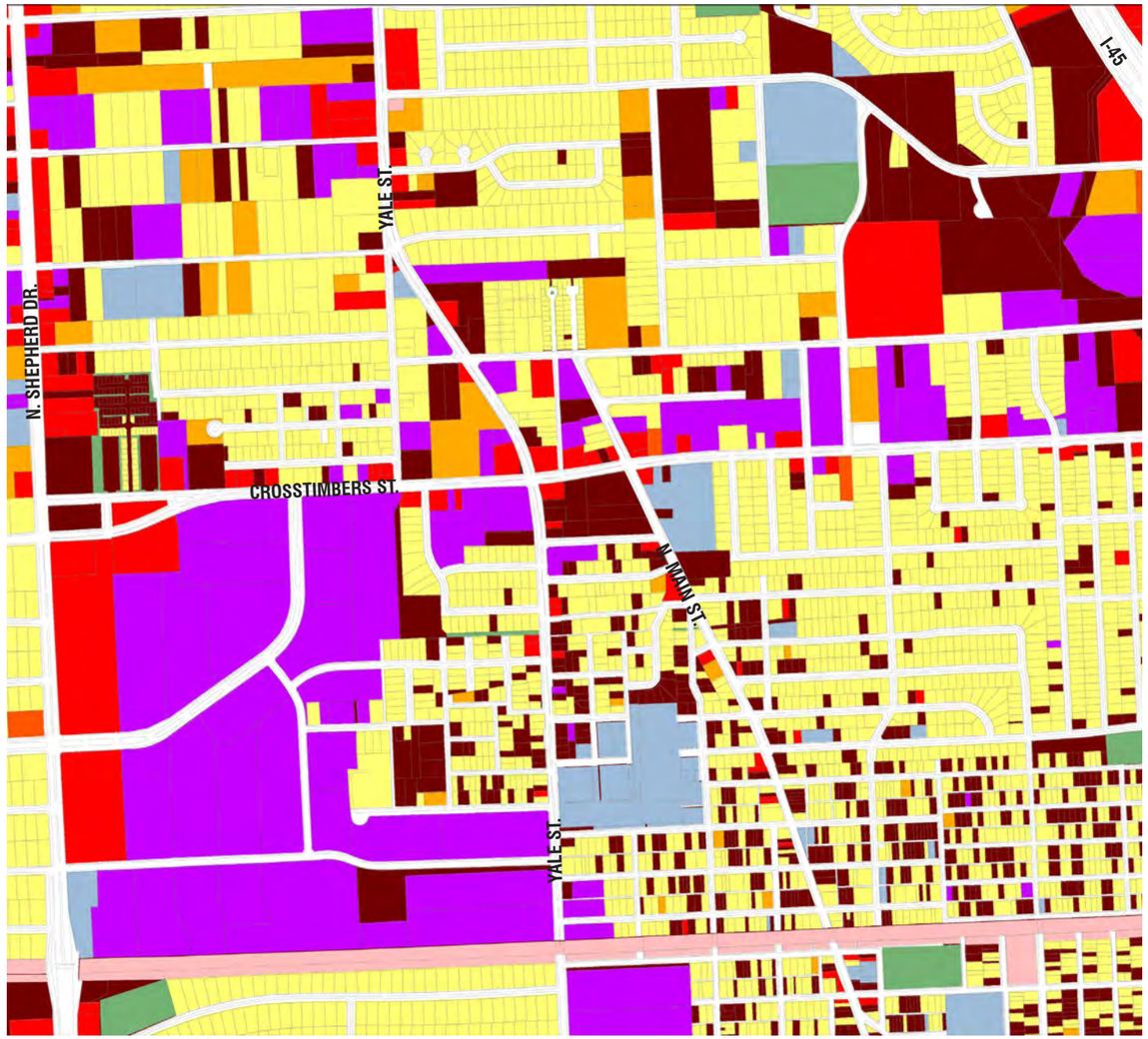


Aerial View of Independence Heights

3.4.2. EXISTING LAND USE

Independence Heights

Source: CITY OF HOUSTON, 2012



- AGRICULTURE PRODUCTION
- COMMERCIAL
- INDUSTRIAL
- MULTI-FAMILY RESIDENTIAL
- OFFICE
- PARK + OPEN SPACES
- PUBLIC + INSTITUTIONAL
- SINGLE-FAMILY RESIDENTIAL
- TRANSPORTATION + UTILITY
- UNDEVELOPED

The Independence Heights area includes a variety of land uses. Industrial use is significant in an area that is also highly residential. The large industrial parcel south of Crosstimbers Rd. between Shepherd Dr. and Yale St. is a large office park with some light industrial and wharehouse space. The structures are well maintained and landscaped with most units occupied. Although industrial uses provide local jobs, it is a barrier to redevelopment and perhaps may be the reason that the growth and redevelopment seen in the surrounding areas has not made a leap into Independence Heights.

There are a significant number of vacant lots south of Crosstimbers Rd. and west of Shepherd Dr., the majority of which appear to be residential. An absence of commercial retail use in the area along major thoroughfares such as Main St. and Crosstimbers Rd., and a lack of significant park and open space areas could be due to a the number of vacant residential lots in the area.

Industrial park in the southwestern park of Independence Heights

Independence Heights Park

Deteriorated housing structure in the southern end of Independence Heights

3.4.3. EXISTING TRANSPORTATION / TRANSIT

Independence Heights

Source: CITY OF HOUSTON, 2012

Several bus lines run along the major thoroughfares in the Independence Heights area, and the Northline rail line will be accessible via the Northline Transit Center on the east side of I-45. The Heights Transit Center is also nearby just south of Loop 610.

Bus lines in the area include:

- 9 Gulfton Limited/North Main
- 66 Yale (North)
- 44 Acres Homes Limited
- 23 Crosstimbers Crosstown (east/west)

The following bus lines can be accessed via the Northline or Heights Transit Centers:

- 15 Fulton (north and south)
- 24 Northline (east and north)
- 79 West Little York Limited
- 26 Outer Loop Crosstown
- 27 Inner Loop Crosstown
- 34 Montrose Crosstown

Independence Heights is bordered by I-45 to the east and 610 Loop to the south, providing freeway access to downtown and other city areas.

Major streets with the study area include:

- N. Main Street, Yale Street, Airline Drive and Shepherd Drive which run north/south through the area.
- Tidwell Road and Crosstimbers Street run east/west across the area.

In addition to motorized transit, there is potential for greater pedestrian and bicycle transit in this area by creating access from the study area to the trail at White Oak Bayou to the west of the study area. A multi-use asphalt trail exists along White Oak Bayou from W. Little York Rd. to 11th Street in the Heights totaling 7.4 trail miles. From 11th Street, it is a short distance to the MKT/Heights Bike Trail which connects to the White Oak Heritage Trail into Downtown Houston along Buffalo Bayou providing access to Buffalo Bayou Promenade and to the Columbia Tap Trail from Downtown Houston south into Brays Bayou.

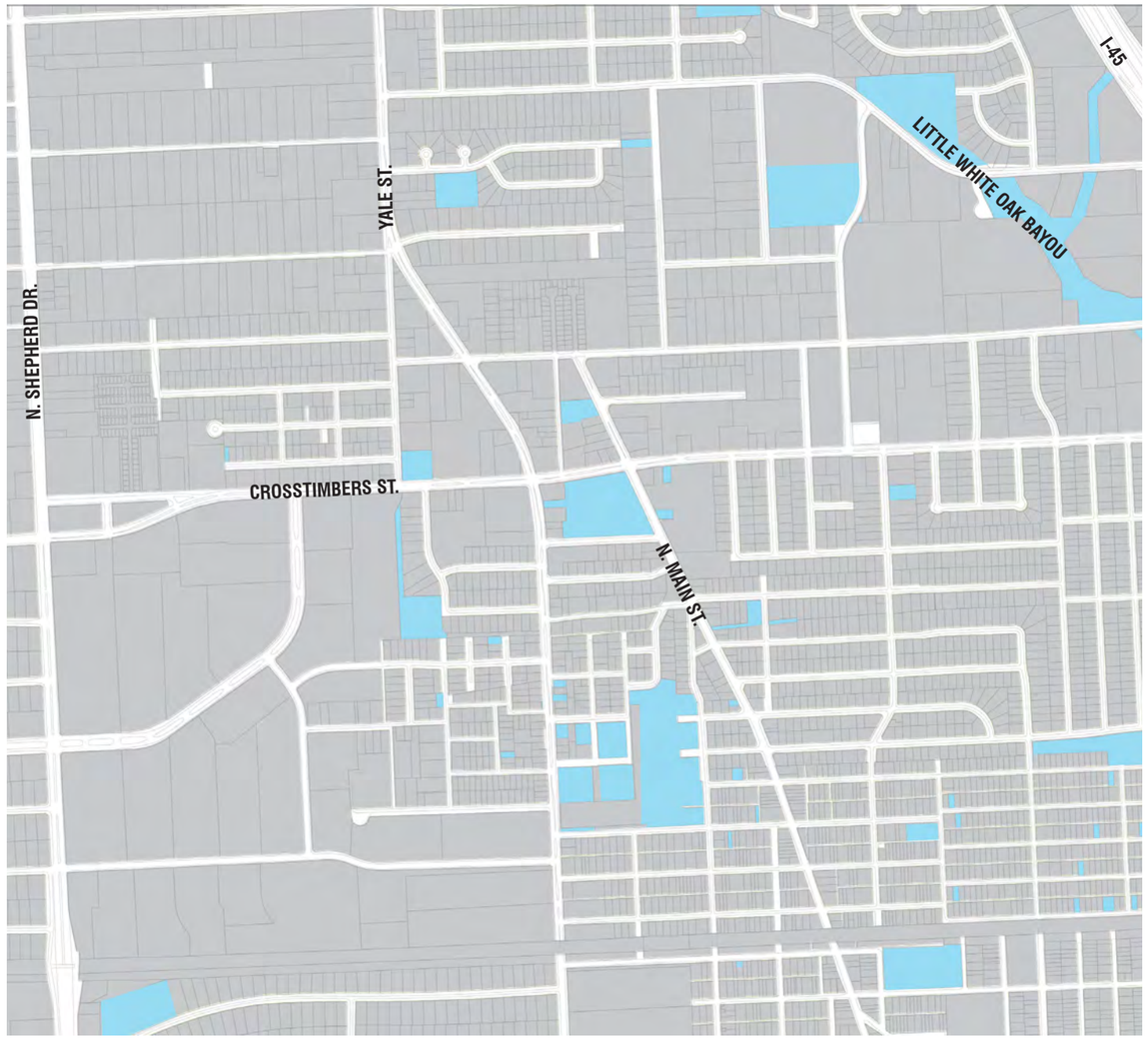
Existing sidewalk along N. Main Street

Metro Staion at the junction of W. Crosstimbers St. and Yale St.

3.4.4. EXISTING OWNERSHIP

Independence Heights

Source: CITY OF HOUSTON, 2012



PUBLIC LAND

Land in Independence Heights is primarily privately owned. Some larger, publicly owned parcels exist which provide greater potential for redevelopment of open space/park use or for commercial uses such as groceries and retail.

Renter households outnumbered owner occupied households in 2010 in the study area. About 17% of housing units were vacant. Single family detached is the most prevalent housing type at 62.5% of units. Structures of at least 10 units comprise about 25% of total units.

Detriorated single family home

Multi-family housing along I-45

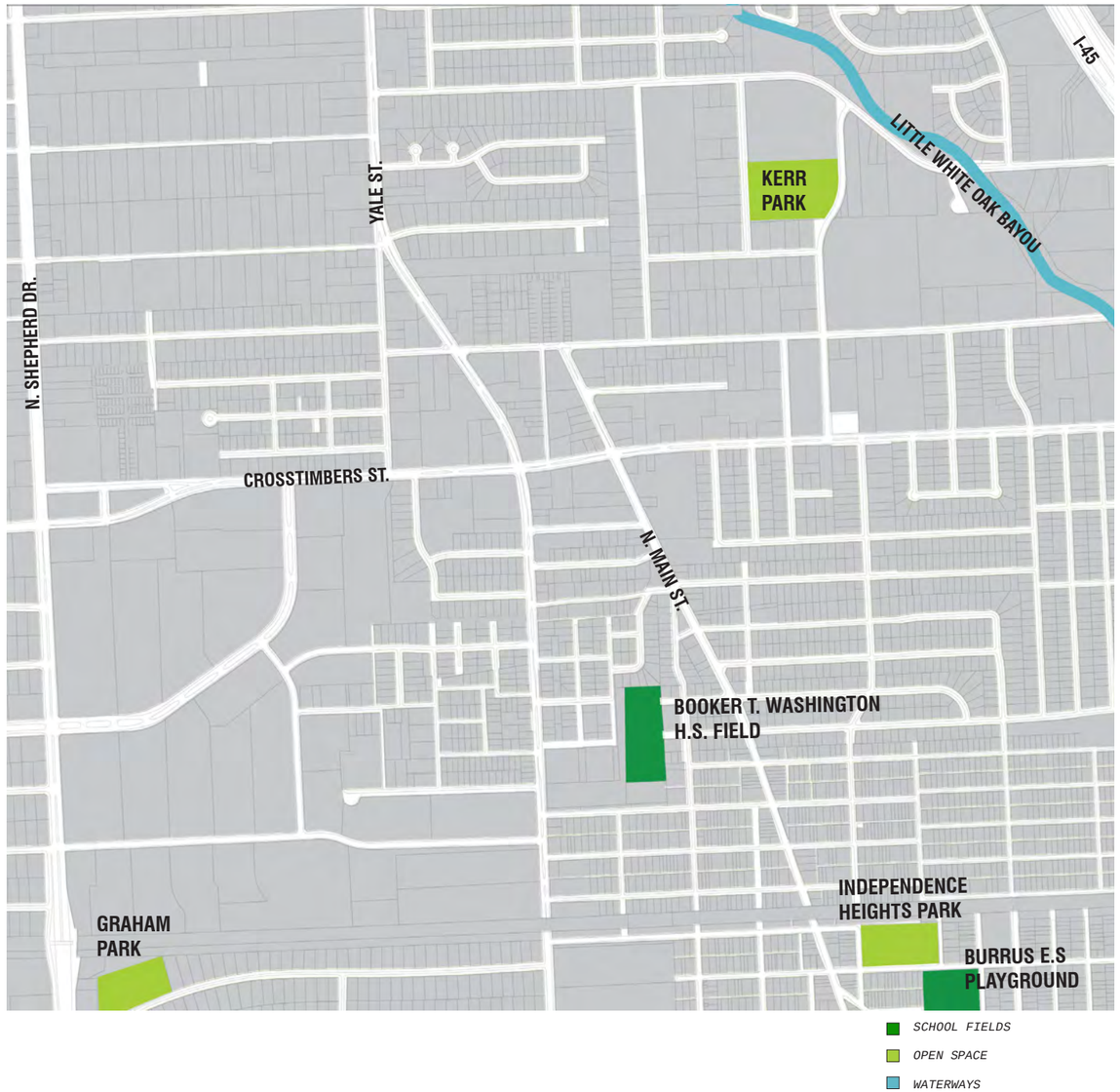
Renovated single family home

Little White Oak Bayou

3.4.5. EXISTING PARKS + OPEN SPACES

Independence Heights

Source: CITY OF HOUSTON, 2012



Independence Heights needs more significant park and open space areas.

Kerr Park adjoins to the newly constructed Allen-Kennedy Consolidated Elementary School along Victoria Road but lacks park amenities. It is clean and well maintained.

Independence Heights Park near N. Main Street and 35th Street has a swimming pool and a community center but it is not well maintained and it is surrounded by many vacant parcels.

Graham Park is near Shepherd Dr. and 34th Street. It is better maintained thatn Kerr and Independence Heights Park.

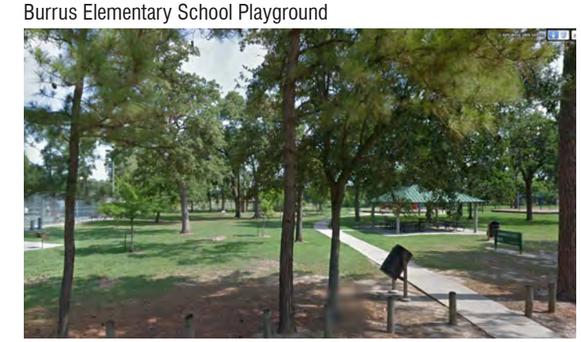
With the large number of vacant, privately owned parcels and the larger public land parcels identified in the ownership map previously, there is potential for creating additional open space areas for the neighborhood.

Linear connections to help access the trail along White Oak Bayou to the west can create additional open space for the area. Another possibility for open space exists along Little White Oak Bayou which runs almost parallel with I-45 through Independence Heights.

Booker T. Washington High School Field

Burrus Elementary School Playground

Kerr Park

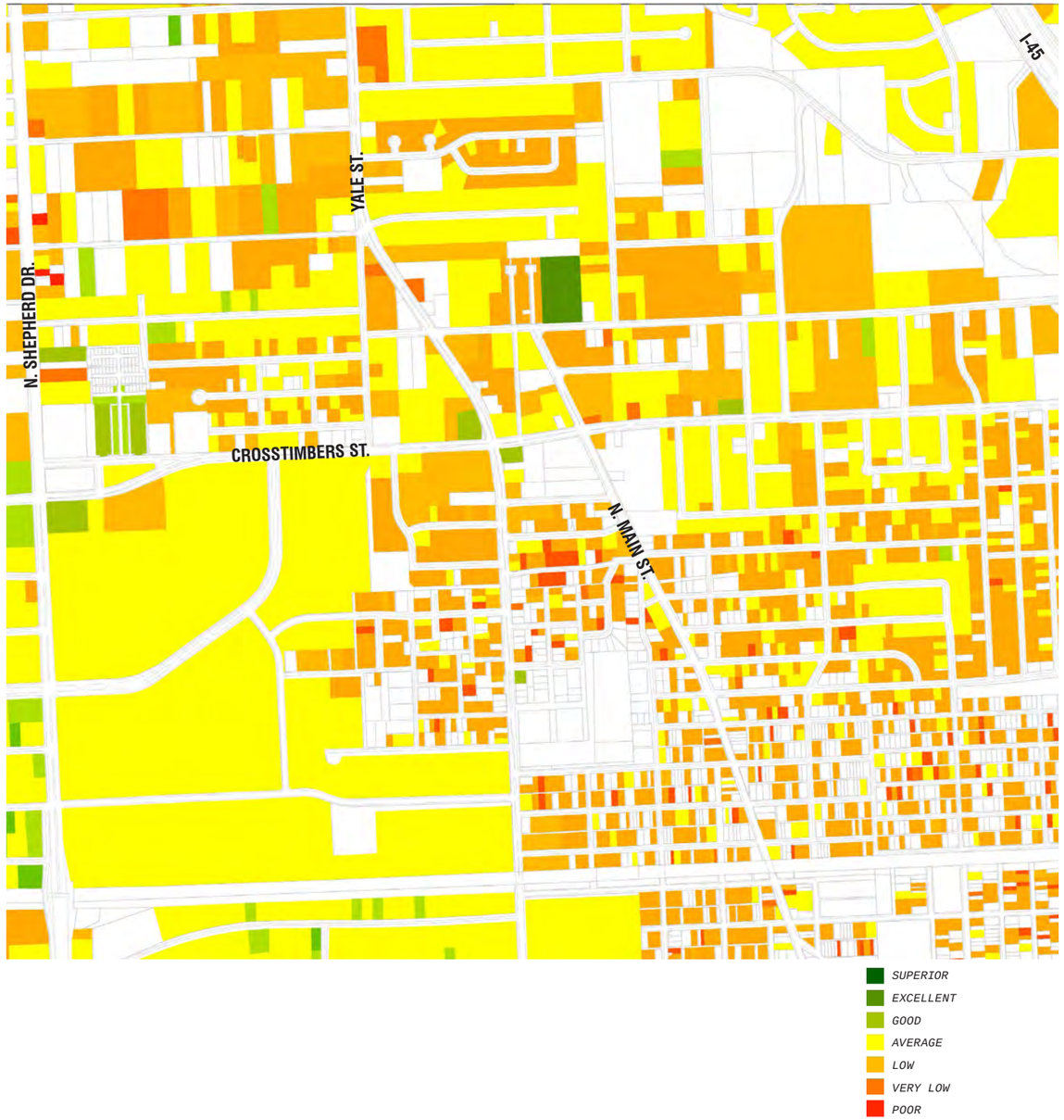


Graham Park

3.4.6. CONDITION OF STRUCTURES

Independence Heights

Source: HCAD, 2011



The condition of the majority of structures in the Independence Heights area are below average. Over 50% of housing units were built from 1950 to 1969 and little investment has been made to maintain these structures. The decline in structure condition is probably a result of most homes being renter occupied. Single family detached is the most prevalent housing type at 62.5% of units.

Poor condition of existing single family home

Renovated single family home

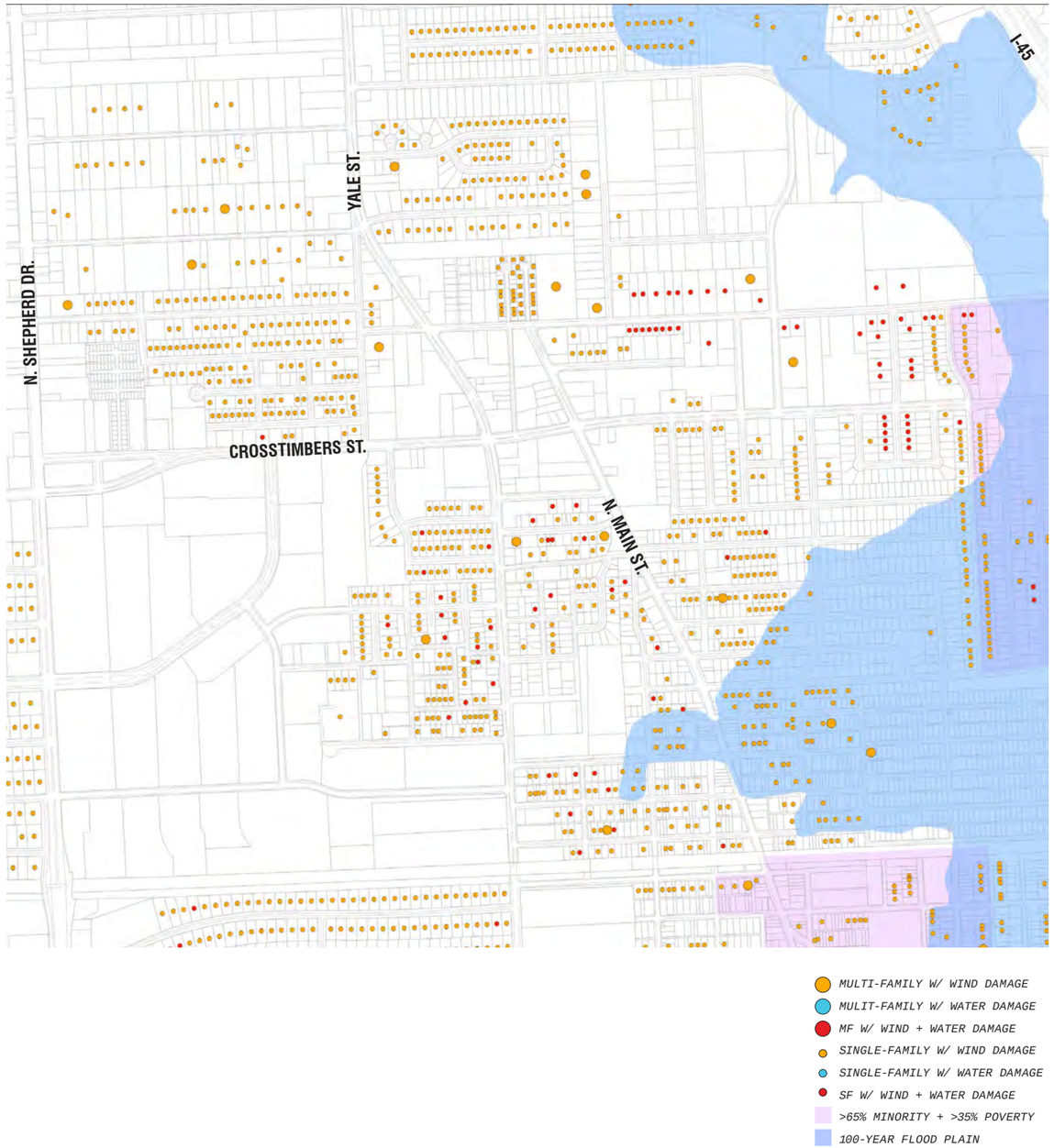
Average condition of existing single family home

Industrial park

3.4.7. DAMAGE ASSESSMENT

Independence Heights

Source: LJA Engineering, 2009



The map illustrates the damages sustained from Hurricane Ike to single-family and multi-family structures in the Independence Heights Area. Although most of the eastern side of Independence Heights along Little White Oak Bayou falls within the 100 year floodplain, most of the actual damage sustained was caused by wind to single family units.

Floodplain damage reduction projects are currently being implemented for White Oak Bayou. The White Oak Bayou Flood Damage Reduction Project is a partnership project between the U.S. Army Corps of Engineers and the Harris County Flood Control District.

Deteriorated condition of existing single family home

Deteriorated condition of existing multi-family home

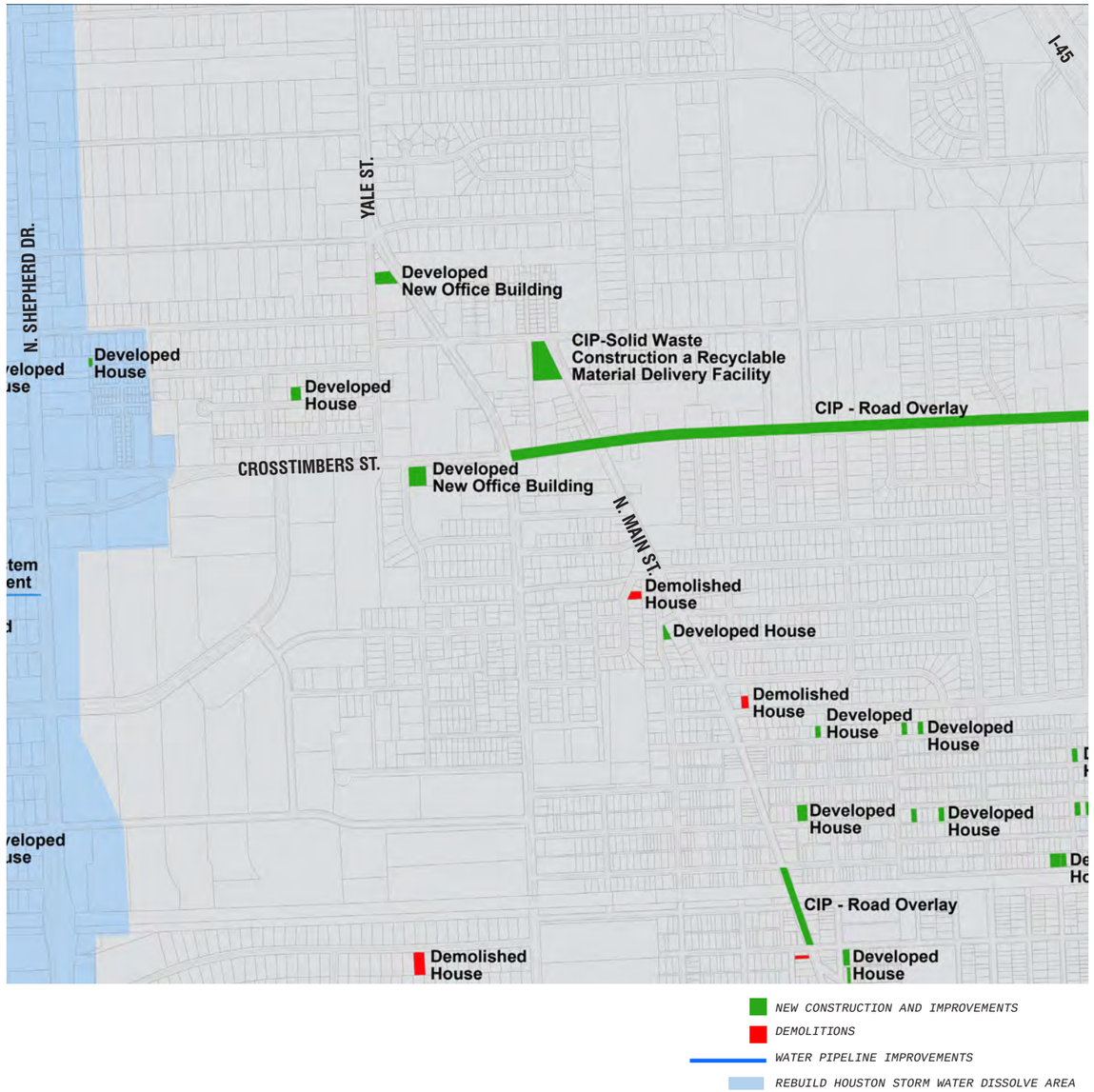
Little White Oak Bayou

Deteriorated condition of existing single family home

3.4.8. CITY CIP + PRIVATE INVESTMENTS

Independence Heights

Source: CITY OF HOUSTON, 2012



The Independence Heights area has been foreseeing a trend of new affordable housing development due to the Low Income Housing Tax Credits such as the Northline Apartment Homes by Stone Arch Development through a partnership with Capital One Community Finance and Raymond James Tax Credit Funds. Nearly $13 million of the LIHTC equity was utilized to construct this 172-unit garden style apartment complex. The property is inclusive of a community room, computer lab, fitness center, two playgrounds and a swimming pool. In addition, Social Services Management Consultants incorporated basic education, health and nutrition classes and financial planning as part of the services. Although the trend is continuing, this project has been the only affordable housing project constructed in the area over the last 5-6 years.

In addition, the Independence Heights C.R.A. is in close proximity to the YMCA, several schools and Heights Neighborhood Library and the TC Jester Park and swimming pool. Unfortunately there are not many community centers in the area. The Independence Heights Swimming Pool and Community Center had been closed in 2011 due to budget restraints, but have recently re-opened in 2012 with limited hours from corporate donations. Located near the C.R.A. is also the Motherland Clinic (Independence Heights Community Health Center), a federally-qualified health center. The clinic applied for a $4million grant in 2012 and has plans for expansion.

Kennedy High School closed in February 2012 and there is a tax-delinquent property and a vacant parcel connecting the elementary school and Neyland Street. The space could potentially be utilized for a middle school. In addition there has been 15 new buildings constructed, two of which are new office buildings, one a recyclable material facility and balance are housing developments.

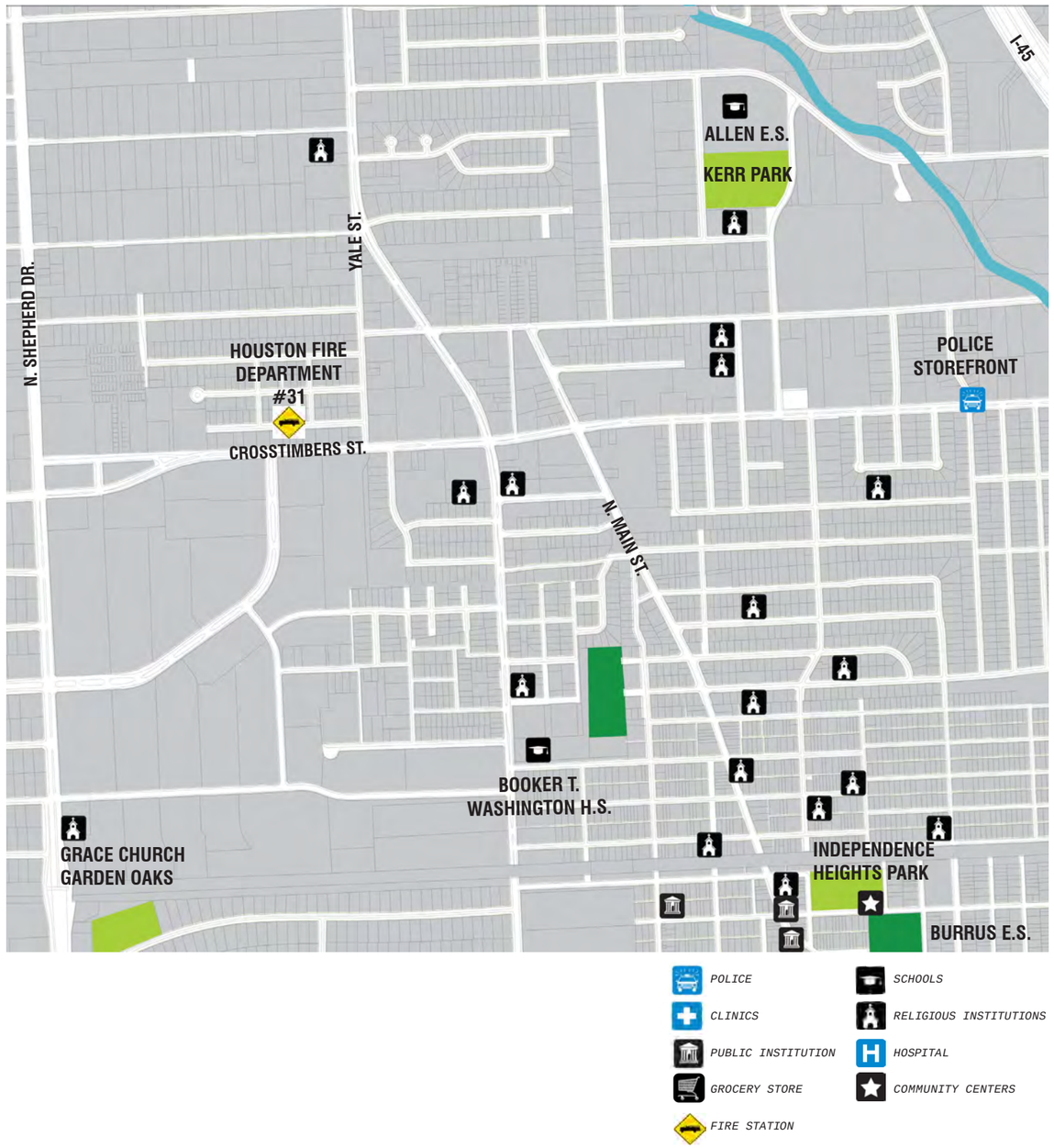
New Single Family House Under Construction

Newly Renovated Single Family House Under Construction

3.4.9. EXISTING AMENITIES

Independence Heights

Source: HGAC, 2012



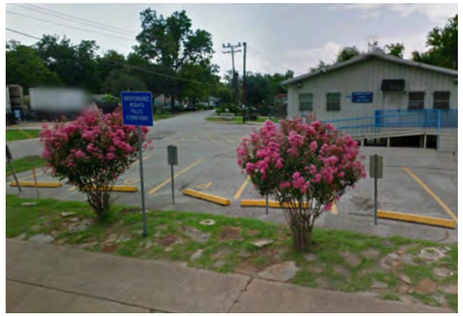
In general, the area is under-served by retail and especially grocery stores. To the east of I-45 is where retail exists and the nearest major grocery store (Fiesta Mart) is located.

As mentioned previously, the neighborhood needs more recreational amenities such as open space, parks and public services such as a public library, post office, drug stores or banks. Some commercial amenities such as Sears and CVS Pharmacy and a post office store front can be found along Shepherd Dr.

Houston Fire Department Station 31 is located on Crosstimbers Rd. just west of Yale Street and a Houston Police store front is also located on Crosstimbers close to I-45. More medical facilities are also needed in the area.

Independence Heights schools are served by Houston Independent School District (HISD). Burrus Elementary School and the new Kennedy-Allen Elementary School are the zoned elementary schools, while Booker T. Washington High School serves as the zoned high school. Williams middle school is the appointed zoned school and is located within the adjacent Garden Oaks neighborhood.

Booker T. Washington High School



Independence Heights Police Storefront

Kennedy-Allen Consolidated Elementary School

Houston Fire Department Station No.31 on Crosstimbers

3.4.9. EXISTING AMENITIES

Independence Heights

INDEPENDENCE HEIGHTS

SCHOOLS	GROCERIES/ SHOPPING	HEALTH CARE	POLICE + FIRE STATIONS	TRANSIT	PARKS + OUTDOOR RECREATION
Burrus Elementary School (HISD Zoned)	Fiesta Mart Inc	Doctors Hospital Tidwell	Independence Heights Police Storefront	Bus Route 9 North Main/Gulfton Ltd	Kerr Park
Williams Middle School (HISD Zoned)	Best Food Market	Northway Health Care Center	HFD Fire Station 31	Bus Route 23 Crosstimbers Cross-town	Graham Park
Booker T. Washington H.S. (HISD Zoned)	Happy Land Supermarket	Northwest Health Center		Bus Route 44 Acres Homes Limited	Independence Heights Park
Allen-Kennedy Consolidated E.S. (HISD Zoned)	Harvest Food Store	Acres Home Health Center		Bus Route 50 Harrisburg/Heights	White Oak Bayou Trail
Saint Pius Catholic High School	Jamail Family Market			Bus Route 66 Yale	
	La Michoacana Meat Market			Northline Light Rail	
	Northline Commons			Northline Transit Center	

ZONED SCHOOLS

Burrus Elementary School (PK-05)
H.I.S.D- Houston Independent School District
Demographics:
- 21% Hispanic
- 78% African-American
- 1% White
- 0% Asian
- 0% Native American

Total Students: 514
Economically Disadvantaged: 93.00%
Limited English Proficiency: 7%
2011 TEST (TAKS SCORES): 99%

Williams Middle School (06-08)
H.I.S.D- Houston Independent School District
Demographics:
- 42% Hispanic
- 56% African-American
- 2% White
- 0% Asian
- 0% Native American
- Total Students:443

Economically Disadvantaged: 93%
Limited English Proficiency: 14%
2011 TEST (TAKS SCORES): 81%

Booker T. Washington H.S. (09-12)
H.I.S.D- Houston Independent School District
Demographics:
- 32% Hispanic
- 64% African-American
- 1% White
- 1% Asian
- 1% Native American
- Total Students: 819

Economically Disadvantaged: 85%
Limited English Proficiency: 5%
2011 TEST (TAKS SCORES): 82%

Kennedy-Allen Consolidated Elementary School (KG-05)
H.I.S.D- Houston Independent School District
Demographics:
- 71% Hispanic
- 26% African-American
- 1% White
- 0% Asian
- 0% Native American
- 2% Two or More Races

Total Students: 737
Economically Disadvantaged: 96%
Limited English Proficiency: 60%
2011 TEST (TAKS SCORES): 98%

3.4.10. LEED ND CRITERIA APPLICATION

Independence Heights

Independence Heights scores well in terms of Preferred Locations and Reduced Automobile Dependence. There are many areas in which it can improve, including Walkable Streets, Bicycle Network, Mixed-Use Neighborhood Centers, Mixed-Income, Local Food Production and Street Improvements.

Yes	?	No			
17	2	8		**Smart Location and Linkage**	**27** Points Possible
Y			Prereq 1	**Smart Location**	Required
Y			Prereq 2	**Imperiled Species and Ecological Communities**	Required
Y			Prereq 3	**Wetland and Water Body Conservation**	Required
Y			Prereq 4	**Agricultural Land Conservation**	Required
Y			Prereq 5	**Floodplain Avoidance**	Required
5		5	Credit 1	**Preferred Locations**	10
	2		Credit 2	**Brownfield Redevelopment**	2
7			Credit 3	**Locations with Reduced Automobile Dependence**	7
		1	Credit 4	**Bicycle Network and Storage**	1
3			Credit 5	**Housing and Jobs Proximity**	3
1			Credit 6	**Steep Slope Protection**	1
1			Credit 7	**Site Design for Habitat or Wetland and Water Body Conservation**	1
		1	Credit 8	**Restoration of Habitat or Wetlands and Water Bodies**	1
		1	Credit 9	**Long-Term Conservation Management of Habitat or Wetlands and Water Bodies**	1

Yes	?	No			
11	5	28		**Neighborhood Pattern and Design**	**44** Points Possible
Y			Prereq 1	**Walkable Streets**	Required
Y			Prereq 2	**Compact Development**	Required
Y			Prereq 3	**Connected and Open Community**	Required
1		11	Credit 1	**Walkable Streets**	12
3		3	Credit 2	**Compact Development**	6
2		2	Credit 3	**Mixed-Use Neighborhood Centers**	4
		7	Credit 4	**Mixed-Income Diverse Communities**	7
	1		Credit 5	**Reduced Parking Footprint**	1
		2	Credit 6	**Street Network**	2
	1		Credit 7	**Transit Facilities**	1
	1	1	Credit 8	**Transportation Demand Management**	2
1			Credit 9	**Access to Civic and Public Spaces**	1
1			Credit 10	**Access to Recreation Facilities**	1
	1		Credit 11	**Visitability and Universal Design**	1
2			Credit 12	**Community Outreach and Involvement**	2
		1	Credit 13	**Local Food Production**	1
	1	1	Credit 14	**Tree-Lined and Shaded Streets**	2
1			Credit 15	**Neighborhood Schools**	1

Yes	?	No			
3	10	16		**Green Infrastructure and Buildings**	**29** Points Possible
Y			Prereq 1	**Certified Green Building**	Required
Y			Prereq 2	**Minimum Building Energy Efficiency**	Required
Y			Prereq 3	**Minimum Building Water Efficiency**	Required
Y			Prereq 4	**Construction Activity Pollution Prevention**	Required
	1	4	Credit 1	**Certified Green Buildings**	5
	2		Credit 2	**Building Energy Efficiency**	2
1			Credit 3	**Building Water Efficiency**	1
1			Credit 4	**Water-Efficient Landscaping**	1
		1	Credit 5	**Existing Building Use**	1
		1	Credit 6	**Historic Resource Preservation and Adaptive Reuse**	1
1			Credit 7	**Minimized Site Disturbance in Design and Construction**	1
	2	2	Credit 8	**Stormwater Management**	4
		1	Credit 9	**Heat Island Reduction**	1
		1	Credit 10	**Solar Orientation**	1
		3	Credit 11	**On-Site Renewable Energy Sources**	3
	2		Credit 12	**District Heating and Cooling**	2
	1		Credit 13	**Infrastructure Energy Efficiency**	1
	1	1	Credit 14	**Wastewater Management**	2
		1	Credit 15	**Recycled Content in Infrastructure**	1
		1	Credit 16	**Solid Waste Management Infrastructure**	1
	1		Credit 17	**Light Pollution Reduction**	1

Yes	?	No			
1	3	2		**Innovation and Design Process**	6 Points
	1		Credit 1.1	**Innovation and Exemplary Performance**: Provide Specific Title	1
	1		Credit 1.2	**Innovation and Exemplary Performance**: Provide Specific Title	1
	1		Credit 1.3	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.4	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.5	**Innovation and Exemplary Performance**: Provide Specific Title	1
1			Credit 2	**LEED® Accredited Professional**	1

Yes	?	No			
	2	2		**Regional Priority Credit**	4 Points
	1		Credit 1.1	**GIBc8 Rainwater Management**	1
	1		Credit 1.2	**GIBc12 District Heating and Cooling**	1
		1	Credit 1.3		1
		1	Credit 1.4		1

Yes	?	No		
32	22	56	**Project Totals** (Certification estimates)	110 Points

Certified: 40-49 points, **Silver:** 50-59 points, **Gold:** 60-79 points, **Platinum:** 80+ points

Base Score: 32 Potential Score: 54

3.4.11. RECOMMENDATIONS

Independence Heights

PROPOSED PUBLIC REALM IMPROVEMENTS

EXISTING STREET RENOVATIONS

Reconstruct Crosstimbers street, N. Shepherd Drive and Airline Drive to incorporate pedestrian sidewalks, designated bike paths, street trees and continuious curbs and on street parking. Where right of way is limited, medians should be narrowed or elimiated and redistributed to the pedestrian edges of the R.O.W.

NEW STREET CONSTRUCTION

Extend East 45th street one block in each direction to provide pedestrian size blocks for medium density mix-use development opportunities. Street improvements should include ample sidewalks with street trees, seating, lighting, signage and other amenities to create an attractive core for the Independence Heights community.

PEDESTRIAN IMPROVEMENTS

Reconstruct the sidewalks along Yale Street and North Main to better connect neighborhood amenities such as schools and parks. Install a multi-use trail along the east-west electrical easement at the southern edge of Independence Heights to increase connectivity to the proposed Little White Oak Bayou park and adjacent neighborhoods.

LANDSCAPE IMPROVEMENTS

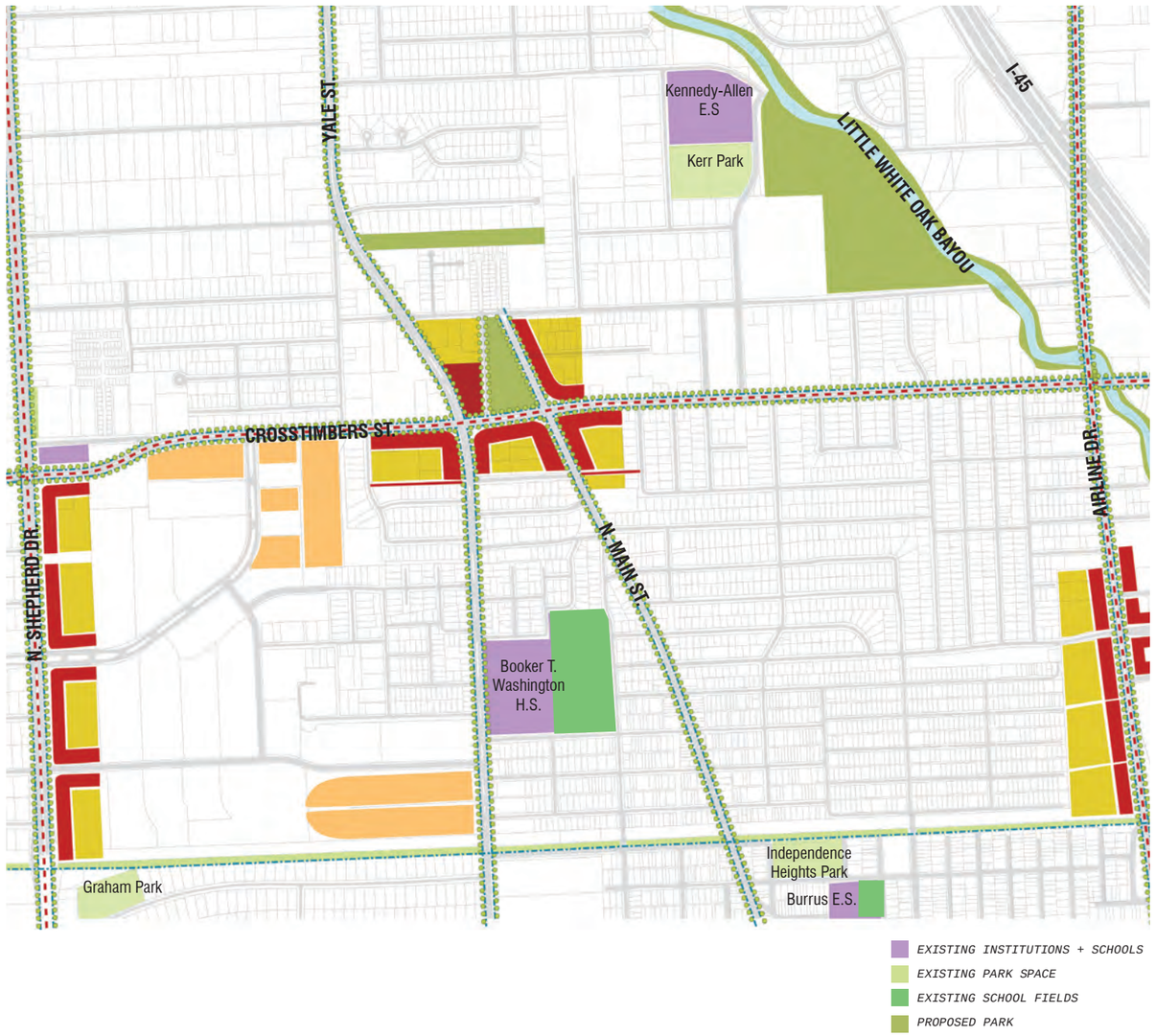
Plant continuous linear street trees along North Main and Yale St. to better connect to new urban parks and the bayou trail systems along Little White Oak Bayou.

Public Realm Improvements

3.4.11. RECOMMENDATIONS

Independence Heights

PROPOSED LAND USES



HIGH DENSITY MIXED-USE

Redevelop under-utilized land at the intersection of Crosstimbers / Yale / N. Main and the southern ends N. Shepherd and Airline Drive as dense mixed use nodes. Uses include much needed grocery stores, convenience retail, cafes and services. Res.

MEDIUM DENSITY RESIDENTIAL

Build residential infill at the back of dense mixed use development. These residential units are able to provide diversified market rate residential and low income housing.

ARTIST STUDIO INCUBATOR

Develop artist studios as part of a public private partnership to introduce creative trades in the neighborhood. These incubators could also provide educational programs and community outreach.

PUBLIC OPEN SPACE

Provide public parks and plazas in the center of the commercial core to facilitate social gathering and interactive activities. These public open spaces can be operated by local government, but funded by private businesses and designed with a strong public involvement.

High Density Mixed-Use development with enhanced landscape

Medium Density Residential Development

Artist Studio Incubator

Community Parks

3.4.11. RECOMMENDATIONS

Independence Heights

COMMUNITY IDENTITY

In the early 1900's African-American residents began settling in Independence Heights and was initially developed by the Wright Land Company with primarlily wood frame homes. Independence Heights was incorporated in 1915 and was the first African-American municipality in the state of Texas. The town started with a population of 600 residents and improved the area with paved streets, sidewalks and a centralized water distribution system.

By the 1920's there were over forty African-American owned businesses in the town that included retail shops, grocery stores, restaurants, ice cream parlors, drug store, cleaners, law offices, lumber company and a famous lobster and seafood shop. The residents worked in a variety of professions including attorneys, teachers, carpenters and construction workers, longshoremen and railroad crew members.

The town was annexed into the City of Houston in 1929, but city services in terms of new utilities and street improvements have been slow to occur. A good portion of the early homes have been demolished, but some are still in place and worth preserving. The Greater New Hope Missionary Baptist Church is a Texas Historical Site and the National Historic Commission recognized certain buildings and residential neighborhoods in Independence Heights.

Today, the diversity of the area has improved with a greater percentage of Hispanic and Caucasian residents in the area and the increasing attitude is one of rebuilding and renewal. The local residents are interested in preserving the culture and history of the place while seeking new investment in the community. Ideally the energy from the Heights and the Garden Oaks / Shepherd park area will continue into this area.

PROPOSED POLICY RECOMMENDATIONS

1. Provide incentives to build market-rate and low-income (affordable) housing in the area.
2. Encourage new businesses to locate in the area to provide a variety of job choices.
3. Increase the retail establishments and grocery stores in the area to offer residents more shopping choices.
4. Provide health clinics that provide affordable, but high-quality care to all residents.
5. Improve key streets with new streetscape projects including lighting and storm water management best practices.
6. Locate more parks and recreational amenties within the area as social gathering spots.
7. Enforce code violations for neglected properties and remove abandoned structures.
8. Increase police presence and security patrols, particularly at key intersections.
9. Work with HISD to improve the quality of the education and amenities in the local public schools.
10. Work with the Houston Community College to establish a training program to offer courses that provvvwide more local skilled labor.

TASK3B

Redevelopment Plan

3.5 Near Northside

3.5.1 Introduction
3.5.2 Existing Land Use
3.5.3 Existing Transportation + Transit
3.5.4 Existing Ownership
3.5.5 Existing Parks + Open Spaces
3.5.6 Condition of Structures
3.5.7 Damage Assessment
3.5.8 City CIP + Private Investments
3.5.9 Existing Neighborhood Amenities
3.5.10 LEED ND Criteria Application
3.5.11 Recommendations
(a) Proposed Public Realm Improvements
(b) Proposed Land Uses
(c) Proposed Mobility Improvements
(d) Community Identity
(e) Proposed Policy Recommendations

3.5.1. INTRODUCTION

Near
Northside

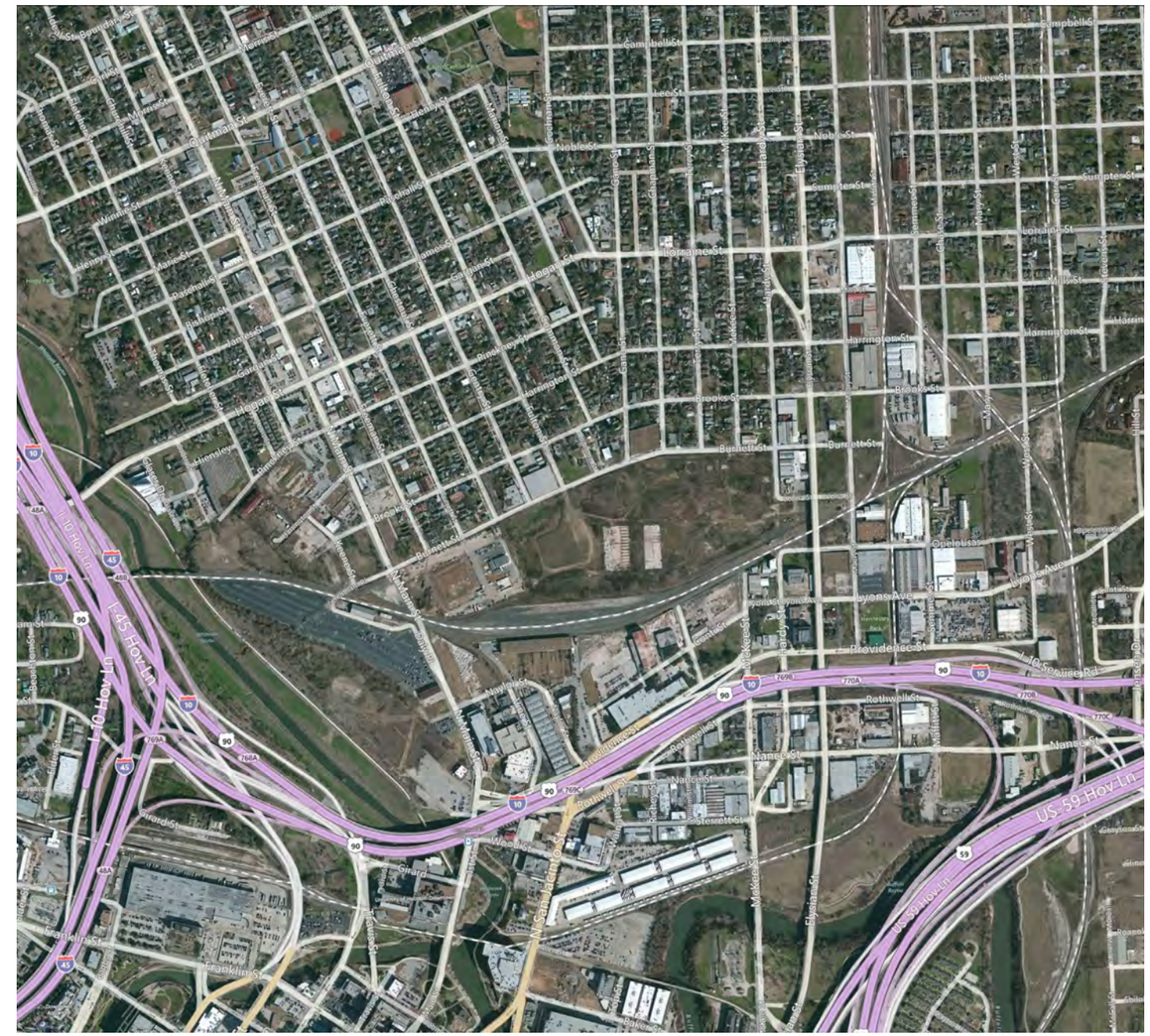
The Near Northside community revitalization area, encompassed by I-45 on the west and I-10 just south of the area, is generally characterized to be an area filled with poorly maintained homes, old city infrastructure and remnants of current and formerly functioning industrial quarters south of the Hardy Yards site. A significant portion of the Near Northside area is currently undeveloped while there are vacant tracts adjacent to the existing freight rail lines.

The existing Near Northside neighborhood extends north of Burnett Street and is primarily single family homes with scattered commercial uses primarily limited to convenient stores and small businesses. Access and the lack of basic community amenities are key issues to highlight when studying the area. Although downtown Houston lies directly to the south of I-10, the two-lane underpass on Main St. and the Hardy/Elysian overpass provide the only direct access presently.

The redevelopment potential is very strong, especially due to the proximity to downtown and the Univeristy of Houston Downtown campus. Two major mobility enhancements, the North Line LRT on N. Main St. and Elysian Viaduct improvements, are being implemented in the area by METRO and TxDOT.

Former railroad Truss Bridge reconditioned for integration into the Heights Bike Trail (MKT), with UH-Downtown in the background

Source: BING MAPS, 2012

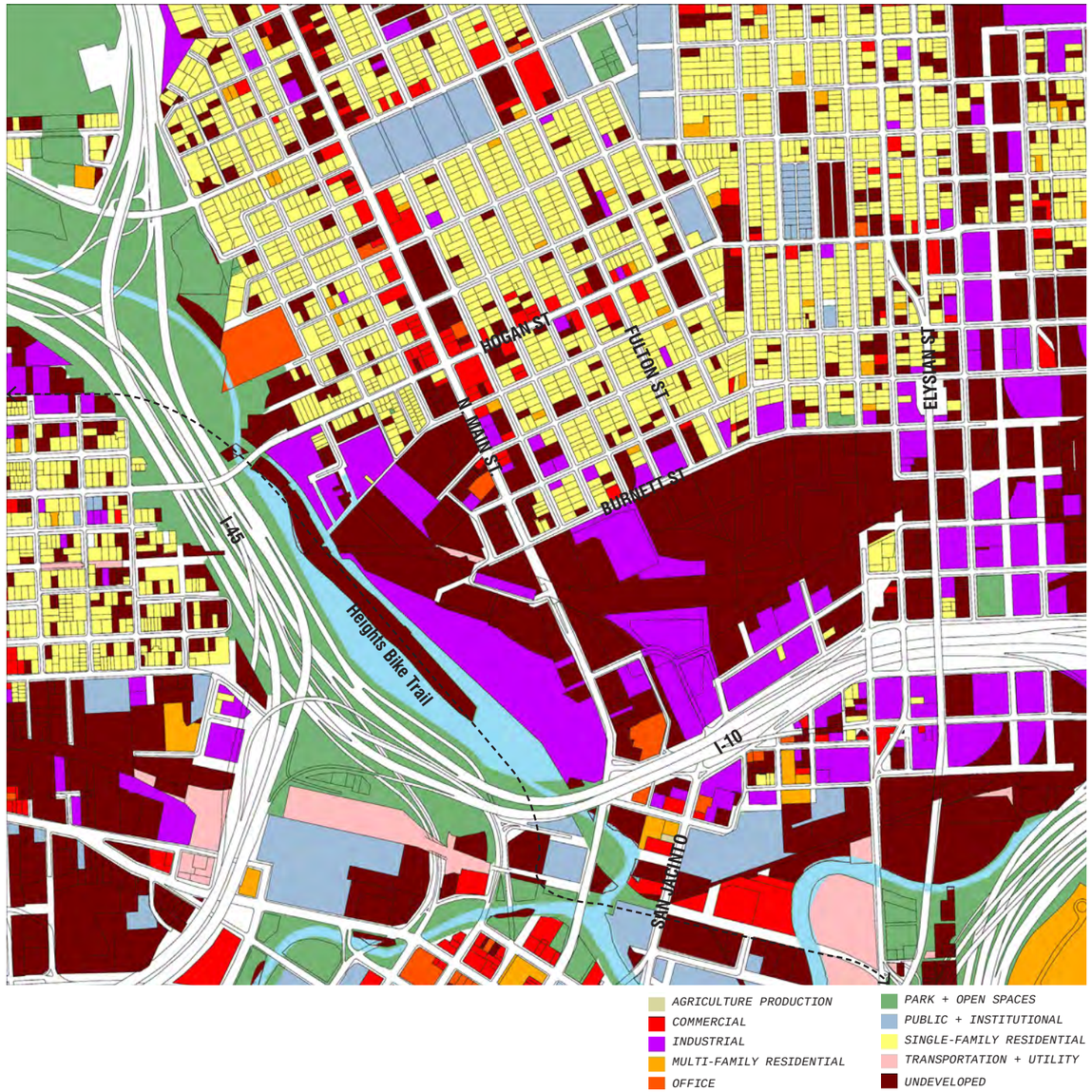


Aerial View of the Near Northside Community Redevelopment Area

3.5.2. EXISTING LAND USE

Near Northside

Source: CITY OF HOUSTON, 2012

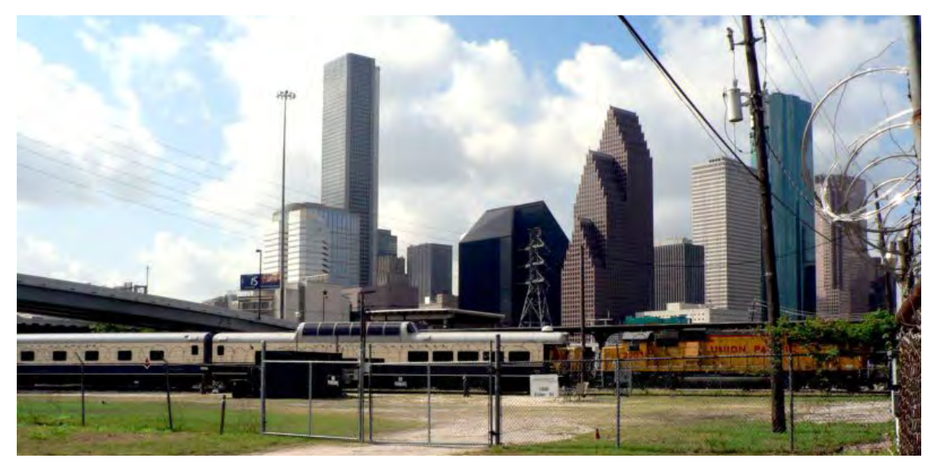


Like many older Houston neighborhoods, there are a fair amount of vacant and industrial lands just immediately north of Interstate 10 Highway expanding east toward Elysian Street. The railroads have become a rather hostile barrier separating the Near Northside from Downtown Houston.

Several of the public institutions exist within the Near Northside CRA including the Criminal Justice Facilities south of I-10 and the University of Houston-Downtown, providing an anchor on the south end.

The frontage along Main Street has an increasing amount of retail storefronts, which should expand once construction of the new light rail station and line (METRO) is in place on North Main (currently under construction). Similar retail opportunities also exist on Hogan Street and collector streets, although many are small businesses that do not have substantial capability to provide necessary services to the residential community to the north of Burnett St. In general, commercial uses are concentrated along major streets including Quitman St., Fulton St., Irvington Blvd., and Patton St. corridors. Along these corridors, the development contains several under-utilized parcels and is heavily auto-oriented with most buildings set far back from the street. In addition, a number of bars and auto-related businesses pose a contrast to the predominant residential uses. Due to the large curb-cuts, lack if signage and uninviting sidewalk conditions, pedestrian infrastructure, in turn, has been reduced over the past 50 years from what was a historically urban environment.

The residential neighborhood is made up of mainly one story single-family detached homes that take up nearly 20% of the total acreage, many built before the 1950s. Some of these homes are in various states of repair. There are several multi-family units in the area that are fairly new. These units seem to provide affordable choice residences for different income groups, ages and household sizes in the neighborhood.

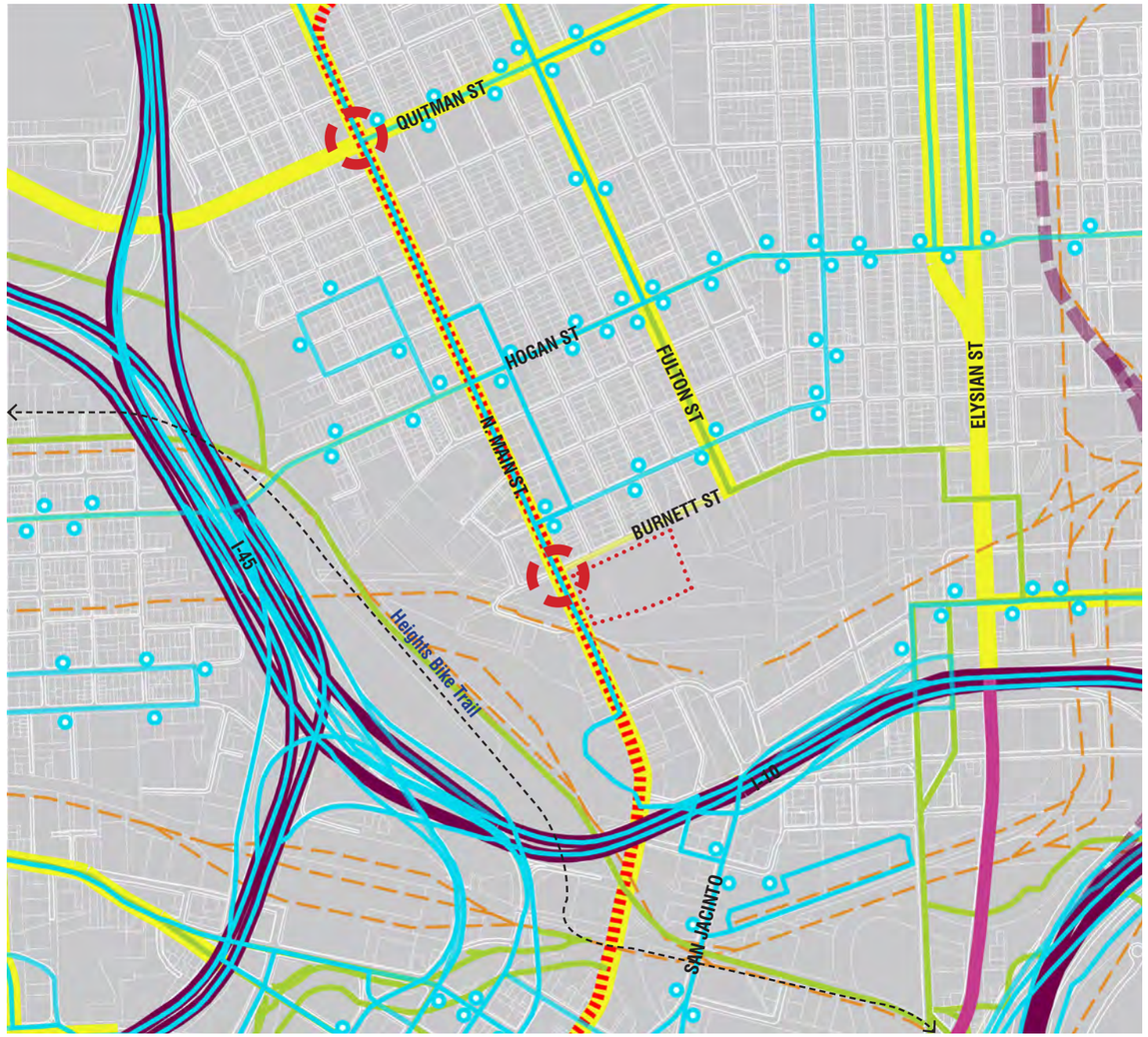


Union Pacific Railroad obstructing access into downtown Houston

3.5.3. EXISTING TRANSPORTATION / TRANSIT

Near Northside

Source: CITY OF HOUSTON, 2012



EXISTING FREEWAYS
PROPOSED FREEWAYS
FREEWAY TO BE WIDENED
MAJOR THOROUGHFARE
RAILROAD
BIKEWAY
BUS ROUTE
BUS STOP
LRT LINE + STATIONS

RAIL, PROPOSED LRT AND BUS LINES

Transportation and connections to the Near Northside area is a problem currently as the area is bounded by I-45 to the west, Elysian St. and US-59 to the east and the Union Pacific railroad lines to the south.

The Near Northside neighborhood grew out of the expansion of the nearby Hardy Rail Yards. With the increase in suburban development, the neighborhood began to decline after WWII. The rail yards, now act as a barrier for the improvement of the Near Northside connections. With the extension of San Jacinto Street to extend over the rail yards to Fulton St. and the reconstruction of N. Main Street to accommodate the North Line LRT expansion, there will be improved mobility conditions in the neighborhood. The North Corridor LRT line, runs nearly 5.2 miles through the Near Northside. The alignment occurs from UH-Downtown south of I-10 to Boundary Street where the line turns right towards Moody Park and extends to the intersection of Fulton St. and Dearfield St. The North Line Corridor includes eight stations that will consist of a combination of split side and center platforms equipped with fare collection systems and passenger information. The projected ridership is approximately 29,000 average weekday boarding (METRO Solutions, GO METRO RAIL 2012). The implementation of the North Line LRT will create tremendous potential for regional interconnectivity for the Near Northside neighborhood. It will be a great asset for the current residents as well as future residents and workers.

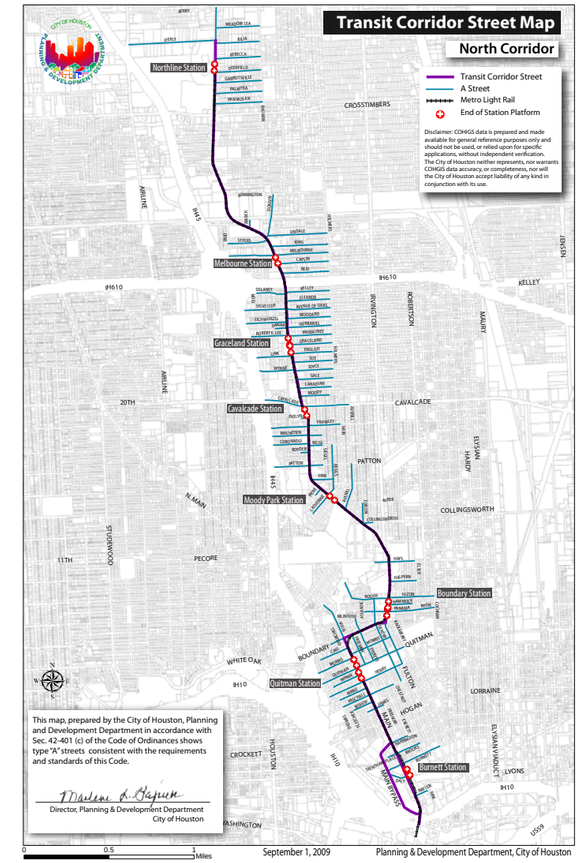
To expand on the LRT, the METRO Solutions were developed in 2001, in order to help solve the problems of Houston's traffic congestion and air quality. The plan to develop and improve the city's transportation network was approved in 2003. Major intermodal transit improvements would be implemented across the region and extend through the 2014 General Mobility Program.

There is an existing bus transit system currently in place that travels along N. Main Street into Downtown Houston. The growth and use of these lines will begin to truncate once the North Line LRT is operational. The bus routes are as follows:

- #9 and #24 entering Northside from I-45
- #15 on Fulton Street
- #78 on Irvington Blvd
- #60 North-South on Hardy Toll Road/ Elysian Street
- #5 East-West on Hogan Street/ Lorraine Street
- #37 and #52 East-West on Quitman Street

Except #37, all other routes currently use N. Main Street to access Downtown Houston.

Source: PLANNING + DEVELOPMENT DEPT, CITY OF HOUSTON, 2009



Consequently, a tremendous amount of redevelopment potential exists in the area, but the neighborhood is clearly constrained by poor connectivity in the street network. Hence, improvements to the street network will be critical to accommodate the new bus routes and traffic from the redevelopment. Proposed improvements are discussed in more detail in the recommendations section.

3.5.3. EXISTING TRANSPORTATION / TRANSIT

Near Northside

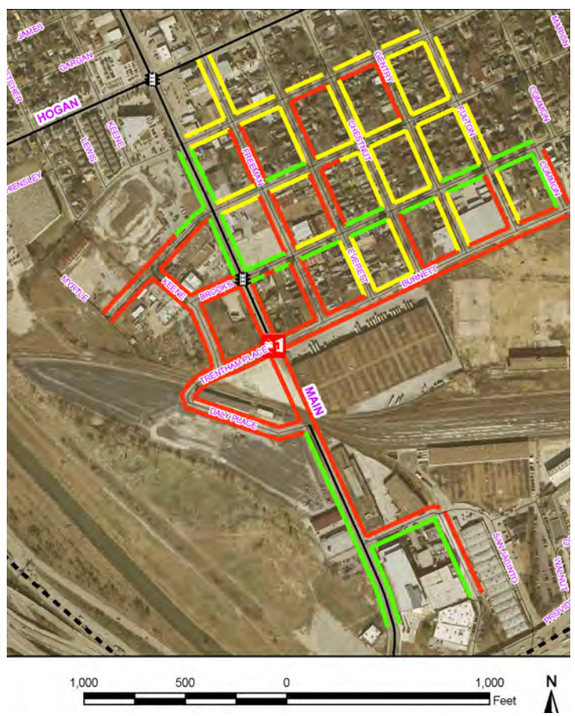
SIDEWALKS

Sidewalks in the Near Northside area are not particularly established or inviting for pedestrian use. There are extensive building setbacks from the property line, lack of trees along major and collector roads, lack of clear, continuous sidewalk paths and obstructions or open drainage in the sidewalk fabric (potholes, cracks etc). There are some favorably illustrated improving qualities along tertiary neighborhood streets such as Henry St. heading east towards Chestnut St. on the north pathway. Similar conditions are seen along Fletcher St. between Quitman St. and Morris St.

A Livable Centers Study of the Northside along with LAN Field Observations created an inventory of the sidewalk conditions in the area (shown below) that shows Main Street under-developed (particularly further north of UH-Downtown), although the current plans for METRO's North Line LRT extension includes the reconstruction of the right of way. The maps highlight sidewalk conditions around the four light rail stops along the North Line LRT. The sidewalks along major collector streets such as Burnett St. and Hogan St. are seemingly non-existent as is the case for nearly 45% of the streets in the area. Quitman St. and Boundary St. (running east-west) and Fulton St. (running north-south) have sidewalks, which are in relatively good condition. This, coupled with the growing number of small-scale retail is conducive for arterial roads to grow. Generally, the existing neighborhood sidewalks are in good condition around the Ketelsen Elementary School as well as Davis High School, but sidewalks further in the residential fabric are in poorer conditions.

Conditions of sidewalks and walkways in the Northside neighborhood

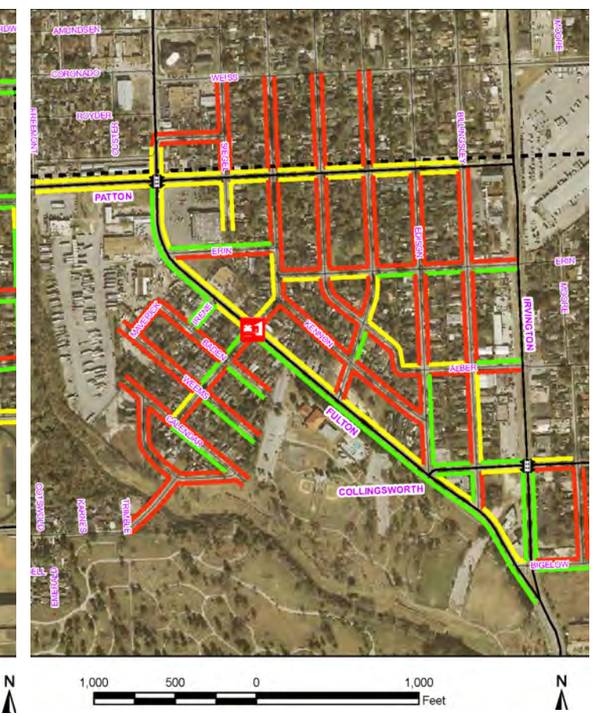
Source: NORTHSIDE-LIVABLE CENTERS STUDY/ LAN FIELD OBSERVATIONS, 2010



Sidewalk Conditions around the Burnett Station

Sidewalk Conditions around the Quitman Station

Sidewalk Conditions around the Boundary Station



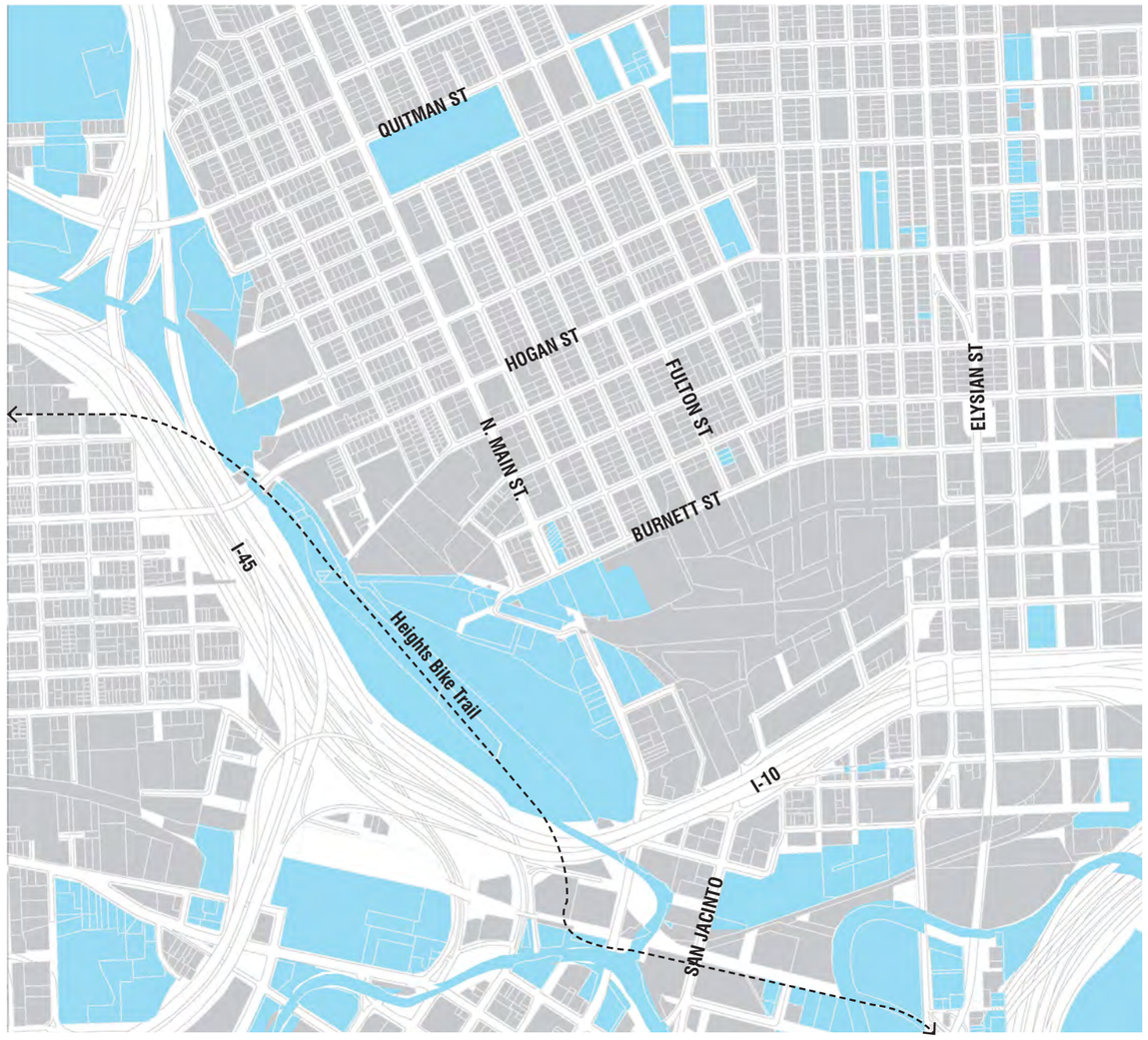
Sidewalk Conditions around the Moody Park Station

EXCELLENT *POOR*
FAIR *NO SIDEWALK*

3.5.4. EXISTING OWNERSHIP

Near
Northside

Source: CITY OF HOUSTON, 2012



PUBLIC LAND

A significant amount of public land is within and adjacent to the Near Northside CRA along the west and south edges. This includes federal sites such as AMTRAK and the main post office, Interstate right of way, permit center, police station/ municipal courts (across I-45), bayous, parks and open spaces, and school sites. There are not many tracts of public land that are under-utilized.

The Near Northside is home to public schools such as Ketelsen Elementary School, Davis High School and John Marshall Middle School. The University of Houston-Downtown provides a significant alternative for population trends in the area, inviting student presence.

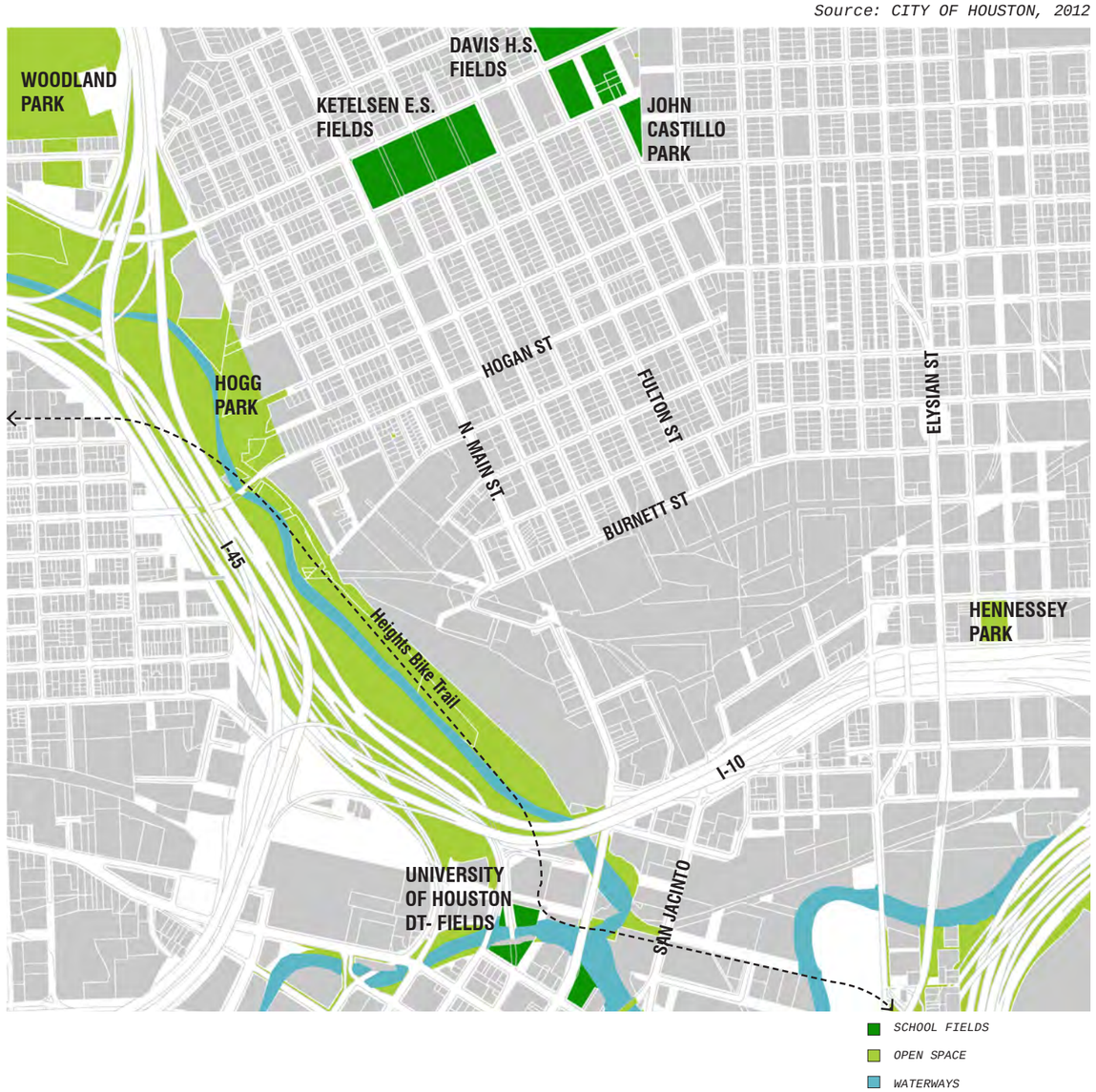
While neighborhood parks are lacking for the young population in the area, Moody Park as well as Hogg Park provides some major recreational locations, though connections via bikeways and pedestrian sidewalks to these amenities are currently underdeveloped. The Heights Bike Trail/MKT Trail along the White Oak Bayou is incredibly opportunistic for the Near Northside as a public space that connects the neighborhood to an open space amenity. There are also plans for University of Houston-Downtown to dedicate land located between the Heights Bike Trail and North Main Street for the University's recreational facilities including major sports fields.

In addition, a large amount of private land is poised for redevelopment with interest for developers showing to be fairly high. The Warehouse district, for example, in the area provides a new grass root culture for art. An area where the landscape was originally a haven for manufacturing entrepreneurs in the 1980s, has since become a representation of aesthetic upheaval in Houston, particularly when local artists began to occupy abandoned warehouses. The gray spaces began to form studios, galleries and artist lofts. It is now home to Houston's Artist Crawl, DiverseWorks' ArtSpace and Fotofest. The Hardy Yards parcel is also a prime under-utilized site capable of transforming the area with the addition of the Burnett METRO station.

View Looking at the Bayou North of Downtown from the Trail Bridge

3.5.5. EXISTING PARKS + OPEN SPACES

Near Northside



The most significant open space in the Near Northside CRA and a potentially attractive amenity to the area is the linear park and trails along White Oak Bayou. Secondarily, the Ketelsen Elementary School and Davis High School fields are great resources in the community. However, there is a lack of parks and open spaces within the neighborhood.

The Heights Bike Trail (MKT) is a short distance along I-45, yet access is obstructed by rails and industrial sites. Hennessey Park just east of the Near Northside and Elysian Street is the nearest public park. It is poorly maintained and is located amidst industrial and barren lands, making the park an uninviting community space.

An ample amount of parks are located adjacent to the Near Northside CRA such as:

- Hogg Park
- Woodland Park
- Moody Park
- White Oak Park

Moody Park contains an active recreation center, swimming pool, ball fields as well as passive recreation areas. A light rail station will be located just one block to the north of Moody Park at Fulton and Beggs Street providing pedestrian-friendly access for park users. Hogg Park is a smaller open space just south of Quitman St., east of I-45. It surrounds the historic Sunset Hospital and is primarily passive in nature. The John Castillo Park is located adjacent to Davis H.S. and the public library. It contains playground space and ball fields.

Providing bike and pedestrian connectivity to these parks is significant, particularly since these parks are part of the $480 million Bayou Greenways Initiative. The goal of the initiative is to complete 300 miles of continuous hike and bike trails along Houston bayous and provide neighborhoods adjacent to flood-prone areas with the benefit of porous landscapes. This is significant considering the convergence of the White Oak Bayou and Buffalo Bayou occurring directly south of I-10.

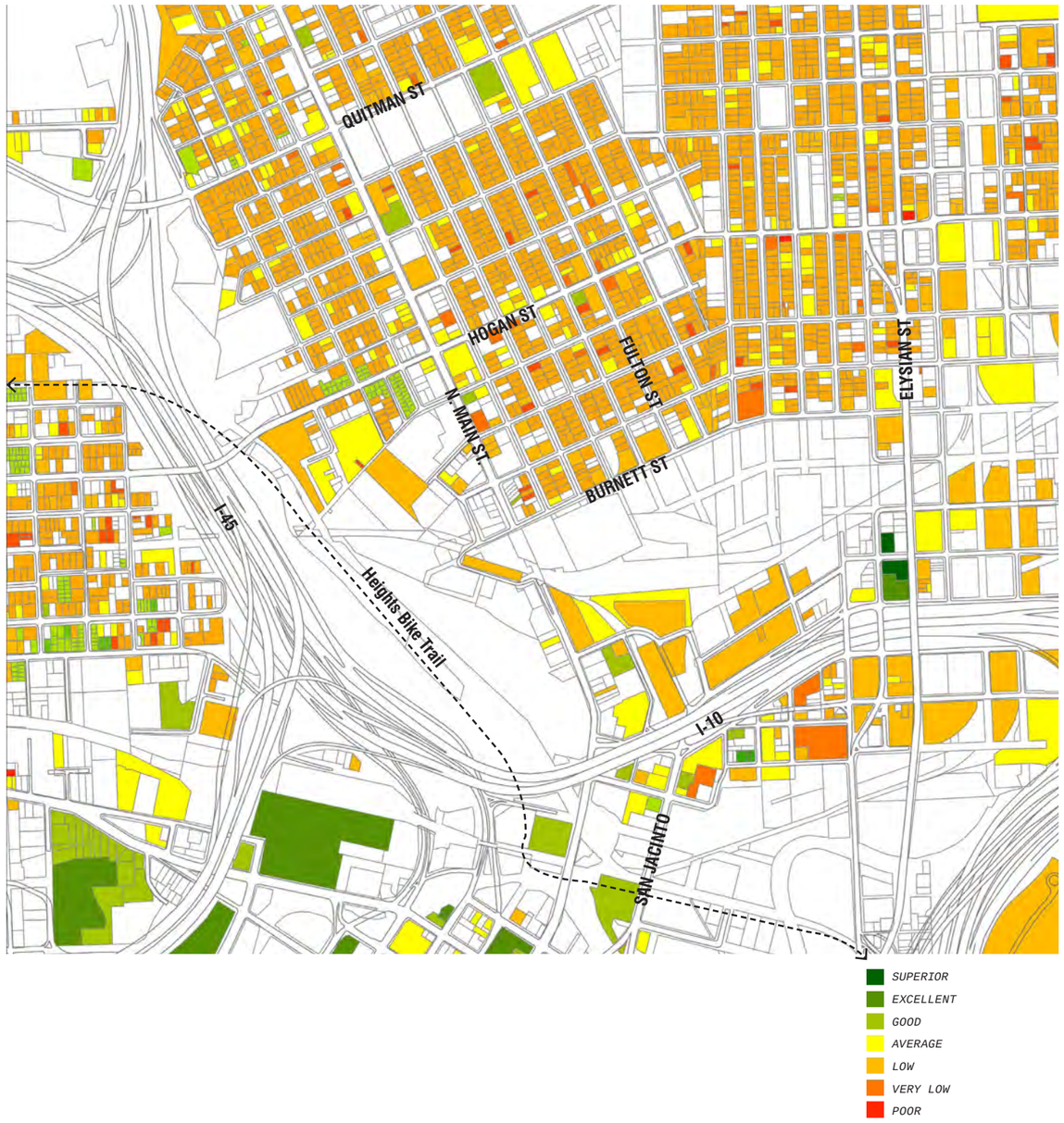
Moreover, Little White Oak Bayou is currently underutilized. However, the City of Houston Bikeway program recently opened a section of the WOB Trail from Sylvester Road south to Calvalcade St. The extension of this trail to Buffalo Bayou Park, Columbia TAP and the Heights Trail will help to weave the neighborhood, creating an alternative route to downtown Houston.

Woodland Park

Birds-eye View of Moody Park

3.5.6. CONDITION OF STRUCTURES

Near
Northside



The existing condition of the structures surrounding the Near Northside is primarily average to below average with only a small portion of the structures considered to be in good condition. This would be true only for a number of uses such as the schools (University of Houston-Downtown, Davis High School, Holy Name Catholic School, etc) and nearby parks.

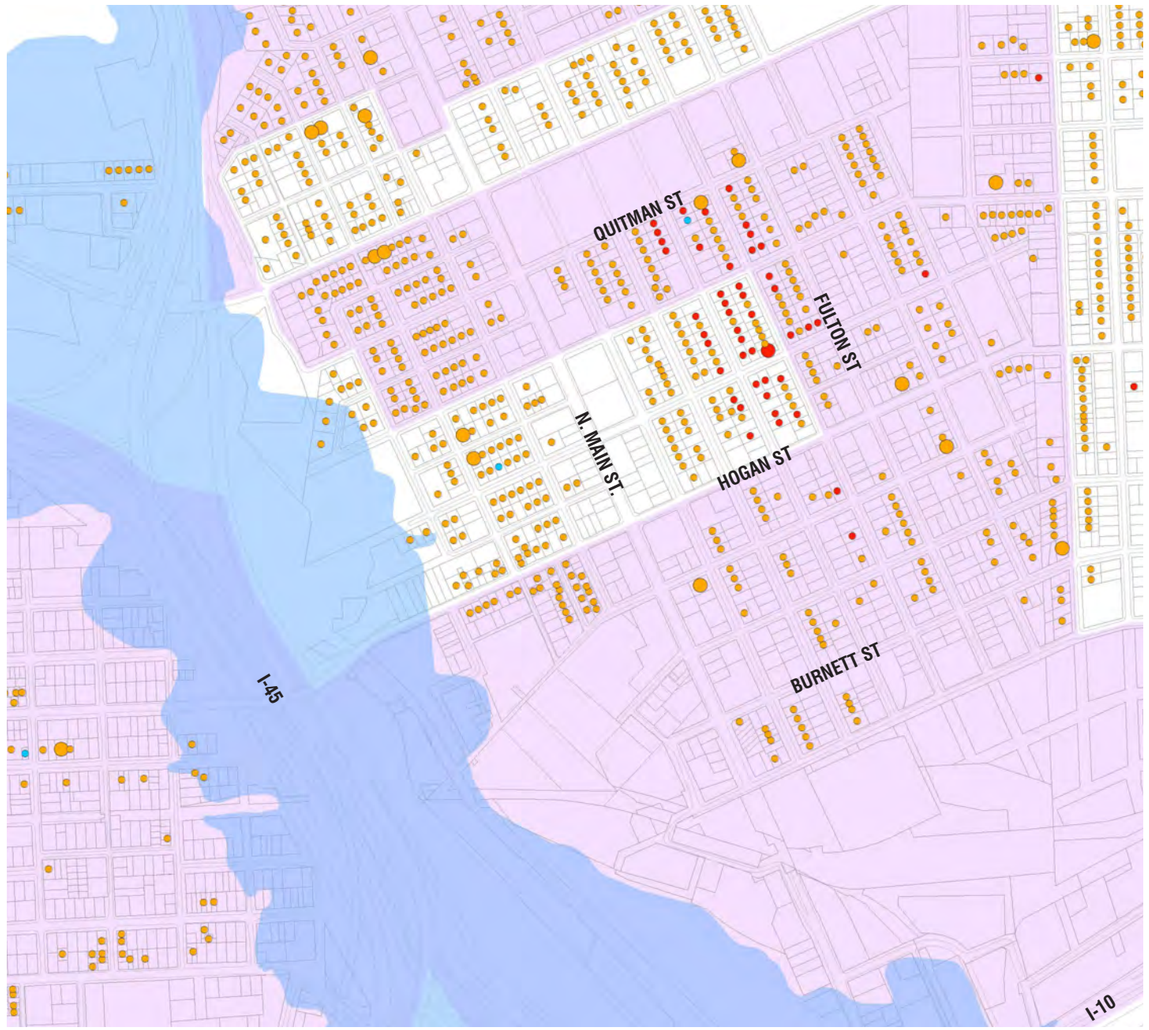
Many of the homes (predominantly single-family detached residences) in the Near Northside CRA were built during the 1950's and today are in need of repair from their dilapidated state. Mostly wood-frame with some brick-construction, these homes require upgrade, especially from the storm damage. Generally, more than 50% of the buildings in the area were built in 1935 or earlier with greater concentration closer to the rail yards. Amidst the housing boom which accounted for a 24% increase in housing construction in Houston, overall, the housing stock in the near Northside increased only by about 5% between 2000 and 2009. Seemingly the demand for new housing construction is limited, although the implementation of the light rail coupled with proper policy and neighborhood recommendations will cause favorable change over a longer span of time.

Conditions of existing structures in the Near Northside

3.5.7. DAMAGE ASSESSMENT

Near
Northside

Source: LJA Engineering, 2009



- MULTI-FAMILY W/ WIND DAMAGE
- MULIT-FAMILY W/ WATER DAMAGE
- MF W/ WIND + WATER DAMAGE
- SINGLE-FAMILY W/ WIND DAMAGE
- SINGLE-FAMILY W/ WATER DAMAGE
- SF W/ WIND + WATER DAMAGE
- >65% MINORITY + >35% POVERTY CONCENTRATION
- 100-YEAR FLOOD PLAIN

View of University of Houston-Downtown during Hurricane Ike

One of the main criteria to assess when considering Disaster Recovery funding for the community revitalization areas is the damage quality and quantity of residences affected in the neighborhood. The Near Northside area shows a vast inventory of houses affected by Hurricane Ike particularly single-family homes. Many of them primarily demonstrate wind damages while about one-third manifest water damage. The Near Northside is susceptible to uncanny conditions of tropical flood storms due to its proximity to the White Oak Bayou. During times of heavy rain, the White Oak Bayou (which is higher in elevation) converges with Buffalo Bayou at the University of Houston-Downtown, creating an overflow from the banks. Eventually Buffalo Bayou is backed up debilitating nearby neighborhoods. Nonetheless, the area does offer a strong mix of greater than 35% poverty, greater than 65% minority, and flood-prone areas in which to distribute single-family home-owner assistance funds.

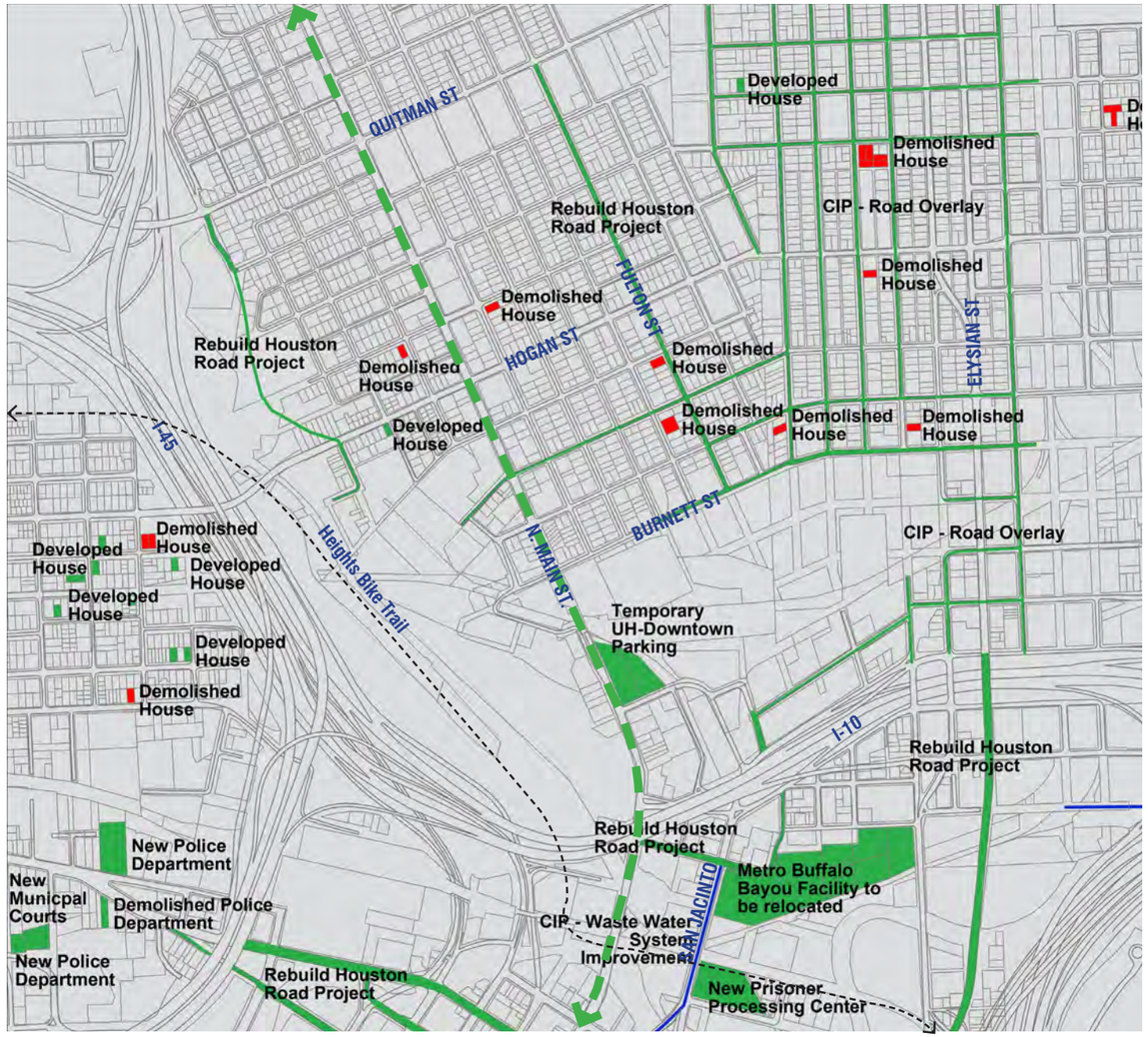
View of Travis Street Bridge in Downtown Houston. The flooded roads are a result of the convergence of Buffalo Bayou and White Oak Bayou.

White Oak Bayou overflowing into Buffalo Bayou.

3.5.8. CITY CIP + PRIVATE INVESTMENTS

Near Northside

Source: CITY OF HOUSTON, 2012



The neighborhood holds quite a few vacant or under-utilized parcels that have the capacity to become opportunities of public and private development, particularly the University of Houston-Downtown parcels which will be expanding its recreational sports fields. Other parcels that convey a transformative component for development are:

- The South Industrial parcels (in the Warehouse District)
- The North Moody Park area (at the Moody Park LRT Station on the North Main Corridor)
- The Hardy Yards area (at the Burnett Street station where the new intermodal transit station is taking effect)

There are quite a few public and private investments being implemented in the Near Northside area. Some of the notable public investments include Rebuild Houston road improvement projects to Fulton St., part of San Jacinto St., Burnett St. and Elysian St. south of I-10. These streets, along with Main St., Hogan St. and Quitman St. offer excellent opportunities for retail and commercial expansion.

In recent years, the vast majority of new development has been in the form of subsidized housing.

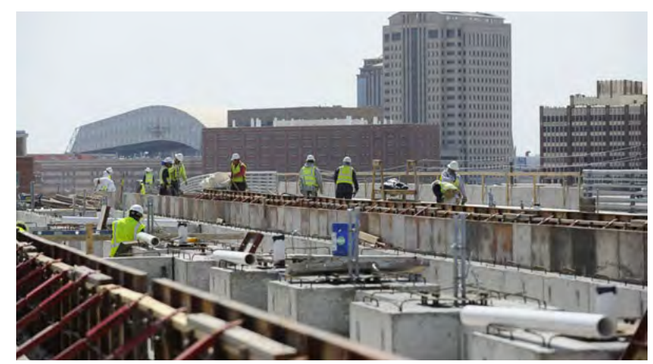
- Fulton Village (2002) is a 108-unit mixed income project developed by Houston Housing Authority
- Irvington Village is a 308-unit Public Housing Complex built in 1941 that has been undergoing reconstruction since 2008

Avenue Community Development Corporation assisted in the construction of:

- Fulton Gardens, a 49-unit retirement community for low-income seniors
- 49 affordable single family detached homes and 10 apartments
- Avenue Place is Houston's first affordable single-family LEED Homes subdivison with 95 single-family units and 144 apartment units of which 115 will be mixed income affordable and 29 will be market rate (phase I is currently complete).

Another consideration for public development is the site of the current METRO Bus Barns located just south of I-10. The proposed realignment of Buffalo Bayou will affect the amount of land required for the operation of the facility (8.2 acres required). Harris County will purchase 4.0 acres from a total of 12.4 acres impacting bus storage, 2 bus canopies, operation and maintenance building, and fiber communications. In order to accommodate Harris County Flood Control District's request to relocate the METRO Bus Barns facility, five areas are being considered: Nance Street Property, Wilson Industries property, Hardy Yards Property, Wellington Fisher Property and the Post Office (downtown property).

Avenue Place developed by Avenue CDC

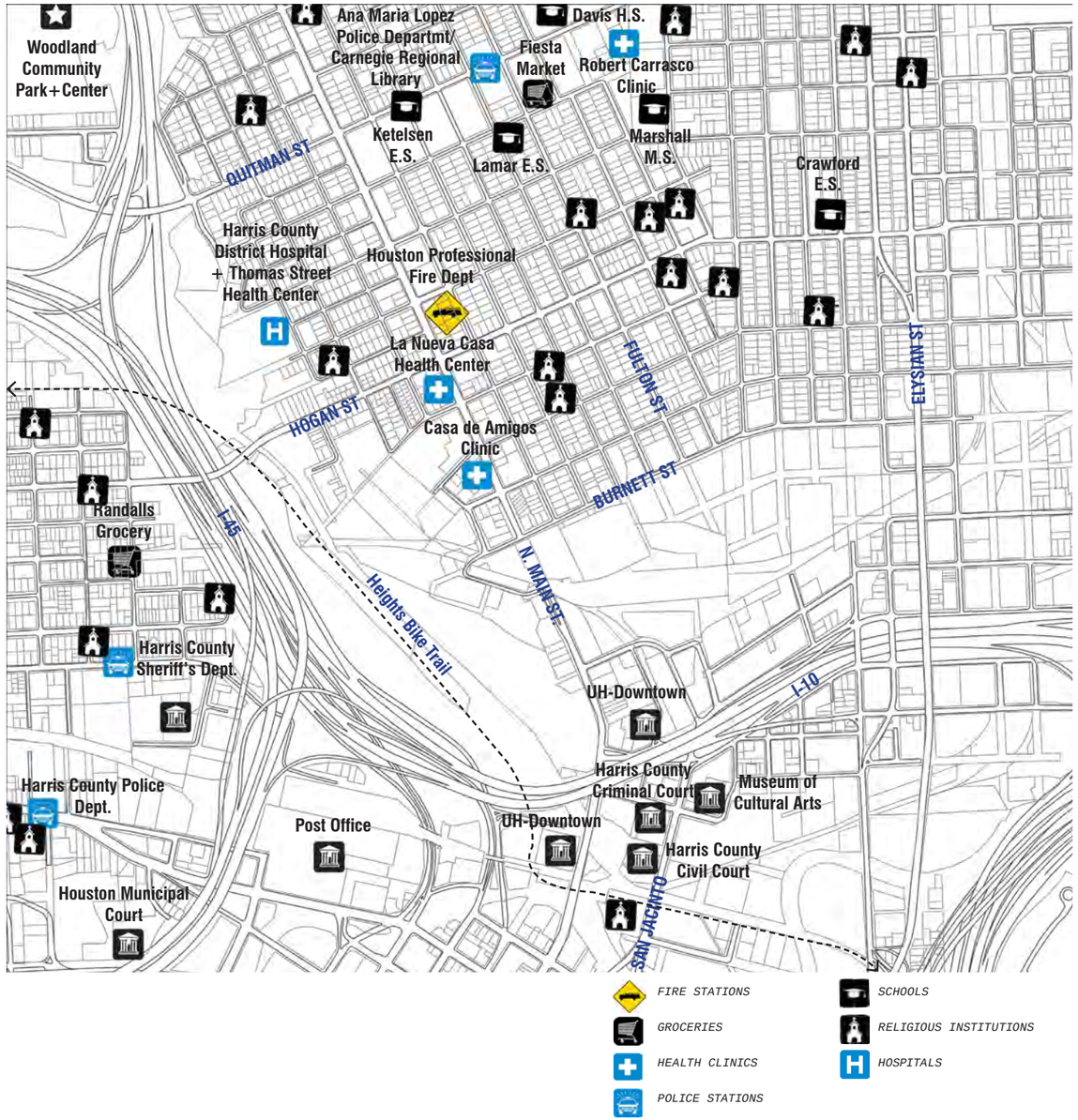


Construction Underway for the North Line LRT on Main Street

3.5.9. EXISTING AMENITIES

Near Northside

Source: HGAC, 2012



In addressing the current state of resources in the Near Northside neighborhood, it is significant for this assessment to identify the amenities in the area. There are a few major destinations some of which will be strengthened from the implementation of the future light rail including:

- University of Houston- Downtown
- Moody Park
- Harris County Courts
- Ketelsen Elementary School

The parks and open space amenities in the Near Northside have potential to be improved and expanded with smaller neighborhood parks at every 1/4 mile radius. What is more substantial in the area is the proximity to hike-bike trails. Just east of I-45 the Heights Bike Trail comes in from the Heights (Spring St.) and travels along White Oak Bayou until it hits Buffalo Bayou accessing the Buffalo Bayou Promenade and its expanding trail west of Bagby St. In addition, the Columbia TAP Trail is an additional amenity to recognize, although not in immediate proximity to the Near Northside, does have the opportunity to connect to the Heights Bike Trail at Minute Maid Park, creating an interconnected greenway.

Schools are transformative entities that reveal the identity of the neighborhood and determine the growth of the community, housing market and retail corridors. The Near Northside contains a quite a few schools including three elementary schools (Ketelsen Elementary-**Recognized**, Sherman Elementary-**Recognized** and Crawford Elementary- **Exemplary**), a middle school (Marshall M.S.- **Acceptable**) and a high school (Davis High- **Acceptable**). In November, 2012, Houston voters approved a $1.89 billion bond to replace and repair about forty schools across the district, including twenty-nine high schools. Among the schools considered, Davis High School was chosen to be reconstructed as a new facility preserving the "architecturally significant building structure" in order to accommodate 1,500-1,700 students. The planning and design begins in early-mid 2014 and construction begins mid/late 2015. The other school, which is quite prominent in the area, is the Holy Name Catholic School, a Roman-Catholic private school serving 122 students in grades PK-8.

Health care in the area is limited to the Harris County District Hospital Branch and Thomas Street Health Center as larger entities. There are smaller out-patient clinics that are known in the area: Robert Carrasco Clinic, La Nueva Casa Health Center and Casa de Amigos Clinic. There is need for more health centers and access to these facilities in the Near Northside.

The population in the area is also underserved for food. Though it does not fall into a food desert region, grocery stores are less than adequate. The only major retailer is the Fiesta Market located adjacent to Davis High School. The cyclical problem then arises when the choice of healthy food is lacking, the residents' health is affected. As mentioned above, however, healthcare facilities and their services are not well maintained in the area.

Security is also inefficiently distributed. The nearest major police stations is located across I-45, south of the Heights. There is a security office in proximity to the Carnegie Regional Library, but it lacks adequate equipment and resources. A Houston Fire Department station is located at the corner of Main Street and Hogan Street. In analyzing the security amenities, the Near Northside needs a better distribution of police and fire stations.

3.5.9. EXISTING AMENITIES

Near Northside

NEAR NORTHSIDE AMENITIES

SCHOOLS	GROCERIES/ SHOPPING	HEALTH CARE	POLICE + FIRE STATIONS	TRANSIT + MAJOR ROADS	PARKS + OUTDOOR RECREATION	ACCESS
Sherman E.S. (H.I.S.D Zoned)	Monterrey Food City	Casa de Amigos Clinic	Houston Fire Dept Local 341	North Line LRT	Hennessey Park	North Line LRT at Burnett St + Main St
Holy Name Catholic School (PK-8)	Fiesta Marketplace	La Nueva Casa Health Center	Harris County Sheriff's Dept. Precinct 1	1 Hospital Bus	Hogg Park	Lyons Ave 2-Lane St
University of Houston Downtown	Randall's Food Market	Harris County Hospital District	Harris County Police Dept. Precinct 1	5 Southmore Bus	Tranquility Park	Quitman St/ Liberty Rd 2-Lane St
Marshall M.S. (H.I.S.D Zoned)	Sunny Food Store	Robert Carrasco Health Clinic		9 N. Main/Gulfton Bus	Woodland Park	Lockwood Rd 2-Lane St
Crawford E.S. (H.I.S.D Zoned)	La Michoacana Meat Market	Thomas Street Health Center		15 Fulton Bus	White Oak Park	Elysian/Hardy 4-Lane St
Davis H.S. (H.I.S.D Zoned)				24 Northline Bus	Swiney Park	N Main St 2-Lane St w/ Future LRT
Kegans School				52 Scott/Hirsch Bus	Moody Park	Clinton St 4-Lane St
Ketelsen E.S. (H.I.S.D Zoned)				78 Irvington/ Alabama Bus	Buffalo Bayou Trail	I-45 Limited Access Fwy
Carnegie Regional Library				37 El Sol Crosstown Bus	Heights Bike Trail	Fulton St 2-Lane w/ LRT north of Boundary St
				80 Lyons/Dowling Bus	Columbia TAP	

ZONED SCHOOLS IN AREA

Sherman E.S. (PK-05)
H.I.S.D- Houston Independent School District
Demographics:
- 88.1% Hispanic
- 11.1% African-American
- 0.34% White
- 0.17% Asian
- 0.17% Native American

Total Students: 587
Economically Disadvantaged: 98.3%
Limited English Proficiency: 53.5%
2011 TEST (TAKS SCORES): **84%**

Ketelsen E.S. (PK-05)
H.I.S.D- Houston Independent School District
Demographics:
- 98.6% Hispanic
- 0.77% African-American
- 0.46% White
- 0.00% Asian
- 0.00% Native American

Total Students: 647
Economically Disadvantaged: 91.9%
Limited English Proficiency: 47.8%
2011 TEST (TAKS SCORES): **74%**

Crawford E.S. (09-12)
H.I.S.D- Houston Independent School District
Demographics:
- 6.36% Hispanic
- 0.35% African-American
- 91.9% White
- 1.06% Asian
- 0.35% Native American

Total Students: 283
Economically Disadvantaged: 26.1%
Limited English Proficiency: 2.12%
2011 TEST (TAKS SCORES): **97%**

Marshall M.S. (06-08)
H.I.S.D- Houston Independent School District
Demographics:
- 89.4% Hispanic
- 9.79% African-American
- 0.84% White
- 0.00% Asian
- 0.00% Native American

Total Students: 950
Economically Disadvantaged: 91.1%
Limited English Proficiency: 17.3%
2011 TEST (TAKS SCORES): **69%**

Davis H.S. (09-12)
H.I.S.D- Houston Independent School District
Demographics:
- 88.5% Hispanic
- 10.3% African-American
- 1.02% White
- 0.06% Asian
- 0.19% Native American

Total Students: 1603
Economically Disadvantaged: 93.4%
Limited English Proficiency: 14.5%
2011 TEST (TAKS SCORES): **51%**

Holy Name Catholic Church

Davis High School

3.5.10. LEED ND CRITERIA APPLICATION

Near Northside

This area scores well, particularly in terms of preferred location, reduced automobile dependence and compact development. There are several items that could be improved in the area including the addition of vertically mixed use neighborhood centers, increase of mixed-income and racial diversity, modifications to the street network and providing suitable storm water management strategies.

Yes	?	No			
21	1	5	**Smart Location and Linkage**		27 Points Possible
Y			Prereq 1	**Smart Location**	Required
Y			Prereq 2	**Imperiled Species and Ecological Communities**	Required
Y			Prereq 3	**Wetland and Water Body Conservation**	Required
Y			Prereq 4	**Agricultural Land Conservation**	Required
Y			Prereq 5	**Floodplain Avoidance**	Required
9		1	Credit 1	**Preferred Locations**	10
		2	Credit 2	**Brownfield Redevelopment**	2
7			Credit 3	**Locations with Reduced Automobile Dependence**	7
	1		Credit 4	**Bicycle Network and Storage**	1
3			Credit 5	**Housing and Jobs Proximity**	3
1			Credit 6	**Steep Slope Protection**	1
1			Credit 7	**Site Design for Habitat or Wetland and Water Body Conservation**	1
		1	Credit 8	**Restoration of Habitat or Wetlands and Water Bodies**	1
		1	Credit 9	**Long-Term Conservation Management of Habitat or Wetlands and Water Bodies**	1

Yes	?	No			
14	9	13	**Neighborhood Pattern and Design**		44 Points Possible
Y			Prereq 1	**Walkable Streets**	Required
Y			Prereq 2	**Compact Development**	Required
Y			Prereq 3	**Connected and Open Community**	Required
2	2		Credit 1	**Walkable Streets**	12
6			Credit 2	**Compact Development**	6
2		2	Credit 3	**Mixed-Use Neighborhood Centers**	4
		7	Credit 4	**Mixed-Income Diverse Communities**	7
	1		Credit 5	**Reduced Parking Footprint**	1
		2	Credit 6	**Street Network**	2
1			Credit 7	**Transit Facilities**	1
	2		Credit 8	**Transportation Demand Management**	2
	1		Credit 9	**Access to Civic and Public Spaces**	1
	1		Credit 10	**Access to Recreation Facilities**	1
		1	Credit 11	**Visitability and Universal Design**	1
2			Credit 12	**Community Outreach and Involvement**	2
		1	Credit 13	**Local Food Production**	1
	2		Credit 14	**Tree-Lined and Shaded Streets**	2
1			Credit 15	**Neighborhood Schools**	1

Yes	?	No			
4	13	12	**Green Infrastructure and Buildings**		29 Points Possible
Y			Prereq 1	**Certified Green Building**	Required
Y			Prereq 2	**Minimum Building Energy Efficiency**	Required
Y			Prereq 3	**Minimum Building Water Efficiency**	Required
Y			Prereq 4	**Construction Activity Pollution Prevention**	Required
	3	2	Credit 1	**Certified Green Buildings**	5
	1	1	Credit 2	**Building Energy Efficiency**	2
1			Credit 3	**Building Water Efficiency**	1
1			Credit 4	**Water-Efficient Landscaping**	1
		1	Credit 5	**Existing Building Use**	1
		1	Credit 6	**Historic Resource Preservation and Adaptive Reuse**	1
	1		Credit 7	**Minimized Site Disturbance in Design and Construction**	1
	2	2	Credit 8	**Stormwater Management**	4
1			Credit 9	**Heat Island Reduction**	1
1			Credit 10	**Solar Orientation**	1
	1	2	Credit 11	**On-Site Renewable Energy Sources**	3
		2	Credit 12	**District Heating and Cooling**	2
	1		Credit 13	**Infrastructure Energy Efficiency**	1
	2		Credit 14	**Wastewater Management**	2
		1	Credit 15	**Recycled Content in Infrastructure**	1
	1		Credit 16	**Solid Waste Management Infrastructure**	1
	1		Credit 17	**Light Pollution Reduction**	1

Yes	?	No			
1	2	3	**Innovation and Design Process**		6 Points
	1		Credit 1.1	**Innovation and Exemplary Performance**: Provide Specific Title	1
	1		Credit 1.2	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.3	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.4	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.5	**Innovation and Exemplary Performance**: Provide Specific Title	1
1			Credit 2	**LEED® Accredited Professional**	1

Yes	?	No			
2		2	**Regional Priority Credit**		4 Points
1			Credit 1.1	**GIBc8 Rainwater Management**	1
1			Credit 1.2	**Mixed-income Diverse Communities**	1
		1	Credit 1.3	**Regional Priority Credit:** Region Defined	1
		1	Credit 1.4	**Regional Priority Credit**: Region Defined	1

Yes	?	No			
42	25	35	**Project Totals** (Certification estimates)		110 Points

Certified: 40-49 points, **Silver:** 50-59 points, **Gold:** 60-79 points, **Platinum:** 80+ points

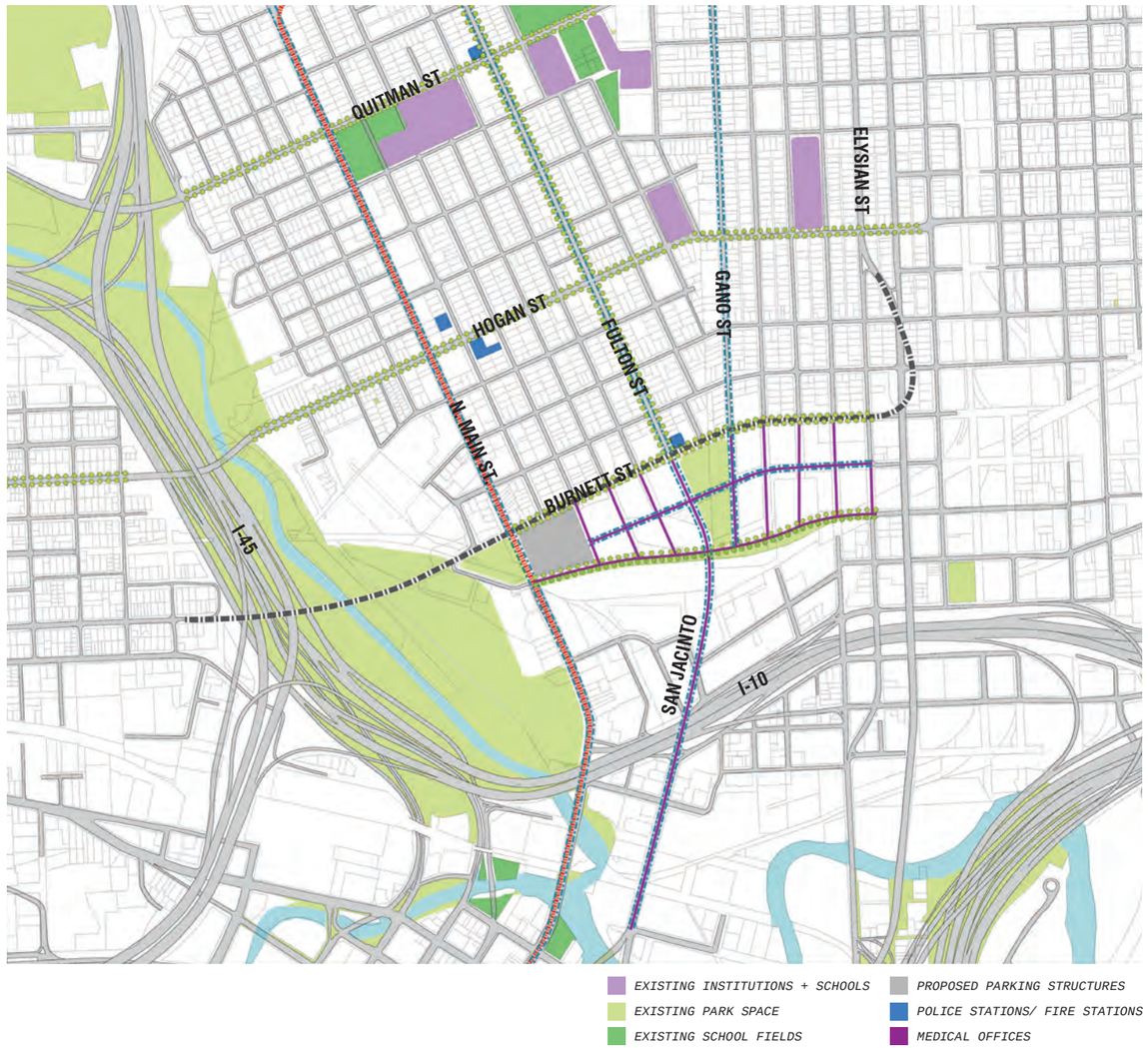
Base Score: 42 Potential Score: 67

3.5.11. RECOMMENDATIONS

Near Northside

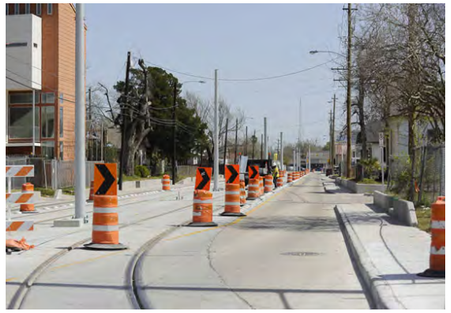
PROPOSED PUBLIC REALM IMPROVEMENTS

Concluding on the analysis of existing conditions, there are evident pockets of opportunity in the Near Northside that are either currently underway, or, once current investments are implemented, will create positive change necessary for neighborhood progress. However, the first step of the implementation requires the city to improve the value of public land.



EXISTING STREET RENOVATIONS

METRO is currently constructing the North Line LRT, which is due to have eight new stations in place by 2014. It extends the Red Line by 5.3 miles running through the heart of historic Northside. Starting at the University of Houston-Downtown station, the line runs north to Boundary St., crosses Fulton St., then proceeds to Northline Commons Mall and the Northline Transit Center in Independence



NEW STREET CONSTRUCTION

The addition of the new light rail will demand for new street construction particularly through the Hardy Yards area in order to create new pedestrian-scaled blocks for new development. This will enable a more fluent urban fabric within the area. In addition, this requires for the extension of San Jacinto from Fulton Street allowing smoother connection between the Near Northside and downtown Houston.

LANDSCAPE IMPROVEMENTS

Streetscape improvement will be necessary along major streets and collector streets. This should be inclusive of street trees, wider paved sidewalks, street lights, pedestrian crosswalks and minimal building setbacks. Such improvements are beneficial for the Burnett Street to Hardy Toll connection as well as along Hogan Street and Quitman Street. A new connector street immediately south of the Hardy Yards parcel includes a forested buffer zone to the rail yard.

STREET IMPROVEMENTS

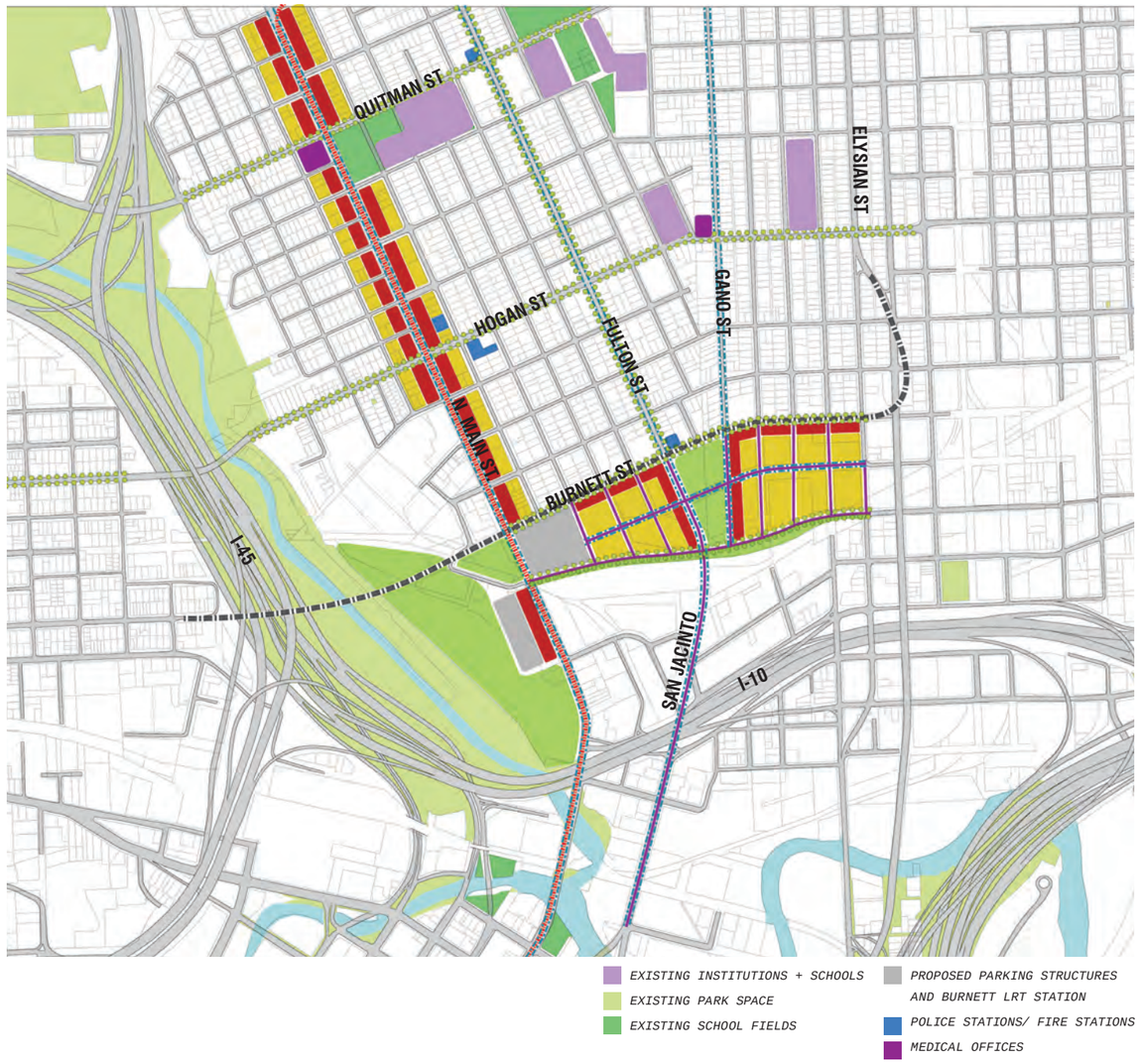
Improvements along collector streets such as Fulton St., San Jacinto St. and Gano St. by widening streets for two-way, 11'-0" wide circulation that would connect to the schools (Davis High School and the major park use along the White Oak Bayou MKT Trail).

3.5.11. RECOMMENDATIONS

Near Northside

PROPOSED LAND USES

Upon the completion of the public improvements such as neighborhood parks and trails, streetscapes, and transportation networks, there is a preemptive measure of regulating private development. This should incorporate retail frontages coupled with high density residences along major thoroughfares. In addition, there is a need for an equal distribution of healthcare facilities such as medical offices and walk-in clinics particularly at the intersections of Quitman and Main as well as Hogan and Gano. Moreover, the neighborhood requires the effective distribution of safety amenities (police stations and fire stations) around schools and major intersections.



HIGH DENSITY MIXED-USE

Redevelop Main Street and Burnett Street as high density mixed-use retail and commercial corridors. Retailers, grocers, restaurants, pharmacy and other mixed-use services will support adjacent residential blocks.

High density housing with ground-level commercial and retail

INFILL RESIDENTIAL

The high density retail frontage will be coupled with mid-scaled residential townhomes or apartments. These would act as buffer elements between high density retail corridors and the single-family detached homes that make up the majority of the Near Northside fabric.

MEDICAL OFFICES + SECURITY FACILITIES

The area will benefit from additional medical services which, although has some presence with its small walk-in clinics, is in need of more decentralized medical office buildings. Increased security services are recommended for the area which is currently underserved.

Neighborhood Medical Office Facilities

PUBLIC OPEN SPACE

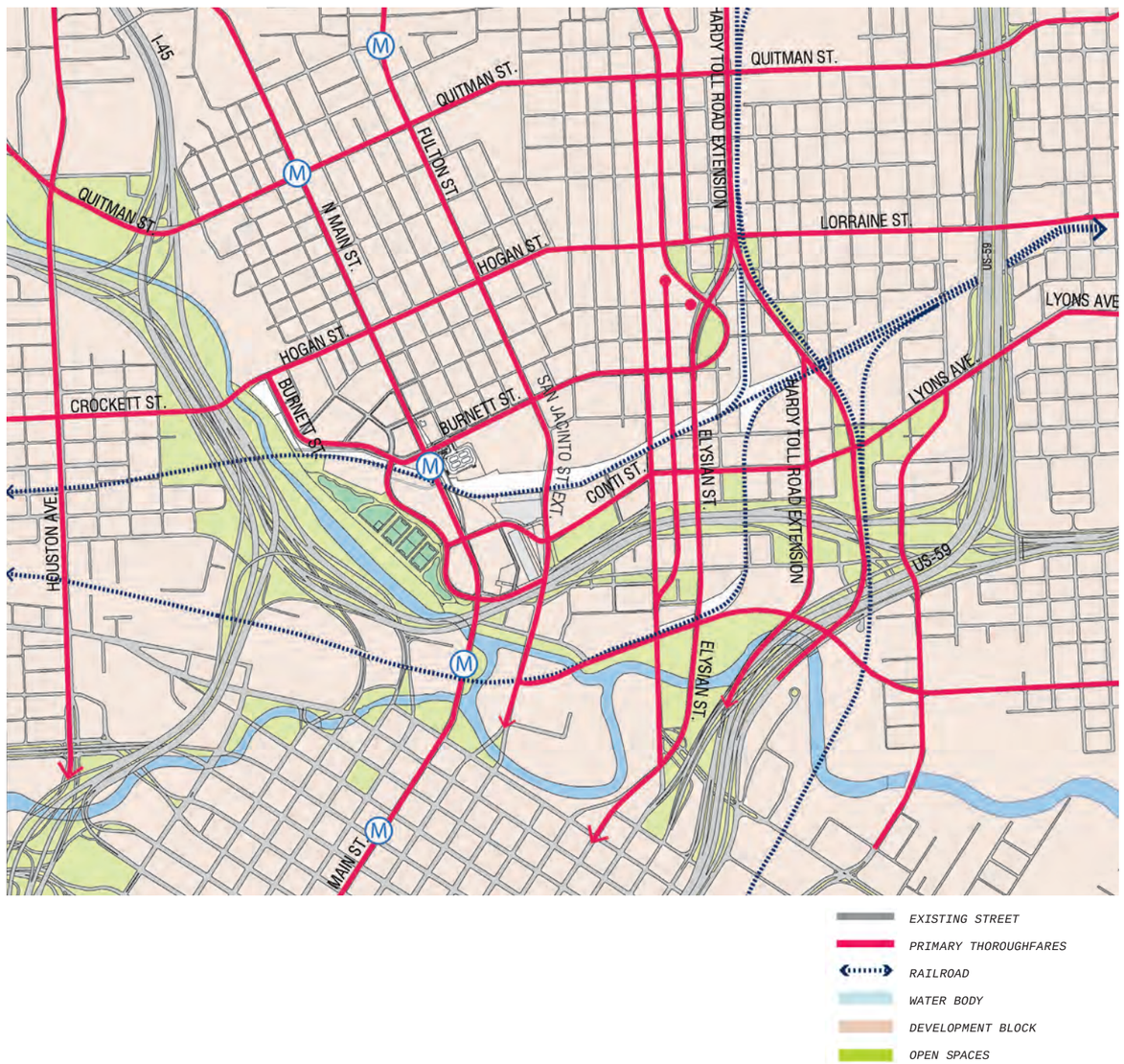
The most substantial improvement that can be made currently is the expansion of the open space adjacent to UH-Downtown with improvement of MKT trail connections and quality. In addition, creating urban pocket parks within the neighborhood provides residences with community gathering spaces.

Neighborhood Urban Parks

3.5.11. RECOMMENDATIONS

Near
Northside

PROPOSED MOBILITY IMPROVEMENTS



Recent market analysis and demographic data suggest that the Near Northside area is poised to redevelop in the near future. This is in part to the Main Street Light Rail extension, but also due to its proximity to Downtown, the Greater East End, Washington Avenue corridor and the Heights which are contributing to rising property values and redevelopment pressure. However, this area in general, and particularly the area around the new Burnett Station on the Main Street Metro Line, is severely constrained by poor street mobility. This lack of street connectivity will depress property values in the area around the station and limit the ability of the area to return ad-valorum value to the City of Houston, despite its close proximity to Downtown.

The following recommendations grew out of work done with the Downtown Management District as the District reviewed ways to capitalize on the reconstruction of the Elysian Street Viaduct, and out of work done with the Urban Land Institute Technical Assistance Panel as the panel reviewed ways to improve the Burnett Station area planning.

In addtion to several street improvments that have been recently completed or are in progress by the Rebuild Houston program, there are a number of small but significant right of way connections that this infrastructure neglected part of the city much needed street and general mobility access. This is the kind of work that the area Tax Increment Reinvestment Zones were created to do, and are ideally suited to do. The attached Area Plan illustrates some of the investment and development potential for this neglected part of the city.

1. **Burnett Street Improvements:**

   a. Burnett Street will serve as a route for more than 60 buses per hour coming and going from the proposed Burnett Street Intermodal Station at the foot of the elevated Metro station. Currently the only access to Burnett Street is through an existing neighborhood with a narrow right of way and even narrower pavement. The current cross section for the Burnett Street improvements include four lanes in each direction (24' driving surfaces with 2 lanes in each direction) a central median and parkway edges within an 80' ROW.

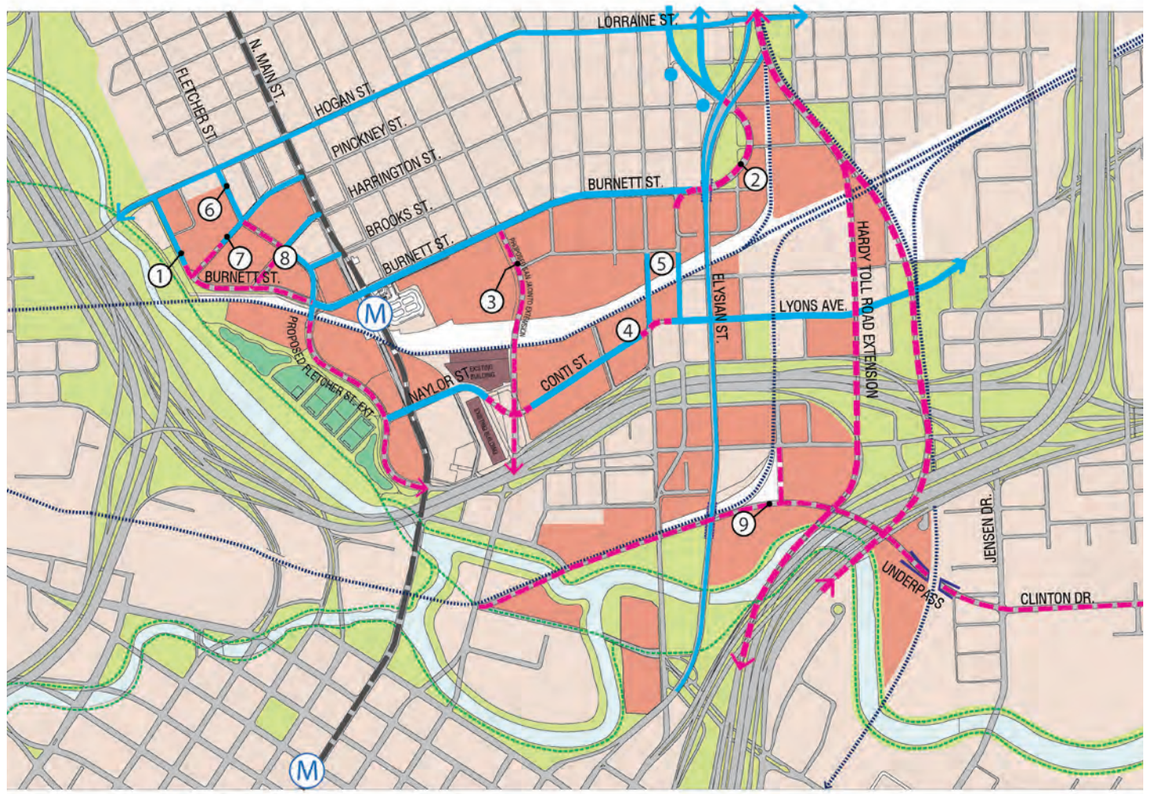
   b. The Burnett Street right of way should be extended westward along the adjacent Union Pacific Rail Road line and northward to connect to Hogan Street via the existing Glaser Drive right of way. This will allow bus and car connections to Hogan Street, which becomes Crockett Street west of I-45 connecting to Houston Avenue and Taylor Street and becomes Lorraine Street east of Cochran Street and connects to US-59 to the east. (No. 1 on map on following page)

   c. Burnett Street should be provided with a clean connection at its east end to the north end of the Elysian Viaduct and to the Elysian/Hardy couplet connecting the North Loop 610. This intersection may also provide a direct set of on and off ramps to a future extension of the Hardy Toll Road. (No. 2 on map on following page). This intersection of Burnett and Elysian will also need to be improved as it will provide a critical north-south connection between Downtown and the Near Northside.

3.5.11. RECOMMENDATIONS

Near Northside

PROPOSED MOBILITY IMPROVEMENTS



1. BURNETT EXTENSION TO HOGAN
2. BURNETT CONNECTION TO ELYSIAN AND HTR
3. SAN JACINTO EXTENSION TO BURNETT
4. LYONS EXTENSION TO NORTH MAIN
5. MCKEE AND HARDY STREET GRADE CROSSINGS AT UPRR
6. FLETCHER STREET EXTENSION
7. PINCKNEY STREET EXTENSION
8. HARRINGTON STREET EXTENSION
9. CLINTON DRIVE EXTENSION TO SAN JACINTO

- EXISTING STREET NETWORK
- EXISTING STREET ROW/ REALIGNMENTS
- PROPOSED NEW STREET/ ROW
- RAILROAD
- WATER BODY
- BLOCKS W/ EXISTING DEVELOPMENT
- BLOCKS W/ SIGNIFICANT DEVELOPMENT POTENTIAL
- OPEN SPACES

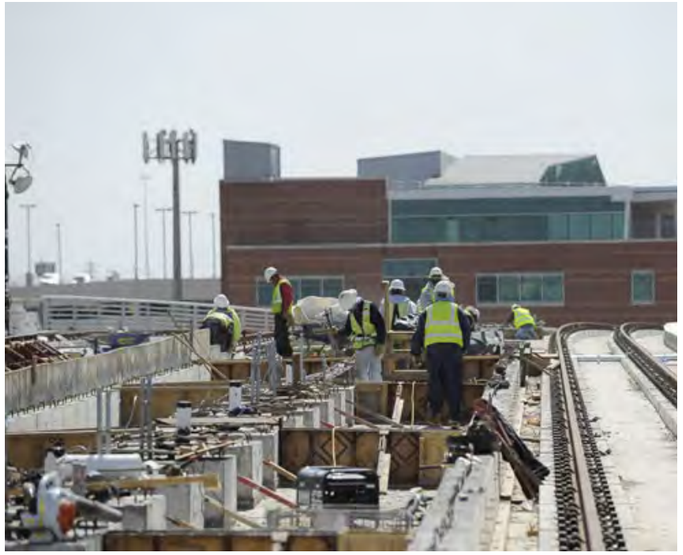
2. **San Jacinto extension to Burnett:**
   a. The extension of San Jacinto Street from Downtown north and across the UPRR lines to provide a third connection for Burnett Street to Downtown is important. The Hardy Yards development will provide the right of way north of the tracks, and recent inclusion of San Jacinto on the Major Thoroughfare Plan will someday provide right of way south of the tracks to I-10.

   b. The bridge across the UPRR right of way is approximately 220' wide, which is almost exactly the same span as the free-span tied arch street bridges built across US 59 a few years ago when US 59 was widened. These bridges minimize the depth of the structure below the pavement surface (approximately one foot), which significantly reduces the grade and fill needed for the bridge approaches. The tied arch bridge design would provide a visual gateway into the near north neighborhoods from Downtown. (No. 3 on the map) San Jacinto terminates at Burnett opposite Fulton Street.

3. **Lyons extension to Main:**
   a. The land sandwiched between the UPRR tracks and I-10 would benefit from a through street connecting Lyons Avenue from the east across to Main Street on the west. This will provide a better connection for the Fifth Ward to downtown and the UHD campus, as well as improved east-west connections throught the area.

   b. The route would connect the existing Naylor Street across the future San Jacinto extension and connect to the existing Conti Street right of way. A minor intersection adjustment at McKee Street would provide better flow between Lyons and Conti. The street could retain its three existing street names or the whole street could be renamed Lyons Avenue. (No. 4 on the map).

Northline LRT construction along Main Street and Hogan Street



View of the Northline LRT from the Elevated Burnett Station

3.5.11. RECOMMENDATIONS

4. **McKee and Hardy Street grade crossings at UPRR:**

   a. The Downtown District had recommended closing six grade crossings between Semmes, West, Brooks Streets and Maury Streets and trading them for two grade crossings to be re-established at McKee and Hardy Streets north of I-10.

   b. These two crossings provide on and off access from I-10 and another connection between the Near North neighborhoods and Downtown. These grade crossings could be designed to meet the railroad Quiet Zone criteria, and the elimination of the other six crossings allows the further extension of a Quiet Zone eastward. (No. 5 on the map)

5. **Main/Hogan/Burnett Neighborhood Street Grid:**

   a. Fragmented existing street rights of way could be connected in this small area of vacant lots, parking lots, and warehouses to provide a connected street grid, adding tremendous value to the otherwise isolated properties:

      i. The existing Fletcher Street could be extended south to connect with the existing Keene Street right of way to connect to Burnett Street.

      ii. Fletcher Street could be continued southward across the existing railroad grade crossing to provide a connection to Naylor (Lyons extension) and to Main Street and I-10 for eastward and westward connections.

      iii. This southern extension would provide excellent access to the land along White Oak Bayou for University expansion or for market-rate housing. (No. 6 on the map)

   b. Pinkney Street should be connected to the new Burnett Street extension. (No 7 on the map)

   c. Harrington Street should be connected to the new Burnett Street extension. (No 8 on the map)

Construction of Bus Stops and Rider Information Stations

Development of the staircase to the elevated Light rail station at Burnett Street

6. **Clinton Drive extension to San Jacinto:**

   a. With the potential for significant new development along Clinton Drive east of Jenson, and the potential for waterfront development on several large vacant tracts along Buffalo Bayou, there is a need for better connections to downtown south of the UPRR tracks.

   b. Clinton Drive could be extended westward from Jenson Drive to San Jacinto. There would be a railroad underpass just west of Jenson and then the road would run under the elevated US 59 freeway, connecting to McKee Street and extending westward along the south side of the UPRR tracks, connecting to San Jacinto just north of the Criminal Justice facilities. This would include a bridge across the White Oak North Bypass Channel currently being studied, and as a part of that planning effort, would require work along the north bank of Buffalo Bayou to have no impact on the floodplain and to provide trail connectivity along the bayou. (No. 9 on the map)

On-grade construction of the new Light Rail Transit Line on Main Street

3.5.11. RECOMMENDATIONS

Near
Northside

COMMUNITY IDENTITY

The Near North Side or "Northside Village" has a rather historic presence in Houston. It contains a large amount of historic houses and other properties that are eligible for inclusion on the National Historic Register. Originally it was part of the Fifth Ward and started with a significant amount of development in the 1880's and 1890's in association with the Hardy Rail Yards. Today, the demographics are comprised of a large presence of Mexican-Americans and Latinos with a growing number of African Americans. There are great Tex-Mex restaurants in the neighborhood and the most significant clusters of commercial areas, including retail and mixed-use buildings are found at the intersections of North Main and Quitman, Hogan and Common, Quitman and Fulton and Lorraine and Gano streets. These areas help to create small scale urban destinations and provide community character that should be preserved. The area also has a substantial open space amenity just east of I-45 where the MKT Trail runs along the White Oak Bayou. This connection to the linear open space is a great asset, and more parks and open spaces within the neighborhood can be improved and added with connectivity to the bayou. Along with the light rail expansion, this will help the revitalization of this area and continue to increase the value of land in the area.

PROPOSED POLICY RECOMMENDATIONS

1. Improve the mobility issues through a series of streetscape improvements and new street additions
2. Preserve affordable housing in the area for low-income and workforce residents
3. Leverage high-quality market-rate and mixed-income housing to help revitalize and stabilize the neighborhood
4. Leverage the significant investment in the light rail by encouraging high-density, vertically mixed-use development near the stations
5. Encourage more retail and grocery stores in the area to provide residents shopping choices
6. Convert underutilized land and vacant properties into attractive mixed income/mixed use development sites
7. Provide more sports fields and recreational opportunities in low area near White Oak Bayou
8. Coordinate with METRO to find the best site to relocate the bus barns to facilitate the bayou bypass project to proceed
9. Work with the Union Pacific railroad to look at options of relocating some of the freight rail lines
10. Work with HISD to improve the quality of the education at the public schools

TASK3C

Redevelopment Plan

3.6 Greater Fifth Ward

- 3.6.1 Introduction
- 3.6.2 Existing Land Use
- 3.6.3 Existing Transportation + Transit
- 3.6.4 Existing Ownership
- 3.6.5 Existing Parks + Open Spaces
- 3.6.6 Condition of Structures
- 3.6.7 Damage Assessment
- 3.6.8 City CIP + Private Investments
- 3.6.9 Existing Neighborhood Amenities
- 3.6.10 LEED ND Criteria Application
- 3.6.11 Recommendations
  - (a) Proposed Public Realm Improvements
  - (b) Proposed Land Uses
  - (c) Community Identity
  - (d) Proposed Policy Recommendations

3.6.1. INTRODUCTION

Greater
Fifth Ward

Large vacant lot east of Kennedy Place

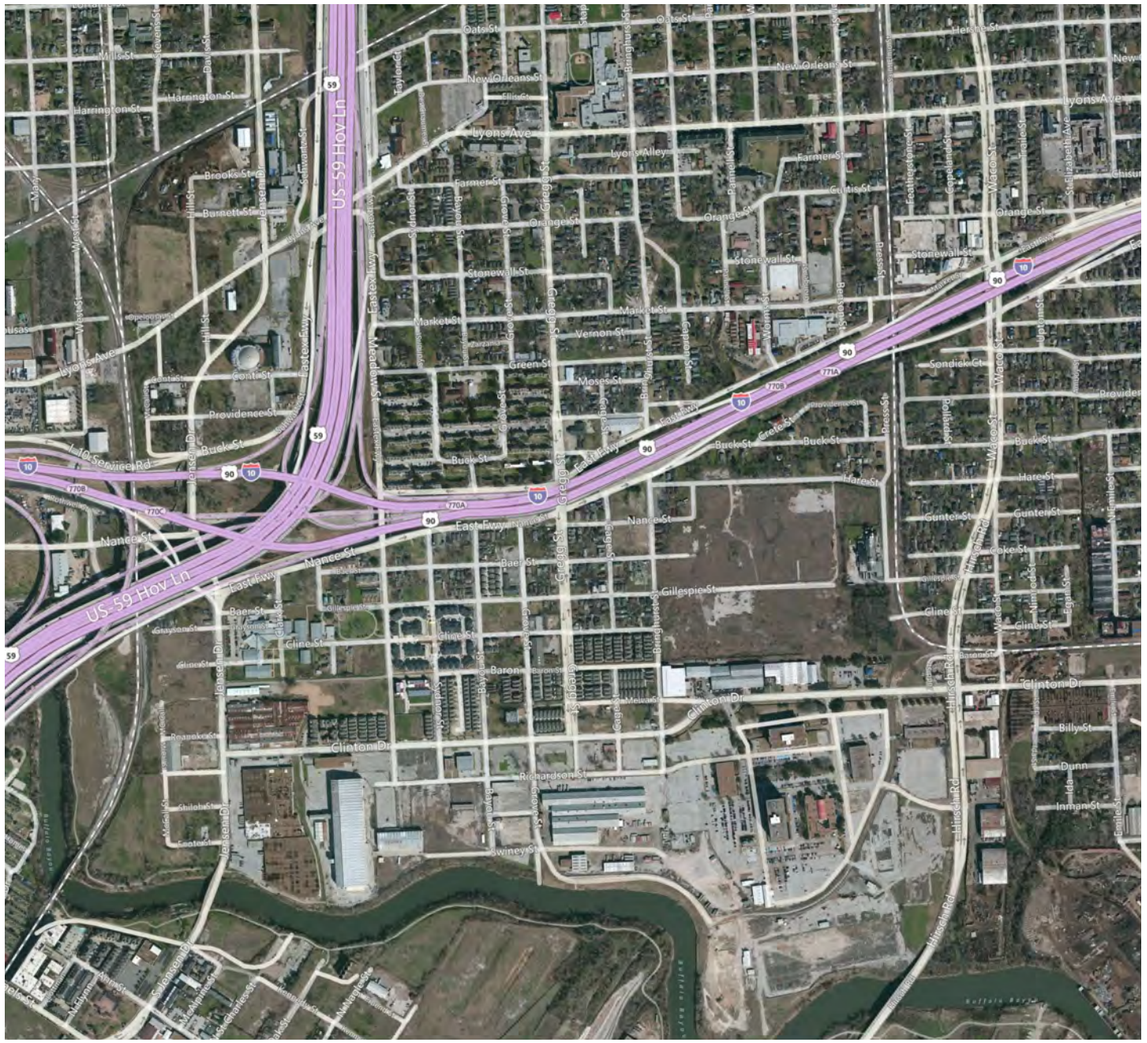
The Fifth Ward Community Redevelopment Area is located northeast of Downtown, east of U.S. 59 and bisected by the I-10 freeway. Historically, this neighborhood has been a mix of industrial property at the south end and transitions to predominantly single-family detached residences on the north side. On the south side, the industrial is gradually being replaced with new higher-density, market-rate and affordable residential development. Two sites in this area will be transformational in nature, including the former KBR property recently acquired by Cathexis, and the MDI property which is immediately to the north of the Cathexis site and is controlled by Lovett Homes. Additionaly, there are other large vacant sites along Clinton Dr. On the north side, the area suffers from a large number of vacant lots and many structures with deferred maintenance. It will take a significant amount of investment in public infrastructure and the schools as well as a large quantity of private housing development and commercial projects to revitalize the area.

The area will eventually benefit from the ongoing efforts of the Fifth Ward Community Redevelopment Corporation and the Pleasant Hill CDC. It has excellent access from the freeways and is well-served by bus service. Some improvements to the street network could be made to improve connectivity. Other than a few parks and the connections to Buffalo Bayou, it does not contain a large amount of open space. One of the greatest deficiencies of the area is a lack of grocery stores and retail stores. This has an obvious relationship to the density of housing units and the associated purchasing power to support these establishments. Commercial development is needed to help revitalize the area.

Commercial storefonts along Lyons Avenue

The following diagrams and images demonstrate the existing land conditions within the Fifth Ward. The analysis of these data will provide insight into the potential for community development.

Source: BING MAPS, 2012

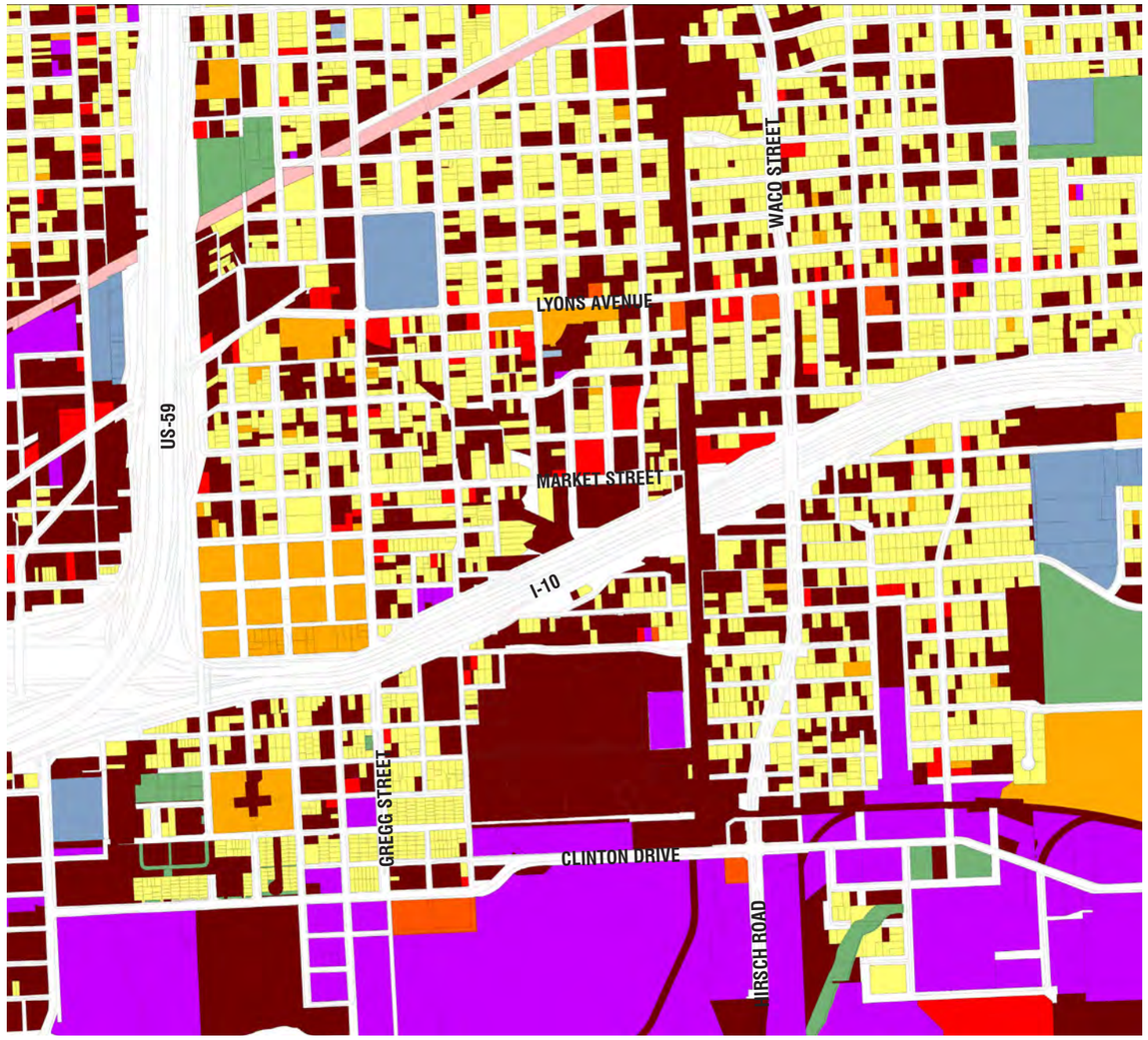


Aerial View of the Greater Fifth Ward community redevelopment area

3.6.2. EXISTING LAND USE

Greater
Fifth Ward

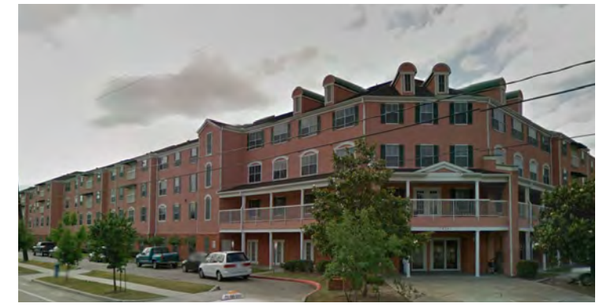
Source: CITY OF HOUSTON, 2012

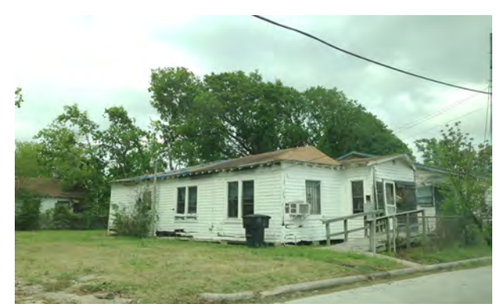


- AGRICULTURE PRODUCTION
- COMMERCIAL
- INDUSTRIAL
- MULTI-FAMILY RESIDENTIAL
- OFFICE
- PARK + OPEN SPACES
- PUBLIC + INSTITUTIONAL
- SINGLE-FAMILY RESIDENTIAL
- TRANSPORTATION + UTILITY
- UNDEVELOPED

The Greater Fifth Ward, mainly the southwest portion, is comprised of predominantly single family homes with a few commercial parcels distributed throughout. These small commercial parcels tend to be convenience stores and establishments that do not add diversity of shopping choice to the community. There is a great deal of undeveloped and vacant land that could be utilized by both public and private entities for redevelopment.

Development in the area south of I-10 and closer to the Bayou and the downtown core is occurring more rapidly than the development of areas north of the freeway. Given the desirable views and its proximity to downtown, higher-density housing and new construction in the southern portion of the Greater Fifth Ward is trending toward market rate. Conversely, the northern side of the Fifth Ward has less in the way of amenities and proximity to prime redevelopment areas and is experiencing little demand for market rate housing. As a result, the property values north of I-10 have remained low compared to the southern side.

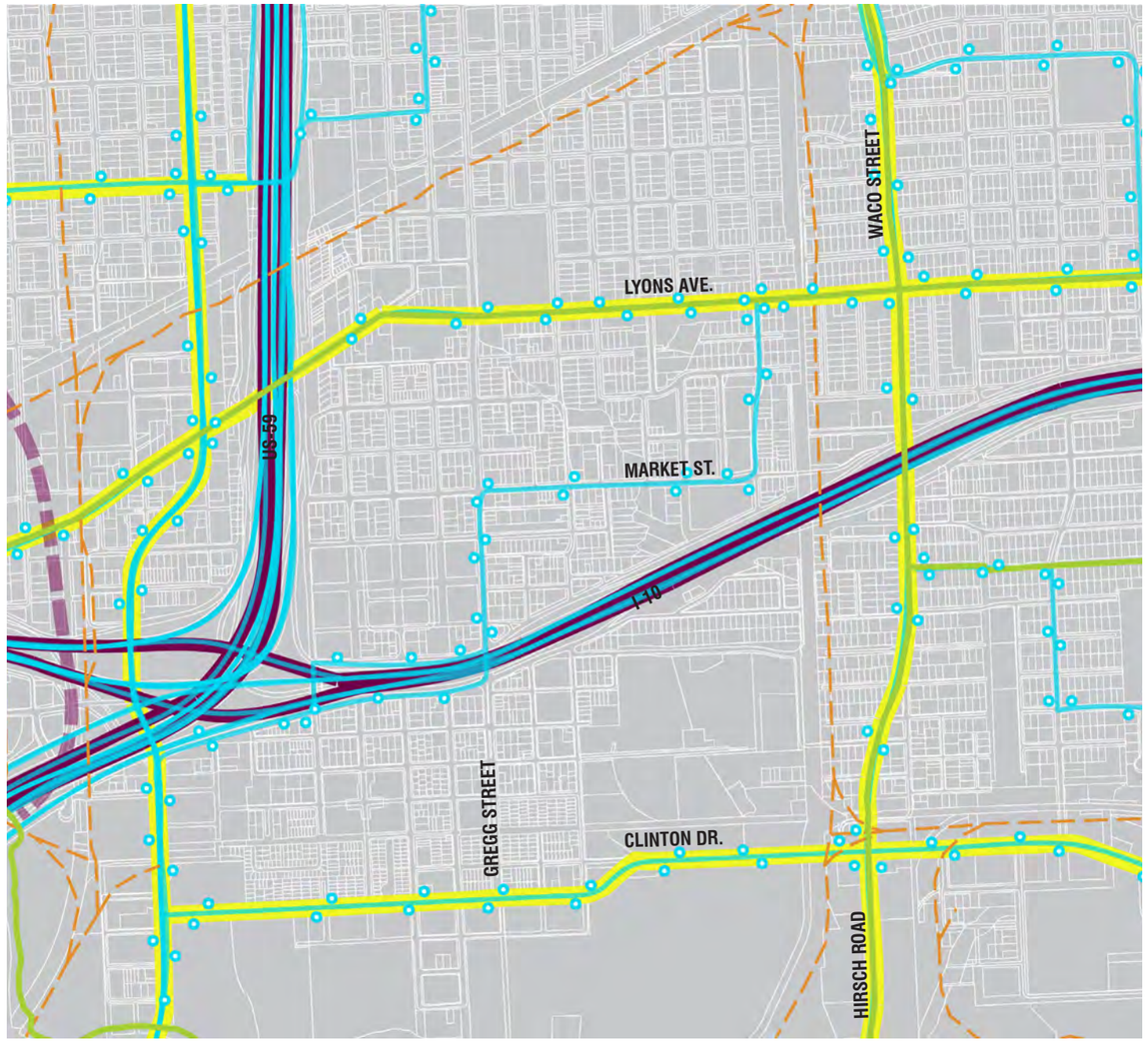




3.6.3. TRANSPORTATION / TRANSIT

Greater
Fifth Ward

Source: CITY OF HOUSTON, 2012



EXISTING FREEWAYS
PROPOSED FREEWAYS
FREEWAY TO BE WIDENED
MAJOR THOROUGHFARE
RAILROAD
BIKEWAY
BUS ROUTE
BUS STOP

I-10 freeway interchange cuts through the west edge of the Fifth Ward

The Greater Fifth Ward is well-served by access to and from US 59 and Interstate 10. Lyons Avenue and Clinton Drive are the two major east-west thoroughfares. Jensen is one of the primary north-south routes as is Waco, which turns into Hirsch south of I-10 and eventually connects to the downtown core. There are existing bus routes that run along these major thoroughfares. Some of these bus lines will feed directly into the future light rail stations along N. Main St, west of I-45.

The Greater Fifth Ward Transit Center at Lockwood between Lyons Avenue and I-10 services 8 different bus lines as well as the food bank shuttle. These bus lines provide residents access to downtown, several neighborhoods within the inner loop, and the Houston Community College near 288 and the south beltway. Most of the Greater Fifth Ward is within close proximity to many of these bus lines.

Currently, there is a dedicated bike lane that runs along Lyons Avenue and a smaller shoulder (three feet in width) for cyclists along Waco Street. Houston's mild topography lends itself to easy bike transportation. By widening existing bike lanes and creating new bicycle routes along the main corridors and streets that link up to the bayous / greenways, traveling and commuting by bike will become a much more viable option to the residents of the Greater Fifth Ward. Combining multiple modes of transportation in the Greater Fifth Ward has the potential to create stronger ties to the surrounding neighborhoods.

Fifth Ward Transit Center

Existing bike lanes along Lyons Avenue

3.6.4. PUBLIC FACILITIES

Greater
Fifth Ward

Source: CITY OF HOUSTON, 2012

PUBLIC LAND

Most of the sites within the area are privately owned. The land that is publicly owned beyond the street and Interstate ROW includes HISD schools, parks, health clinics and community centers. There are some small parcels scattered throughout the Greater Fifth Ward that could potentially be converted to small pocket parks or other civic uses. These sites could also be used for new health clinics or police stations. All of these sites should be considered for vertical mixed-use development with retail on the ground floor to increase the diversity of shopping options and available services within the neighborhood areas.

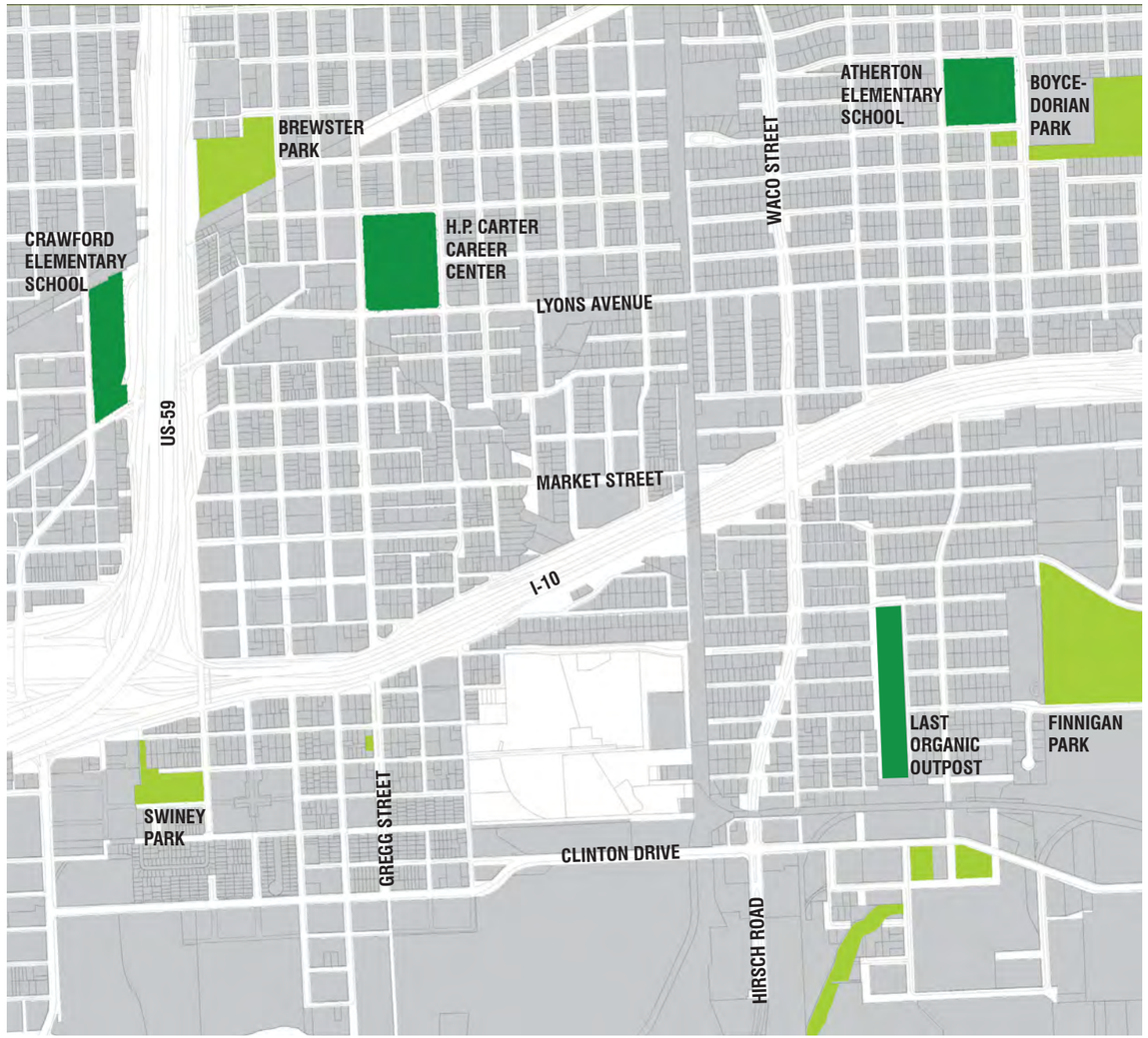
HP Carter Career Center on Lyons at Gregg Street

Wheatley High School, just north of Finnegan Park

3.6.5. PARKS + OPEN SPACES

Greater
Fifth Ward

Source: CITY OF HOUSTON, 2012

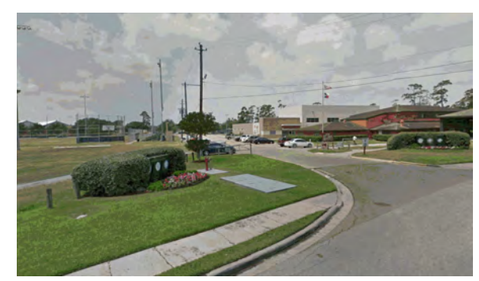


Existing public open space within the Fifth Ward area includes Finnigan Park, Boyce-Dorian Park, and the Swiney Community Center. Finnigan Park sits on the east edge of the neighborhood and is a strong, well-maintained community amenity. Within the park is a Boys and Girls Club, swimming pool, and large open space for recreation and community gatherings. Finnigan Park is across the street from Wheatley High School and is just north of an existing affordable housing complex named Cleme Manor.

Swiney Park Community Center, located in the southwest corner of the Greater Fifth Ward, includes a playground, a small walking/jogging loop, an open field, and an outdoor covered basketball pavilion. The center also has a meeting hall and is open until 11pm daily.

The south end of the Greater Fifth Ward C.R.A. does not have much park space, but is in close proximity to Buffalo Bayou. As the Cathexis site is improved, the hope is that it will continue the public frontage of park space with multi-use trails that are ultimately intended to connect the Fifth Ward to Downtown, the Near Northside and the Heights.

These existing parks sit mostly around the edges of the Greater Fifth Ward area. By locating new parks and open spaces more centrally along major thoroughfares and bikeways, a stronger pedestrian network and social gathering spaces within the area can be created.



Finnigan Park

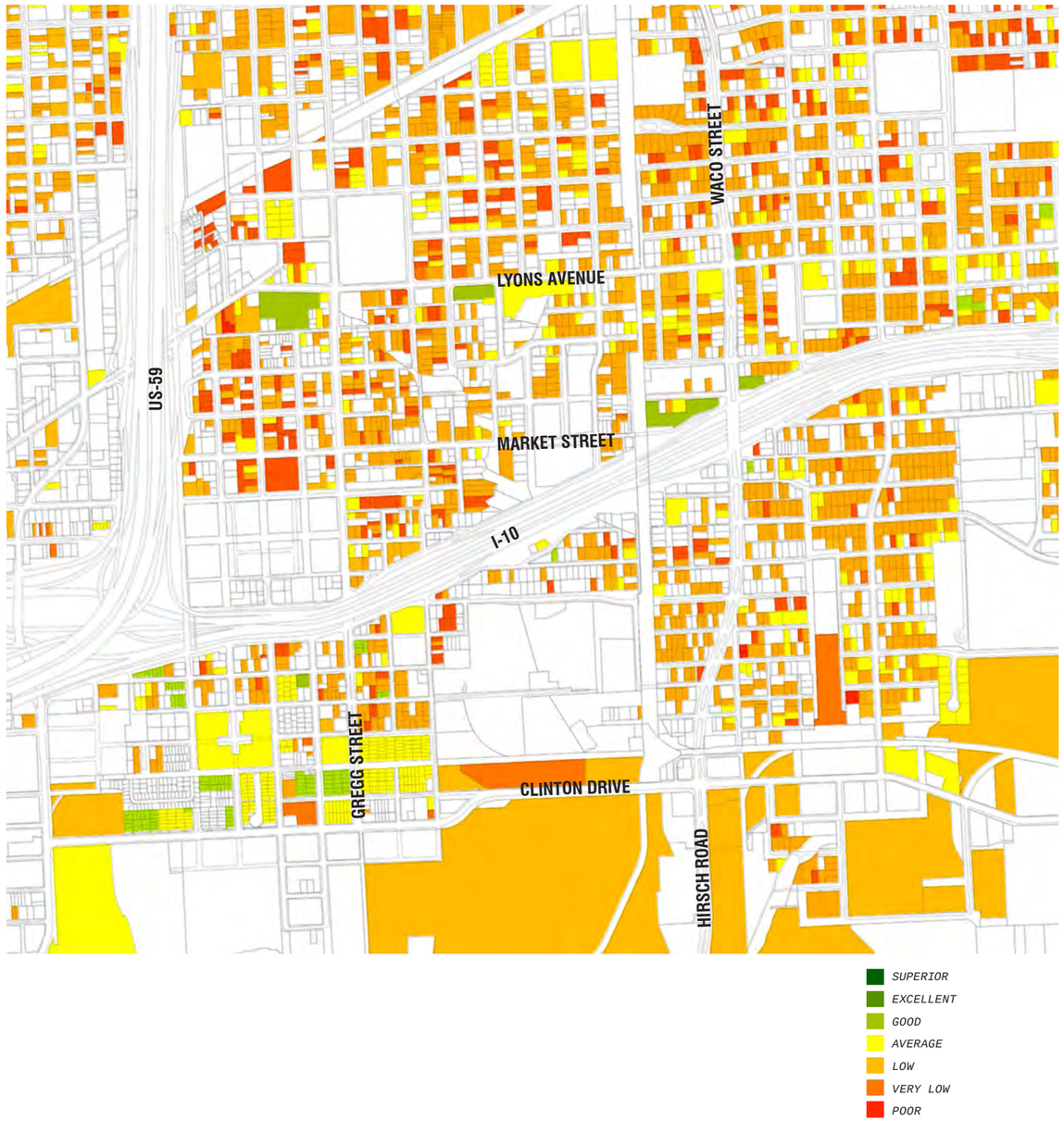
Finnegan Park

Swiney Community Center Park

3.6.6. CONDITION OF STRUCTURES

Greater
Fifth Ward

Source: HCAD, 2011



The Greater Fifth Ward is a dichotomy in terms of the condition of the housing stock. A significant amount of new development has taken place south of I-10 and west of Hirsch, while much of the property north of I-10 is of low quality and has fallen into disrepair. There is also a substantial amount of vacant lots interspersed with single family homes that are not being maintained. Illegal dumping is apparent.

The areas south of I-10 are seeing a variety of improvements. In recent years, market rate town home development as well as some affordable housing has been developed between I-10 and Clinton Drive. This positive momentum could give the Greater Fifth Ward the push that it needs to become a more diverse and stable neighborhood that has the potential to support a dynamic mix of residents and businesses. Ultimately this upward swing in development could spread to the north side of I-10, creating a more economically stable district.

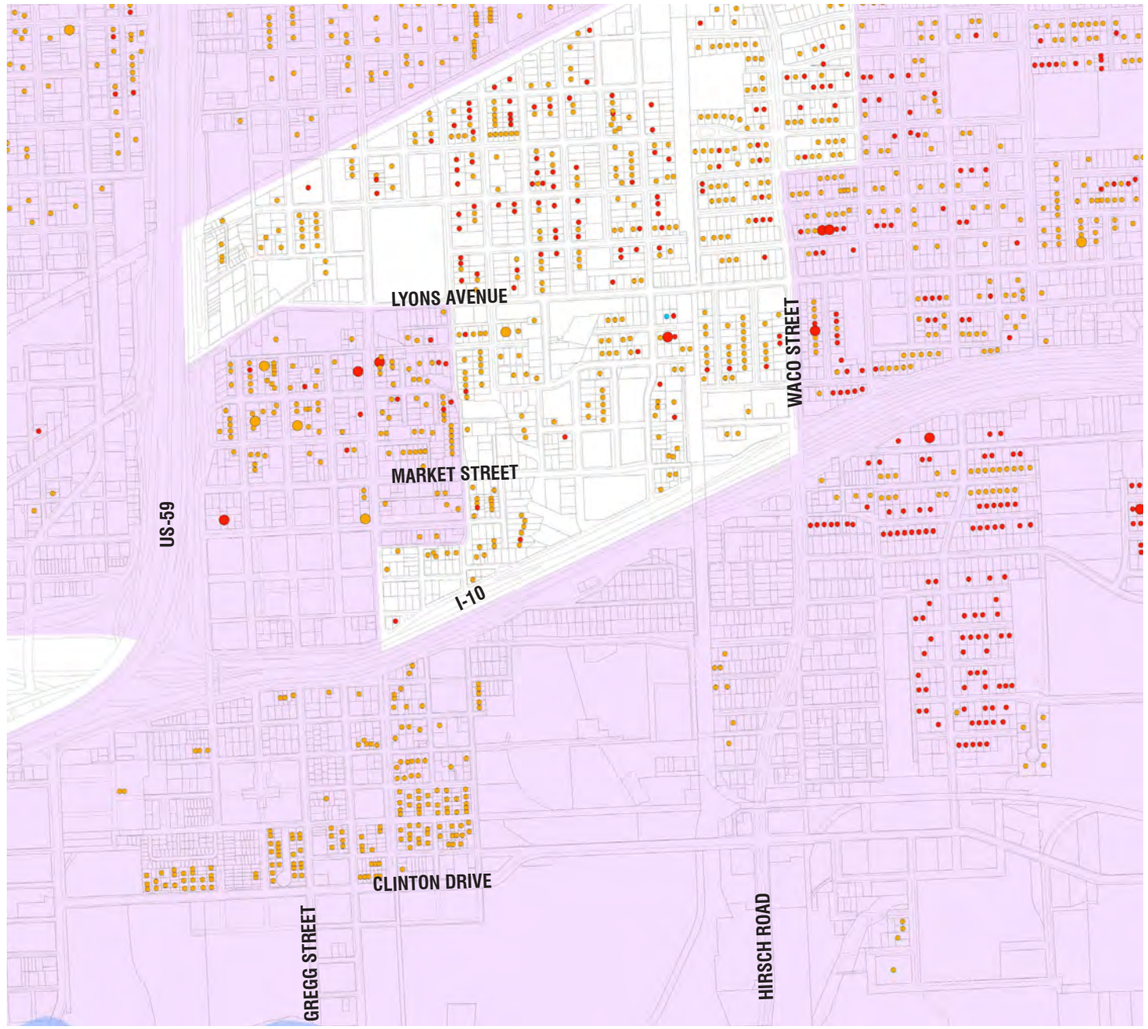
Single-Family Residence near Finnegan Park

Kennedy Place - Houston Housing Authority

3.6.7. DAMAGE ASSESSMENT

Greater
Fifth Ward

Source: LJA Engineering, 2009



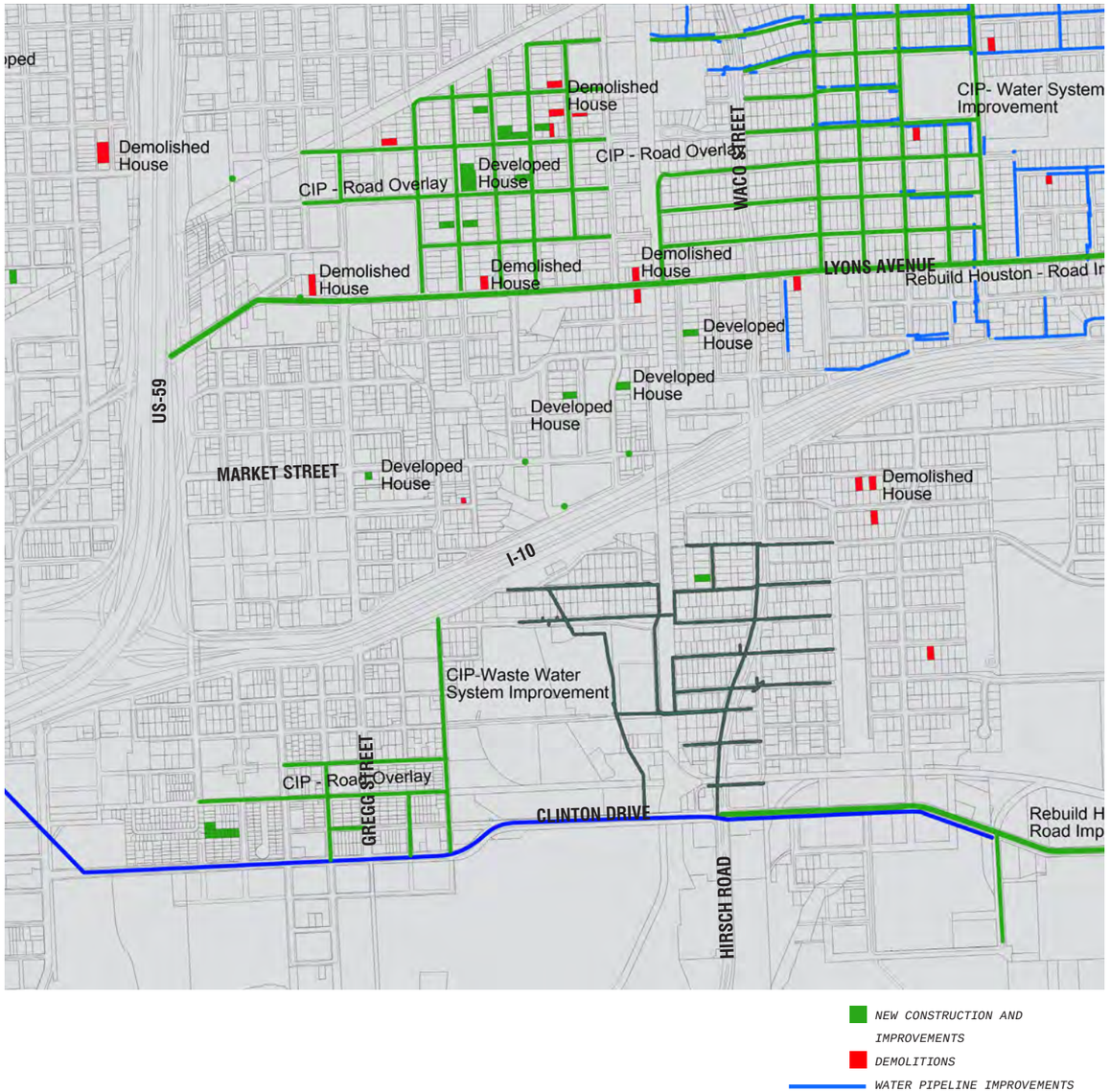
- *MULTI-FAMILY W/ WIND DAMAGE*
- *MULIT-FAMILY W/ WATER DAMAGE*
- *MF W/ WIND + WATER DAMAGE*
- *SINGLE-FAMILY W/ WIND DAMAGE*
- *SINGLE-FAMILY W/ WATER DAMAGE*
- *SF W/ WIND + WATER DAMAGE*
- *>65% MINORITY + >35% POVERTY CONCENTRATION*
- *100-YEAR FLOOD PLAIN*

Following Hurricane Ike, wind damage to single family homes was wide spread throughout the Greater Fifth Ward. There was also a substantial amount of water damage within the center and lower east side of the area. There are many opportunities to serve residents in areas of high concentration of poverty and racial and ethnic minority.

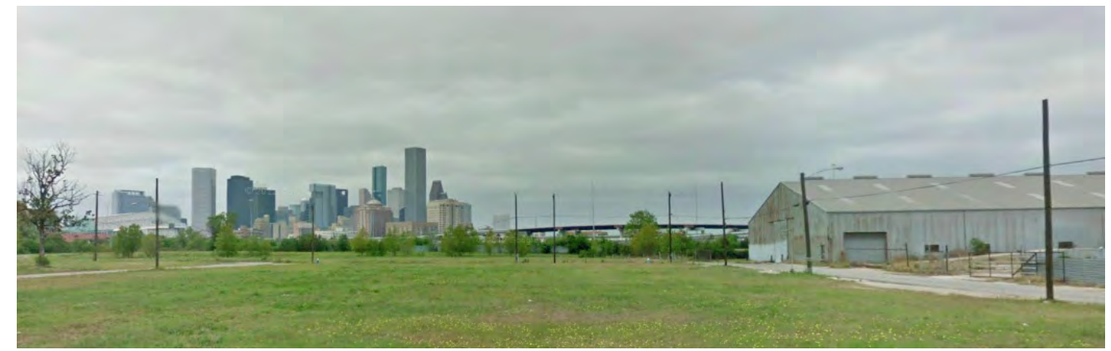
3.6.8. CIP + INVESTMENTS

Greater
Fifth Ward

Source: CITY OF HOUSTON, 2012



In addition to some of the new construction of single-family and multi-family units in the area, there are a variety of capital improvements that have taken place recently or will take place shortly. This includes upgrades and repairs to the water distribution network in the northeast part of the area, upgrades and repairs to the waste-water sewer lines in the area between I-10 and Clinton as well as a number of street improvements being implemented by the Rebuild Houston program. However, additional open space improvements and places for community recreation and social interaction are still needed.



View toward downtown from the intersection of Jensen and Clinton

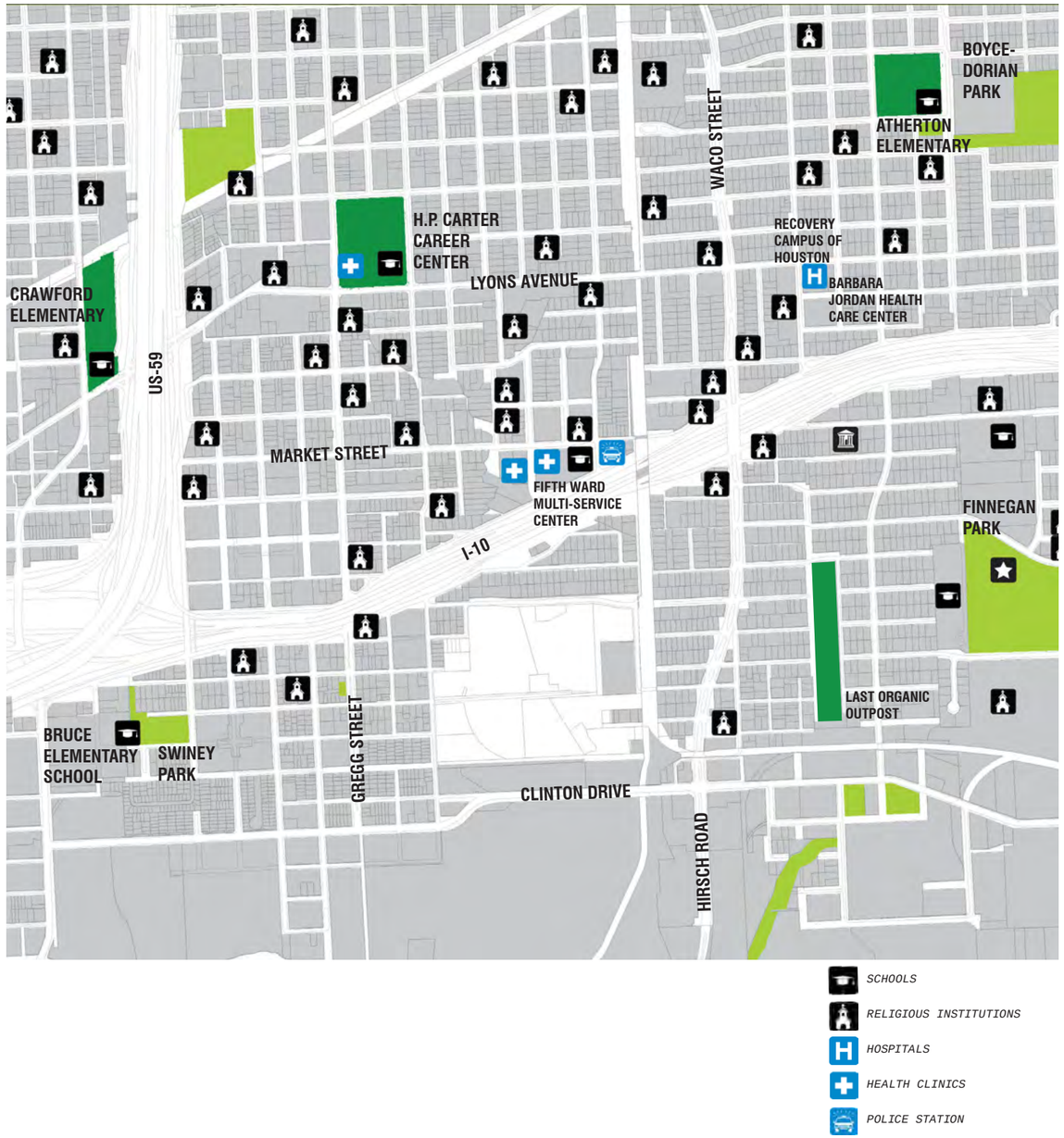
New market-rate townhomes that arebeing built in the area

New housing development adjacent to the Cathexis site

3.6.9. EXISTING AMENITIES

Greater
Fifth Ward

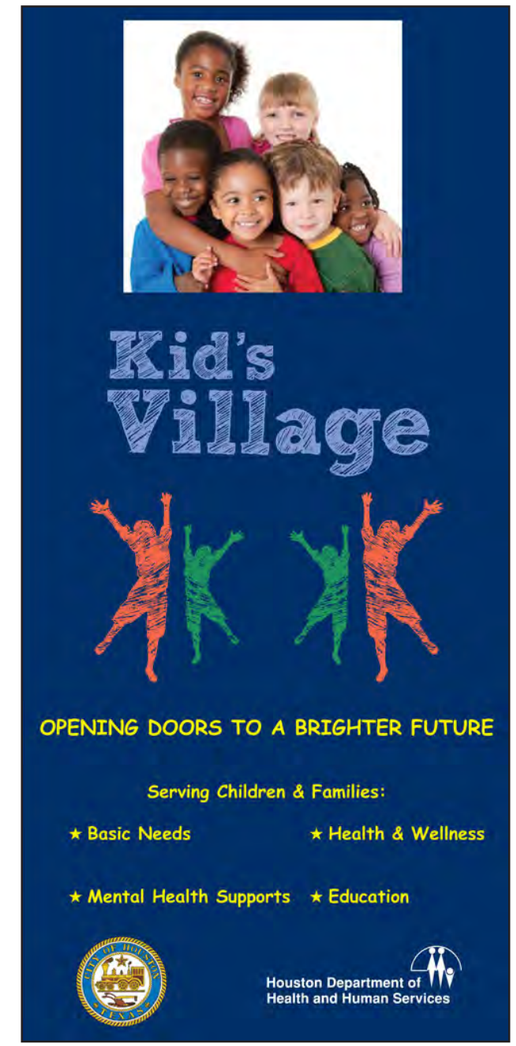
Source: HGAC, 2012



Amenities within the Greater Fifth Ward are limited, but the basic services are in place. There are several vital corridors that could bring economic vitality to the area and help to revitalize the neighborhood and more effectively link it to its surroundings. There are numerous religious institutions scattered throughout the area. The Fifth Ward Multi-Service Center offers a variety of community programs and amenities. Within the center is the Fifth Ward Branch Library, a Houston Police Storefront, and conference rooms that can be used for community meetings and gatherings. The center also houses a public computer facility and hosts fitness, dance, and health programs.

Finnegan Park Community

Last Organic Outpost - Urban Farm



Fifth Ward Multi-service Center

3.6.9. EXISTING AMENITIES

Greater
Fifth Ward

GREATER FIFTH WARD

SCHOOLS	GROCERIES/ SHOPPING	HEALTHCARE	POLICE + FIRE STATIONS	TRANSIT	PARKS + OUTDOOR RECREATION
Smith Education Center	Fiesta Mart	Lyons Avenue Health Center - City of Houston	HPD - Fifth Ward Store Front Beat 7C10 /7C20 4014 Market St	I-10 Freeway	Finnigan Park
Northwest Preparatory School	Coghlan Grocery	Hope Family Clinic	Houston Fire Dept. Station No. 19	US-59 Freeway	Swiney Park
Dogan E.S.	P&P Foodmart	Denver Harbor Clinic		11 Nance / Almeda	Boyce-Dorian Park
Atherton E.S.	Lyons Supermarket	Lyndon B. Johnson Hospital		80 Lyons / Dowling	Brewster Park
Phoenix Outreach Youth Center	American Food Store	Lockwood Medical Clinic		30 Cullen / Clinton	
Wheatley H.S. (HISD Zoned)	Market Street			29 TSU-UH / Hirsch	
Fleming M.S. (HISD Zoned)	L C Food Store			3 Langley / W. Gray	
McReynolds M.S. (HISD Zoned)	L&L Market			6 Jensen / Tanglewood	
Henderson N E.S.				77 Liberty / M.L.K.	
Bruce E.S. (HISD Zoned)				5 Southmore / Kashmere	
Northwest Preparatory School				37 El Sol Crosstown	
H.P. Carter Career Center					

ZONED SCHOOLS

Dogan E.S. (PK-05)
H.I.S.D- Houston Independent School District
Demographics:
66.1% Hispanic
32.8% African-American
0.96% White
0.00% Asian
0.16% Native American
Total Students: 625
Economically Disadvantaged: 98.4%
Limited English Proficiency: 40.5%
2011 TEST (TAKS SCORES): **75%**

Fleming M.S. (06-08)
H.I.S.D- Houston Independent School District
Demographics:
32.3% Hispanic
66.8% African-American
0.47% White
0.00% Asian
0.31% Native American
Total Students: 644
Economically Disadvantaged: 92.7%
Limited English Proficiency: 7.92%
2011 TEST (TAKS SCORES): **70%**

Wheatley H.S. (09-12)
H.I.S.D- Houston Independent School District
Demographics:
41.3% Hispanic
57.6% African-American
0.40% White
0.20% Asian
0.50% Native American
Total Students: 1002
Economically Disadvantaged: 82.7%
Limited English Proficiency: 12.9%
2011 TEST (TAKS SCORES): **41%**

ZONED SCHOOLS

Henderson N E.S. (PK-05)
H.I.S.D- Houston Independent School District
Demographics:
24.1% Hispanic
74.6% African-American
0.76% White
0.00% Asian
0.25% Native American
Total Students: 394
Economically Disadvantaged: 100%
Limited English Proficiency: 13.9%
2011 TEST (TAKS SCORES): **89%**

McReynolds M.S. (06-08)
H.I.S.D- Houston Independent School District
Demographics:
89.0% Hispanic
10.4% African-American
0.56% White
0.00% Asian
0.00% Native American
Total Students: 711
Economically Disadvantaged: 96.5%
Limited English Proficiency: 16.0%
2011 TEST (TAKS SCORES): **70%**

3.6.10. LEED ND APPLICATION

Greater
Fifth Ward

This area of the Fifth Ward scores well in terms of Reduced Automobile Dependence, Compact Development and Community Participation. There are areas that could be improved including the Housing and Jobs Proximity, improved Schools, Mixed-Income Residents, Racial Diversity, improved Street Network and Streetscapes.

Yes	?	No			
14	3	10	**Smart Location and Linkage**		**27** Points Possible
Y			Prereq 1	**Smart Location**	Required
Y			Prereq 2	**Imperiled Species and Ecological Communities**	Required
Y			Prereq 3	**Wetland and Water Body Conservation**	Required
Y			Prereq 4	**Agricultural Land Conservation**	Required
Y			Prereq 5	**Floodplain Avoidance**	Required
4	3	3	Credit 1	**Preferred Locations**	10
		2	Credit 2	**Brownfield Redevelopment**	2
7			Credit 3	**Locations with Reduced Automobile Dependence**	7
1			Credit 4	**Bicycle Network and Storage**	1
		3	Credit 5	**Housing and Jobs Proximity**	3
1			Credit 6	**Steep Slope Protection**	1
1			Credit 7	**Site Design for Habitat or Wetland and Water Body Conservation**	1
		1	Credit 8	**Restoration of Habitat or Wetlands and Water Bodies**	1
		1	Credit 9	**Long-Term Conservation Management of Habitat or Wetlands and Water Bodies**	1

Yes	?	No			
12	7	25	**Neighborhood Pattern and Design**		**44** Points Possible
Y			Prereq 1	**Walkable Streets**	Required
Y			Prereq 2	**Compact Development**	Required
Y			Prereq 3	**Connected and Open Community**	Required
1	1	10	Credit 1	**Walkable Streets**	12
3		3	Credit 2	**Compact Development**	6
1		3	Credit 3	**Mixed-Use Neighborhood Centers**	4
		7	Credit 4	**Mixed-Income Diverse Communities**	7
	1		Credit 5	**Reduced Parking Footprint**	1
		2	Credit 6	**Street Network**	2
	1		Credit 7	**Transit Facilities**	1
1	1		Credit 8	**Transportation Demand Management**	2
1			Credit 9	**Access to Civic and Public Spaces**	1
1			Credit 10	**Access to Recreation Facilities**	1
	1		Credit 11	**Visitability and Universal Design**	1
2			Credit 12	**Community Outreach and Involvement**	2
1			Credit 13	**Local Food Production**	1
	2		Credit 14	**Tree-Lined and Shaded Streets**	2
1			Credit 15	**Neighborhood Schools**	1

Yes	?	No			
3	14	12	**Green Infrastructure and Buildings**		**29** Points Possible
Y			Prereq 1	**Certified Green Building**	Required
Y			Prereq 2	**Minimum Building Energy Efficiency**	Required
Y			Prereq 3	**Minimum Building Water Efficiency**	Required
Y			Prereq 4	**Construction Activity Pollution Prevention**	Required
	3	2	Credit 1	**Certified Green Buildings**	5
	2		Credit 2	**Building Energy Efficiency**	2
1			Credit 3	**Building Water Efficiency**	1
1			Credit 4	**Water-Efficient Landscaping**	1
		1	Credit 5	**Existing Building Use**	1
		1	Credit 6	**Historic Resource Preservation and Adaptive Reuse**	1
	1		Credit 7	**Minimized Site Disturbance in Design and Construction**	1
	3	1	Credit 8	**Stormwater Management**	4
		1	Credit 9	**Heat Island Reduction**	1
1			Credit 10	**Solar Orientation**	1
		3	Credit 11	**On-Site Renewable Energy Sources**	3
	2		Credit 12	**District Heating and Cooling**	2
	1		Credit 13	**Infrastructure Energy Efficiency**	1
	1	1	Credit 14	**Wastewater Management**	2
		1	Credit 15	**Recycled Content in Infrastructure**	1
		1	Credit 16	**Solid Waste Management Infrastructure**	1
	1		Credit 17	**Light Pollution Reduction**	1

Yes	?	No			
1	3	2	**Innovation and Design Process**		6 Points
	1		Credit 1.1	**Innovation and Exemplary Performance**: Provide Specific Title	1
	1		Credit 1.2	**Innovation and Exemplary Performance**: Provide Specific Title	1
	1		Credit 1.3	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.4	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.5	**Innovation and Exemplary Performance**: Provide Specific Title	1
1			Credit 2	**LEED® Accredited Professional**	1

Yes	?	No			
1	2	1	**Regional Priority Credit**		4 Points
	1		Credit 1.1	**GIBc8 Rainwater Management**	1
		1	Credit 1.2	**Mixed-income Diverse Communities**	1
	1		Credit 1.3	**GIBc12 District Heating and Cooling**	1
1			Credit 1.4	**NPDc13 Local Food Production**	1

Yes	?	No		
31	29	50	**Project Totals** (Certification estimates)	110 Points

Certified: 40-49 points, **Silver:** 50-59 points, **Gold:** 60-79 points, **Platinum:** 80+ points

Base Score: 31 Potential Score: 60

3.6.11. RECOMMENDATIONS

Greater
Fifth Ward

PROPOSED PUBLIC REALM IMPROVEMENTS

EXISTING STREET RENOVATIONS

Major thoroughfares should be rebuilt and enhanced to include continuous sidewalks, curbs, and street trees adding right of way where needed. Street improvements along proposed commercial corridors should maximize the width of sidewalks to encourage pedestrian use and sidewalk cafes. On many of these streets the existing right of way will have ample room for expanded sidewalks, a street tree program, and bike lanes if properly reconfigured.

Wide pedestrian right of way to facilitate social gathering

NEW STREET CONSTRUCTION

The configuration of new streets will reconnect the grid and establish pedestrian scale blocks that will support increased foot traffic as a result of higher density neighborhoods. The new streets should include curbs, sidewalks and street trees where the right of way allows. Greater implementation of residential sidewalks will also facilitate more walkable neighborhoods and a healthier community within the study area and beyond.

Watercolor of recent Bagby Street redesign in Midtown

LANDSCAPE IMPROVEMENTS

New streetscapes and park areas are critical in helping to encourage investment and attract new residents. Existing open space including Buffalo Bayou and the Heights Bike Trail may be linked to future development by these greener streets and linear parks. Create stronger open space connections with a hierarchy of landscape interventions, including but not limited to street trees, community gardens, linear parks, esplanades and pedestrians pathways, all of which will contribute to establishing an easily accessible open space network. Providing a framework for this pedestrian network and open space will provide needed recreational facilities and reinforce the neighborhood identity through social interaction.

3.6.11. RECOMMENDATIONS

Greater
Fifth Ward

PROPOSED LAND USES

MIXED-USE COMMERCIAL CORRIDORS

Redevelop major thoroughfares, including Clinton Drive, extended Gregg Street, and Navigation Drive, as commercial corridors. Provide a variety of amenities and services with larger retailers and grocers at major development nodes to anchor the neighborhood and support the adjacent residential blocks.

INFILL RESIDENTIAL

Residential infill should be located adjacent to mixed-use development to provide ample choice in the housing market. The vertical scale of development should decrease as parcels approach the bayou to maximize views toward natural open space.

PUBLIC OPEN SPACE

As one of the most unique assets of this area, the access to and improvements of Buffalo Bayou should be a priority. Linear parks that connect the nieghborhoods to the bayou will increase property values and amenities. Public open spaces within the study area should be partially supported by tax revenue from adjacent commercial businesses.

EDUCATIONAL

FIRE STATION

Mixed-use development along commercial corridor

Lower density mixed-use corridor

Medium density housing with frontange on the linear parks

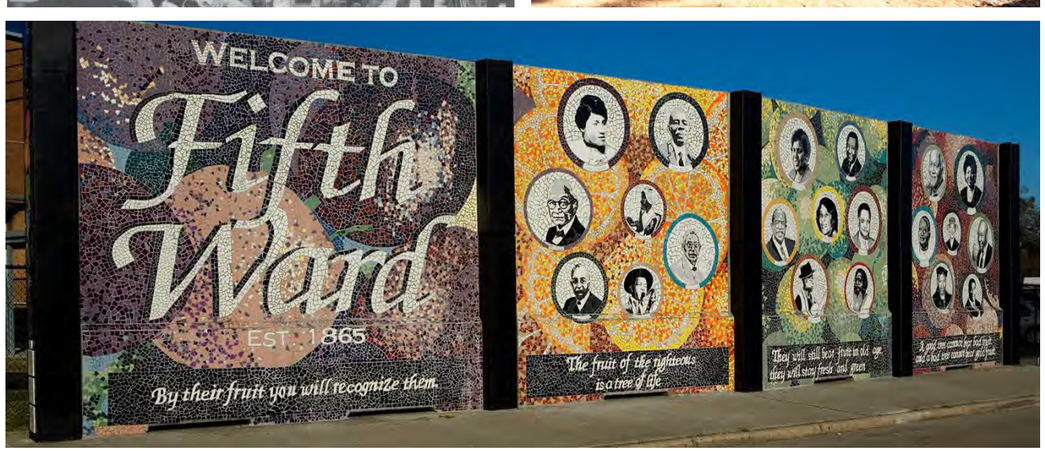
3.6.11. RECOMMENDATIONS

Greater
Fifth Ward

COMMUNITY IDENTITY

The Greater Fifth Ward has had a very stong cultural identity since it's inception. After the Civil War, newly freed slaves (freemen) settled in what was then a relatively unpopulated area and it became the Fifth Ward of Houston in 1866. Robb Walsh of the Houston Press described the Fifth Ward in the 1930's as "one of the proudest black neighborhoods" in the United States with more than 40 black-owned businesses along Lyons Avenue. An artical in 2000 in the Houston Press chaaracterized the Fifth Ward with a "small-scale, deep-rooted personal history, the way that, in the middle of the city, lives are intertwined in a small-town way." Many families from the area had lived in the Fifth Ward for several generations.

Mount Vernon United Methodist Church, founded in 1865, is the community's oldest church, and the Fifth Ward has 5-6 churches that are over 100 years old. These historic church facilities "have been community strongholds." In the past 40 years, many of the the middle-class residents have moved to the suburbs and have in part been replaced by a Hispanic population. The DeLuxe theatre on Lyons avenue was built in 1941. The single screen theatre was closed as a movie theatre in 1969, but remained open as an art gallery through the 1970s. Part of the Redevelopment Plan should be to maintain an awareness of th heritage within the Fifth Ward Community.



PROPOSED POLICY RECOMMENDATIONS

1. Clean up illegal dump sites and limit future illegal dumping through greater frequency of patrols
2. Enforce code violations and encourage property owners to properly maintain their homes
3. Rebuild the streets with proper sidewalks and stormwater managment best practices
4. Incentivize more mixed-income housing and commercial development in the area
5. Incentivize commercial development including grocery stores and pharmacies as well as restarurants and retail offerings
6. Encourage access to nearby jobs to stabilze the income mix to help improve property maintenance
7. Collect unpaid property taxes or acquire delinquent property to re-sell to responsible owners / developers
8. Establish more community-based activites and social service programs to meet the residents needs
9. Increase the density at key nodes and corridors to provide housing and shopping choice (see diagram on previous page)
10. Re-brand the district through a creative process and targeted communications and outreach
11. Work with the CRC to align efforts and provide a multi-strategy approach to neighborhood revitalization
12. Work with HISD to improve the quality of the education and amenities of the local public schools

TASK3D

Redevelopment Plan

3.7 Old Spanish Trail / South Union

- 3.7.1 Introduction
- 3.7.2 Existing Land Use
- 3.7.3 Existing Transportation + Transit
- 3.7.4 Existing Ownership
- 3.7.5 Existing Parks + Open Spaces
- 3.7.6 Condition of Structures
- 3.7.7 Damage Assessment
- 3.7.8 City CIP + Private Investments
- 3.7.9 Existing Neighborhood Amenities
- 3.7.10 LEED ND Criteria Application
- 3.7.11 Recommendations
  - (a) Proposed Public Realm Improvements
  - (b) Proposed Land Uses
  - (c) Community Identity
  - (d) Proposed Policy Recommendations

3.7.1 INTRODUCTION

OST/South Union

The OST/South Union area was established in the 1950's as a middle class, predominantly Caucasian community and by the 1970's had transformed into an African America community. The Palm Center has been a notable landmark in the area since the 1950's and the 82+ acre MacGregor Park is widely used by the community.

The area is in close proximity to the Texas Medical Center, Hermann Park, The Houston Zoo and the Museum District to the west. Features to the north of the study area include Texas Southern University and the University of Houston.

Although the area has seen property decline through the decades, a number of improvements are taking place in the area. The illustrations in the following pages will review some of the existing conditions within this area, the improvements currently taking place and will also provide recommendations for continued improvement and development.

Houston Texans YMCA

The Park at Palm Center

Palm Center: 1965
(Larry Evans:Chonicle File)

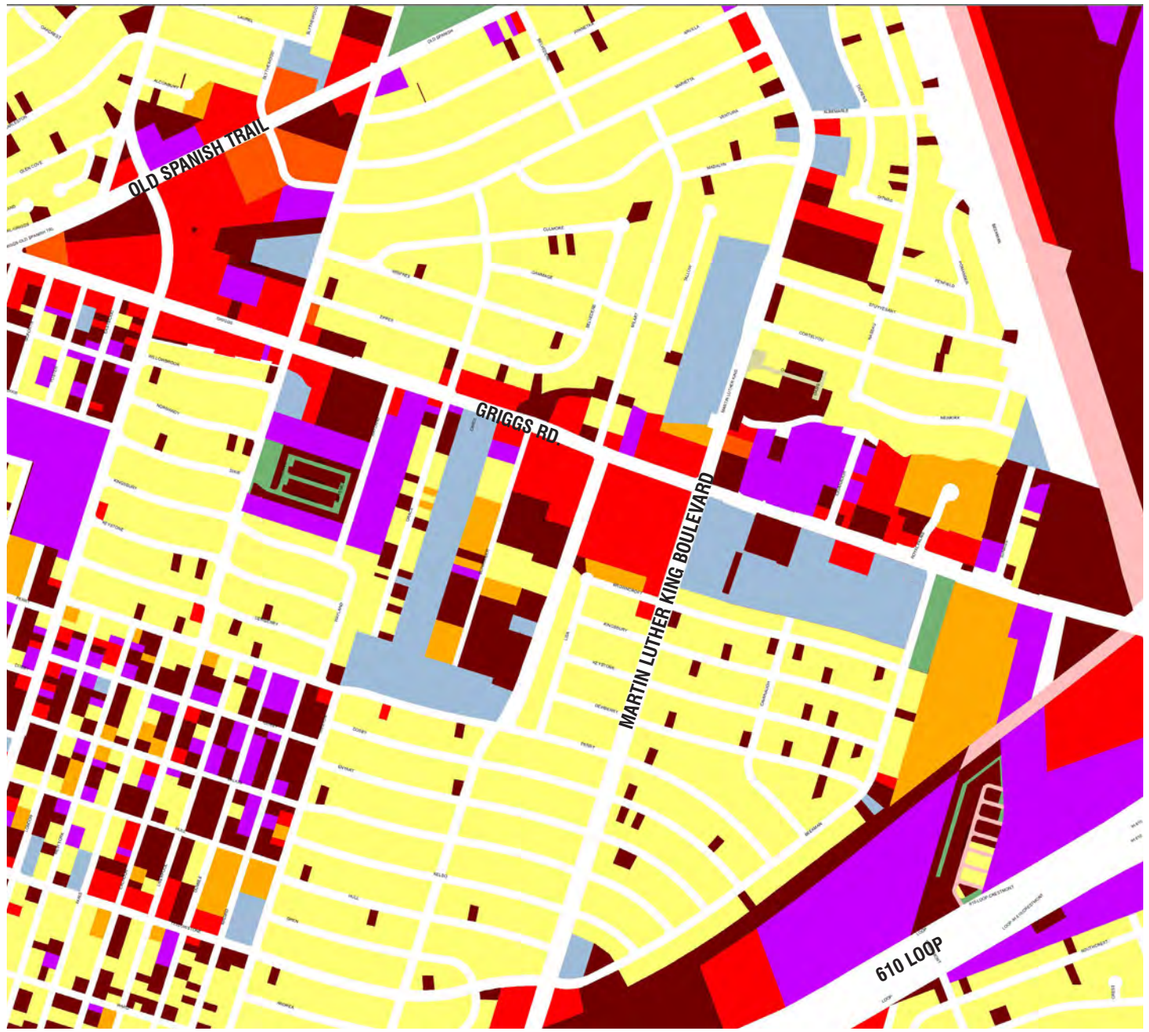
Palm Center today

Source: CITY OF HOUSTON, 2012

Aerial View of the OST/South Union study area at the intersection of Martin Luther King Blvd. and Griggs Road.

3.7.2. EXISTING LAND USE

Source: CITY OF HOUSTON, 2012



Land use in this area of OST/ South Union is primarily single family residential. Some commercial and industrial parcels front Griggs Rd. Commercial uses along Griggs could be further activated by the completion of the Southeast Light Rail line which will run south on Martin Luther King Blvd. and terminate on Griggs Road across from the Palm Center.

A number of small and undeveloped parcels, which appear to be empty residential lots, are scattered throughout the area. Public and institutional development also exists in the area with three schools fronting Martin Luther King Blvd. as well as the Houston Texans YMCA and the Palm Center which hosts a number of civic services such as a post office, Harris County Constable Precinct 7 and Harris County Hospital Dental Center.

Scattered industrial uses also exist along Griggs Rd. and south of Griggs Rd. near Cullen Blvd. and Calhoun St., increasing in concentration closer to the 610 South Loop.

Vacant Parcel

Existing Residential

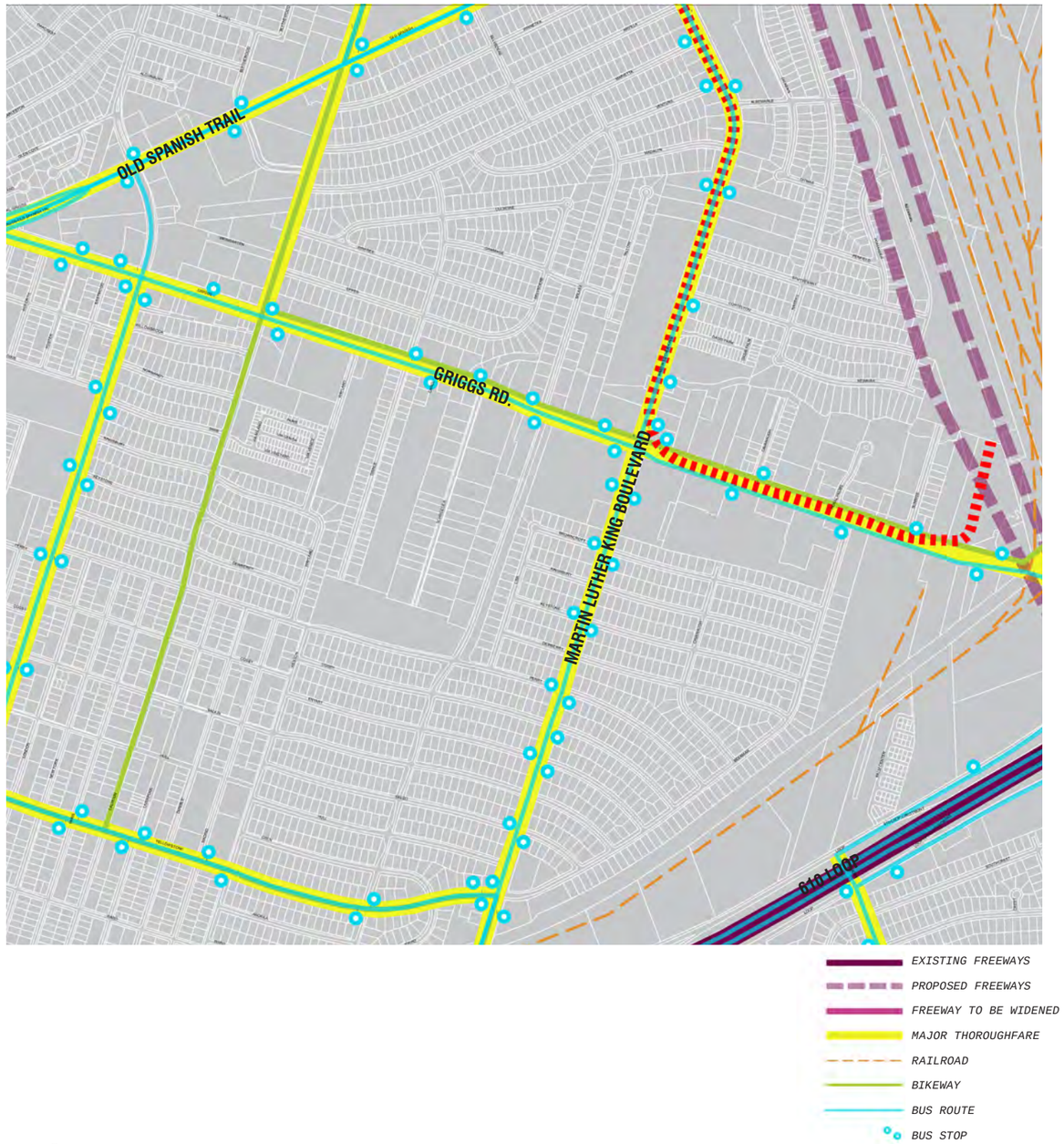
Existing commercial use along Griggs Road

Existing Residential

Existing commercial use along Griggs Road

3.7.3. EXISTING TRANSPORTATION / TRANSIT

Source: CITY OF HOUSTON, 2012



Several bus lines, which assist residents in getting to and from work, school, and other areas of town, run along the major thoroughfares in the OST/South Union area. The Southeast light rail line will run along Martin Luther King Boulevard adding additional transportation to the existing bus lines.

The Southeast Transit Center, located south of Old Spanish Trail on Scottcrest - one block east of Scott Street - provides access to 9 bus routes:

- 5 Kashmere Gardens / Southmore
- 26 Outer Loop Crosstown
- 27 Inner Loop Crosstown
- 29 TSU / UH Hirsch Crosstown
- 30 Clinton / Cullen
- 52 Hirsch / Scott
- 60 South MacGregor
- 87 Sunnyside / TMC
- 426 Swiftline

Buses run along all major thoroughfares in this area providing a connection to the Southeast Transit Center and other parts of the city.

The OST/South Union area is bordered by HWY 288 to the west, 610 Loop to the south and I-45 to the east, providing freeway access to downtown and other city areas.

Major streets within the study area include:

- Old Spanish Trail, which runs east-west along the study area and continues beyond in both directions,
- Martin Luther King Boulevard heads south from University of Houston-Main Campus to 610 South and will include the METRO Southeast rail line,
- Griggs Road,
- Scott Street,
- Cullen Boulevard, and
- Yellowstone Blvd./Beekham Road

In addition to motorized transit, there is potential for greater pedestrian and bicycle transit in this area. Multi-use asphalt trails exist along Brays Bayou to the north of the study area from Martin Luther King Blvd. to Braeburn Glen Blvd., traversing several neighborhoods, the Texas Medical Center and Hermann Park. The Columbia Tap Rail Trail connects to the Brays Bayou Trail at Velasco Street west of Scott Street, connecting residents in this area to Texas Southern University, the Third Ward, BBVA Compass (Dynamo) Stadium, George R. Brown Convention Center, Discovery Green and other downtown area destinations.

Southeast Transit Station

Trail along Brays Bayou

3.7.4. EXISTING OWNERSHIP

Source: CITY OF HOUSTON, 2012

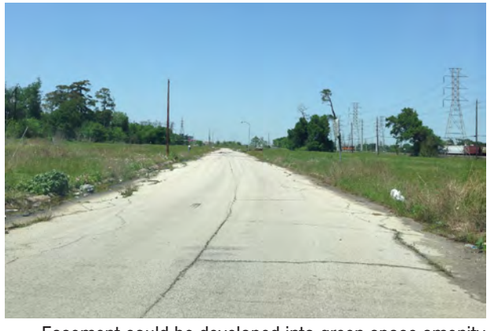
PUBLIC LAND

The majority of the land in the area is privately owned. Potential exists to purchase some of the private parcels for improved public amenities. Partnerships with entities owning easements could create additional open space recreation for the area, as well as other civic amenities such as health clinics, recreation centers, community centers and entertainment venues.

Vacant parcel

Vacant Parcel for Sale

Drainage ditch could be developed into green space amenity

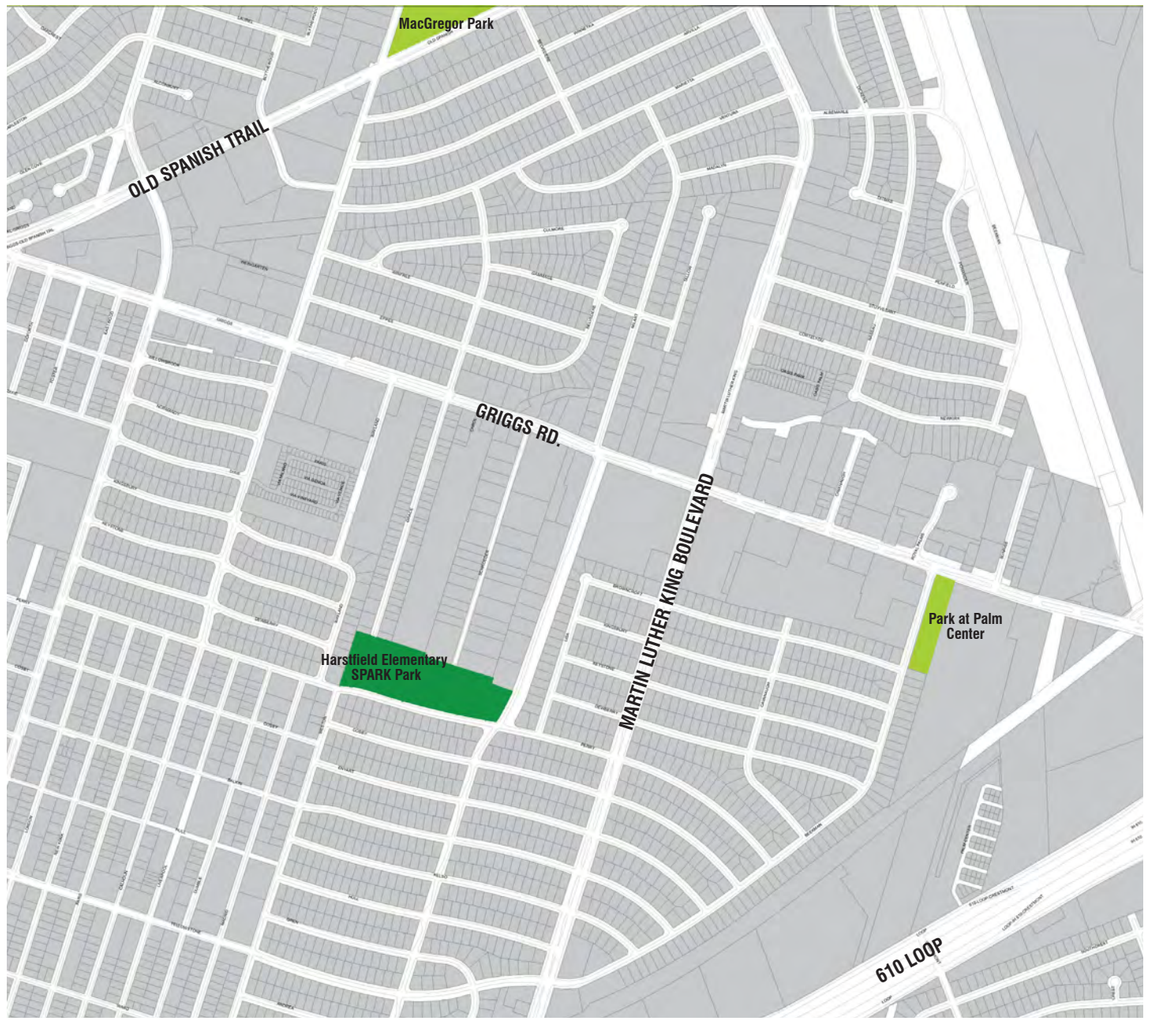


Easement could be developed into green space amenity

Vacant Parcel

3.7.5. PARKS + OPEN SPACES

Source: CITY OF HOUSTON, 2012



INSTITUTIONAL OPEN SPACE

PARKS + OPEN SPACE

The most significant park/open space amenity in the OST/South Union area is MacGregor Park and the MacGregor Parkway/Trail along Brays Bayou just north of the area in the map to the left. Beyond these amenities, the area is underserved in terms of open space.

As mentioned earlier in this section, multi-use asphalt trails exist along Brays Bayou to the north of the study area from Martin Luther King Blvd. to Braeburn Glen Blvd. Currently the existing trail crosses several major thoroughfares along the way. As part of the Bayou Greenways initiative, there are plans for additional greenway connections by creating trail under crossings along the trail at these major thoroughfare intersections. Furthermore, trails are being proposed along the north and south sides of MacGregor Park.

The Columbia Tap Rail Trail connects to the Brays Bayou Trail at Velasco Street west of Scott Street, connecting residents in this area to Texas Southern University, the Third Ward, BBVA Compass (Dynamo) Stadium, George R. Brown Convention Center, Discovery Green and other downtown area destinations and other bike trails (Buffalo Bayou Promenade, Heights Bike Trail) that connect into downtown.

A number of pocket parks and institutional parks also exist in the study area. Recently, the Park at Palm Center on Griggs Road and Beekman Road was completed. A grant from the National Endowment for the Arts will help enhance the park with public art and other amenities. The University of Houston architecture and graphic communications students designed a solar-powered outdoor kitchen for the park, and a community garden is also planned for the park.

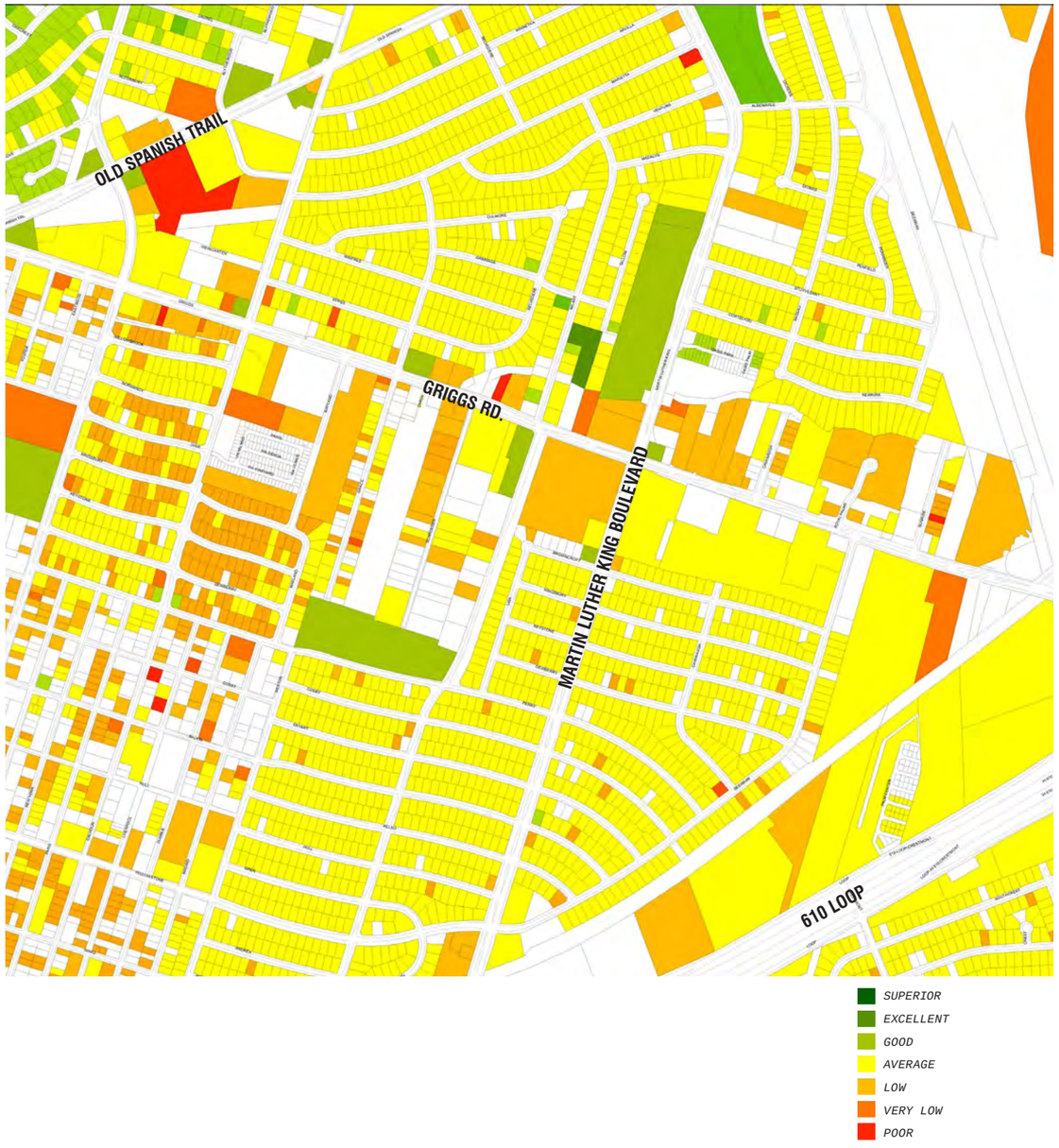
The Park at Palm Center

MacGregor Park

Trail along MacGregor Park

3.7.6. CONDITION OF STRUCTURES

Source: HCAD, 2011



The majority of single family residential structures in this part of the study area are average. Upper scale, well-maintained single family homes exist in the northern sector of the OST/South Union area. Poorly maintained houses exist in the southwest sector of the OST/South Union area.

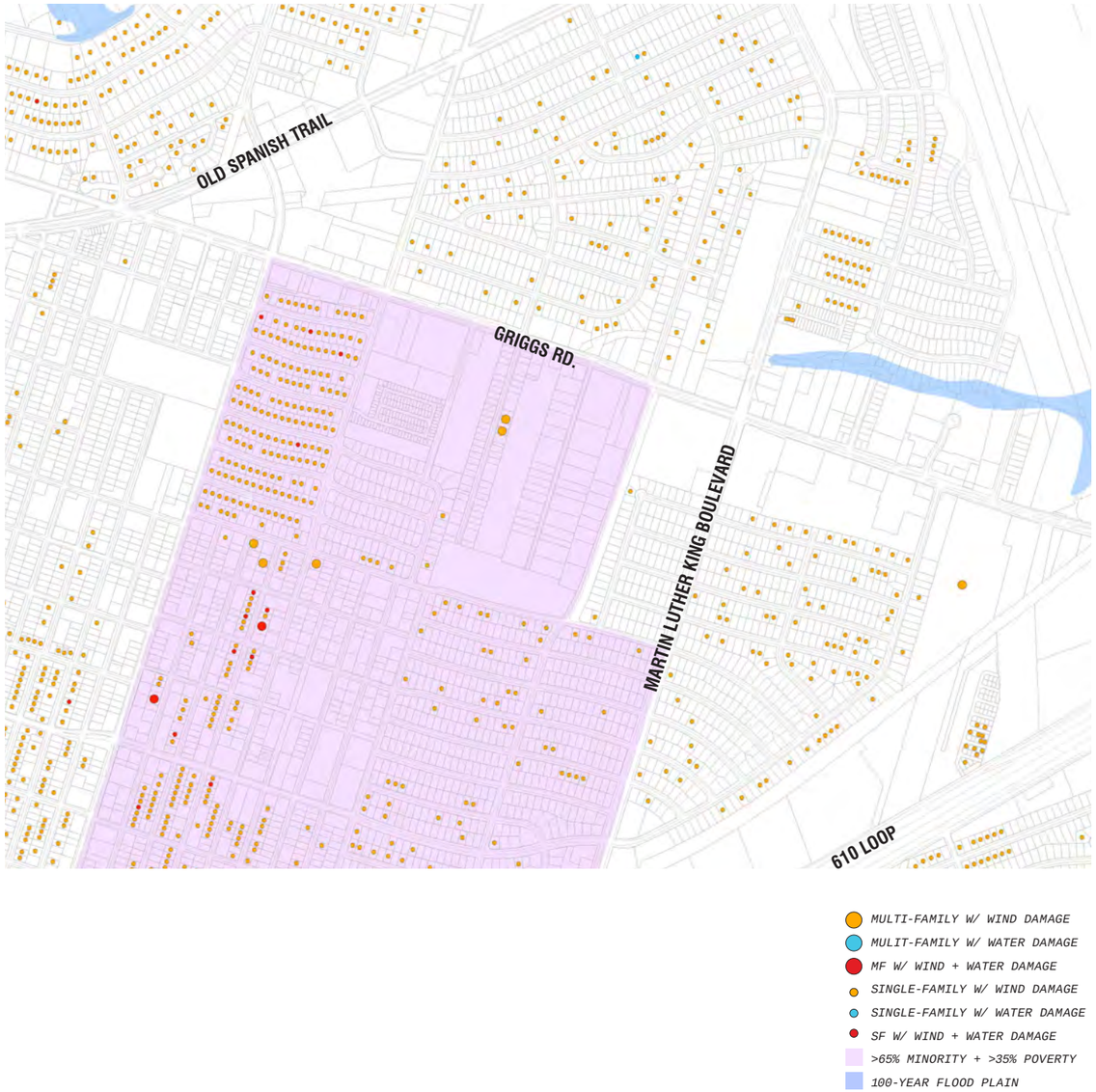
There is some evidence of new single family homes being built in the area such as The Oasis InTown gated community along Martin Luther King Blvd. near Griggs Road. Other single family homes are being built or have recently been built in the northwest area of the OST/South Union area north of Old Spanish Trail.

Commercial structures along Griggs Blvd. are older and in poor condition. The Palm Center has seen some renovation and currently is used as civic mall space housing the Houston Area Urban League, the US Post Office, Harris County Constable Precinct 7, and the Harris County Hospital Dental Center, among others.

Existing Housing Stock in OST/South Union

3.7.7. DAMAGE ASSESSMENT

Source: LJA Engineering, 2009



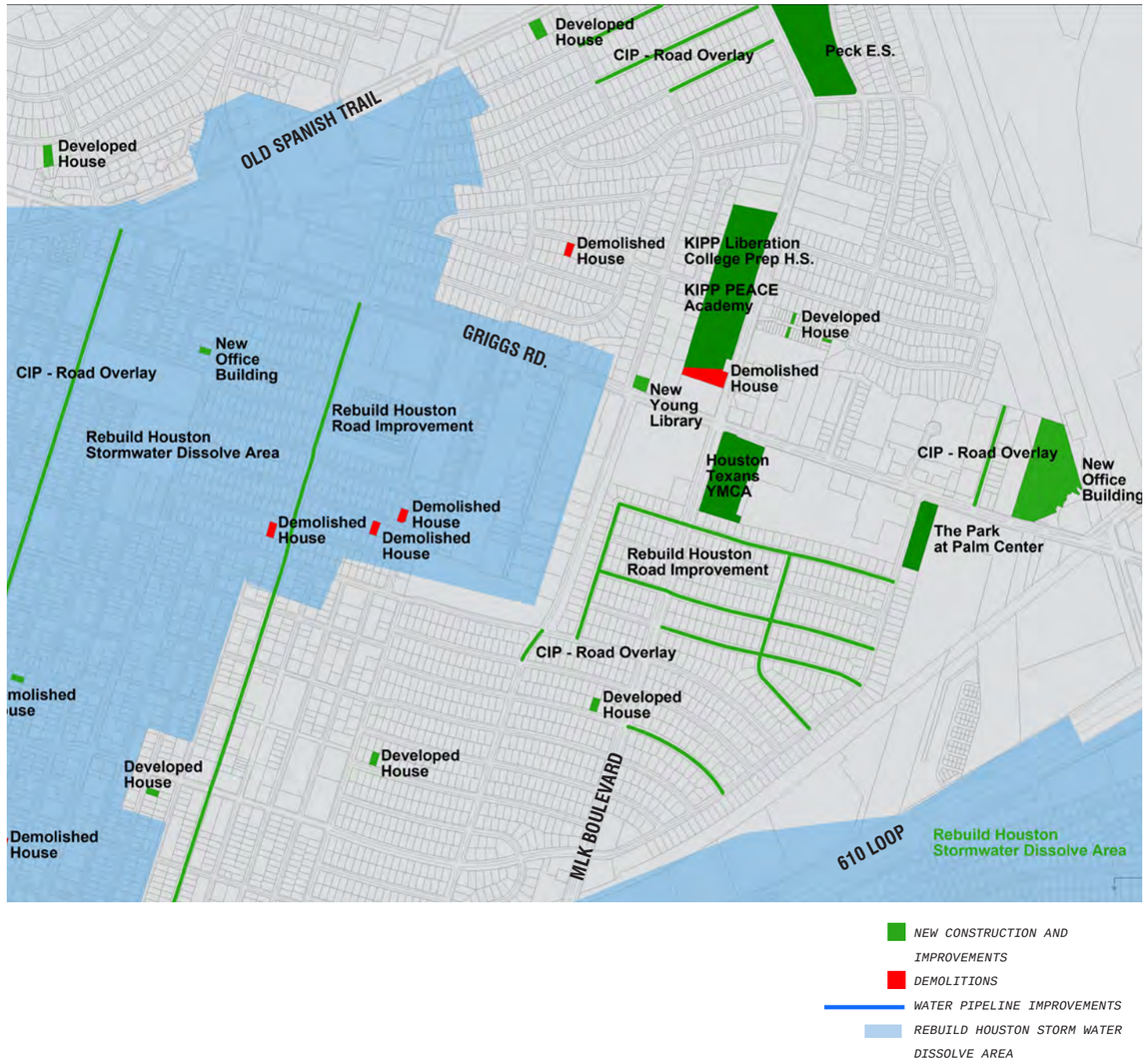
The map illustrates the damages sustained from Hurricane Ike to single-family and multi-family structures in the OST/South Union Area. Most of the damage sustained was caused by wind to single family units.

In addition, the map illustrates the areas of greater than 65% minority concentration, greater than 35% poverty concentration and the 100 year floodplain.

Brays Bayou after Hurricane Ike

3.7.8. CIP + INVESTMENTS

Source: CITY OF HOUSTON, 2012



The OST /South Union area is currently undergoing a number of redevelopment/improvement projects:

- extension of the METRO Southeast Line along Martin Luther King Blvd
- new street paving and curbs along Griggs Road
- the new Park at Palm Center
- construction of Peck Elementary School and KIPP Liberation College Prep and KIPP Peace Academy along Martin Luther King Blvd
- gated community - The Oasis in Town – market rate single family detached homes along Martin Luther King Blvd (north of Griggs Rd)
- the new Young Public Library
- Rebuild Houston Road Improvements
- construction of the Houston Texans YMCA on the corner of Martin Luther King Blvd. and Griggs Rd.

Peck Elementary School

KIPP Peace Elementary School

New curbs and paving along Griggs Road

The Oasis InTown

3.7.9. EXISTING AMENITIES

Source: HGAC, 2012

The OST /South Union area has some good existing amenities. In addition, the continued redevelopment should be leveraged to create improved amenities for the area.

Along Martin Luther King Blvd. the extension of the METRO Southeast Rail Line, the construction of the new Peck Elementary School and the recent addition of the KIPP Liberation College Prep High School and KIPP Peace Elementary School along with the new Young Houston Public Library and the Oasis InTown single family detached market rate housing have started some transformative synergy along this corridor.

Improvements continue along Griggs Rd. as the rail line extends on this corridor to the east of Martin Luther King Blvd. New street paving, curbs and sidewalks along Griggs Road and the completion of the Houston Texans YMCA and the Park at Palm Center are helping to improve the area.

The Park at Palm Center

Houston Texans YMCA

3.7.9. EXISTING AMENITIES

OST / SOUTH UNION

SCHOOLS	GROCERIES/ SHOPPING	HEALTHCARE	POLICE + FIRE STATIONS	TRANSIT	TRANSIT ACCESS	PARKS + OUTDOOR RECREATION
Hartsfield E.S. (HISD Zoned School)	Fiesta Mart (Mykawa @ Griggs Rd.)	Total Woman Health-care Center	Harris County Constable Precinct 7	77 Liberty / MLK Limited Bus	610 South Loop	Houston Texans YMCA
Cullen Middle School (HISD Zoned School)	Jim's Super (Yellowstone Blvd. @ Calhoun Rd.)	MLK Jr. Health Center	Police Command Station on Griggs Rd.	5 Southmore / Kashmere Bus	HWY 288	MacGregor Park (HPARD)
Yates High School (HISD Zoned School)	HEB (Scott St. @ OST)	Harris Health System Dental Center	HFD Fire Station No. 25	87 Sunnyside / TMC Bus	I-45	MacGregor Parkway Trail + Columbia Tap Trail
KIPP PEACE E.S. (Charter School)	Kroger (OST @ Cambridge St.)	Harris Health System Smith Clinic	HFD Fire Station No. 7	26 Outer Loop Crosstown Bus	Spur 5	Fonde Park (HPARD)
KIPP Liberation College Prep H.S. (Charter School)		Quentin Mease Community Hospital (Baylor College of Medicine Affiliate)		27 Inner Loop Crosstown Bus	Old Spanish Trail	Yellowstone Park
Kandy Stripe Academy HISD Charter E.S.		Texas Medical Center		30 Cullen / Clinton Bus	Scott Street	Zollie Scales Park (HPARD)
Peck Elementary (HISD Zoned School)					Martin Luther King Blvd.	Parkwood Park (HPARD)
Jones High School (Science/Technology/ Engineering/Math HISD Zoned/Magnet Program)						Park at Palm Center (HPARD)
DeBakey High School for Health Professions (HISD Magnet School)						Hermann Park (HPARD)

ZONED SCHOOLS

Hartsfield E.S. (PK-05)
H.I.S.D- Houston Independent School District
Demographics:
28.6% Hispanic
70.3% African-American
0% White
0% Asian
0% Native American
Total Students: 434
Economically Disadvantaged: 98.2%
Limited English Proficiency: 19.1%
2011/2012 TEST (TAKS SCORES): **91%**

Cullen M.S. (06-08)
H.I.S.D- Houston Independent School District
Demographics:
17% Hispanic
81% African-American
1% White
0% Asian
0% Native American
Total Students:510
Economically Disadvantaged: 92%
Limited English Proficiency: 8%
2011/2012TEST (TAKS SCORES): **80%**

Yates High School (09-12)
H.I.S.D- Charter School Demographics:
8% Hispanic
91% African-American
0% White
1% Asian
0% Native American
Total Students: 962
Economically Disadvantaged: 76%
Limited English Proficiency: 3%
Special Education 20%
2011/2012 TEST (TAKS Reading/Math Scores): **78%/54%**

Jones High School (09-12) - H.I.S.D.
Magnet Program: Science/Technology/ Engineering/Mathematics
Demographics:
27% Hispanic
72% African-American
1% White
0% Asian
0% Native American
Total Students: 537
Economically Disadvantaged: 76%
Limited English Proficiency: 8%
Special Education: 23%
2011/2012 TEST (TAKS Reading/Math Scores): **75%/60%**

DeBakey High School for Health Professions (09-12)
H.I.S.D- Magnet School
Demographics:
28% Hispanic
23% African-American
9% White
39% Asian
0% Native American
Total Students: 871
Economically Disadvantaged: 42%
Limited English Proficiency: 0%
2011/2012 TEST (TAKS SCORES): **100%**
Ranked #1 High School by Children at Risk 2013
Ranked #5 in TX by U.S. News & World Report 2013

KIPP PEACE E.S. (KG-05)
KIPP Southeast Houston
Demographics:
24% Hispanic
75% African-American
0% White
0% Asian
1% Other
Total Students: 236
Economically Disadvantaged: 89%
Limited English Proficiency: 3%
2011/2012 TEST (TAKS SCORES): **NA%**

PECK E.S. (KG-05)
H.I.S.D- Houston Independent School District
Demographics:
52% Hispanic
45% African-American
1% White
1% Asian
1% Other
Total Students: 498
Economically Disadvantaged: 96%
Limited English Proficiency: 46%
2011/2012 TEST (TAKS SCORES): **87%**

3.7.10. LEED ND CRITERIA APPLICATION

The OST /South Union area scores well based on the preferred location, reduced automobile dependence and walkable streets. Interestingly enough there are more points that can be scored in these same catergories and other areas that can be improved such as compact development patterns, housing to jobs proximity as well as racial and income diversity.

Yes	?	No			
12	2	13		**Smart Location and Linkage**	27 Points Possible
Y			Prereq 1	**Smart Location**	Required
Y			Prereq 2	**Imperiled Species and Ecological Communities**	Required
Y			Prereq 3	**Wetland and Water Body Conservation**	Required
Y			Prereq 4	**Agricultural Land Conservation**	Required
Y			Prereq 5	**Floodplain Avoidance**	Required
5		5	Credit 1	**Preferred Locations**	10
		2	Credit 2	**Brownfield Redevelopment**	2
5		2	Credit 3	**Locations with Reduced Automobile Dependence**	7
	1		Credit 4	**Bicycle Network and Storage**	1
	1	2	Credit 5	**Housing and Jobs Proximity**	3
1			Credit 6	**Steep Slope Protection**	1
1			Credit 7	**Site Design for Habitat or Wetland and Water Body Conservation**	1
		1	Credit 8	**Restoration of Habitat or Wetlands and Water Bodies**	1
		1	Credit 9	**Long-Term Conservation Management of Habitat or Wetlands and Water Bodies**	1

Yes	?	No			
15	7	22		**Neighborhood Pattern and Design**	44 Points Possible
Y			Prereq 1	**Walkable Streets**	Required
Y			Prereq 2	**Compact Development**	Required
Y			Prereq 3	**Connected and Open Community**	Required
4	1	7	Credit 1	**Walkable Streets**	12
		6	Credit 2	**Compact Development**	6
2		2	Credit 3	**Mixed-Use Neighborhood Centers**	4
	4	3	Credit 4	**Mixed-Income Diverse Communities**	7
	1		Credit 5	**Reduced Parking Footprint**	1
		2	Credit 6	**Street Network**	2
1			Credit 7	**Transit Facilities**	1
1	1		Credit 8	**Transportation Demand Management**	2
1			Credit 9	**Access to Civic and Public Spaces**	1
1			Credit 10	**Access to Recreation Facilities**	1
1			Credit 11	**Visitability and Universal Design**	1
2			Credit 12	**Community Outreach and Involvement**	2
		1	Credit 13	**Local Food Production**	1
2			Credit 14	**Tree-Lined and Shaded Streets**	2
		1	Credit 15	**Neighborhood Schools**	1

Yes	?	No			
10	12	7		**Green Infrastructure and Buildings**	29 Points Possible
Y			Prereq 1	**Certified Green Building**	Required
Y			Prereq 2	**Minimum Building Energy Efficiency**	Required
Y			Prereq 3	**Minimum Building Water Efficiency**	Required
Y			Prereq 4	**Construction Activity Pollution Prevention**	Required
	3	2	Credit 1	**Certified Green Buildings**	5
1	1		Credit 2	**Building Energy Efficiency**	2
1			Credit 3	**Building Water Efficiency**	1
1			Credit 4	**Water-Efficient Landscaping**	1
	1		Credit 5	**Existing Building Use**	1
		1	Credit 6	**Historic Resource Preservation and Adaptive Reuse**	1
1			Credit 7	**Minimized Site Disturbance in Design and Construction**	1
2	2		Credit 8	**Stormwater Management**	4
1			Credit 9	**Heat Island Reduction**	1
1			Credit 10	**Solar Orientation**	1
	1	2	Credit 11	**On-Site Renewable Energy Sources**	3
		2	Credit 12	**District Heating and Cooling**	2
	1		Credit 13	**Infrastructure Energy Efficiency**	1
	2		Credit 14	**Wastewater Management**	2
1			Credit 15	**Recycled Content in Infrastructure**	1
1			Credit 16	**Solid Waste Management Infrastructure**	1
	1		Credit 17	**Light Pollution Reduction**	1

Yes	?	No			
1	2	3		**Innovation and Design Process**	6 Points
	1		Credit 1.1	**Innovation and Exemplary Performance**: Provide Specific Title	1
	1		Credit 1.2	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.3	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.4	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.5	**Innovation and Exemplary Performance**: Provide Specific Title	1
1			Credit 2	**LEED® Accredited Professional**	1

Yes	?	No			
1	1	2		**Regional Priority Credit**	4 Points
1			Credit 1.1	**GIBc8 Rainwater Management**	1
	1		Credit 1.2	**NPDc4 Mixed-income Diverse Communities**	1
		1	Credit 1.3	**Regional Priority Credit:** Region Defined	1
		1	Credit 1.4	**Regional Priority Credit**: Region Defined	1

Yes	?	No		
39	24	47	**Project Totals** (Certification estimates)	110 Points

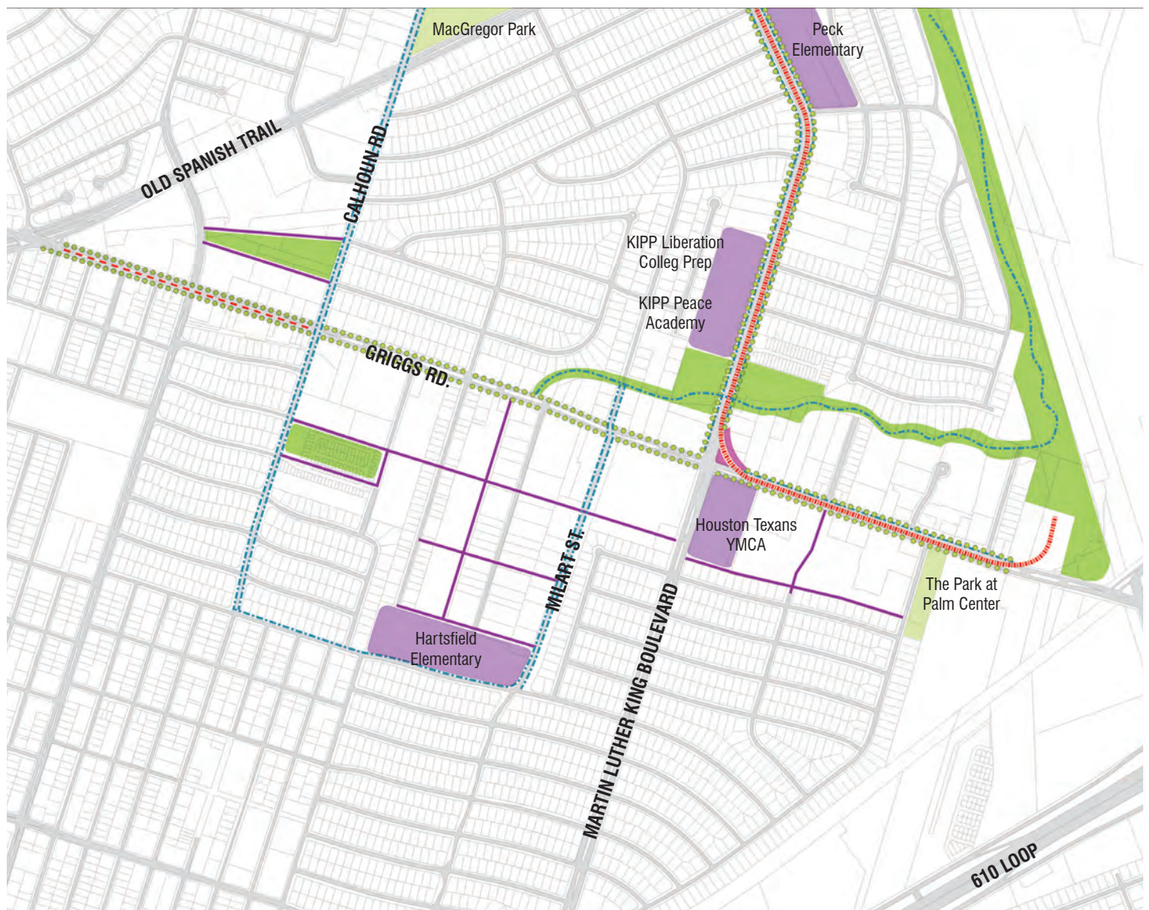
Certified: 40-49 points, **Silver:** 50-59 points, **Gold:** 60-79 points, **Platinum:** 80+ points

Base Score: 39 Potential Score: 63

3.7.11. RECOMMENDATIONS

PROPOSED PUBLIC REALM IMPROVEMENTS

With the Southeast light rail line implementation along Martin Luther King Blvd., construction of the Houston Texans YMCA and the Park at Palm Center on Griggs Rd., and four schools within close proximity, potential for increased walkability and connectivity between these points of interest exists in the OST/South Union area. The diagram below illustrates some of these proposed improvements.



EXISTING SCHOOLS/INSTITUTIONS
EXISTING PARK SPACE
PROPOSED PARK/OPEN SPACE

EXISTING STREET RENOVATIONS
Griggs Road is a four lane major thoroughfare with a center median. West of Calhoun Street, Griggs Rd. becomes a six lane road with no center median. To encourage pedestrian activity along Griggs Rd., a proposed improvement is to maintain the center median from Calhoun to Old Spanish Trail and narrowing the road to four lanes to increase the right of way for wider sidewalks and a bike lane. Mobility and connectivity for pedestrians and cyclists will enable the study area to support a wide mix of residential and commercial uses.

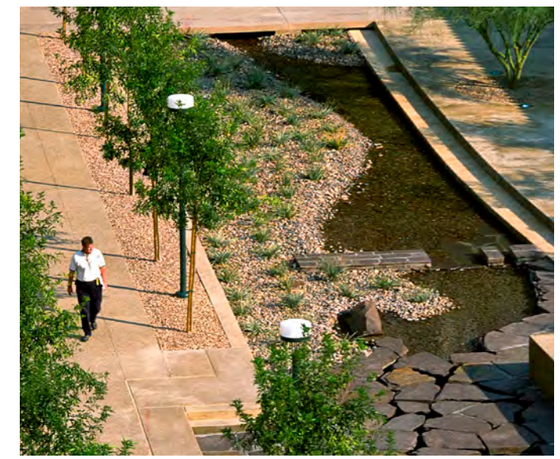
NEW STREET CONSTRUCTION
Street connections south of Griggs Road to complete the city grid will establish pedestrian scale blocks that will support increased pedestrian activity and connectivity to schools, the YMCA and open spaces.

LANDSCAPE IMPROVEMENTS
Greener streets within the study area will also improve pedestrian activity. Street trees along Griggs Rd. from the Park at Palm Center to Old Spanish Trail to the west will encourage foot and bicycle traffic.

PEDESTRIAN STREET IMPROVEMENTS
Sidewalks and bike lanes along Calhoun Rd. and Milart St. will help connect residents to retail along Griggs Road and provide access to the bus lines along Griggs Rd., the Southeast Light Rail line along Martin Luther King Blvd. and to park and open space amenities in the area.

NEIGHBORHOOD CHARACTER

Green street improvements

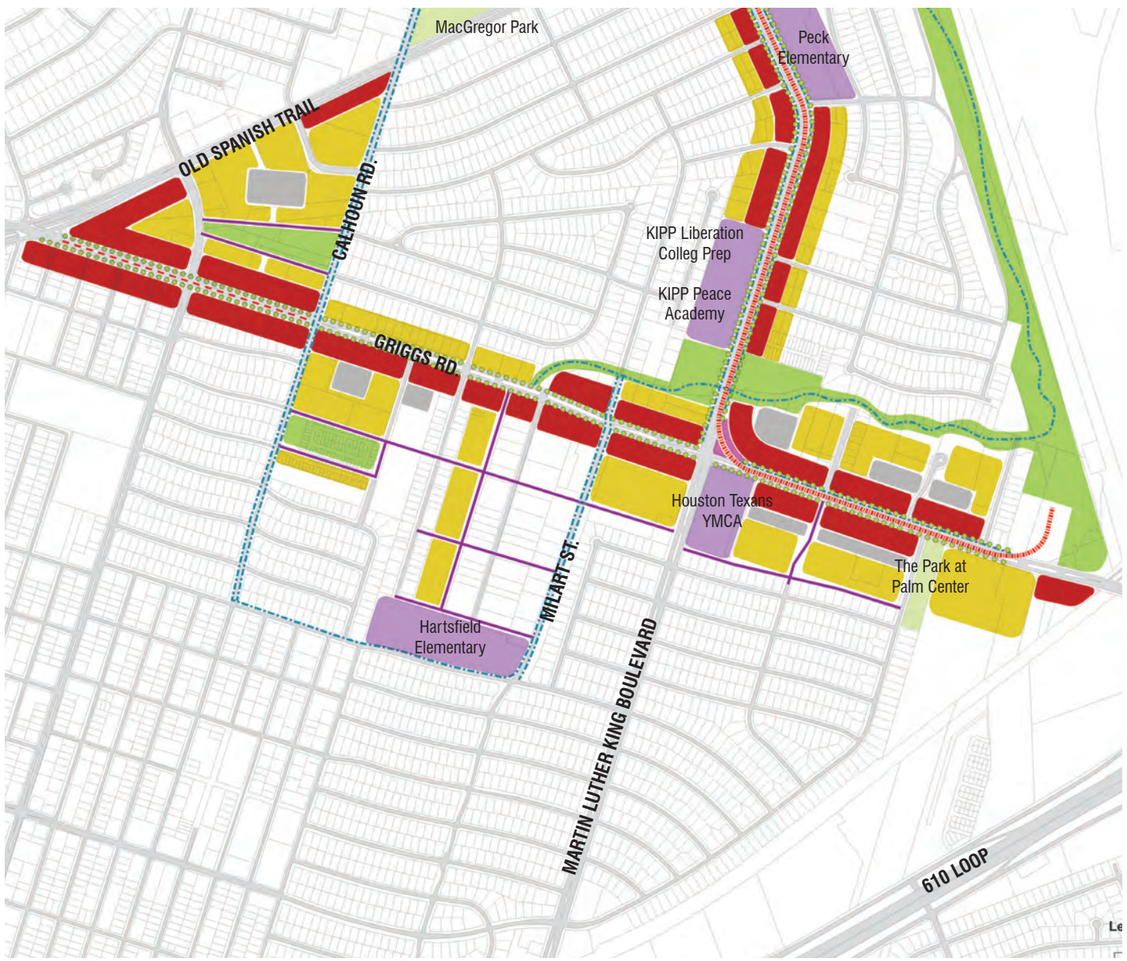


Potential drainage ditch development

Utility Easement Trails
Trail connections along the existing easement between Beekman Rd. and the railroad will provide additional open space and connections to amenities and the trails along Brays Bayou. Additional trail connections along the drainage ditch near Martin Luther King Blvd. can transform this into a neighborhood amenity.

3.7.11. RECOMMENDATIONS

PROPOSED LAND USES



EXISTING SCHOOLS/INSTITUTIONS
EXISTING PARK SPACE
PROPOSED PARK/OPEN SPACE

HIGH DENSITY MIXED-USE
Redevelop Griggs Rd. as a mixed-use/high density corridor with ground floor retail to assist in anchoring the neighborhood. Retailers, grocers, restaurants, pharmacy and other mixed-use services will support adjacent residential blocks

MEDIUM DENSITY RESIDENTIAL
Medium density residential infill behind mixed-use frontage along Griggs Rd. will provide housing market choices for current and new residents to the area.

CONSOLIDATED PARKING
Parking will be consolidated to selected parcels for commercial patrons with dedicated parking structures for mid and high density housing developements. Limiting street parking and vehicular traffic will engourage a more dynamic pedestrian right of way.

PUBLIC OPEN SPACE
Larger, vacant lots can provide additional park and open space for the area and trail connections along easments will encourage pedestrian activity and connections for the area.

NEIGHBORHOOD CHARACTER

High density housing with ground-level commercial and retail

Public urban park

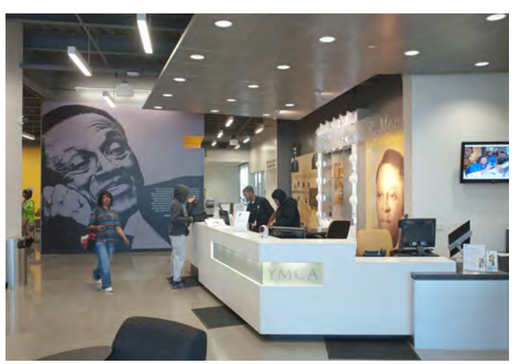
Mixed-use corridor with expanded right of way

3.7.11. RECOMMENDATIONS

COMMUNITY IDENTITY

The OST / South Union Area has evolved through time with diverse influences. The Old Spanish Trail (OST) began as an 'Auto Trail', part of an informal network of marked automobile routes that existed in the U.S. and Canada in the early part of the 20th century. Indicated with colored bands on telephone poles, the trails were intended to help travelers in the early days prior to the availability of extensive map coverage. The OST once spanned the country with 3,000 miles of roadway from coast to coast. It crossed eight states and 67 counties along the southern states. Work on it began in 1915 in Mobile, Alabama, and by the 1920s, the trail linked St. Augustine, Florida, to San Diego, California, with its center and headquarters in San Antonio, Texas. The cities in between shared a collection of Spanish missions, forts and Spanish colonization. An interpretive history of this story could be expressed in the neighborhood in a variety of ways.

In the 1950's and '60's, the area was predominantly a white, working class neighborhood with new houses, schools, retail establishments and some industrial uses that provided jobs. As a stable, mixed-income community, it was a pleasant bedroom community in close proximity to the city center of Houston. In later years OST / South Union transitioned to a predominantly African-American community that has predominantly aged in place. Finally, the area has started to see some increased diversity with the Hispanic population increasing. The recent generations of residents provide new cultural aspects to the neighborhood that should not be displaced with the redevelopment.



PROPOSED POLICY RECOMMENDATIONS

1. Leverage the massive investment in the light rail by incentivizing high-density, mixed-income, mixed-use development within its proximity
2. Encourge more grocery stores and quality retail establishments to enter the area to provide residents shopping choice
3. Thoroghly maintain the streetscapes, pubic parks and open spaces to provide an attractive and safe environment
4. Consider a 'neighborhood center plaza' or other open space that can be used as a central community gathering place
5. Continue to increase the recreational amenities and sports venues in the community to provide residents a variety of activites
6. Actively work to help new businesses locate in the area that provide a variety of high-paying jobs to the skilled labor force
7. Build on the success of KIPP and continue to work with HISD to improve the quality of the education in the public schools
8. Work with HCC and UH to provide education and training programs to create a skilled labor force to the adults who are interested in improving their earning power

TASK3E

Redevelopment Plan

3.8 Sunnyside

- 3.8.1 Introduction
- 3.8.2 Existing Land Use
- 3.8.3 Existing Transportation + Transit
- 3.8.4 Existing Ownership
- 3.8.5 Existing Parks + Open Spaces
- 3.8.6 Condition of Structures
- 3.8.7 Damage Assessment
- 3.8.8 City CIP + Private Investments
- 3.8.9 Existing Neighborhood Amenities
- 3.8.10 LEED ND Criteria Application
- 3.8.11 Recommendations
  - (a) Proposed Public Realm Improvements
  - (b) Proposed Land Uses
  - (c) Community Identity
  - (d) Proposed Policy Recommendations

3.8.1. INTRODUCTION

Sunnyside

Sunnyside is a community in South East Houston, within the # 71 Sunnyside super neighborhood. Sunnyside is bordered by Holmes Road on the north, State Highway 288 on the west, Sims Bayou on the south and the # 72 South Park Super neighborhood on the East. Sunnyside was founded in the 1910 and is considered the oldest African-American community in Houston. Between the 1980 and 1990, Sunnyside, along with other historically African-American communities in Houston, underwent large migration of the African American residents from the core of the city to outlying areas. During this period the community lost 30% of its population and experienced a serious decline in the quality of the community's services and its structures.

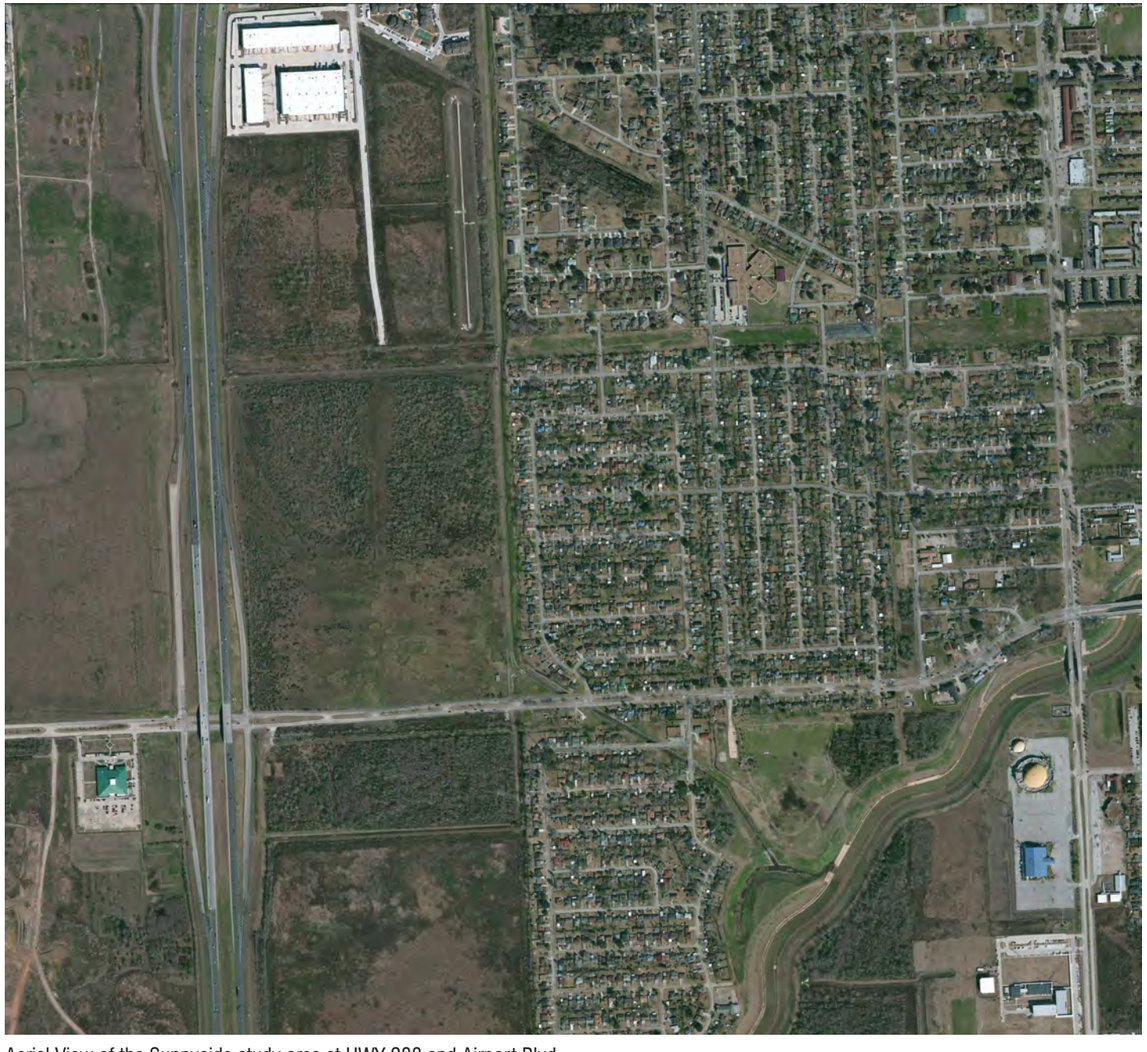
The development in Sunnyside has been described as 'rurban'; a combination of urban and rural development. Scott street is bordered by schools, shops and grazing fields for cattle. Hurricane Ike left widespread wind damage in its wake.

Presently, Sunnyside is home to over 23,000 residents, with the majority of the population being African-American (93.5%) followed by Hispanics (4.1%). Sunnyside's cultural heritage is strong and is its greatest asset. Public investment in the community infrastructure can place it over the 'tipping point' toward sustainable development.

Sunnyside home damaged by hurricane Ike

Sunnyside east-west electrical power line easement

Source: CITY OF HOUSTON, 2012

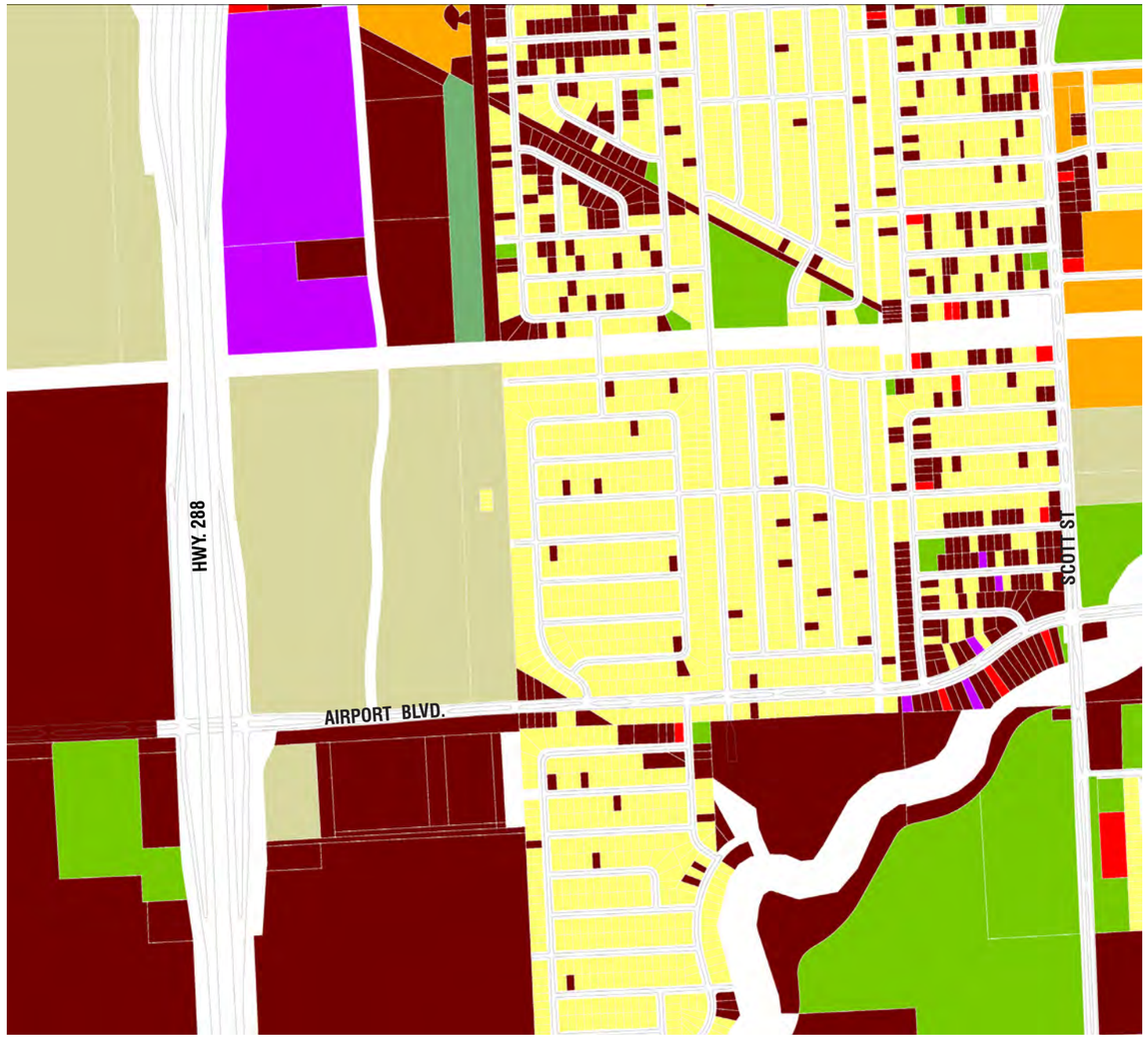


Aerial View of the Sunnyside study area at HWY 288 and Airport Blvd.

3.8.2. EXISTING LAND USE

Sunnyside

Source: CITY OF HOUSTON, 2012



- AGRICULTURE PRODUCTION
- COMMERCIAL
- INDUSTRIAL
- MULTI-FAMILY RESIDENTIAL
- OFFICE
- PARK + OPEN SPACES
- PUBLIC + INSTITUTIONAL
- SINGLE-FAMILY RESIDENTIAL
- TRANSPORTATION + UTILITY
- UNDEVELOPED

The Sunnyside area includes a variety of lands uses. The predominate land use in Sunnyside is single family detached homes. Many of these homes show signs of disrepair and storm damage. The community is bordered on the northeast by a park. A small development of light industrial uses sits in the northwest corner of the neighborhood. The neighborhood contains a number of public schools and private academies.

West of Highway 288 is primarily undeveloped. The Houston Rodeo Commission owns large parking lots used for staging during the Houston Livestock Show and Rodeo, but it is seldom used outside the event. Houston Community College owns a large parcel with a single satellite campus building to the west of the neighborhood along Airport Boulevard.

An existing Sunnyside 150-unit Multi-Family Apartment complex built in 1964- Section 8 housing

3.8.3. EXISTING TRANSPORTATION/TRANSIT

Sunnyside

Source: CITY OF HOUSTON, 2012

Hwy 288 is the main access route into this part of the Sunnyside study area although Scott Street and Cullen Street are major thoroughfares that also feed into the area. Public transit is limited with only two METRO bus routes (87 Sunnyside/Plaza del Oro/ TMC and 52 Scott/Hirsch) accessing the area. The extension of Kirby Drive, just west of Highway 288, through the Rebuild Houston program will greatly increase the neighborhood's connectivity. The area's neighborhoods have limited entrances and exits and are hemmed in by multiple utility easements and drainage ways.

Existing area drainage projects limit access.

Future alignment of Kirby Drive on the western edge of the study area along undeveloped property. Much of the developable land in Sunnyside lacks access

3.8.4. EXISTING OWNERSHIP

Sunnyside

Source: CITY OF HOUSTON, 2012

PUBLIC LAND

The Majority of undeveloped and agricultural property in the Sunnyside ' is privately owned with larger areas of public land along Sims Bayou and on the HCC campus. Owner occupied households exceeded renter owner-occupied households in 2009 in the study area. (Source: US Census)

Houston Community College Campus

3.8.5. EXISTING PARKS + OPEN SPACES

Sunnyside

Source: CITY OF HOUSTON, 2012

PUBLIC OPEN SPACE

PRIVATE OPEN SPACE

Limited open space exists within this portion of the study area. Although a significant portion of the area is undeveloped, property is privately owned or used for agricultural purposes. A new sports park was recently built just south west of the neighborhood on Kirby Drive (south of map extent).

SIMS Bayou

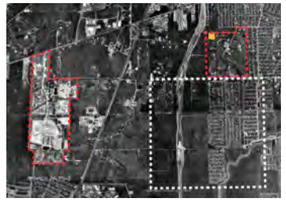
Neighborhood Landfill History

Historically, the neighborhoods of South Houston have been treated as literal dumping grounds. Two city of Houston landfills have existed within one mile of Sunnyside and have contributed to its delayed development. Both are now closed. Notably, the second landfill to the west has been converted to a golf course and is now a positive contributor to the neighborhood; and could be used as a model for spoiled land development in the area. A small park now sits in the corner of the first

1944

First Landfill developed

1978



Second Landfill Developed
Incinerator constructed

2002

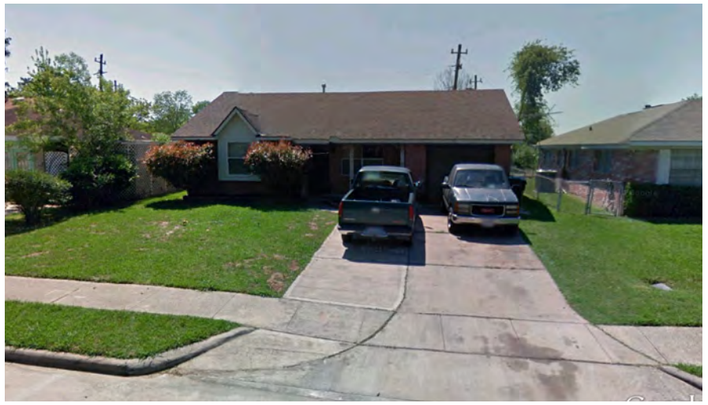
First landfill is now partially a city park. Second landfill has been completely redeveloped as a golf course.

3.8.6. CONDITION OF STRUCTURES

Sunnyside

Source: HCAD, 2011

The condition of existing structures within this study area range primarily from low to average. Some homes are still covered with blue FEMA tarps from Hurricane Ike. South Acres Ranch, a new affordable rental housing community, was completed in 2012 and is one of the few examples of new construction in the area.



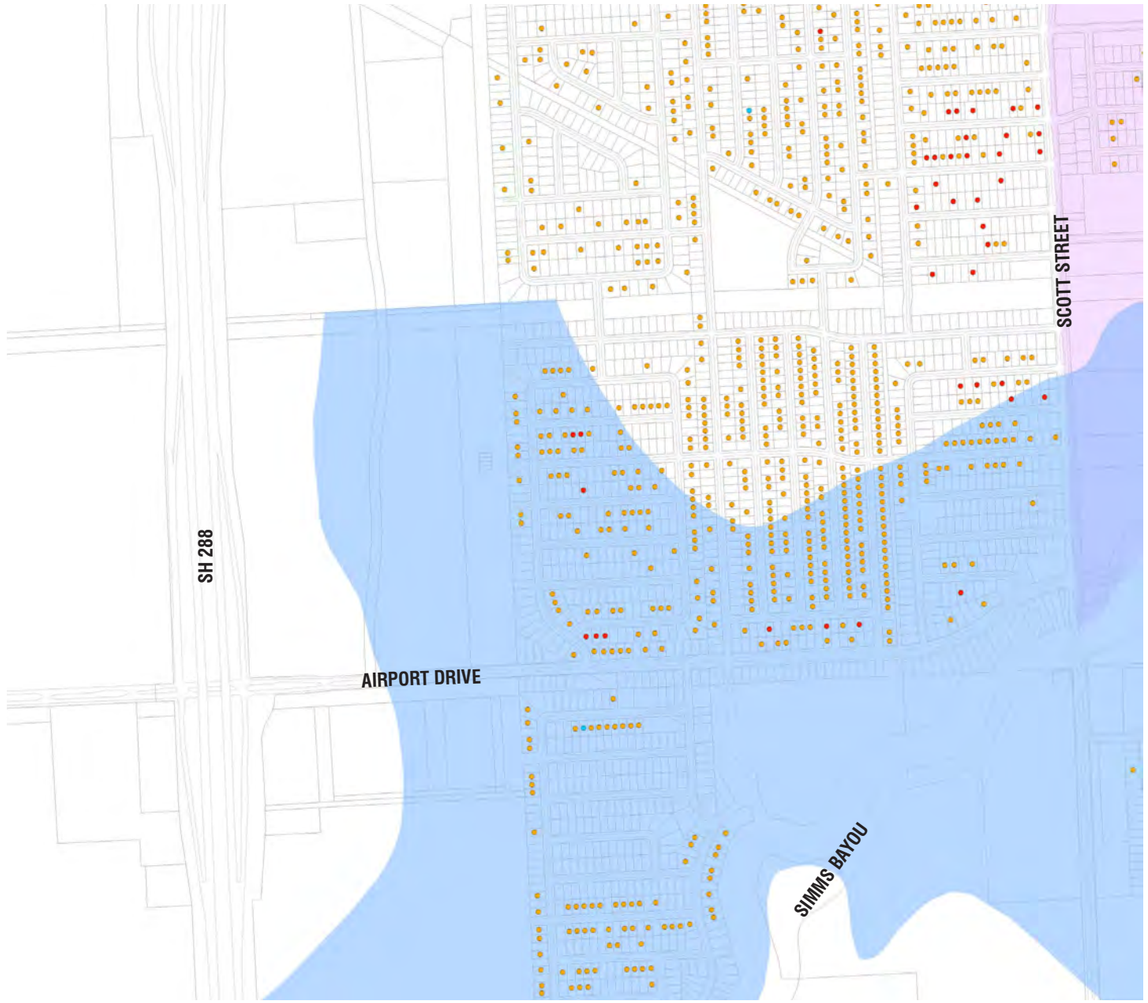
Average single family housing

New Southacres development, south of the Sunnyside CRA

3.8.7. DAMAGE ASSESSMENT

Sunnyside

Source: LJA Engineering, 2009



- *MULTI-FAMILY W/ WIND DAMAGE*
- *MULIT-FAMILY W/ WATER DAMAGE*
- *MF W/ WIND + WATER DAMAGE*
- *SINGLE-FAMILY W/ WIND DAMAGE*
- *SINGLE-FAMILY W/ WATER DAMAGE*
- *SF W/ WIND + WATER DAMAGE*
- *>65% MINORITY + >35% POVERTY*
- *100-YEAR FLOOD PLAIN*

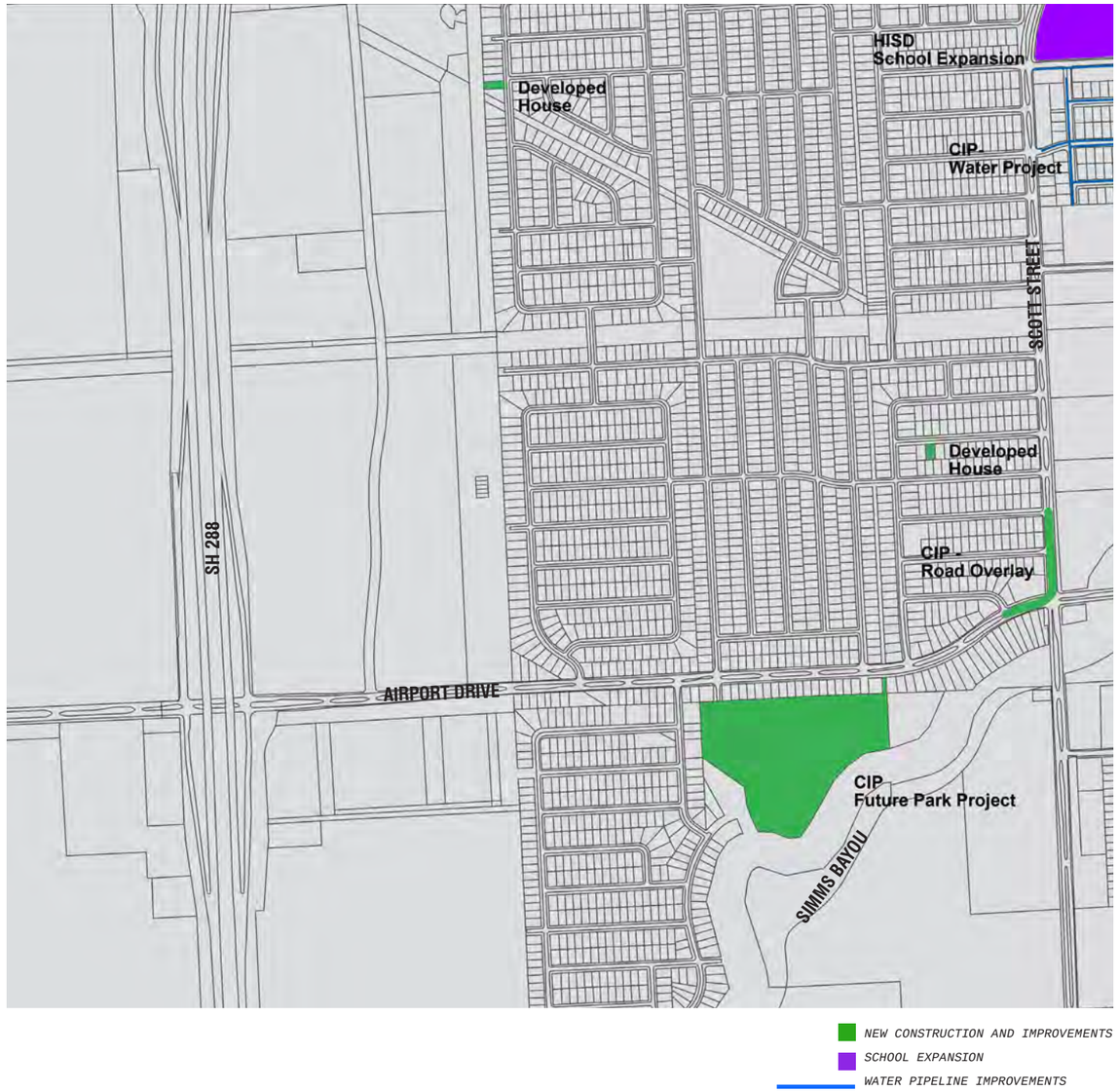
The map illustrates the damages sustained from Hurricane Ike to single-family and multi-family structures in this portion of the Sunnyside study area. Most of the single-family homes in the area experienced mainly wind damage although there are scattered sites that received both wind and water damage particularly along Scott Street. The Sims Bayou added to effect of the storm. The 100-year floodplain is a significant factor to look at when considering the development of new homes in the Sunnyside CRA.

Hurricane damaged housing

3.8.8. CITY CIP + PRIVATE INVESTMENTS

Sunnyside

Source: CITY OF HOUSTON, 2012



Current redevelopment projects within the Sunnyside study area include:

- Scottcrest CIP park project along Airport
- Rebuild Houston Kirby Drive roadway extension
- Residential water service improvements at Scott St. and Dawson Ln.
- South Acre Ranch single-family development

South Acre Ranch, new development

South Acre Ranch, a new single family home development south of Airport Blvd. and Scott intersection

3.8.9. EXISTING AMENITIES

Sunnyside

Source: HGAC, 2012

Sunnyside lacks amenities. In general the area is under-served by retail and especially grocery stores. Along Cullen Boulevard is where a small collection of retail exists and the nearest full grocery store (Fiesta Mart) can be found. The closest national chain grocery store is located approximately 4 miles away; far outside the reach of residents without a car.

Accessible recreational amenities such as open space and parks are lacking in the area as are public services. Within 1 mile of the Sunnyside study area there is a single post office, public library, and fire station. Sunnyside holds 14 small community churches.

Worthing High School is currently undergoing a $30 million expansion. The project is currently in the planning stages and construction is scheduled to begin mid 2014.

Existing Houston Public Library

Reynold Elementary School on Rosehaven Drive

Kipp Spirit College Prep on Scott Street

3.8.9. EXISTING AMENITIES

Sunnyside

Sunnyside

SCHOOLS	GROCERIES/ SHOPPING	HEALTHCARE	POLICE + FIRE STATIONS	TRANSIT	PARKS + OUTDOOR RECREATION
Reynolds Elementary School	Texas Market Place	Sunnyside Health Center	Koetter Fire Protection	87 Sunnyside / TMC	Cloverland Park
Kipp Spirit College Prep	Southland Market	Family Centered Health	Houston Black Fire Fighters	52 Scott / Hirsch	Sunny Side Park
Woodson Elementary School	D&T Food Store	Cullen Medical Center	Houston Police Department	352 Swingle Shuttle	Almeda Plaza Park
Woodson Middle School	Sunny's Food Store	Care Group of Texas			
Carnegie Vangaurd High School	Center Watkins				
Rhoads Elementary School	Cullen Food Store				
Worthing High School	Yam Standard Food Market				
	Fiesta Mart				

ZONED SCHOOLS

Worthing High School (09-12)
H.I.S.D- Houston Independent School District
Demographics:
- 10.45% Hispanic
- 88.41% African-American
- 0.76% White
- 0.00% Asian
- 0.25% Native American

Total Students: 794
Economically Disadvantaged: 609
Limited English Proficiency: 15
2011 TEST (TAKS SCORES): 46%

Kipp Spirit College Prep
KIPP Southeast Houston
Demographics:
- 17.94% Hispanic
- 80.73% African-American
- 1.33% White
- 0.00% Asian
- 0.00% Native American

Total Students: 301
Economically Disadvantaged: 245
Limited English Proficiency: 18
2011 TEST (TAKS SCORES): 81%

Woodson School (PK-08)
H.I.S.D- Charter School Demographics:
- 5.70% Hispanic
- 92.75% African-American
- 0.78% White
- 0.00% Asian
- 0.39% Native American

Total Students: 772
Economically Disadvantaged: 715
Limited English Proficiency: 18
2011 TEST (TAKS SCORES): 61%

Reynolds Elementary School (KG-05)
H.I.S.D- Houston Independent School District
Demographics:
- 9.17% Hispanic
- 90.11% African-American
- 0.36% White
- 0.00% Asian
- 0.18% Native American

Total Students: 556
Economically Disadvantaged: 544
Limited English Proficiency: 29
2011 TEST (TAKS SCORES): 62%

Carnegie Vanguard High School

Houston Community College

Attucks Middle School north of the study area on Belfort Street

3.8.10. LEED ND CRITERIA APPLICATION

Sunnyside

This portion of Sunnyside scored the lowest of all the Community Redevelopment Areas for a variety of reasons. It needs to focus on higher-density infill development, improved schools, more walkable streets, a better connected street network, mixed-use neighborhood centers, mixed-income residents, racial diversity and better access to groceries, shopping and recreational facilities.

Yes	?	No			
9	3	15	**Smart Location and Linkage**		**27** Points Possible
N			Prereq 1	**Smart Location**	Required
Y			Prereq 2	**Imperiled Species and Ecological Communities**	Required
Y			Prereq 3	**Wetland and Water Body Conservation**	Required
Y			Prereq 4	**Agricultural Land Conservation**	Required
Y			Prereq 5	**Floodplain Avoidance**	Required
		10	Credit 1	**Preferred Locations**	10
		2	Credit 2	**Brownfield Redevelopment**	2
4		3	Credit 3	**Locations with Reduced Automobile Dependence**	7
	1		Credit 4	**Bicycle Network and Storage**	1
3			Credit 5	**Housing and Jobs Proximity**	3
1			Credit 6	**Steep Slope Protection**	1
1			Credit 7	**Site Design for Habitat or Wetland and Water Body Conservation**	1
	1		Credit 8	**Restoration of Habitat or Wetlands and Water Bodies**	1
	1		Credit 9	**Long-Term Conservation Management of Habitat or Wetlands and Water Bodies**	1

Yes	?	No			
7	7	30	**Neighborhood Pattern and Design**		**44** Points Possible
Y			Prereq 1	**Walkable Streets**	Required
Y			Prereq 2	**Compact Development**	Required
N			Prereq 3	**Connected and Open Community**	Required
	2	11	Credit 1	**Walkable Streets**	12
1		5	Credit 2	**Compact Development**	6
1		3	Credit 3	**Mixed-Use Neighborhood Centers**	4
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	1		Credit 5	**Reduced Parking Footprint**	1
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	1	1	Credit 8	**Transportation Demand Management**	2
1			Credit 9	**Access to Civic and Public Spaces**	1
		1	Credit 10	**Access to Recreation Facilities**	1
	1		Credit 11	**Visitability and Universal Design**	1
2			Credit 12	**Community Outreach and Involvement**	2
1			Credit 13	**Local Food Production**	1
	1		Credit 14	**Tree-Lined and Shaded Streets**	2
1			Credit 15	**Neighborhood Schools**	1

Yes	?	No			
2	16	11	**Green Infrastructure and Buildings**		**29** Points Possible
Y			Prereq 1	**Certified Green Building**	Required
Y			Prereq 2	**Minimum Building Energy Efficiency**	Required
Y			Prereq 3	**Minimum Building Water Efficiency**	Required
Y			Prereq 4	**Construction Activity Pollution Prevention**	Required
	2	3	Credit 1	**Certified Green Buildings**	5
	2		Credit 2	**Building Energy Efficiency**	2
	1		Credit 3	**Building Water Efficiency**	1
	1		Credit 4	**Water-Efficient Landscaping**	1
		1	Credit 5	**Existing Building Use**	1
		1	Credit 6	**Historic Resource Preservation and Adaptive Reuse**	1
	1		Credit 7	**Minimized Site Disturbance in Design and Construction**	1
2	2		Credit 8	**Stormwater Management**	4
		1	Credit 9	**Heat Island Reduction**	1
	1		Credit 10	**Solar Orientation**	1
		3	Credit 11	**On-Site Renewable Energy Sources**	3
	2		Credit 12	**District Heating and Cooling**	2
	1		Credit 13	**Infrastructure Energy Efficiency**	1
	1	1	Credit 14	**Wastewater Management**	2
	1		Credit 15	**Recycled Content in Infrastructure**	1
		1	Credit 16	**Solid Waste Management Infrastructure**	1
	1		Credit 17	**Light Pollution Reduction**	1

Yes	?	No			
1	3	2	**Innovation and Design Process**		6 Points
	1		Credit 1.1	**Innovation and Exemplary Performance**: Provide Specific Title	1
	1		Credit 1.2	**Innovation and Exemplary Performance**: Provide Specific Title	1
	1		Credit 1.3	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.4	**Innovation and Exemplary Performance**: Provide Specific Title	1
		1	Credit 1.5	**Innovation and Exemplary Performance**: Provide Specific Title	1
1			Credit 2	**LEED® Accredited Professional**	1

Yes	?	No			
1	3		**Regional Priority Credit**		4 Points
	1		Credit 1.1	**GIBc8 Rainwater Management**	1
	1		Credit 1.2	**GIBc12 District Heating and Cooling**	1
1			Credit 1.3	**NPDc13 Local Food Production**	1
	1		Credit 1.4	**SLLc8 Restoration of habitat or wetlands and water bodies**	1

Yes	?	No		
20	32	58	**Project Totals** (Certification estimates)	110 Points

Base Score: 20 Potential Score: 52

3.6.11. RECOMMENDATIONS

Sunnyside

PROPOSED PUBLIC REALM IMPROVEMENTS

In General, Sunnyside lacks internal connectivity. Long blocks and limited sidewalks make navigation within Sunnyside difficult, and poor quality roads reinforce the perception of an unsafe community. Public investment opportunities include the following:

PEDESTRIAN STREET IMPROVEMENTS
With little development existing in this portion of Sunnyside, there is the opportunity to start off on the right foot with strong public infrastructure. Thinking critically about neighborhood mobility and connectivity (i.e. pedestrians and cyclists) will enable the study area to support a wide mix of residential and commercial uses resulting in a self-sufficient neighborhood.

NEW STREET CONSTRUCTION
Construct new streets on a pedestrian scaled grid to increase pedestrian traffic within the study area. New arterials should be built as "complete streets" fully equipped with curbs and ramps, sidewalks, signage, plantings and crosswalks.

LANDSCAPE IMPROVEMENTS
Airport Drive, the major thoroughfare in this area, should see extensive landscape improvements. Connecting either side of the 288 freeway with improved sidewalks, street trees and street lighting will help to link the study area to Houston Community College while improving neighborhood safety.

Multi-Use Trails
Connect existing and new residential areas to amenities and services with landscaped and reforested off street trails that link to Sims bayou, parks and public institutions. There is also possible future use of utility easements for active recreation including trails and sports fields.

NEIGHBORHOOD CHARACTER

Activated street edge

Complete streets with sidewalks, curbs, ramps, and planting

Utility easement corridor

3.6.11. RECOMMENDATIONS

PROPOSED LAND USES

Medium density mixed-use development configured around a common green

MIXED-USE NODE

Construct high density mixed-use a redevelopment at the intersection of SH 288 + Airport Drive. Commercial and retail spaces will front new interior streets and will have no setback for parking. Amenities within these parcels will include a grocery store, laundry mat, and health care facilities to better serve the local residents.

CONSOLIDATED PARKING

Parking should be located behind commercial space, between 288 and building structures, as not to obstruct storefronts, cafe seating or activity from pedestrian passerby. Mid- to high-density housing developments will make dedicated parking structures available to residents.

MEDIUM DENSITY RESIDENTIAL

Medium density residential will be configured east of higher density development so that taller buildings will sit closest to the freeway and act as a noise buffer for lower density development.

PUBLIC OPEN SPACE

Neighborhood blocks with lots fronting on all side with serve as a "community front porch" and encourage neighborhood gatherings and activities. Take advantage of underutilized utility corridors to maximize trails and natural open space.

3.6.11. RECOMMENDATIONS

COMMUNITY IDENTITY

Sunnyside is a community with immense cultural capital that any development strategy should capitalize upon it. Sunnyside sits at a dynamic crossroad between rural and urban culture. With a strong tradition of an African -American population, Sunnyside's history as a tightly knit agricultural community is a strong contributor to its identity. However, suburban residential neighborhoods are also a large component of the local character. A large quantity of undeveloped land is one of its primary land use detractors and should be made productive. Church and Community organizations can partner with agricultural land owners to develop community gardens and agricultural education programs on underutilized private agricultural land. Additionally, community gardens would address the neighborhood's lack of access to fresh fruits and vegetables. Community tree planting, can act as both a neighborhood meeting activity and will provide essential quality-of-place improvements.

Sunnyside community garden work day

Last organic outpost in 5th ward can be a model for community gardens in Sunnyside

PROPOSED POLICY RECOMMENDATIONS

The policy recommendations in Sunnyside focus on land development, mobility, education, and access to healthy foods and daily convenience retail. Sustainable communities depend on these items and Sunnyside is deficient in each of these categories. Policy recommendations include:

1. Encourage development of mixed-income housing that appeals to a wide variety of racially diverse people to help develop the under-utilized land and drive revitalization.
2. Incentivize the development of grocery stores and other retail stores to provide access to healthy foods and daily goods and services at the SH 288 and Airport location.
3. Work with the HCC campus to expand the training programs and provide opportunities for local residents to increase their skill set in the work force.
4. Enhance public safety and crime prevention by forming strong partnerships with community/civic organizations and Houston Police Department.
5. Address Scott Street and make streetscape and safety improvements
6. Create more linear open space and multi-use trail connections between parks and Simms Bayou
7. Advocate Governor Perry to Ratify the Bike Trails Bill that would permit hike and bike trails in Harris County utility easements.
8. Develop agricultural trade/industry programs to connect the neighborhood's past to the future of the agriculture industry as well as provide local jobs
9. Work with HISD to improve the quality of education at local public schools

TASK4

Community Consultation

4.1 Summary of Community Engagement + Engagement Process
4.2 Planning Study Outreach Approach
4.3 Summary of Completed Stakeholder Meetings to Date
    4.3.1 Stakeholder Meetings
    4.3.2 Stakeholder Workshops
4.4 Future Meetings with General Public
    4.4.1 Purpose/Intent
    4.4.2 Format/Content
    4.4.3 Dates/Location
4.5 Post Planning Study Meeting in CRAs
4.6 Meeting Minutes

4.1 SUMMARY OF COMMUNITY ENGAGEMENT + EDUCATION PROCESS

The current community engagement and education process builds upon a community engagement and planning process sponsored by the Local Initiatives Support Corporation-Houston (LISC-Houston) in the summer of 2012. Supported by Roberta F. Burroughs & Associates and other community planning consultants, LISC-Houston convened a series of community meetings to which to residents of the four target areas were invited.

At these meetings, residents, service providers, and other community-based stakeholders identified community assets and deficiencies. This led to the drawing of circles around a one-quarter mile radius of the intersection where assets and /or deficiencies were clustered. The area within these circles were referred to as "nodes." (Nodes are now referred to as Community Revitalization Areas). It was made known to participants that understanding that community revitalization resources might ultimately be directed to these nodes in a coordinated, concentrated fashion. That is, the community node-identification process was a first effort to provide target area residents with an opportunity to pinpoint where prospective Community Revitalization Areas might be located. The community node-identification process was a first effort to provide target area residents with an opportunity to pinpoint where prospective Community Revitalization Development Areas might be located.

4.2 PLANNING STUDY OUTREACH APPROACH

As is true of the LISC-Houston effort that preceded it, public engagement and education is integral to this planning effort. It is guided by the following goals:

- To ensure that stakeholder groups that were involved in providing feedback regarding Disaster Recovery Round One efforts remained connected as the planning study progressed
- To make stakeholder groups, citizens that reside in the target areas, and the general public aware of which Community Revitalization Areas (CRAs) are being proposed pursuant to the planning process
- To provide preliminary information regarding the single-family process to stakeholder groups, citizens that reside in the target areas, and the general public

RFBA led the public engagement process, with support from other members of the SWA Group team. Stakeholder meetings, a general public meeting, and meetings in community revitalization areas are the components of the approach.

4.3 SUMMARY OF COMPLETED STAKEHOLDER MEETINGS

STAKEHOLDER MEETINGS

At regular intervals throughout the planning process, meetings were convened with the three stakeholder groups that have played a key role in the Disaster Recovery initiative. These groups are the Texas Low Income Housing Service, Texas Appleseed, and the Texas Organizing Project-Houston (TOP-Houston).

The purpose of these meetings was: (1) to keep these stakeholder groups informed of progress being made toward the preparation of the planning study, including updates pertaining to the market analysis; (2) to engage them in exchanges regarding national best practices that might be applicable to the local DR2 revitalization effort; and (3) to obtain feedback pertaining to prospective Community Revitalization Areas.

The continuing involvement of the aforementioned stakeholder groups has had the effect of keeping them up-to-date regarding the DR2 planning process and facilitating connectedness. Importantly, TOP-Houston's community connections served to enhance public participation in the preceding LISC-Houston effort and it is hoped that by keeping TOP connected, they will play a similar role in this effort, once public meetings are defined.

Following is a table that depicts meetings convened with Texas Low Income Housing Service, Texas Appleseed, and TOP-Houston.

Date	Stakeholders Organization Represented
April 5, 2013	TOP-Houston Texas Low Income Housing Service
April 24, 2013	Texas Appleseed Texas Low Income Housing Service TOP-Houston
May 1, 2013	Texas Appleseed Texas Low Income Housing Service

For these meetings, RFBA prepared written summaries of proceedings. These summaries are shown in Section 4.6 Meeting Minutes.

STAKEHOLDER WORKSHOP

A stakeholder workshop was held on May 9, 2013, as the planning process drew to an end. The workshop targeted members of the stakeholder organizations and invited participants. The workshop addressed:

- Draft recommendations for community revitalization areas to which DR2 multi-family and other funds will be targeted
- Best practices to stabilize the proposed Community Revitalization Areas
- Diversity strategies
- Upcoming community meetings

RFBA documented workshop proceedings, which appear in Section 4.3.2 Stakeholder Workshops.

AGENDA

DATE: MAY 9, 2013
TIME: 10 A.M.- 2 P.M.
LOCATION: 3300 LYONS AVENUE #203
HOUSTON, TEXAS 77020

10:00 AM- 11:30 AM
Update from Chuck Perry (Perry Rose LLC) and Doris Koo (Enterprise Community Partners, Inc.) on best practices and strategies for creating and maintaining economically and racially diverse neighborhoods

11:30 AM- NOON
Discussion of upcoming Community Engagement by Roberta F. Burroughs & Associates

NOON-1:00 PM
Presentation of Diversity Strategies by Doris Koo and Chuck Perry

1:00 PM-1:30PM
Presentation from Planning Team on draft recommendations for Housing and Community Development Division Community Revitalization Areas

1:30 PM-2:00 PM
Wrap up and next steps

2:00 PM
Adjourn

4.3.2. STAKEHOLDERS WORKSHOP

DATE: MAY 9, 2013
TIME: 10:00 A.M.
LOCATION: 3300 Lyons Avenue, #203
Houston, Texas

IN ATTENDANCE: John Henneberger, Texas Low Income Housing Information Service
Chrishelle Pallay, Texas Low Income Housing Information Service
Karen Paup, Texas Low Income Housing Information Service
Madison Sloan, Texas Appleseed
Chuck Perry, PerryRose LLC
Doris Koo, Enterprise Community Partners, Inc.
Roberta F. Burroughs, Roberta F. Burroughs & Associates
Roselyn Johnson, TOP-Houston (via teleconference)
Betty Gregory, TOP-Houston
Debra Walker, TOP-Houston
Liz Wolff, TOP
Antoine Bryant, Houston Planning Commission

INTRODUCTION

This workshop was held to coincide with completion of the Disaster Recovery Round II Planning Study. The purpose of this workshop was to discuss best practices, upcoming community engagement, and diversity strategies prior to the general public meeting and completion of the planning study. A variety of additional topics were also addressed.

BEST PRACTICES

- Chuck Perry gave a description of his perception of what the SWA Group consulting team has been charged with doing with respect to "Best Practices." Afterwards, John Henneberger indicated that he would add that the City must produce a plan to target DR2 funds to areas that can become economically and racially integrated and stable, "doing or administering DR2 plans as per the Conciliation Agreement."

- Dr. Perry and Doris Koo discussed "best practices," using the examples of the Curtis Park HOPE VI project in the Five Points neighborhood in Denver, the Lafitte HOPE 6 project in the Treme neighborhood in New Orleans, and Atlanta Eastlake. A number of questions were raised by those present, including the age of the developments under discussion, lessons learned, subsidy levels required to sustain affordability, and the mix of bedroom sizes.

- Dr. Perry set forth three models for preserving affordability: (1) deed restrictions; (2) shared equity; and (3) land trusts. Mr. Henneberger suggested that "right of first refusal" be added as a fourth. With the latter model, a nonprofit matches the asking price of an owner who wants to sell.

- Ms. Koo distributed several copies of an affordability document and will send a link to the documents to others present.

- Ms. Koo proposed land banking as a best practice, citing what occurred in New Orleans after Hurricane with the support of a local institutions. Further, she stated that CDCs should consider buying vacant lots, while land prices are still affordable.

- Ms. Koo committed to crafting additional best practices narrative for the planning study.

- Ms. Koo discussed tensions that resulted from gentrification in Atlanta and distributed an article pertaining to the subject.

- The formation of a housing policy group/ task force was cited as a best practice. According to Dr. Perry, it would be a start and would create a forum for considering various alternatives means of achieving the goals that DR2 is addressing.

- John Henneberger expressed the view that there are local Community Development Corporations that are sophisticated players, asserting that their inclusion in the revitalization process would be a positive development. CDC examples provided by Mr. Henneberger were Neighborhood Recovery CDC, Fifth Ward Community Revitalization Corporation, and Covenant Community Capital. Ms. Gregory added the name of BOND.

- Mr. Henneberger proposed the creation of an entity that would be charged with ensuring that the City delivers the appropriate outcome, including ensuring economic and racial diversity in the Community Development Areas. This entity would have representation from the Mayor, Houston Housing Authority, the Community Development Areas, and groups committed to ensuring economically and racially diverse neighborhoods. Contracting with developers, ensuring follow-up from the Public Works & Engineering Department, and identifying opportunities to make strategic real estate investments and target assets would be some of the activities in which this entity would engage. Mr. Henneberger asserted that this entity's "eye would always be on follow-up and that it would require a pledge of assets. A related function, according to Mr. Henneberger would be to preserve affordability by assisting people.

- Ms. Gregory asked that the ideas of community centers and service coordinators in multi-family developments, discussed at a previous stakeholder meeting, be re-introduced.put back on the table." She pointed to the Houston Housing Authority's Kennedy Place as an example of a well-done multi-family development where the existince of a community center serves to promote community cohesion. Ms. Gregory also stated that a comprehensive approach that includes "jobs" and job placement (which could occur at the community center) had been discussed at the stage where the initial target areas were being designated.

4.3.2. STAKEHOLDERS WORKSHOP

- Debra Walker cited homebuyer training as an effective mechanism for ensuring that homeowners are able to retain units.

- Dr. Perry re-stated a list of necessary tools previously shared by Steve Spillette, a member of the consulting team for the DR2 planning study. These tools include concentrated code enforcement and anti-dumping measures.

- Ms. Burroughs indicated that in her experience, the instatement or reinstatment of restrictive residential covenants helps to stabilize neighborhoods, but that new State level legislative tools might be needed to address this issue. Ms. Burroughs stated that "heir property" can also pose a challenge in neighborhoods where stabilization and revitilization is the goal. These properties, according to Ms. Burroughs, are often located in low-moderate income neighboroods and are often unkempt and are sometimes vacant, contributing to blight.

COMMUNITY ENGAGEMENT

- Roberta Burroughs indicated that a public meeting is proposed for May 22, 2013 to present the proposed Community Revitalization Areas and discuss the single-family process. In response, Mr. Henneberger asserted that the stakeholders want an opportunity to review the "nodes" prior to a public airing. He expressed a desire for a "sit down" before the public meeting. Ms. Burroughs asked that consideration be given to time cnstraints for producing the plan and, ultimately, for producing housing units.

DIVERSITY

- It was pointed out that the Request for Proposals for development proposals (issued by HCDD) contains a requirement for an affirmative marketing plan, likely the HUD prototype.

- Antoine Bryant raised the issue of how diversity is defined, in the context of the DR2 initiative. No specific model was articulated, but Dr. Perry indicated that diversity may look different in different neighborhoods.

- Betty Gregory inquired as to whether people were motivated to move to some near Downtown neighborhoods because of a marketing strategy.

- Pursuant to the discussion of how to achieve racial diversity, Ms. Gregory alluded to a mixed race neighborhood outside of the city's core. When asked what the appeal of that neighborhood is, she conjectured that "good schools" are part of the appeal.

DR2 PLANNING STUDY

- Mr. Henneberger asserted that a plan that achieves the desired results would include: 1) what are the neighborhoods and do we see potential in them; (2) what are the strategies; and (3) what are the specific types of things that the City will step up and do.

- Dr. Perry stated that recommendations will be added to the "Best Pracices" section of the plan.

GENERAL DISCUSSION

- Karen Paup stated that she has heard comments about planning continuing into the future and asked how this planning will be paid for. Doris Koo responded that the City included a requirement for community engagement in the developer Requests for Proposals.

- Interest was expressed in single family outreach and Ms. Koo stated that it will begin soon after the planning process.

- There was extensive discussion focused on how many single-family units can be rehabilitated within any one Community Revitalization Area. The question was also raised as to what proportion of single-family rehabilitation is expected to occur in the Community Revitalization Areas and how the sequencing will unfold.

- Following discussion concerning what DR2 resources will be available to target areas that are not Community Revitalization Areas, as well as to areas within Community Revitalization Areas that are not within "nodes," it was determined that clarification is needed with respect to the allocation of DR2 resources.

- Representatives of the stakeholder organizations asked that the relationship between the single family rehabilitation and the multi-family new construction be made more explicit. Moreover, it was suggested that a map be prepared to show single-family development in relationship to multi-family development.

- Liz Wolff asked that care be taken to manage expectations, since housing rehabilitation resources are significantly limited. She asserted that this could be done through deliberative communications.

- TOP representatives expressed concern that the single-family homeowners be property treated and also expressed a desire for social services and employment services.

- Ms. Pallay stated that social aspects, such as instilling pride, need to be addressed.

- After Ms. Sloan demonstrated the funding priorities included in the Needs Assessment, meeting participants arrived at a consensus that inconsistencies may exist between the targeting in the Needs Assessment and the targeting that the City may be proposing subsequent to the designation of the Community Development Areas.

- Representatives of the stakeholder groups expressed the view that better design is needed in the second phase of DR2. Examples were given of poor first phase design that adversely affected the surrounding neighborhood, in part, because it was possible to distinguish the DR1 houses and in part, because of the placement of windows. Ms. Burroughs stated that Housing and community Director Neal Rackleff has mentioned that HCDD is aware of the issue and will address it for DR2.

- Regarding the issue of design, Ms. Pallay suggested that design charettes be held for the DR2 housing.

4.3.2. STAKEHOLDERS WORKSHOP

COMMUNITY DEVELOPMENT AREAS

- Mr. Henneberger's comments regarding the prospective Community Development Areas are as follows:

  - Sunnyside ought to be targeted for the single-family product.
  - OST/Griggs does not appear to have good prospects as a racially mixed area, but it does have good prospects as an economically diverse area - "tipping" is a concern.
  - Near Northside's prospects as a racially and economically diverse neighborhood "make sense."

- Ms. Walker and Ms. Gregory expressed favor for the Sunnyside HHA site, advancing the opinion that it might favorably affect the historic Sunnyside.

- Ms. Walker and others stressed the importance of infrastructure improvements to support new housing and comprehensive neighborhood revitalization. She shared an example from her neighborhood, where the construction of new housing caused sanitary sewer problems. It was concluded that "infrastructure is key."

ADJOURNMENT

The meeting adjourned at 4:45 p.m.

4.4 FUTURE MEETINGS WITH GENERAL PUBLIC

PURPOSE/ INTENT

The SWA Group team plans to convene a general public meeting and open house in the month of May. The purpose of the meeting is to discuss the proposed Community Revitalization Areas, the multi-family process, and the process for distributing single-family Disaster Recovery Round II funds.

FORMAT/CONTENT

The meeting will feature an interactive format. Citizens will be informed that they may attend at any time during the two-hour period; however, a designated time will be set aside for a formal presentation. The meeting notice will inform citizens of the time that the presentation begins.

Presenters will include the SWA Group and the Housing and Community Development Department (HCDD). An agenda will be distributed.

Exhibits that display products of the planning process will be displayed throughout the meeting room. Examples include base maps with overlays of infrastructure projects, “nodes,” demographic data, housing condition, location of parcels suitable for single-family development, and location of damaged properties. Display boards will be prepared by the SWA Group, with input from RFBA and the Enterprise Foundation.

RFBA will prepare a summary of proceedings for distribution to HCDD, team members, and the Texas General Land Office.

DATES/LOCATION

The general public meeting is tentatively scheduled for Wednesday, May 22, 2013. Plans are to hold it in a central location that features ample parking. (RFBA is currently conferring with HCDD to finalize the location.)

Since many of the potential participants might not be able to attend during daytime hours, for conveniece, this meeting will begin at 6:00 p.m. The meeting will end at 8:00 p.m.

4.5 POST-PLANNING STUDY MEETINGS IN CRAs

The aforementioned developer RFP stipulated that the selected developers are to organize meetings in each of the designated Community Revitalization Areas. For these meetings, at the discretion of the selected developers, the SWA Group will provide display boards from the general public meeting. Moreover, for the sake of continuity, RFBA will provide a reasonable amount of telephone consultation prior to the initial meeting (if more than one meeting is planned.) This consultation will be provided at the discretion of the selected developers.

4.6 MEETING MINUTES

DATE: APRIL 5, 2013
TIME: 11 A.M.
LOCATION: Texas Organizing Project – Houston (TOP)
2955 Gulf Freeway, Suite B
Houston, Texas

IN ATTENDANCE: Doris Koo, Enterprise Community Parnters, Inc.
Roberta F. Burroughs, Roberta F. Burroughs & Associates
Betty Gregory, TOP
Elvis Malveaux, TOP
Akua Fayette, TOP
Chrishelle Pallay, Texas Low Income Housing Information Service

INTRODUCTION

Doris Koo greeted everyone and described the purpose of the meeting, as being:

- To provide a general update on the planning process
- To obtain thoughts about community outreach

Subsequently, Ms. Koo described the composition of the planning team for the DR2 planning process, along with each team member's role. She then reviewed how DR2 funds will be distributed.

PLANNING PROCESS

- Ms. Koo shared that May 10 is the deadline for completion of the planning process.
- Ms. Koo explained the planning process thusly:
  - The planning team will look at FEMA data, minority concentration, CIP projects, community facilities, Houston Housing Authority efforts, where single-family housing can be scattered in areas of opportunity and determine what the data "is telling us."
  - The team is charged with identifying investment areas for impact, with the goal being to create neighborhoods of opportunity.
  - After identifying the best candidates, a "deep dive" planning process will occur. This will take place over the last three weeks of the six-week process. The "deep dive" planning process will focus on the selected communities.

PLANNING PROCESS

- Roberta Burroughs stated that a date of May 14th has been set for a general public meeting. She gave an overview of the proposed agenda.
- TOP asked whether there will be people at the general public meeting who are just finding out at the meeting that their community has not been short-listed. TOP expressed concern that the tone of the meeting would be adversely affected by that, if the answer is affirmative.
- TOP asked whether there will be developers in the room at the general public meeting who are finding out for he first time that their project has not been short-listed. Again, TOP expressed concern that this might adversely affect the tone of the meeting.
- In response to a question from TOP regarding when the single family process will be addressed with the public, Ms. Burroughs stated that one of the items to be addressed at the May 14th meeting is the single family process.

STAKEHOLDER BRIEFINGS

- Meeting participants stated that they want to be updated on both the planning process and the single family process in equal measure. Thus, a desire was expressed to have two separate briefings at the mid point of the planning process. A briefing date of April 19th for both meetings was proposed. If April 19th is not feasible, it was proposed that consideration be given to alternative dates after April 19th and before April 22nd.

  In attendance would be Neal Rackleff and designated Housing and Community Development Department (HCDD) staff, John Henneberger (Texas Low Income Housing Information Service), Maddie Sloan (Texas Appleseed), one or two TOP representatives, Chrishelle Pallay (Texas Low Income Housing Information Service), and the planning team. This briefing would include an update of the planning process and a summary of what the data has revealed to date.
- A briefing regarding the first round of the single family process would be held on the same day as the planning process briefing. Participants would include Neal Rackleff and designated HCDD staff, one or two TOP representatives, John Henneberger, Chrishelle Pallay, Maddie Sloan, and planning team members.

SINGLE-FAMILY WORKSHOP

- Pursuant to a TOP member's experience with the single-family program, TOP expressed interest in a single-family workshop where participants can get answers to frequently asked questions (FAQs). The primary purpose of the workshop would be to help grant recipients to know (1) what to expect and (2) what uses of funds are allowable. Examples provided relative to issues to be addressed are:
  - What happens if the homeowner has died?
  - Is double dipping allowed, i.e. receiving funds from a private insurance company, as well as from Hurricane Recovery funds?
  - How does a homeowner address the problem of items that a City contractor damages during a home renovation project?
- Stakeholders present stated that they would like to collaborate with HCDD to assemble a FAQ document. They indicated that they will assemble questions on their end and submit them to HCDD prior to April 19th, for HCDD to provide answers and finalize the document. The final FAQ document would be distributed at the proposed single family workshop and posted on the Internet.

4.6 MEETING MINUTES

GENERAL DISCUSSION

- TOP stated its belief that the partnership relationship that has evolved between TOP and the City is an effective approach. TOP further stated that the public perception of TOP has become tied to the public perception of the City.
- Doris Koo led a brief discussion regarding the status of improvements slated for the first round of hurricane recovery funding.
- In response to TOP stating that gaining public trust will depend on the success of the first round, Ms. Koo asked that TOP put together a list of success stories to aid in getting the word out about first round accomplishments.

ADJOURNMENT

- The meeting adjourned at approximately 1:00 p.m.

4.6 MEETING MINUTES

DATE: APRIL 24, 2013
TIME: 1:30 P.M.
LOCATION: Department of Housing and Community Development
City of Houston
601 Sawyer Street, First Floor Conference Room
Houston, Texas

IN ATTENDANCE: Doris Koo, Enterprise Community Partners, Inc.
Roberta F. Burroughs, Roberta F. Burroughs & Associates
Betty Gregory, TOP-Houston
Elvis Malveaux, TOP-Houston
Debra Walker, TOP-Houston
Chrishelle Pallay, Texas Low Income Housing Information Service
Karen Paup, Texas Low Income Housing Information Service
Madison Sloan, Texas Appleseed
Chuck Perry, PerryRose

INTRODUCTION

Topics addessed at the meeting were (1) best practices for the promotion of healthy communities, (2) the general public meeting, (3) the single-family process, and (4) ongoing stakeholder engagement.

BEST PRACTICES

The "best practices" discussion focused on tools for promoting healthy, cohesive communities. Highlights follow.

The primary tools for promoting health, cohesive communities are:

- Performance standards for property management of multi-family developments
- Design guidelines
- Covenants/deed restrictions to ensure ongoing affordability. The focus of this discussion was the possible use of restrictive covenants or deed restrictions to ensure that units remain affordable for more than one generation.

  Ms. Sloan pointed out that for other cities, the State affordability condition for CDP loans is for only a three year period. She stated that this does not mean that the same condition will apply to Houston.

- **Social services**
  There was a lengthy discussion pertaining to social services and the provision of a social services coordinator as a means of promoting healthy communities. Ms. Walker shared a model that is in use in her Sunnyside neighborhood, wherein an apartment developer has partnered with the Houston Area Urban League CDC to provide an on-site services coordinator. This model would ensure sustainability of services over time.

  Ms. Gregory shared the local City Park Apartments model, wherein a services coordinator has been engaged by the developer to refer residents to needed services; this model also supports cohesion.

- Ms. Burroughs expressed concern about social cohesion in mixed income communities, pursuant to research that is emerging on the issue. Ms. Koo stated that one model to consider is block associations versus resident councils, as well as grants to block associations for events.

Contractor qualification best practices shared by Mr. Perry include:

- qualify contractors
- obtain three bids
- establish an ongoing relationship with contractors
- disqualify contractors that perform poorly
- establish retainage policy
- have contractor pay hotel bill if work is not performed on schedule

Other best practices discussed include:
- inclusionary housing ordinances
- housing trust fund to purchase sites in the vicinity of the selected areas of opportunity (a local foundation has funded such an effort in Denver)
- infrastructure incentives in exchange for adopting optimum designs and maintaining affordability
- lien recordation to keep predatory lenders away

Dr. Perry emphasized that unintended consequenses can occur, so it is important to maintain program flexibility. Affordability can be maintained via restrictive covenenants, but the unintended consequence could be to make a property less attractive to a potential owner.

Dr. Perry stated that shared appreciation is also a possible tool. This would involve the City and the homeowner sharing in property appreciation. It was acknowledged that this could have unintended consequences, as well.

In response to the issue of the potential for property taxes to rise and affect an owner's ability to remain in his/her unit, Ms. Paup stated that two state senators have introduced a bill to freeze taxes on homes rebuilt after a disaster.

4.6 MEETING MINUTES

COMMUNITY ENGAGEMENT

The discussion pertaining to community engagement focused on the general meeting tentatively scheduled for May 14, 2013 and single-family intake for DR2.

- The group agreed that the general meeting should consist of an update of what has transpired since the summer of 2012, a presentation of areas of opportunity that have been selected, and a discussion of the single-family application process.
- It was agreed that the agenda for tentative May 14th meeting should not include information about which developers have been selected, due to the sensitivity of this information. It was agreed that it would be best if HCDD announced developer selection prior to the meeting.
- The proposed format is to have user-friendly presentation boards that parcipants can mill about and view and a presenatation made by the Department of Housing and Community Development at a time that is advertized in the meeting notices.
- The meeting will last for two hours and will begin at 6 p.m. The location will be discussed with HCDD.
- Hand-outs would include a concise "Frequently Asked Questions" document pertaining to the single-family program and a graphic that depicts the single-family process to be undertaken by Horne LLP.
- Ms. Burroughs asked what role, if any, TOP wants to play in getting the word out for the general public meeting and what role TOP played in getting the word out for the series of meetings sponsored by the Local Initiatives Support Corporation-Houston in the summer of 2012. TOP representatives will discuss what role they want to play with respect to getting the word out for the general meeting with TOP staff.

SINGLE FAMILY PROCESS

The meeting included a discussion of the single family intake process.

- After Ms. Koo described the single family outreach process, Ms. Burroughs suggested that since some general meeting attendees will be disappointed that their area has not been selected, it might be a good idea to announce at the meeting that single-family intake will begin in those communities first. Ms. Koo's alternative suggestion was for half of the outreach could begin in selected communities and half could begin in non-selected communities.
- Ms. Sloan indicated that housing counselors serving the Houston area will need specialized training, given the uniqueness of the areas of opportunity approach.
- A question arose as to whether any effort has been made to involve local Community Development Corporations on a volunteer basis - to help with disseminating information. For example, ReBuild Houston could provide information to those who are ineligible for City funding.

ONGOING STAKEHOLDER ENGAGEMENT

Ms. Koo asked the participating stakeholder organizations how they would like to be engaged going forward. Stakeholders would like:

(1) a meeting pertaining to what will occur at the general public meeting
(2) periodic briefings
(3) a meeting to discuss the single-family outreach approach for Round One single-family

ADJOURNMENT

The meeting adjourned at approximately 5:00 p.m.

4.6 MEETING MINUTES

DATE: MAY 1, 2013
TIME: 5:30 P.M.
LOCATION: Housing and Community Development Department (HCDD)
City of Houston
601 Sawyer Street, Fourth Floor Conference Room
Houston, Texas

IN ATTENDANCE: Neal Rackleff, HCDD
Eta Paransky, HCDD
Joel North, HCDD
Mark Eichenbaum, HCDD
Veronica Chapa-Jones, HCDD
Alfred Henson, HCDD
Robert Renfro, Horne LLP
Stedman Grisby, HCDD
Todd Meyer, SWA Group
Doris Koo, Enterprise Community Partners, Inc.
Roberta F. Burroughs, Roberta F. Burroughs & Associates
Steve Spilette, CDS Market Research
John Henneberger, Texas Low Income Housing Information Service
Chrishelle Pallay, Texas Low Income Housing Information Service
Karen Paup, Texas Low Income Housing Information Service
Madison Sloan, Texas Appleseed
Chuck Perry, PerryRose (via conference)
Maribel Amador, SWA Group
Tarana Hafiz, SWA Group

INTRODUCTION

Main topics addessed at the meeting were (1) market analysis for selected target areas, (2) development proposals (general overview), (3) best practices for maintaining housing affordability, and (4) the proposed general public meeting.

MARKET ANALYSIS

- Aided by slides, Todd Meyer presented maps containing target area demographics and other data.
- Steve Spillette presented market data for target areas where the bulk of the proposed projects are located.

BEST PRACTICES

- Chuck Perry discussed factors that are important to the creation of economically diverse neighborhoods. He also indicated that every city is unique and that the Houston context has to be considered as best practices are put forth.
- John Henneberger expressed concern that the menu of best practices needs to address how to maintain housing affordability and asked that land trust strategies be considered.
- Doris Koo stated that the current menu of best practices reflects the Houston context, but that further study will be conducted. She further stated that policies must be fair and that the desire is to avert displacement by public action.
- Mr. Henneberger stated that maintaining affordability over time is a key determinant for the Texas Low Income Housing Service. Further, he suggested that a local real estate agent be built into the process to link buyers and sellers so that when a unit is vacated, a buyer with a similar socio-economic profile can be placed in the unit.
- Roberta Burroughs stated that it is important to avoid unintended consequences when adopting strategies for long-term affordability and Ms. Koo stated that multiple forces have to be considered, involving a balancing act.
- Neal Rackleff stated that it will be possible to achieve many of the overarching goals.

PREVIEW OF SHORT-LIST PROPOSALS

- Stedman Grisby provided a summary of potential, promising proposals.
- Mr. Henneberger expressed concern about the ability to attact families to areas where schools are performing poorly and a brief discussion of this issue ensued. The point was made that improving school performance can take an extended period of time and outcomes are affected by income levels in the surrounding community.
- Maddie Sloan inquired about the income mix at each project.
- Ms. Sloan asked that the design of Round One ReBuild single-family homes be re-thought for Round Two, whereupon Mr. Rackleff stated that this will be done.
- Ms. Burroughs stated that the design of the multi-family developments will affect community acceptance and asked that design considerations come into play as negotiations with multi-family developers proceed. Mr. Rackleff responded that the aesthetics of both the single-family and multi-family development will be taken into consideration.

COMMUNITY ENGAGEMENT

Ms. Burroughs distributed a one-page summary of the proposed community engagement process.

ADJOURNMENT

The meeting adjourned at approximately 8:00 p.m.

4.6 MEETING MINUTES

DATE: MAY 16, 2013
TIME: 2:30 P.M.
LOCATION: Housing and Community Development Department
601 Sawyer Street, Houston, Texas
First Floor Conference Room

IN ATTENDANCE: Neal Rackleff, Housing and Community Development Department
David Kim, Housing and Community Development Department
Veronica Chapa-Jones, Housing and Community Development Department
Stedman Grigsby, Housing and Community Development Department
Marc Eichenbaum, Housing and Community Development Department
Joel North, Housing and Community Development Department
Eta Paransky, Housing and Community Development Department
Alfred Henson, Housing and Community Development Department
Todd Meyer, SWA Group
John Henneberger, Texas Low Income Housing Information Service
Chrishelle Pallay, Texas Low Income Housing Information Service
Chuck Perry, PerryRose LLC (via teleconference)
Doris Koo, Enterprise Community Partners, Inc.
Roberta F. Burroughs, Roberta F. Burroughs & Associates
Betty Gregory, TOP-Houston
Debra Walker, TOP-Houston
Robert Renfro, Horne LLP
Tory Gunsolley, Houston Housing Authority
Lance Gilliam, Houston Housing Authority

INTRODUCTION

Neal Rackleff, director of the Housing and Community Development Department, opened the meeting. He explained that the purpose was a final recap of the planning process, adding that conclusions would be shared and questions would be entertained.

PLANNING STUDY

- Todd Meyer reviewed the planning study, aided by a slide presentation. He discussed each target area addressed in the study, covering community attributes, preliminary and potential LEED scores, and recommendations, among other topics.
- TOP member Debra Walker asked clarifying questions at various points in the presentation and Neal Rackleff provided clarification and additional information at various intervals.
- Chuck Perry explained that the “Best Practices” section of the planning study was overhauldd as a result of meetings with representatives of the stakeholder organizations (TOP-Houston, Texas Low Income Housing Service, and Texas Appleseed). He and Doris Koo summarized the best practices recommendations that are included in the study.
- Dr. Perry asserted that the adoption and implementation of best practices is an ongoing process and that one project may not be enough to implement and test best practices.

COMMUNITY CONSULTATION

- Roberta Burroughs explained that the components of the community consultation process are consultation with stakeholder organizations and a public meeting to be held on May 22, 2013. She explained that maintaining the connection between citizens that participated in the 2012 Hurricane Recovery public engagement process sponsored by Local Initiatives Support Corporation-Houston is an important aspect of the current outreach process.

MULTI-FAMILY PROGRAM

HCDD staff summarized aspects of multi-family proposals under review, including financing models and income mix.

4.6 MEETING MINUTES

HOUSTON HOUSING AUTHORITY PROPOSALS

Tory Gonsolley stated that the Houston Housing Authority (HHA) has been on a parallel track with its planning process. He and HHA chair Lance Gilliam shared the following information, in sum:

- HHA started with six sites and have further narrowed the list
- Retail amenities are planned for these sites. These include traditional grocery stores and other retail and health services.
- The HHA site will all be mixed-income.

An exchange with Ms. Walker included a discussion of unit mix (single-family versus multi-family), the true potential for a traditional grocery store at the HHA sites, and the desire for dining establishments that are not "fast food" restaurants.

GENERAL DISCUSSION

Mr. Rackleff stated that a review of storm damage shows that there is lots of opportunity to position multi-family development in synergistic relationship to single family development.

SINGLE-FAMILY PROGRAM

Robert Renfro discussed the single-family program, including the following highlights:

- The single-family program revolves around targeted outreach.
- Three variables have to intersect and these are (1) flood damage, (2) high concentration of poverty, and (3) high concentration of minorities.
- Horne has performed some initial assessment and Horne LLC can perform 4000 door-knocks, which is ten times the amount of available single-family money.
- There are plenty of opportunities to conduct single-family outreach in the areas under discussion.

CONCLUSION

Following the presentations summarized above, David Kim asked for comments from the stakeholder organizations that were represented at the meeting. The stakeholder representatives declined, on the basis of not having been given an opportunity to review the actual planning study.

ADJOURNMENT

The meeting adjourned at 5:00 p.m.

APPENDICES

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FAUBOURG LAFITTE

The Lafitte public housing development was constructed in 1941 with 896 units on a 27.2-acre site. Lafitte is located near the New Orleans central business district in the Tremé neighborhood.

The Housing Authority of New Orleans selected Providence Enterprise Orleans, LLC in August 2006 to redevelop Lafitte into a vibrant community to provide both affordable and market rate housing. The development team includes Providence Community Housing, a New Orleans-based nonprofit affordable housing developer; Enterprise Community Partners; and L+M Development Partners, a New York-based affordable and mixed-income housing developer.

Redevelopment Program

The new community, which has been renamed Faubourg Lafitte, will provide one-for-one replacement of Lafitte's pre-Katrina affordable units. It will eventually consist of 1,500 units on- and off-site comprised of affordable and market rate rental and for-sale units.

The 1,500 unit project is planned to be developed in two large phases, the first of which includes 812 units—568 rental units that were awarded Low Income Housing Tax Credits (LIHTC) and Community Development Block Grant (CDBG) funding in December 2006 and 244 workforce/market units. Of the first 812 units, 295 units will be constructed in the surrounding neighborhood and 517 units will be constructed on the former Lafitte site (376 will be rental units affordable to households earning up to 60% AMI, 52 units will be homeownership units and 89 will be apartments at unrestricted rates or at rates affordable to households earning up to 80% of AMI).

	Affordable							Market (Includes some 80% AMI rentals and Homeownership)			Total
	ACC Only	ACC/ LIHTC	PBS8	PBS8/ LIHTC	LIHTC Only	Home-Owner	Sub-total	Rental	Home-Owner	Sub-total	
Phase I On-Site	30	141	70	95	40	0	376	89	52	141	**517**
Phase I Off-Site	0	0	0	192	0	0	192	0	103	103	**295**
Total	**30**	**141**	**70**	**287**	**40**	**0**	**568**	**89**	**155**	**244**	**812**

At this time, 276 of the on-site units are complete and fully occupied. Those 276 units are all tax credit-funded affordable units, and almost 50% of the occupants are pre-Katrina Lafitte residents.

The units in the surrounding neighborhood include 75 completed and occupied homeownership units that are a mix of new construction and historic rehab.

The first sub-phase of the offsite rental program, the 34-unit Tremé Cottages, is a rehab development that is 70% complete. The development team also closed on a scattered-site LIHTC rental project in December 2011. This sub-phase of the offsite component consists of the rehabilitation of 28 houses comprised of 38 units. The houses were originally located within the footprint of the nearby VA Hospital site, but were moved to lots in controlled by Providence to avoid demolition. Rehabilitation of the homes commenced in January 2012 and is 100% complete with all units occupied.

Funding for the units that have been completed includes tax credit equity from Enterprise Community Investment and Goldman Sachs, construction loan funding from Citibank, Goldman Sachs, Chase and Iberia Bank, capital and other funding from the Housing Authority of New Orleans and the Louisiana Office of Community Development and assistance provided by the Industrial Development Board of the City of New Orleans.

Construction and Amenities

Faubourg Lafitte will be part of the neighborhood through a reconnected public street grid and the development of infill housing. The overall design is strongly influenced by the rich, architectural styles found in the surrounding neighborhoods of Tremé and Tulane-Gravier and the community was planned with the input of former residents and neighbors through a series of charettes.

All of the Green Communities Certified new homes will feature modern amenities, including:

- Energy Star appliances – refrigerators, dishwashers, washers and dryers;
- Energy efficient central heat and air conditioning;
- Off-street parking;
- Access to community gardens;
- Extensive landscaping and mature trees;
- Front porches and back yards.

Faubourg Lafitte is also on the Lafitte Greenway which will link neighborhoods from the French Quarter to City Park via a landscaped biking and walking trail. The new development also will maintain three of the original Lafitte buildings.

Resident Services & Recreation

The Sojourner Truth Neighborhood Center (STNC) is the hub for support services for Faubourg Lafitte residents and the Tremé community. Re-opened in 2009, STNC provides quality, enriching, engaging and creative programs to promote economic and emotional stability by offering resources and tools to improve quality of life and maximize strengths. STNC programs focus on four asset-based components: employment, youth development, wealth development, and health & wellness. Programs include group exercise classes, health seminars, financial and computer literacy, employment referrals, resume assistance and soft skills training. We also offer a senior program that promotes exercise, socializing and healthy meals. Our youth development program includes a structured afterschool program focusing on academic achievement, music and arts, a tennis program and Girl Scouts.

A

Project Sources (includes infrastructure construction)

On-Site Tax Credit Rental Development to Date (276 Units)

GO Zone Tax Credit Equity	$59,000,000
GO Zone CDBG Funding (Piggyback Program) through the LA Office of Community Development	$13,550,000
Infrastructure and Other Funding through Housing Authority of New Orleans	$12,000,000
Land Lease Loan through Housing Authority of New Orleans	$1,500,000
Bond Issue through New Orleans Industrial Development Board	$150,000

Scattered Site LIHTC Rental Development to Date (38 Rehab Units)

GO Zone Tax Credit Equity	$10,584,000
GO Zone CDBG Funding (Piggyback Program) through the LA Office of Community Development	$2,084,000
Owner Equity	$680,000
Deferred Developer Fee	$491,000

Scattered Site Affordable Rental Development to Date (28 Rehab Units)

City of New Orleans HOME Funds	$1,800,000
Louisiana Disaster CDBG Small Rental Property Program	$2,020,000
Permanent Loan	$940,000
Owner Equity	$345,000

Scattered Site Homeownership (70 Units – 10 Rehab and 60 New Construction)

Buyer Contribution	$3,430,000
Soft Seconds through Developer, City of New Orleans and FEMA	$2,770,000
HOME Development Subsidy	$440,000
FEMA Katrina Cottage Program Funding	$9,300,000
Owner Equity	$210,000
Acquisition Donation	$250,000
Grant Funding	$90,000

DIRECT HOMEBUYER ASSISTANCE PROGRAM
Underwriting Criteria Summary Sheet

Soft Second Mortgage Terms

- 10-year forgivable, 0% interest rate, no payment. Repayment of full amount becomes due if buyer sells/moves before the end of year 5th. After the 5th year of occupancy, 25% of the mortgage will be forgiven. 15% per year will be forgiven each subsequent year until the grant is fully amortized in year 10.
- No pre-payment penalty, no assumptions.
- The maximum amount of the Soft Second Mortgage cannot exceed 50% of the purchase price of the home.

Eligible Areas

- Prospective home buyers may purchase homes anywhere in Orleans Parish.
- Households earning up to 80% of Area Median Income (AMI) may access up to $65,000 in Soft Second Mortgage financing no matter where they purchase within Orleans Parish.
- Households above 80% of AMI are provided with incentives for purchasing homes in Placed-Based Strategic Areas. (See www.nola.gov/softseconds for maps of Place Based Strategy Neighborhoods).

Determining the Soft Second Mortgage Loan Amount

- The Lender is required to "max out" affordability on the borrower's first mortgage before determining the amount needed in a soft second loan.
- The "gross monthly income to house payment ratio" range (Housing Ratio) for a 1st mortgage product is 30% to 33%.
- Those under 30% or those exceeding 33% require rationale/compensating factors provided by the 1st mortgage lender in writing. This calculation is based on the gross monthly income of borrower(s)—NOT Household Income.
- If a homebuyer is given Gift Funds, those funds are limited to 10% and must be used before Homebuyer Assistance Funds.
- The total maximum grant a homebuyer will be eligible to receive as a Soft Second Mortgage will depend upon the homebuyer's household income, family size and need. See Funding Charts which show funding maximums per household income and family size. www.nola.gov/softseconds

Property Eligibility Requirements

- One-two unit residential properties located in the City of New Orleans.
- Newly constructed in-fill homes or renovated homes.
- Homes must be in compliance with the City of New Orleans Housing Code, the International Residential Code and HUD's Housing Quality Standards.

Homebuyer Eligibility Requirements and Obligations

- To qualify as a First-time Homebuyer, the prospective buyer must not have held an ownership interest in a residential property within 3 years. (Exceptions are made for displaced homemakers.)
- The household income may not exceed 120% of the area median income (AMI).
- The homebuyer is required to occupy the home as his/her primary residence until the 10-year forgivable period has expired. Buyers who move or sell prior to expiration of the 10-year forgivable period will be obligated to repay all or a prorated portion of the soft second loan.
- Prospective homebuyers will be required to graduate from a 12-hour Homebuyer Education course offered via a HUD Housing Counseling Agency. A list of organizations that are certified by the Louisiana Homebuyer Training Collaborative to deliver the required prerequisite training and certificate of completion can be found at www.nola.gov/softseconds
- Prospective homebuyers purchasing duplex units will be required to Landlord Training Classes from one of the approved trainers mentioned above.
- Homebuyers who qualify to receive Purchase Assistance via a Soft Second Mortgage Loan must maintain Homeowner's Insurance and Flood Insurance for the full-replacement value for the duration of the loan term. The City of New Orleans is to be listed as "Loss Payee" on both policies and evidence of the same will be required prior to closing.

Closing Costs Assistance

- Homebuyers earning up to 80% of AMI may also be eligible to receive up to $10,000 in Closing Cost Assistance.
- Homebuyers earning between 81% and 90% of AMI may also be eligible to receive up to $5000 in Closing Cost Assistance.
- Homebuyers who have liquid funds that exceed 10% of the sale price will not be eligible for closing cost assistance.
- Closing Cost Assistance is for closing cost fees only. Pre-paid items are not eligible for closing cost assistance.

First Mortgage Loan and Closing Fees Pricing Standards

- Lenders may charge up to (1) point origination and up to one (1) discount point plus other necessary fees considered reasonable and customary per FHA.
- Interest rate pricing on 1st mortgages loans may not be more that 2% above the current market rate published by Freddie Mac Weekly Mortgage Market Survey (WMMS), for single family fixed rate loan programs, effective for the one week period after publication of the WMMS. The applicable rate may be obtained from www.freddiemac.com
- Prospective buyers may opt to pay "points" to buy down the interest rate.
- Closing cost fees may not exceed those as listed in the guidelines provided to approved Closing Agents by the City of New Orleans

Best practices in affordable housing: Seattle's High Point Redevelopment Project

http://www.huduser.org/portal/bestpractices/study_04092012_1.html

Located adjacent to one of Seattle's most sensitive natural resource areas, the redevelopment of the High Point Garden public housing project in West Seattle, Washington, is a model for innovative and inclusive sustainable community development. The redevelopment project highlights the importance of a community-driven planning process, the synergy between the principles of low-impact development and New Urbanism, and the benefits of innovative resource- and energy-efficient building design and construction. Initiated with a $35 million HOPE VI grant from HUD, High Point embodies the goals of this ambitious federal program: to transform the physical and social dimensions of the nation's most distressed public housing developments. The Seattle Housing Authority (Housing Authority) managed the $550 million redevelopment, which includes approximately $285 million in private investment, to provide more than 1,600 mixed-income housing units and enhanced community services over a period of 10 years.

Project Context and History

Originally built during World War II under the Lanham Act, the High Point Garden Community was an ideal location to house the influx of defense workers supporting the war effort.1 West Seattle is located southwest of downtown Seattle on a peninsula defined by Puget Sound to the north and west and the Duwamish River to the east. The site sits approximately 500 feet above sea level on a slope that descends in a northeasterly direction and abuts Longfellow Creek to the east.2 The creek is home to salmon spawning grounds, and its protection was (and remains) a high priority for city officials, nonprofit organizations, and Seattle residents.

The 1950s marked a period of change for the sprawling 120-acre High Point site, as the 1,300 housing units in approximately 400 buildings were transitioned from defense housing to accommodate Seattle's low-income population.3 In the years after the transfer, High Point experienced a period of decline and by the 1990s, 140 of the original buildings were demolished and only 716 housing units remained.4

Various factors led to the social and physical deterioration of High Point, including the site's location and the planning principles applied to the development. Because the site abutted Longfellow Creek, High Point was inaccessible directly from the east, which isolated the development from the rest of the community. Its curvilinear streets and cul-de-sacs limited circulation within the site and discouraged through-access from the north and south.5 These design and geographic features contributed to an environment rife with crime, as it was isolated from the surrounding neighborhood and difficult for law enforcement to patrol.6 As the obsolete buildings fell into disrepair, the Housing Authority demolished rather than rehabilitated the structures; in its existing state the development was one that neighbors would consciously avoid.7

The residents who remained at High Point were some of the most impoverished and disadvantaged in the city, and they lived in an environment dominated by drugs, crime, and other illicit activities.8 Nearly 51 percent of High Point residents lacked a high school education, and according to administrative data from the Housing Authority, more than half of High Point residents were unemployed. Nearly all the residents living in the development earned less than 50 percent of the area median income. The neighborhood surrounding High Point was socioeconomically distinct from the larger West Seattle neighborhood and the city as a whole.9 According to 2000 census data, 31 percent of residents in the High Point census tract were living in poverty, compared with 11 percent in the city and approximately 5 percent in the neighborhoods to the west.10 High Point and the surrounding neighborhood was also home to a disproportionate number of minority residents; approximately 70 percent of residents in the census tract were minorities, compared with 30 percent in the city and approximately 15 percent in the adjacent neighborhoods to the west.11

As High Point declined, the Housing Authority examined the possibility of rehabilitating the existing housing units. However, given the scale of the necessary improvements and its limited capital budget, the agency deemed the rehabilitation project infeasible. The only real possibility of redeveloping the site would come from securing a HOPE VI grant from HUD, which would provide a portion of funding for the rehabilitation and serve as critical leverage in securing additional public financing and private investment.12 In June 2000, HUD awarded the Housing Authority a $35 million grant to redevelop the existing High Point Garden community into a mixed-income neighborhood.

Sustainable Planning and Design

The HOPE VI grant marked the beginning of what would become a 4-year planning process for the redevelopment of High Point. In managing its third HOPE VI project, Housing Authority officials were aware that the success of High Point hinged on engaging residents from both High Point and the larger West Seattle neighborhood in the planning process. To achieve this goal, the Housing Authority and its planning and design consultants hosted a series of community meetings to reach a range of stakeholders.13 Information sessions were held with High Point residents to discuss the HOPE VI relocation process that would precede the redevelopment. Forums targeted to broader audiences gathered feedback on preferred architectural styles and plans for parks and open space.14 These meetings served as an important form of "mutual education" between the community and the planning professionals, where issues, concerns, and proposed solutions were vetted through a collaborative process.15 Community engagement resulted in a planning framework with four core principles:

- Reintegrate High Point into West Seattle;
- Create a Vibrant Community at High Point;
- Build Diverse and Safe Housing; and
- Create a Community of Open Spaces.

Based on these guiding principles, project goals were established to realign the High Point street network with that of the rest of West Seattle, ensure that housing units throughout the development would be mixed-income and serve all ages, provide a network of pedestrian-friendly infrastructure tied to parks and open spaces, and create high-quality community services. Protecting natural resources was another top priority; the development incorporated an innovative natural drainage system to minimize stormwater runoff and protect the salmon habitat of Longfellow Creek.

With the community goals in place, the Housing Authority and design team developed a 34-block master plan for High Point grounded in New Urbanist principles. New Urbanism is a framework for community planning that promotes inclusive, livable neighborhoods through mixed land use, diverse transportation infrastructure, and human-scale design principles. These design principles reinforce the community's goals in several ways; the linear street network facilitates circulation within the site and strengthens connections to the larger West Seattle neighborhood, while a diversity of housing types and architectural styles complement the existing residential development in West Seattle to better integrate the development with the surrounding neighborhoods. The available housing types, which include single-family attached and detached homes, duplexes, and multifamily units, offer residents a range of housing options to meet their individual needs. Breaking up the massing of the buildings and conservative height restrictions allow for a significant increase in the number of housing units on the site (16–25 units per acre) without compromising the goal of creating a neighborhood-scaled, pedestrian-friendly community.16

High Point also incorporates New Urbanist principles to foster community interactions. Minimal setback and frontage requirements allow homes to be built close together and near the street. These design features define the sidewalks and create an attractive and expansive pedestrian network throughout the development. A hierarchy of open spaces, including pocket parks, community gardens, and a 3-acre "commons," provides more than 20 acres of open space connected through a network of trails. This combination of passive and active amenities offers High Point residents many recreational options.17

Low-impact development strategies—which minimize the disturbance of natural landscape features and maximizes permeable surfaces to manage stormwater in a manner that promotes its natural flow through the watershed— were used at all scales of the development to implement the innovative natural drainage system. At the neighborhood level, the 20 acres of open space provide permeable surfaces to allow infiltration and reduce stormwater runoff. The 15,000 linear feet of vegetative bioswales constructed throughout the development absorb and filter rainwater before it enters the city's storm drains.18 The bioswales direct storm runoff to an engineered pond that slowly releases the naturally filtered water into the Longfellow Creek watershed. In addition, rain gardens and native plantings throughout the development absorb stormwater. Permeable hardscaping, such as porous pavers, promotes groundwater infiltration.19 Each of the new building lots, created through the realignment of the street network and subdivision of the site, was subject to a drainage covenant that dictated an allowable amount of stormwater to flow from each site.20 To build the natural drainage system, the Housing Authority collaborated with the Seattle Public Utilities Commission, which developed the stormwater management plan and helped finance the additional costs of the system. 21

To implement these New Urbanist design principles and the natural drainage system, the project's developers created detailed design guidelines and technical standards. The High Point Design Book provides High Point builders with detailed guidance on meeting the Housing Authority's development standards, including architectural standards and allowable housing types, site planning, use regulations, and standards for landscape plantings in public right-of-

ways. Building regulations and allowable architectural styles vary by lot and by block, a consideration informed by community members who did not want the housing to look institutional.22

Drainage technical standards helped private contractors meet the requirements set in High Point's drainage covenant. The covenant provides unique drainage requirements for each building lot based on individual site conditions and controls for impervious surface cover, drainage discharge locations, and drainage from roofs. The technical standards also provide contractors with best practices, including using permeable hardscape materials, locating gutter downspouts, and planting recommendations for rain gardens.23

Financing and Phasing

High Point garnered more than $550 million in financing over more than 10 years, of which $285 million came from the private sector. Of the remaining financing, $35 million came from the initial HOPE VI grant, $106 million came from other public funding sources, $68 million came from tax-exempt borrowing, and $56 million came in tax credit equity.

The High Point project was developed in two phases, with construction of Phase I beginning in 2004 and Phase II beginning in 2006. As the master developer of the project, the Housing Authority removed the existing public housing on the site, financed the infrastructure, and was responsible for the creation of 600 affordable housing units.

Phase I included the development of 700 housing units, a new public library, and neighborhood medical and dental clinics. Of the housing, 344 units were developed for very low-income residents, with primary financing coming from $27 million in tax credit equity, $14 million from the sale of land to private developers, and $8.5 from the HOPE VI grant.24 The 350 privately constructed units are a combination of market-rate rentals and owner-occupied housing built by four developers. The new library, built on the western side of the High Point development, further integrates High Point with the larger West Seattle neighborhood.25

Phase II of the redevelopment included 900 mixed-income housing units and a neighborhood services center. Of the housing units, 266 serve low-income renters, and an additional 75 units accommodate very low-income seniors. The low-income housing units were financed with approximately $29 million in low-income housing tax credit equity, and the senior housing project received a HUD Section 202 grant.26 The High Point Center was completed in 2009 and offers a range of programs and activities for High Point and West Seattle residents. The Leadership in Energy and Environmental Design (LEED) Gold–certified building includes the largest solar array built to date in the state of Washington and serves as the social nexus of the community.27

Sustainable Construction

Sustainability at High Point goes beyond incorporating low-impact development strategies and New Urbanist principles. The development's construction embodies sustainability through resource conservation, energy-efficiency strategies, and innovative techniques developed to support improved health in children.

All of the housing units at High Point are built according to King County's Built Green 3-star standard, a regional building and neighborhood certification program established by the governments of King and Snohomish counties in partnership with the Master Builders Association. The program certifies buildings and entire neighborhoods based on sustainable design, construction, and operations with respect to site development, energy efficiency, indoor air quality, and construction materials. Similar to LEED, Built Green certification is earned through points awarded to a project for meeting established criteria.

The sustainable features of High Point's homes include Energy Star-rated appliances, closed-loop hydronic heating, tankless hot-water heating systems, energy-efficient windows, and dual-flush toilets. Building materials and practices such as airtight drywall and advanced framing techniques minimize air transfer between the interior and exterior of the building.28 Although the city of Seattle does not require Built Green certification, the Housing Authority required the certification for all High Point buildings as part of its approval process for private developers.29

In addition to the Built Green standards, the development team at High Point also pioneered the construction of 60 Breathe Easy homes to reduce the risk and severity of asthma in children. This is especially important because research shows low-income and minority children are disproportionately exposed to allergens and irritants associated with poor air quality in substandard housing conditions.30 The Housing Authority partnered with Neighborhood House, the University of Washington, King County public health officials, and other nonprofit organizations to get a Healthy Homes grant from HUD and additional funding from the National Institute of Environmental Health Sciences (NIEHS) and Enterprise Community Partners (Enterprise) to implement the program.

Breathe Easy homes reduce the risk factors that contribute to childhood asthma through advanced ventilation systems, low off-gassing home construction materials, and the elimination of materials such as carpets and curtains that capture indoor air quality irritants.31 The HUD, NIEHS, and Enterprise grants funded the Breathe Easy interventions, as well as resources devoted to research and evaluation.

Experience Gained

The transformation of High Point from a severely distressed public housing site to a model of sustainable community development has earned the project numerous awards and honors, including the 2006 HUD Secretary's Award for Community Informed Design and the Urban Land Institute's 2007 Global Award for Excellence. And although these accolades underscore the process, innovation, and quality of the design and construction at High Point, the measureable benefits in terms of energy savings and improved health outcomes further highlight the project's success.

Following the completion of the affordable housing units at High Point, Enterprise Community Partners commissioned a study to evaluate the development's resource conservation and energy efficiency efforts. The study examined High Point's energy and water consumption compared with that of a recently upgraded public housing development (Yesler Terrace) and the Housing Authority's first HOPE VI project, New Holly. By comparing utility bills, researchers found that residents of High Point consumed approximately 37 percent less energy for space and water heating compared with residents of New Holly and used less water than residents of both New Holly and Yesler Terrace.32 When comparing the all-electric units across the three developments, the savings at High Point were most substantial compared with Yesler Terrace, but were still significant compared with New Holly (see table 1). The savings generated at High Point has allowed the Housing Authority to recalculate its utility allowances based on actual consumption, representing a total savings of approximately $500,000 annually.33

Table 1. Electricity Consumption Comparison: High Point, New Holly, and Yesler Terrace

Development	Heat Source	Bedrooms	Average Square Feet	Average Annual Usage Per Square Foot (KwH)	Annual Cost	Average Annual Cost per Square Foot
Yesler Terrace	Electric	1	516	13.3	$399.00	$0.77
New Holly	Electric	1	627	10.5	$368.40	$0.59
High Point	Electric	1	655	9.1	$324.60	$0.50

*** The housing units used for the comparison across all three developments are only those with electric space and water heating.**

**** Table Source:** Enterprise Community Partners. 2009. "Sharing the Benefits of Building Green: A Study of the High Point Community," www.cedarrivergroup.com/projects/high_pt_bldg_green_rpt01-21-09.pdf, accessed 18 March 2012.

Evidence from High Point also suggests the positive health benefits for children living in Breathe Easy homes. As part of a longitudinal study funded by grants from HUD and NIEHS, researchers collected clinical data from children with asthma in 34 families before and after moving into Breathe Easy homes. Although the sample size is small, the outcomes from the study show significant health benefits in children as a result of living in a Breathe Easy Home. The clinical outcomes show increases in the number of asthma-free days experienced by children, significant reductions in the percentage of children needing urgent clinical care, and improvements in health quality. These significant health benefits were gained through investments of only $5,000 to $7,000 per housing unit.34

Beyond the measurable benefits, the greatest lesson from the High Point redevelopment is the importance of community involvement, strong local leadership, and public-private partnerships in facilitating successful community redevelopment. Many of the innovations at High Point are a direct result of close collaboration with the residents of High Point and the surrounding community, and were implemented through strong working relationships among the Housing Authority, city officials, private developers, and nonprofit organizations.

Development Team	
Master Developer	Seattle Housing Authority
Community Group	Partnership for High Point's Future
Architect (Master Plan, Site Design, Rental Housing Design)	Mithun Architects
Civil Engineering, Infrastructure and Natural Drainage System Design	SvR Design
Landscape Design	Nakano Associates

Financing	
HOPE VI	$35 Million
Private Investment	$285 Million
Low-Income Housing Tax Credit Equity	$56 Million
Additional Public Funding	$106 Million
Tax-Exempt Borrowing	$68 Million

Table Source: Seattle Housing Authority. *Redevelopment Plan*. Seattle Housing Authority Website: http://www.seattlehousing.org/redevelopment/high-point/plan/.

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23. SVR Design Company.
24. Bruner Foundation.
25. Ibid.
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31. Ibid.
32. Enterprise Community Partners.
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CENTER FOR HOUSING POLICY

Policy Brief

Preservation of Affordable Homeownership: A Continuum of Strategies

By Rick Jacobus and Jeffrey Lubell

April 2007

Preservation of Affordable Homeownership: A Continuum of Strategies

by Rick Jacobus and Jeffrey Lubell[1]

INTRODUCTION[2]

In recognition of the significant benefits of homeownership for families and the communities in which they live, many cities, counties and states have adopted policies that seek to increase residents' access to affordable homeownership opportunities. This paper examines the range of different policy options that communities have adopted to reduce the cost of homeownership, with a particular focus on the *effectiveness of each option in preserving affordable homeownership opportunities over time*.

The focus of this review on the *preservation of affordable homeownership* grows out of the collective experience of numerous communities around the country with sharply rising home prices over the past five to ten years. As many communities have learned the hard way, homes that they helped make affordable through an initial downpayment grant or other assistance often have become unaffordable when sold to the next family. With the amount of subsidy needed to bring homeownership within reach of working families growing exponentially, communities have struggled with the question of how to ensure that the public's investments in homeownership

[1] Rick Jacobus is a partner in Burlington Associates in Community Development LLC, a national community development consulting firm. Jeffrey Lubell is the Executive Director of the Center for Housing Policy. The Center gratefully acknowledges the support of the Annie E. Casey Foundation for this publication. The findings and conclusions presented in this report are those of the authors, and do not necessarily reflect the opinions of the Foundation.

[2] Portions of this paper are adapted from *Creating Permanently Affordable Homeownership* by Rick Jacobus and Amy Cohen. Forthcoming. In *California Affordable Housing*, Solano Press.

keep pace with the market. This review provides an overview of the range of mechanisms that local governments use to ensure that housing funds invested in affordable homeownership today are able to serve additional families into the future. In general, this is accomplished either through resale restrictions that preserve the affordability of specific assisted units or through deferred loans that allow the locality to capture a portion of home price appreciation at the time the assisted units are sold which can then be used to help subsequent buyers purchase homes of their choice.

The recent slowdown in home price appreciation in many of the nation's hottest housing markets provides communities with an important opportunity to take a step back and review their existing homeownership policies. While it is impossible to know with certainty what will happen to home prices in the future, the sharp run-ups of recent years have made clear the necessity of planning for every contingency – including the real possibility that rapid home price increases could erode the value of public homeownership investments over the long term.

Balancing Individual Asset Accumulation and Long-Term Affordability

While state and local homeownership programs come in all shapes and sizes, the most common approach is to provide a public subsidy to make homeownership more affordable to working families and other moderate-income households. The subsidy might take the form of a loan or grant from city, county or state government directly to the homebuyer or a grant from one of these jurisdictions to a developer who then agrees to build homes for sale at an affordable price. In other cases, the "subsidy" is implicit rather than explicit; a good example is a local inclusionary housing program that requires developers of market-rate homes to sell a small percentage of the new homes at affordable prices. In each of these cases, a community makes it possible for working families to afford a home that they would not be able to purchase affordably without this subsidy.

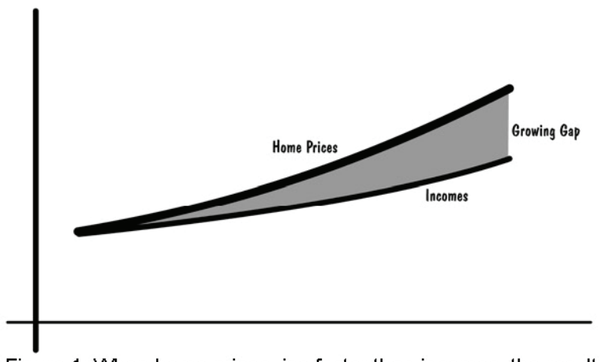

Figure 1: When home prices rise faster than incomes, the result is a growing affordability gap.

As shown in Figure 1, however, when home prices rise more rapidly than incomes – as has been the case in all of the nation's hot housing markets over the past five to ten years – it becomes more and more expensive to help working families purchase homes. As the amount of subsidy required to help each family rises, these programs face an increasingly difficult set of policy decisions. Should the programs continue to make homeownership affordable to families at the same general income level, and if so, are they prepared to assist fewer and fewer families each year? Also, at what point does it become unfair to provide a windfall to a few lucky families who are selected to receive a subsidy when numerous other families are falling further and further behind in their quest for homeownership? Providing a $5,000 down payment assistance grant may be a small price to pay to help a family improve its economic position, but as the cost of the assistance rises – to $20,000, $50,000 or even $100,000 or more – the amount starts to seem like too much to give away to one family when there are so many others who will receive no help at all.

This is where the question of *preserving affordable homeownership opportunities* comes into play. Cities, counties and states are accustomed to commitments of affordability for up to fifty years or longer when they invest in affordable rental homes. Many programs designed to assist first-time homebuyers, however, have no provisions preventing the assisted family from selling the unit and realizing a windfall the day after the home is purchased. What naturally happens is that as the amount of per-household subsidy rises, programs become more concerned about preserving the value of public subsidies and turn from grants to loans and then to "shared equity" approaches such as shared appreciation loans or resale price restrictions designed to preserve the buying power of the public investment.

Such changes are often controversial. Critics of these preservation mechanisms charge that they are unfair because they do not allow assisted homeowners to experience the same amount of growth in individual assets as market-rate home purchasers experience. Advocates for these mechanisms argue that tight restrictions are needed to ensure that subsidized homes remain affordable over time to help other homebuyers in need of assistance.

While these debates can be contentious, the issue of whether, and if so, how to preserve the value of public investments in homeownership is crucial to the design of these programs and thorough discussion is appropriate. Unfortunately, the quality of the policy dialogue tends to suffer when both sides see the choice as an "either-or" decision between two competing approaches: one model that provides wealth creation for homeowners and the other that preserves affordable housing resources to serve future buyers.

In reality, there is enormous variety in local homeownership programs, which fall along a continuum between strategies that maximize individual wealth creation and strategies that maximize preservation of long-term affordability. Few of the policy options fall at one extreme or the other, however. Most options attempt to strike a balance between these two competing goals by offering homeowners real wealth-creation opportunities while still preserving the value of public funds so that they can serve other homebuyers in the future. Under these models, families build assets both by paying down the principal balance on their first mortgage and by sharing the benefits of home price appreciation with the jurisdiction providing the subsidy.

As this continuum shows, there are ample opportunities to preserve the value of public subsidy while simultaneously offering meaningful opportunities for individual asset accumulation. The question for policymakers should not be whether to provide opportunities for individual wealth creation or preservation of ongoing affordability, but rather how to strike an appropriate balance between these two goals.

A Continuum of Strategies for Preserving Affordable Homeownership

While there are literally dozens of different options for designing an affordable homeownership program, these diverse options may be divided into four main categories,[3] each of which treats the question of subsidy preservation in a different way. Figure 2 graphically illustrates the continuum between homeownership programs that emphasize individual asset building and those that emphasize long-term affordability. As points of reference, Figure 2 also shows where traditional homeownership and permanently affordable rental housing fall on the same continuum.

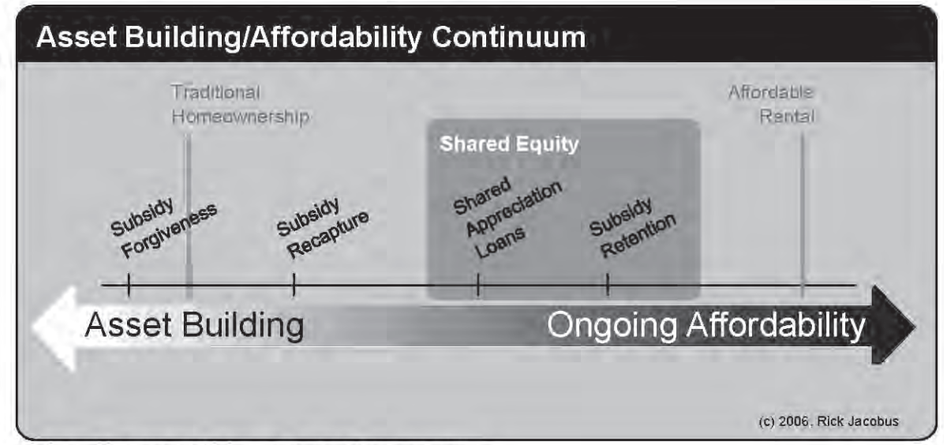

Figure 2: Asset building – affordability continuum

A. **Subsidy Forgiveness** programs provide one-time assistance to homebuyers with no expectation that these funds will be repaid to help serve future buyers. These programs include homebuyer grants as well as loans that are forgiven if families remain in the homes for a certain period of time (forgivable loans).

B. **Subsidy Recapture** programs allow buyers to temporarily use public funds but expect these resources to be returned so they are available to assist future buyers. The most common form of subsidy recapture is a "silent second" mortgage that is subordinate to a family's primary mortgage, but requires no payment of principal or interest until the family sells its home (or in some cases, refinances the first mortgage). Sometimes these loans are interest free; other times sellers are required to repay the funds along with deferred interest. In some cases the loans are only deferred for a limited period of time

[3] These categories are adapted from a typology developed by John Emmeus Davis. 2006. *Shared Equity Homeownership: The Changing Landscape of Resale-restricted, Owner Occupied Housing*. Newark, NJ: National Housing Institute. Davis uses the term "shared equity homeownership" to refer only to subsidy retention strategies – approaches that maintain affordability through resale price restrictions – while we include both subsidy retention and shared appreciation loans under the general heading "shared equity."

(e.g., five years) after which homeowners are expected to begin making regular payments.

C. **Shared Appreciation Loans** are second mortgages that require no payments until the home is sold (or, in some cases, the first mortgage is refinanced). At the time of sale, the family is required to repay the original principal plus a share of home price appreciation in lieu of interest. These loans exhibit characteristics of both subsidy recapture (above) and subsidy retention (below).[4]

D. **Subsidy Retention** programs provide a one-time investment of public funds to bring the sale price of specifically designated homes (often, though not always, new construction) down to a level that is affordable to buyers at the target income level, who are then required to resell the homes at affordable prices. These programs utilize one of several different pricing formulas to keep resale prices at affordable levels. Common subsidy retention strategies include deed-restricted homeownership, community land trusts, and limited equity cooperatives.[5]

Each general approach offers a different way of thinking about the rights and responsibilities of homeowners who benefit from government assistance. To illustrate the cross section of choices, this paper describes several specific program models and highlights some of the reasons that local communities turn to one approach over another. These models represent only a few of the dozens of common alternatives but comparing these options in detail should help policymakers to better understand the full range of choices.

In this paper, and in related materials being released at the same time by the Center for Housing Policy,[6] we refer to the third and fourth categories – shared appreciation loans and subsidy retention – as "shared equity homeownership" strategies. Under both approaches, the benefits of home price appreciation are shared between the public entity providing the subsidy and the individual homebuyer assisted with that subsidy. In the case of a shared appreciation loan, the public's share is returned to the government entity making the subsidy in the form of a cash payment that can be used to help subsidize a subsequent homebuyer. In the case of a subsidy retention strategy, the public's share of the equity stays with the home, reducing the cost to the next homebuyer. There are other important differences between the two approaches, some of which are discussed below, but for the moment, the important point is that they share the basic underlying characteristic of trying to preserve the value of the public's homeownership investment by sharing the equity attributable to home price appreciation.

The following sections provide an overview of each of these four different approaches.

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[4] This paper discusses only shared appreciation loans provided by public sector or nonprofit lenders. Private "shared equity mortgages" are somewhat common in England and have been proposed from time to time in the United States but are not included here because the equity that is shared is not available to be reinvested in the provision of affordable housing. For a recent proposal for privately financed shared equity mortgages in the US see: Andrew Caplin, James H. Carr, Fredrick Pollock, and Zhony Yi Tong. 2007. *Shared-Equity Mortgages, Housing Affordability, and Homeownership*. Washington, DC: Fannie Mae Foundation.

[5] These terms are discussed in more detail in the body of the paper.

[6] For more information on the Center's suite of information resources on shared equity strategies, see www.nhc.org/housing/sharedequity.

A. Subsidy Forgiveness

Advantages	Disadvantages
• This approach maximizes individual asset-accumulation by homebuyers • Programs are relatively simple to administer • Grant programs are easier than more restrictive models to market to families	• New subsidy funds must be invested for each new homebuyer assisted • As home prices rise, the level of assistance required for each assisted family also rises • Large grants to individual families may become hard to justify and erode public support for the program

Many communities offer programs through which income-eligible homebuyers can receive small grants (or loans that are forgiven in the event that families remain in the home for a certain period of time) that help make homeownership more affordable. In many cases, these are "downpayment assistance" grants that are designed to help buyers who have enough income to afford the monthly mortgage costs but have not saved enough for a minimally adequate downpayment. In some communities, the grants are larger and are intended to help fill the gap between what a working family can afford and the cost of an entry-level home in the market. In some cases, the program may still be called "downpayment assistance" even though the amount of assistance is larger than the 5% to 10% of the purchase price that would be required for a minimal downpayment. A larger amount is necessary when home prices are so high that working families or other target households cannot afford monthly mortgage costs even after putting down a minimal downpayment.

Similarly, communities with inclusionary zoning programs sometimes require developers to sell homes for less than their market value but allow qualified buyers to resell these homes at market prices after a short period of time. Such programs forgive the subsidy implicit in the inclusionary units that might otherwise be retained to help future buyers.

Grants and forgivable loans offer a strong individual asset-building opportunity for participating homebuyers. In fact, they actually offer a greater opportunity to build equity than traditional homeownership because, in addition to earning equity based on the pay-down of the principal balance of a mortgage and any home price appreciation, the assisted homeowners also are allowed to keep the publicly funded grant.

The challenge that subsidy forgiveness programs face is that as housing prices rise, the amount of grant or forgivable loan funds required to assist each new family increases substantially. This process is illustrated in Figure 3. At a certain point, it becomes difficult to justify such a large "gift" of public funds to a single family. In addition, unlike the other models described below, each dollar invested in a grant program serves only one family. Funds that are granted to homebuyers today are not available to assist additional families in the future.

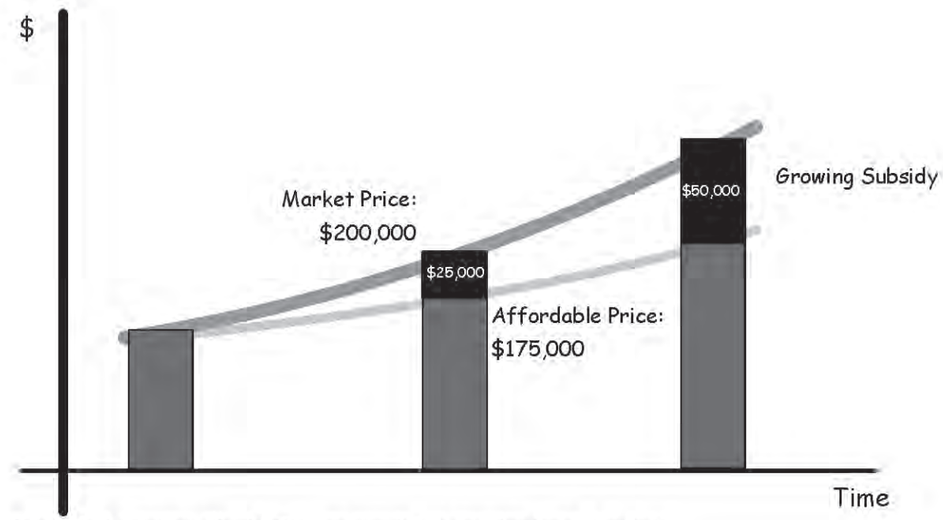

Figure 3: A growing affordability gap requires a growing level of subsidy.

If home prices rise faster than incomes, homes that were once affordable to working families quickly become less and less affordable, requiring greater and greater investments of subsidy to keep them affordable to families at the target income. Imagine a home that sold for $150,000 several years ago. In this community and at that time, a family in which both parents worked as teachers were able to afford this house without any government assistance.

Five years later, however, if home prices have risen significantly faster than teachers' salaries – certainly a plausible scenario in light of the home price spikes of recent years – another family with two teachers would not be able to afford the same home. Let's say the home sells for $200,000, but now teachers can only afford $175,000.[7] In this case, a $25,000 subsidy would be required to make that home affordable to a new family. Fast forward another five or ten

[7] This would be the case if house prices had risen by an average of 6% annually and salaries had risen by only 4%.

years and now the home is worth $250,000. If over the same period of time, salaries again have risen more slowly than home prices, a new family of two teachers might only be able to afford a $200,000 home. If the community wanted to make this same home affordable to the same type of buyer, it would need to invest new subsidy, only now the amount needed to bridge the gap would have risen to $50,000. Over time, if the housing affordability gap keeps growing, the need for subsidy will grow with it.

The Continuum of Subsidy Forgiveness Programs

Some grant programs have experienced problems when one or more buyers turn around and sell their homes soon after purchase in order to "cash out" the public subsidy. While most buyers are likely to stay in their homes for years, even a small number of buyers taking advantage of the program can undermine public support. If the goal is to stabilize a community or encourage long-term homeownership, the jurisdiction will often impose some minimum time period that a buyer must reside in the unit before they are allowed to keep the public grant funds. Many programs make these funds available not as grants but as loans to buyers that are repayable if the homeowner sells quickly, but forgiven if the owner stays longer; for example, a program might forgive 20% of the loan each year the family resides in the home.[8] Homebuyers with forgivable loans eventually receive the full amount as a grant but only if they stay in the home for some period of time. The period over which these loans are forgiven might be as short as three years or as long as twenty-five years. The longer the period of forgiveness, the more likely the program is to recapture some of the initial subsidy to assist future buyers.

Consider a grant or forgivable loan program when:

- Subsidy levels per buyer are low
- Maintaining affordability over time is not a major goal of the program
- Homebuyers need inducement to buy a difficult property or a property in a challenging location

[8] Forgivable loans also are used to help comply with federal requirements associated with the HOME Investment Partnerships Program – a major funding source for downpayment assistance – that requires communities to monitor homeownership assistance to ensure that it is used to assist eligible families for at least certain minimum periods of time.

B. Subsidy Recapture

Advantages	Disadvantages
• Recaptured funds can be used to help future homebuyers • Homeowners are not able to take scarce public funds with them when they move • Homeowners earn significant equity based on increases in the housing market • Recapture loans are relatively simple to administer	• As home prices increase, recaptured funds may not be sufficient to help future buyers • Without increases in annual funding, programs may end up serving fewer families • This approach does not ensure the continued availability of affordable homes in a particular neighborhood • Recapture programs require ongoing program administration to recapture funds and reinvest them in new units

One of the most common responses to concerns about gifting public funds to individual families is to establish recapture provisions that require families to repay the public subsidy when they sell their homes. Rather than simply giving public funds to one lucky buyer, the community is loaning the money temporarily to one beneficiary with the expectation that the same resources will be available to help another buyer in the future. When the subsidy is recycled, a one-time investment of public resources can serve more than one household.

Often, the subsidy is provided in the form of a "silent second" mortgage loan. It is silent in the sense that no monthly payments are required, but it is a loan in that a deed of trust or mortgage is recorded against the property, which requires eventual repayment of the subsidy. These loans can be interest free or can carry deferred interest that is due when the homeowner sells the home. Some silent second mortgages also require repayment when a family refinances its first mortgage.

Silent second mortgage programs allow communities to serve many more families than equivalently sized grants. For example, a program with a fixed annual budget of $500,000 could make twenty loans per year of $25,000 each. After a few years, as homeowners began to repay these loans, the repayment funds would be added to the budget for new loans, allowing the program to offer more than twenty $25,000 loans with the same annual budget.

As home prices increase over time, however, the size of the second mortgage needed to close the affordability gap for a similarly situated family may increase as well. As a result,

communities relying on a subsidy recapture approach will end up serving fewer families than they could have served if they had implemented policies to preserve the effective buying power of the public subsidy. A program with a $500,000 annual budget would only be able to help ten families per year if the average subsidy required were to rise to $50,000. Repayments of earlier $25,000 loans could help, but the program would be able to assist only one new family for every two who repaid their loan. As the required subsidy continued to rise, the number of families served each year would decline further. (Alternatively, to avoid serving fewer families, communities may have to increase their annual budget for homeownership assistance.) Subsidy recapture preserves the amount of the initial subsidy, but the value or "buying power" of that subsidy declines over time as home prices rise.

Figure 4 provides an illustration of this problem. Assume a program initially provides $50,000 to help a working family buy a $250,000 home and requires full repayment of the subsidy at the time of resale. Assume further that, seven years later, when the family decides to move, its home now sells for $375,000, (representing a 6% annual increase over seven years) making it easy for the family to repay the $50,000 loan. The local government could then reinvest that $50,000 to help another family.

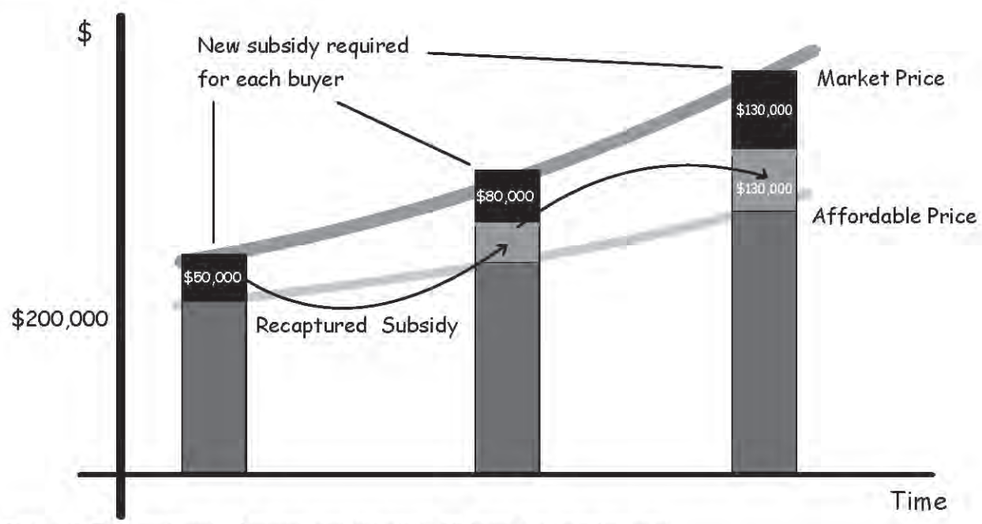

Figure 4: Reinvestment of recaptured subsidy still leaves a growing gap.

To the extent that home prices have risen faster than incomes, however, the $375,000 purchase price will be far beyond the means of working families. If incomes were to rise at only 3% annually over the same seven-year period, a new family in the same general economic circumstances would now be able to afford a house costing $245,000. To help that family buy a $375,000 house would require a subsidy of $130,000. Even with $50,000 in recaptured funds, the jurisdiction would need to make an additional $80,000 investment to maintain the same level of affordability. To the extent that home prices continue to outpace incomes, larger and larger amounts of subsidy will be required over time to keep the same types of homes affordable to the same kinds of families, even when the initial subsidy is recaptured in full.

The Continuum of Subsidy Recapture Programs

Subsidy recapture programs vary quite a bit in how they calculate the amount that homeowners owe at the time of sale. At one end of the continuum are programs that charge no interest and simply require repayment of the initial subsidy amount. These programs maintain the full dollar value of the initial subsidy, but the buying power of that money is diminished over time because they are not keeping up with inflation. Further along the continuum are programs that charge some modest interest. This interest is often deferred until sale of the home. Deferred interest programs allow homeowners to retain slightly less of the proceeds from the sale of assisted homes, thereby enabling the total pool of subsidy to at least keep up with general inflation.

Other variations within this category include (a) deferred loans where payments are deferred for a period of time – say five years – at which point ordinary monthly payments of principal and interest begin and (b) standard amortizing loans, without a deferral period, that carry below-market interest rates or fees.

Consider subsidy recapture approaches when:

- Subsidy amounts are modest
- The jurisdiction can afford to supplement recaptured funds with new subsidy with each resale
- Home prices are not expected to increase substantially
- The market area offers an ample and expanding supply of reasonably-priced homes where the recaptured subsidy can be re-invested

C. Shared Appreciation Loans

Advantages	Disadvantages
• Shared appreciation loans do a better job of preserving the buying power of public funds than subsidy forgiveness or recapture approaches • Sharing the benefits of home price appreciation corresponds to an intuitive sense of fairness, which suggests that the benefits of home price appreciation should be shared among all financial contributors to the home purchase • Unlike subsidy retention programs, shared appreciation loans do not tie subsidy to a single home forever, allowing future families a wider choice of homes	• Homeowners will receive less equity at sale than if they were not sharing appreciation with the community • In a rapidly rising home market, additional infusions of subsidy may still be needed to enable the next purchaser to afford a home of similar quality • Without increases in annual funding, programs may end up serving fewer families • Because homes are sold at full market value, this approach does not ensure the ongoing availability of affordable homes in a particular neighborhood • There is little to prevent a jurisdiction from reusing recaptured funds for a purpose other than affordable housing

Shared appreciation loan programs try to preserve not just the amount of public subsidy but the "buying power" of that subsidy. They do this by requiring that homeowners repay not only the initial subsidy, but also a share of any appreciation in the market value of the assisted home. By recapturing a portion of home price appreciation, this approach increases the amount of subsidy available to assist the next purchaser, reducing the likelihood of an affordability gap.

When home prices are rising quickly, however, the extra subsidy provided through the recapture of a share of appreciation still may not be enough to help a similar family buy a comparable home. This problem is illustrated in Figure 5.

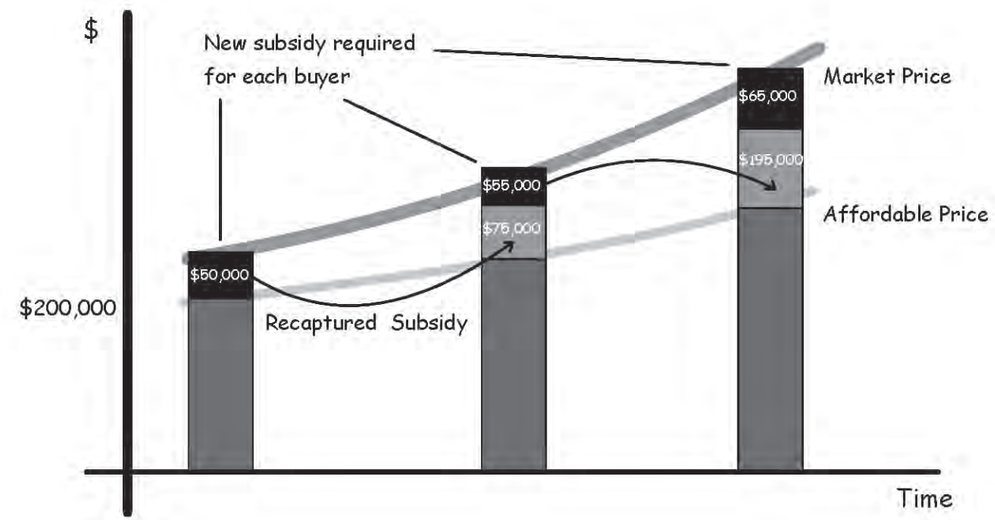

Figure 5: Under certain conditions, programs relying on shared appreciation loans may still require that new subsidy be invested each time a unit turns over.

One common approach to shared appreciation loans is to calculate the share of appreciation required to be paid on sale of the home based on the share of the original purchase price that was subsidized. For example, if a family received a $50,000 subsidy to buy a $250,000 home, the family would be required to give the community 20% ($50,000 divided by $250,000) of any home price appreciation at the time of sale, in addition to repaying the original $50,000. If home prices rise at an average rate of 6% annually, then the home will sell after seven years for $375,000. In this case there would be a total of $125,000 in appreciation and the homeowners would owe the community $25,000 (20% of $125,000) plus the original $50,000.

The repayment of subsidy plus a share of appreciation helps the community fill the gap for the next family, but by itself it may not be enough. If incomes rose by only 3% over that same period, a similar family would only be able to afford a $245,000 house, leaving an affordability gap of $130,000. Thus, despite the $75,000 in recaptured funds, the local government would still need to add $55,000 to help a new family buy this house or one like it. This is obviously much less than the $130,000 that would have been required if the subsidy had been provided in the form of a grant or a forgivable loan. Over time, however, even with shared appreciation, more and more subsidy may be required to keep a comparable home affordable to subsequent families at the same target income level.

The Continuum of Shared Appreciation Loans

Various shared appreciation programs establish the percentage of appreciation that is retained by the homeowner differently. Some programs simply offer all sellers a given percentage of appreciation (e.g., 40%) regardless of their purchase price or the amount of subsidy they initially received. Others tie the percentage to the homeowner's share of the initial purchase price. When units are created through inclusionary zoning programs and sold initially at below market prices, jurisdictions sometimes impose shared appreciation requirements tied to the homeowner's purchase price as a percentage of appraised value. So, for example, a homeowner who purchased his or her home with a 25% discount due to an inclusionary housing program would owe the jurisdiction 25% of any future appreciation upon sale.

Consider shared appreciation loans when:

- There is a concern that future increases in home prices could erode the value of the public subsidy, but the community is willing to take a chance that some additional subsidy may be needed to assist the next buyer
- Preserving family choice of where to live is more important than ensuring the ongoing affordability of homes in a specific neighborhood

D. Subsidy Retention

Advantages	Disadvantages
• A one-time subsidy investment creates a unit that remains affordable for one family after another without new subsidy • Homeowners earn significant equity due to debt retirement and increases in the permissible sales price • Preserves mixed-income character of neighborhoods experiencing rapid home price increases by ensuring ongoing affordability of assisted homes	• Long-term affordability requirements create long-term need for monitoring and administration • Homeowners typically receive less total equity than they would under other models

Instead of asking families to repay the public subsidy when they move, subsidy retention programs expect the initial subsidy to ***stay in place*** in a specific home when one family moves out and another moves in. Rather than subsidizing the *buyer*, subsidy retention programs subsidize the *unit*, ensuring that the specific home remains affordable to families at the target income range over the long-term. In exchange for government assistance in purchasing their homes, the buyers agree that, when they sell, they will sell at a price determined by a resale formula designed to keep the home affordable to other working families.

Subsidy retention programs achieve permanent affordability by specifying the price at which an assisted family can resell its house. The price restriction generally is enforced through a deed covenant, resale restriction agreement or community land trust ground lease. (See below for more details on these programs.) The maximum resale price is established by a formula that is contained in one of these legal documents.

By limiting the price at which homeowners can sell their homes, subsidy retention programs eliminate the need to provide new subsidy each time a family sells. This means that a single investment in a homeownership unit can serve one family after another over time without any new investment of public funds. Subsidy retention programs preserve the buying power of public subsidies, ensuring that rapid rises in home prices will not diminish the number of families who may be served.

Figure 6: Subsidy retention programs allow a one-time subsidy to make a unit permanently affordable.

Subsidy retention is illustrated in Figure 6. Recall the family who could afford to pay only $200,000 for a home in a market where starter homes cost $250,000. In most of the models described above, the family would buy the home for $250,000 and receive a loan for the $50,000 in subsidy. In a subsidy retention program, by contrast, the subsidy would be invested once to buy down the price of the home to $200,000 – the level that a working family could afford. This family would purchase the home at that price without any second loan, but with an agreement specifying the price at which the home may be sold.[9]

Based on this agreement, when the family is ready to move, the home would be sold for an affordable price, rather than a market price. For example, rather than selling for $375,000 and requiring a $130,000 second loan to maintain affordability, the house might resell for only $245,000 – a price that would be affordable to working families without any new subsidy.

[9] Some jurisdictions will record a deed of trust or mortgage to make enforcement of the resale restriction easier, but in practice, the subsidy funds are never expected to be repaid.

Permanent Affordability vs. Family Choice

One key difference between subsidy retention, on the one hand, and subsidy recapture and shared appreciation loan programs on the other, is that under a subsidy retention strategy, the specific homes to which subsidies are attached will remain affordable in perpetuity. Subsidy retention programs aim to build a portfolio of homes that sell for affordable prices even if the prices of other homes in the same community rise substantially. Among other benefits, this can help ensure the preservation of mixed-income communities in the face of gentrification pressures. Subsidy retention also can help address the problems associated with the limited supply of starter homes in many communities, which can make reinvestment of funds recaptured through a shared appreciation loan challenging and, in some cases, result in affordable homes being clustered in the least desirable neighborhoods.

On the other hand, tying subsidy permanently to a set of specific units can be seen as a disadvantage as well. Shared appreciation loan programs can be structured to offer future buyers a greater choice of homes to purchase because funds are not tied up indefinitely in any specific home. While many subsidy recapture and shared appreciation loan programs invest recaptured funds only in new affordable developments, others are structured to allow homebuyers to choose existing homes in the market and use recycled subsidy funds to make those homes affordable. However, if the loan programs do not keep up with rising housing prices, the choices of future assisted families may be more limited.

In practice, subsidy retention programs tend to incorporate more restrictive formulas while shared appreciation loan programs tend to allow homeowners to retain a greater share of appreciation and as a result often recapture less than is necessary to replace affordable units that are sold. However, the question of whether subsidy is retained within a specific unit or recaptured as a cash payment can be considered independently from the specific formula that is used to determine the homeowner's share of appreciation. It would be possible, for example, for a shared appreciation loan to calculate the homeowner's share of appreciation based on changes in incomes rather than market prices. This approach, which is not common, would produce outcomes that are similar, from a financial standpoint, to the subsidy retention approaches discussed here.

One challenge to implementing such an approach is that the amount of subsidy returned to the jurisdiction might grow quite large and create a perception of unfairness on the part of buyers. This problem is not as acute when the subsidy is retained in the home, because the community's share of the equity simply stays in the home rather than being paid out in cash to the jurisdiction.

The Continuum of Subsidy Retention Programs

There are a number of different formulas that are commonly used to set the maximum resale price in subsidy retention programs. An **appraisal based resale formula** ties the "affordable" resale price to the change in the market value of the property – for example, the homeowner might be permitted to sell for a price equal to the original purchase price plus 25% of any increase in the appraised value. These formulas are similar to the shared appreciation loans described above, but rather than selling the home at the market price and splitting the appreciation, an appraisal-based resale formula requires the home to sell at the below-market price. Under this approach, the homeowner is able to take his or her share of home price appreciation, but the public share remains invested in the home, allowing it to be sold to another purchaser at an affordable price. Both the ongoing affordability and the level of wealth creation under an appraisal-based formula will depend greatly on the equity sharing percentage used and the performance of the housing market. As with shared appreciation loans, however, when prices rise rapidly, even a conservative approach to sharing appreciation may allow prices to rise beyond the level at which they are affordable to future buyers without additional subsidy.

Another popular approach to resale pricing is to tie the price to an index such as the consumer price index or the Area Median Income (AMI). A formula based on an **Area Median Income index**, for example, specifies that the resale price shall be no more than the initial (affordable) purchase price plus an adjustment based on the annual change in the AMI published by HUD. Each year, as the AMI rises, the maximum resale prices rise at exactly the same rate. Because increases in the permissible sales price of the home are tied to increases in income rather than increases in the prices of market-rate homes, a new buyer with the same income profile should be able to purchase the home for this price without any need for additional public subsidy. If the resale price is limited so that it does not rise any faster than incomes, the same house can remain affordable to one working family after another without any new subsidy. Forever!

However, even indexing the maximum resale price to the median income is not enough to guarantee with 100% certainty that the same affordability level will be maintained at all times. When interest rates rise, new buyers will be able to borrow less money on the private market with the same monthly payment. A home that was initially affordable to families earning 80% of the area median income, with resale restrictions tied to changes in the AMI, would remain affordable to families at that same income level so long as interest rates remain unchanged. If interest rates rise, however, the formula resale price might eventually be more than what buyers earning 80% of AMI could afford.

Some programs respond to this challenge by imposing resale price restrictions that work backward from what a family can afford, in the same way that we would calculate the price at the time of initially selling an affordable home. These programs use what is called an **affordable housing cost formula** (or mortgage-based formula), which specifies a target income (i.e., 80% of AMI) and a definition of affordability (i.e., 33% of monthly income for housing costs including mortgage, taxes and insurance). Then, at the time of sale, they calculate the maximum resale price by estimating the cost for taxes and insurance and subtracting that from an affordable share of the target family's income (i.e., 33% of 80% of AMI). They assume that what is left is the monthly mortgage payment and calculate how much debt that payment can support given the current market interest rate; finally, they add a small downpayment to that amount to determine the maximum resale price. This approach, and only this approach, guarantees that assisted homes will always remain perfectly affordable to the target income group without any need for additional subsidy.

Affordable housing cost formulas achieve this perfect affordability, however, by imposing considerable interest-rate risk on the assisted homeowner. When interest rates are falling, the permissible sales price will rise dramatically, offering homeowners greater-than-market-rate appreciation. But when interest rates rise, the maximum permissible sales price will decline sharply, which could lead homeowners to earn no equity or even face a loss when they sell – even if market home prices are going up! These programs protect affordability in the face of rising interest rates at the expense of wealth creation. Homeowners, even in a rising housing market, may not receive any equity when they sell their assisted homes.

Even within subsidy retention strategies, there are tradeoffs between strategies that emphasize ongoing affordability – for example, the affordable housing cost formula – and strategies that emphasize individual wealth creation, such as some appraisal-based resale formulas. The Area Median Income index approach represents a middle ground that both preserves ongoing affordability and provides significant, predictable wealth creation.

Consider subsidy retention strategies when:

- Subsidy amounts are high and there is a concern that home prices may increase faster than incomes
- Preservation of a stock of affordable units is a key goal, for example, to preserve affordable homes in a mixed-income setting
- Funds may not be available to re-subsidize assisted units at resale
- Limited future development opportunities may make it difficult to reinvest recaptured funds

Common Approaches to Subsidy Retention[10]

Deed-restricted Homeownership. Under this common approach, the subsidy is applied to reduce the purchase price to a level affordable to homeowners at the target income level. Then, restrictions are put into place requiring that the units be sold to buyers meeting certain qualifications – for example, incomes below 80% of AMI – at an affordable price as defined according to a formula set in the deed restriction or covenant. While these agreements are sometimes assumed to be self-enforcing, experience suggests they need to be actively monitored by an entity with an interest in maintaining ongoing affordability.

Limited Equity Cooperative. Under this approach – typically, but not exclusively, applied in the context of an apartment or other multifamily development – families purchase a "share" in the cooperative, rather than a standard property interest in the home. Members of the cooperative receive a right to occupy one unit, as well as a vote on matters of common interest. Cooperative members share responsibility for maintaining common areas and other areas of joint responsibility (e.g., maintaining the roof), as well as the admittance of new members. Share prices are set by formula (contained in the co-op's bylaws, subscription agreement and stock certificates), which can be used to implement one of the shared equity formulas described above.

One of the principal distinctions of this model is the concept of common ownership and shared decision making. Proponents of cooperatives also point to financial advantages stemming from economies of scale and the fact that the mortgage is held by the collaborative, rather than by individuals. There are roughly 400,000 to 500,000 limited or no-equity cooperative units in the country.

Community Land Trust. Under this approach, the land is owned by a community land trust (CLT) and then leased to families who purchase the homes that sit on CLT land. Because the family needs to purchase only the building and not the land, a CLT home is more affordable than a conventional home. The ground lease establishes the conditions under which ongoing affordability is maintained, with the CLT always having the right to repurchase the property at an affordable price established by a resale formula built into the ground lease.

One common approach to governing CLTs is to establish a board of directors consisting of an equal number of representatives of the following three groups: existing owners of homes on land leased from the CLT; residents from the surrounding community; and, public officials or other supporters of the CLT. There are approximately 200 Community Land Trusts active throughout the United States.

[10] This box is adapted from Jeffrey Lubell, "Increasing the Availability of Affordable Homes: An Analysis of High-Impact State and Local Solutions." Washington, DC: Center for Housing Policy and Homes for Working Families. For more information on the different approaches for implementing subsidy retention, see John Emmeus Davis. 2006. *Shared Equity Homeownership*. Available at http://www.nhi.org/pdf/SharedEquityHome.pdf.

Comparing Approaches

Table 1 provides a simplified comparison of the performance of four of the program models described above. The table contrasts four alternatives for structuring a subsidy for a home with a market value of $250,000 in a market where a working family at the target income range could only afford to pay $200,000:

- A grant with no required recapture or repayment (subsidy forgiveness)
- A silent second mortgage where the funds are expected to be repaid at resale, without interest (subsidy recapture)
- A shared appreciation loan, in which the homeowner's share of home price appreciation equals the homeowner's share of the home price.
- A construction subsidy in which the resale price may not exceed the initial (affordable) purchase price plus an adjustment based on the annual change in the Area Median Income published by HUD (subsidy retention).

Bridging this affordability gap at the time of initial sale will take $50,000 in subsidy regardless of which model is selected. When the first owner sells, however, the subsidy strategies differ in how well they preserve the value of the public's investment and in how large a return the seller is able to realize on his/her own investment when reselling the home. The table shows the net equity that sellers would receive under each of these approaches if they were to sell after seven years. The table assumes that housing prices rise at 6% annually and incomes rise at only 3% annually. The table also presents the estimated sale price for several additional sales at seven-year intervals and the additional subsidy, if any, necessary to maintain affordability under each model at each resale.

The principal conclusions of this comparison are as follows:

- The initial homebuyer's net proceeds following the sale is greatest under the grant program and least under the AMI index approach. However, the AMI index still provides the family with an opportunity to walk away with assets of $56,000 after only seven years. Based on an investment of approximately $15,000 (3% down and 3% closing costs), this represents an annual return of 21%.
- Over a thirty-year period, a total public investment of $1.74 million would be needed to ensure the continued affordability of this one home if assistance is provided in the form of grants. The required public investment over the 30-year period is $820,000 for assistance provided in the form of silent second mortgages; $356,287 for assistance provided through shared appreciation loans; and $50,000 if the assistance is provided through resale restrictions tied to the AMI index.

This comparison relies on a single set of assumptions about the economic future. For a more detailed comparison that evaluates the performance of alternative homeownership assistance models under a much wider range of economic scenarios, see www.nhc.org/housing/sharedequity.

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Table 1: Performance Comparision

Initial Sale	1. Grant Program	2. Deferred Loan (No Interest)	3. Shared Appreciation Loan	4. AMI Index Resale Formula
Initial Market Value	$250,000	$250,000	$250,000	$250,000
Subsidy	50,000	50,000	50,000	50,000
Initial Sales Price	250,000	250,000	250,000	200,000
Resale in Year 7				
Sale Price	375,000	375,000	375,000	245,000
Repay First Mortgage	(174,051)	(174,051)	(174,051)	(174,051)
Repay Public Subsidy	0	(50,000)	(75,000)	0
Sales Costs (6%)	(22,500)	(22,500)	(22,500)	(14,700)
Seller's Net Proceeds	**178,000**	**128,000**	**103,000**	**56,000**
Affordable Price to Next Buyer	245,000	245,000	245,000	245,000
Recaptured Subsidy	0	50,000	75,000	0
Additional Subsidy Required	**130,000**	**80,000**	**55,000**	0
Total Subsidy for Next Buyer	130,000	130,000	130,000	0
Resale in Year 14				
Sale Price	565,000	565,000	565,000	303,000
Additional Subsidy Required	**262,000**	**132,000**	**66,133**	-
Resale in Year 21				
Sale Price	850,000	850,000	850,000	372,000
Additional Subsidy Required	**478,000**	**216,000**	**83,841**	0
Resale in Year 28				
Sale Price	1,278,000	1,278,000	1,278,000	458,000
Additional Subsidy Required	**820,000**	**342,000**	**101,313**	0
Total Subsidy Invested - Thirty-year period - Five Families	**$1,740,000**	**$820,000**	**$356,287**	**$50,000**

Assumes 6% annual home price inflation, 3% annual income inflation and stable interest rates.

Conclusion

In the traditional housing market, there are two primary housing options: rental housing and homeownership. In terms of wealth creation, there is an enormous difference between these two options. Rental housing offers no asset-building opportunity, while homeownership offers unfettered asset building (though also a risk of equity loss). When home prices rise rapidly, homeownership becomes a stronger wealth creation vehicle, but one that is available to fewer and fewer households. Affordable homeownership programs can offer an opportunity for wealth creation that falls in between these two extremes. At the same time, by ensuring that the public investment is preserved over the long-term, well-designed programs make that opportunity available to far more families. Rather than offering one or two families large windfalls at the public expense, these programs create a sustainable avenue for both affordable homeownership and individual wealth creation for families who cannot access traditional homeownership.

There is a natural tendency for communities to move along the continuum from grant and deferred loan programs toward more restrictive models as necessary subsidy levels increase. Subsidy forgiveness programs are common in communities where the affordability gap is small. In high cost, rapidly escalating markets, subsidy recapture and subsidy retention programs are more common. Where subsidy levels are higher as a percentage of the market housing cost, both local jurisdictions and homebuyers understand that access to large public subsidies will come with greater restrictions. Where homebuyers have other affordable housing options – where they can find affordable homes nearby or settle for slightly smaller units without public subsidy – they may conclude that significant limitations on their potential equity gains from home price appreciation are not worth the benefits.

When home prices increase faster than incomes, communities where only small subsidies are required today are likely to require larger subsidies tomorrow. Policymakers should make an effort to plan ahead and think about not only today's market conditions but tomorrow's. Well-designed programs can protect the value of public resources even in the face of rapidly rising housing prices while still offering assisted homebuyers the benefits of homeownership, including the opportunity to build significant wealth.

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