

**From:** jkamen3@comcast.net  
**Subject:** comments on housing survey draft, 3/29/10  
**Date:** March 30, 2010 9:22:10 PM CDT  
**To:** b.massey

Dear Betty,

I applaud your efforts and the LTRC on pursuing the Housing Market Study and in making it a priority project for this city after Hurricane Ike. Good decisions cannot be made without accurate information. Your persistence and leadership is making this a reality.

I also want to thank you for allowing me to sit in on your March 29, 2010 meeting, at which a 27 page partial draft of the housing study was presented. After reviewing the draft, I would like to offer my observations based upon the findings. I hope you will share this with the committee.

**1) We have more than enough housing.** According to this study Galveston currently has a 32% vacancy rate (page 3, "Housing by Occupancy and Tenure"): In other words, we have more housing units than we have people to fill them. This report indicates 10,744 vacant units. Even by subtracting the 3,767 units listed as "seasonal, recreational, or occasional use" still leaves approximately 7,000 vacant units. This number is in line with the Urban Land Institute estimate of 8,000 vacant units in Sept. 2009. While Galveston lost population, it did not lose many houses. We do not have a lack of housing.

**2) Our housing is affordable.** According to this report the median home value for a SF house in Galveston in 2009 was \$77,950 (page 5, "Housing Inventory and Land Use"). With a 10% down payment, and a rate of 5.25% for a 30 year fixed loan, the mortgage payment would be \$383/month. Add another \$325/month for taxes and insurance, for a total of \$708. A person making \$30,000/yr. can afford this home if they want it, using 28% of their income. According to the chart on page 2, the 2008 median household income in Galveston was \$36,525. Galveston meets and beats the affordability index. I doubt many other coastal communities could boast that.

Of the respondents who work **on** the island, but live **off** the island, "Most...have an annual income of between \$75,000-\$100,000" (page 17, "Respondent information"). 83% of those would pay over \$100,000 for a home (page 21, "Purchase Price graph"), with 7% willing to pay more than \$250,000. They, too, can well afford a home in Galveston, if they want it.

**3) We have a quality of life issue.** 69% of respondents surveyed said they would NOT be likely to purchase a home on Galveston Island (page 16, "Interest in buying a home"). Reasons cited were (pages 16 and 27, "Desirability.."): flooding, hurricanes, need for more seawall, council not doing enough for citizens, crime, poor recovery efforts, poor schools, high insurance and taxes, high cost of living, abandoned homes

and rundown neighborhoods, lack of code enforcement, poorly maintained properties, poor streets, paving, and infrastructure, lack of jobs and lack of quality shopping.

MY CONCLUSION:

**1) Galveston does not have a housing problem, it has a quality of life--or value perception--problem.** Houses are affordable, but people do not want what comes with them: crime, abandoned homes, hurricanes, poor schools, rundown neighborhoods, etc. Many have gone as far as to say in this study (page 27), "**Nothing can be done**" to make them want to move to Galveston. They do not consider a home here to be "worth it". Example: Detroit has affordable homes. The problem is no one wants to live there. Some respondents want a suburban style home, slab on grade. This is not something Galveston typically has to offer. People who work in NYC may want that, too. But no one is advocating tearing down skyscrapers to build single family homes on cul-de-sacs in Manhattan. So they live in suburban NJ and commute. These are the choices people routinely make. Nor should we abandon our vacant historic "old urbanist" neighborhoods by adding to the already significant **over supply of housing** by building modern tract houses in the hopes of attracting a nebulous group of people who have expressed no interest in moving here anyway.

**2) Accept who we are and build on our strengths.** The Urban Land Institute recognized that Galveston's ills were not to be easily or readily solved (example, schools), and advocated that we not focus our energy on attracting young families. Rather, build upon who we are, and we will attract those who value that. We cannot be everything to everybody. We need to focus on being the best of who we are. Only when we do that, and accept and believe in ourselves, will we achieve success.

**3) Properly allocate taxpayer funds for best results.** Had the City Council waited for this housing market study, perhaps they would not have seen a need to give \$25M to GHA to build additional housing, putting the government in unfair competition with the private sector, and wasting the taxpayer's money on trying to solve a housing problem which we do not have. If you get elected you might consider asking for that money back in order to correct blight in our neighborhoods instead, which is the real problem according to this report. That would significantly improve life for **all** income levels in Galveston, and **create a demand for the housing we already have.**

Thank you for your time and your service to this city,

Jul Kamen

Sent to Betty Massey, Housing Market Survey Chairwoman, as part of LTRC Housing Market Survey conducted by Camp, Dressler, and McKee, (CDM) consultants

**From:** jkamen3@comcast.net  
**Subject:** some thoughts on 4/19 housing survey meeting  
**Date:** April 20, 2010 9:18:37 AM CDT  
**To:** b.massey

Not to take up too much of your time but....

I thought the purpose of the Housing Market Survey Committee was to provide factual data for the community to use in developing strategies for recovery projects? Gary Hoffman also echoed this as their role.

Instead I feel the committee is looking to satisfy a pre-determined conclusion, to be blunt. I guess that is why I felt it necessary to write the observations that I did after the last meeting. Numbers can be viewed and interpreted in very different ways, depending on who is looking at them. For example, when I rolled out the map at your meeting, people were looking for contiguous abandoned homes and vacant lots as opportunities to raze and build new. When I rolled it out at GHF, they were horrified by the number of homes they needed to save. Same information, two entirely different interpretations and solutions.

I think the committee should present their findings cleanly, without recommendations. That will give it the most credibility. That will force people to read the data for themselves and draw their own conclusions. That will lead to the widest range of solutions, which will ultimately benefit the community the most.

Thanks again for your hard work and always positive attitude.  
Jul Kamen

Sent to Betty Massey, Housing Market Survey chairwoman, part of LTRC  
Housing Market Survey done by Camp, Dressler, and McKee (CDM), consultants

**From:** jkamen3@comcast.net

**Subject: discrepancies, omissions in Housing Market Study final draft**

**Date:** May 29, 2010 9:57:43 AM CDT

**To:** b.massey

Dear Betty and Polo,

I have read through the final draft of the Housing Market Survey. I am finding some discrepancies, but worse yet, serious omissions which both alarm and concern me. I have documented several comparisons below of the 4/19 draft compared to the final. Wording in red was either left completely out, or changed in the final draft.

As you already know, I fully expected the recommendations to skew the information to satisfy a pre-determined agenda, which they have. To advocate new building in a town which the survey has just proven has 7,000 vacant and abandoned homes (in addition to the 3,000+vacation/occasional use units), with a 40% drop in property values (2009), a population which is down 20-22%, and 69% of survey respondents saying they are unlikely to choose Galveston Island as a place to live truly boggles my mind.

What I did NOT expect was the complete elimination of certain survey responses. For one, I am talking specifically about the removal of public housing described by respondents as a positive change to Galveston since the hurricane.

This survey was undertaken to produce facts. A sample survey is intended to be representative of the larger population. Whether CDM or the committee likes it or not, the omission of this comment has just disenfranchised and silenced the voice of many people who have been extremely vocal on this subject for the past year and a half. Worse yet, this item was not on a multiple choice selection, it had to be written in by respondents, question #7 on the survey, giving it even more weight in my opinion.

If CDM can pick and choose what it alone deems worthy of inclusion, then this survey--the one project of the recovery committee aimed at providing factual information for the entire city--has just lost all credibility. If we cannot obtain facts, and face those facts squarely and objectively, this community has no chance of recovery.

Sincerely,  
Jul Kamen, concerned Galveston citizen

EXAMPLES:

4/19 Background vs. Executive Summary

4/19/10: "The purpose of this study is to develop a deeper understanding of the city's housing stock. The study will provide guidance and serve as a foundation for a strategic housing plan that will involve the city and a broad cross section of the community as they decide how to address current and future housing needs. The collection and consolidation of most recent housing, social and economic data that will be included with this study will serve as a valuable resource."

final draft: "The study's purpose was to understand the composition of the City's housing inventory and **to identify unmet housing needs in the community.** This report will provide the basis for a strategic housing plan and will help guide future efforts of the City as it engages the community to decide how to address short and long term housing needs..... The study relied significantly on input from the Galveston Community Recovery – Housing Market Study Subcommittee and **acknowledged goals from the Long-Term Community Recovery Plan to:**

- 1) Create quality, environmentally friendly and affordable housing that meets the needs of all economic groups, honoring the Island's diversity and especially recognizing the need to grow the middle class population**
- 2) Develop architecturally appropriate infill and aggressively increase rehabilitation of existing housing stock**

The items in red are "new goals" which were not included in previous draft?

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#### Housing Inventory and Character

4/19/10 draft: This section consisted primarily of the chart of housing unit status, occupied vs. vacant. It clearly showed **10,744 total vacant units, of which only 3,767 were seasonal, recreational or occasional use.** Page 9.

final draft: "**The City's vacant units consist mainly of seasonal, recreational, or occasional use homes and units categorized as "other vacant" by the Census—which include abandoned homes.**" Lumping these 2 categories together is misleading. It implies that the bulk of the properties are seasonal and occasional use which is not true.

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4/19/10 draft: "When asked if there had been recent changes on Galveston Island negatively or positively affecting their desirability of living there **at least twice as many of the respondents said their desirability had been affected negatively rather than positively.**

Final report: When asked if there had been recent changes on Galveston Island **negatively or positively** affecting their desirability of living there **nearly half of the respondents said recent changes had not affected their desirability.**

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4/19/10 Draft: "Typical reasons for those whose desirability was affected positively included **not as many homeless**, lower crime rate, **removal of public housing**, replenishing beaches, tearing down eyesore buildings and homes, more community efforts and involvement, better attitude towards neighborhood improvements."

Final Draft: "Among those whose desirability has been affected positively reasons include: better attitude towards neighborhood improvements, tearing down eyesore buildings and homes, improved community involvement, lower crime rate since the storm and replenishing beaches."

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4/19/10 draft: "Typical reasons for those whose desirability was affected negatively included hurricane Ike, flooding need for more seawall, **council not doing enough for the citizens, crime, poor recovery efforts, poor schools, high insurance ad taxes, high cost of living and lack of jobs.**"

Final Draft: "Among those whose desirability has been affected negatively reasons include: risk of storm related damage, safety concerns and **perception of** high crime rate, **perception of** underperforming schools and higher cost of living." ALL the responses of the employee survey are their perceptions! To attach the word perception only to these 2 items suggests that they are not true. Why not attach the word perception to higher cost of living? Yes, it costs more to live here, due to greater risks (hurricanes, flooding) and higher returns (beach, culture, historic architecture, etc.) which the other cities do not have. This is not comparing apples to apples. They need to print the responses verbatim.

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4/19/10 draft: "When asked if there is anything that would make Galveston Island a more desirable place to live in common answers given by respondents who live off-island were: (first answer listed) **Nothing can be done to make the island more desirable to them.**

Final draft: Same as above, but, "Nothing can be done" was **completely omitted**. This needs to go back in.

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In Conclusion:

You may feel these are few words which have been eliminated, but they hold a lot of meaning--which is probably the precise reason it was done.

-Building a new house on a vacant lot does not fix a neighborhood.

-Minimizing the number of vacant and abandoned homes by masking the numbers will not make them go away.

-Ignoring citizen's concerns with the troubles associated with public housing will not lessen their concern.

-Prefacing the issues of crime and poor schools with the word "perception" does not change the real crime data nor the drop out rate.

-Marketing to people who want slab on grade, less dense suburban living will not make them change their mind.

-And attempting to "equalize" life on this barrier island with government money so people who cannot afford it and are ill-equipped to handle the risk serves no purpose other than to discourage those citizens who work for what they have, and offers no pride of accomplishment to those who don't. This will result in no net gain for the island, only a less engaged, less appreciative population.

A small, undamaged home just sold for \$25,000 in my neighborhood, 5 blocks from the beach. We used to call this "an opportunity". Today's paper lists 144 homes for sale under \$100k in Galveston. According to the data, page 27 of the 4/19/10 draft, a person making the city's median annual income of \$36,525 can afford a \$100k home. If they want it.

This survey reveals fundamental shortcomings in Galveston's ability to provide safe, secure livable neighborhoods, not a shortage of structures. The only way we can address these issues is to face them head on. Hiding them will not help.

Jul Kamen

Sent to Betty Massey, Housing Market Survey chairwoman, part of LTRC, and Polo Munoz, representative from Camp, Dressler, and McKee, consultants who conducted and produced the Housing Market Survey for the City of Galveston with Recovery Funds.

**From:** jkamen3@comcast.net

**Subject: Comments to ULI Sustainable Neighborhoods report, 1/11/2010**

**Date:** April 20, 2010 12:02:17 PM CDT

**To:** ann.taylor

Dear Ms. Taylor, ULI Executive Director,

My name is Jul Kamen and I am a concerned citizen of Galveston. I have read the ULI Sustainable Neighborhoods report (attached), and I would respectfully like to comment on it as a homeowner, landlord, and one who has gone through Hurricane Ike and rebuilt.

**1) Vacant homes vs. Building More:** The ULI has identified Galveston as having 9,000 vacant homes, with many of them already being low to moderate income homes behind the Seawall. In light of that, how can the recommendations possibly advocate building more? Our population is down 30% and vacancy rates reflect that at 30%. Building more seems like the exact opposite of what we need. We need incentives for businesses to move here, to create jobs, to bring people to work and to fill the homes we already have. We need to fix the basics of our infrastructure as you pointed out. That is what we need: Housing we have.

**2) Strengths vs. Weaknesses:** ULI has identified many of Galveston's strengths including: beaches, history, architecture, variety of lifestyles/homes, cultural, recreational and entertainment activities, access to higher learning and medical facilities with UTMB, TAMUG, good weather and proximity to Houston. Why not promote our strengths to the appropriate target market who will appreciate them, instead of trying to become something we are not?

In Feb. 2009 a grass roots group of citizens formed the Artist Homestead Galveston Island. Our mission is: to save our vulnerable inner city neighborhoods by marketing our unique historic island to artists nationwide. Artists are a group who could recognize and appreciate what we have and benefit from it, and the city from them. We created a website (<http://www.artisthomesteadgalvestonisland.com/>). This is only one example of an effort, by citizens who care.

Galveston is a truly diverse and uniquely affordable beachfront community, compared to virtually anywhere nationwide. Let's go after those people who like us for what we are, instead of trying to be something we are not.

**3) "Closing the gap between off-island pricing and on":** This comment flies in the face of a free market economy. Typically an area with all of the above amenities on an island should indeed be worth more than an ordinary subdivision home inland. Yet incredibly, it is not. In addition to the above amenities, we also have real expenses to go with them: higher cost of maintenance due to living near the gulf, stricter building codes, much higher insurance (due to the addition of both flood and windstorm) and the risk/cost of future storms and evacuations. To negate and deny these real market



forces, and try to artificially equalize them using government money--taxpayer money, my money--is a slap in the face to those who live here on their own merit. It is allowing the government to unfairly compete against the private sector in a market which already has a higher supply than demand, by creating yet even more.

**4) Rental vs. Home Ownership:** ULI recognized that Galveston has a higher percentage of rental vs. owner occupied homes, but did not pursue--at least in this report--the reasons why. Let me offer some possible insights.

-Good investment! Many people who come here and see what Galveston has to offer consider the property cheap. I can name at least 5 people who came here on vacation and left owning a house, with no previous intention of doing so, including ourselves. Also, unlike many other areas, the purchase prices are so low that return on investment from reasonable rental rates is almost immediate.

-Many homes, corner stores, etc. come with attached or garage apartments, unlike your typical suburban home elsewhere. They contribute to the number of rentals, while also serving as a bonus to the homeowner to help offset expenses, allowing many people who otherwise could not afford to live on an island steps from a beach the opportunity to do so.

-Because this is a tourist town, there are many second homes, vacation homes, which are rented out seasonally, also contributing to the higher rates of rental properties vs. homeowner.

-With UTMB as a teaching hospital, Texas A&M, and Galveston College we have a lot of students, and professors and doctors on contracts, living here temporarily and renting.

-Also being in the southern half of Texas, we have a large illegal alien population living here who would find it difficult to purchase a home, and rent.

Just because an area has a higher rate of rentals does not automatically mean that people cannot afford it. After all, **somebody** owns the rentals.

Additionally, home ownership implies having a **vested interest** in the community, which is why it is valued. Subsidizing ownership with grants and second soft mortgages, to those who could not otherwise afford it, and guaranteeing appreciation not possible in the real world creates a false sense of reality, and does nothing to further this value of vested interest, but rather destroys it. It is also exactly what has led to the sub-prime mortgage debacle, foreclosures, plummeting values, etc. If this is the path advocated, I predict that the existing small, neglected, invested, self-reliant Galveston middle class will become disgusted and leave, replaced by the new subsidized class, with no net gain for all the effort and money expended in the process, but resulting in ultimately less community involvement and fewer real (vested) "home owners".

**5) Existing citizens vs. attracting new:** Hurricane Ike devastated this island and the property and people who lived here. Yet all the attention appears to be aimed at attracting new people rather than addressing issues which affect those who have invested here already. Where is the benefit to existing homeowners? Where are the tax incentives to rehab historic homes? This is a very common tool for revitalizing neighborhoods, yet not even mentioned here. There has been very little attention given to the core of the city, other than identifying vacant tracts of land with the intent to artificially "suburbanize" the decades old, already diverse, mixed income, mixed use, "old urbanist" real neighborhoods we already have. If we could only repair our infrastructure, put in sidewalks, re-plant our trees, and enforce our codes, we would not need to subsidize housing to anybody, our assets and desirability as a livable city would be obvious.

**6) Revitalization Authority:** The ULI has recommended creating an authority who reports to the city and is professionally staffed.

I would like to recommend the **Galveston Historical Foundation (GHF)** to supply nominations for a board and staffing to fulfill this role. Surprisingly, GHF was not even mentioned in this report. Yet from my perspective, they--as an independent, non-profit organization, and the second largest historical foundation in the entire U.S.--have single-handedly done more to move Galveston forward than any other entity. They have bought, saved, moved, stabilized, and sold historic properties of all sizes, offering them at reasonable prices, with covenants placed on them. They have helped to revitalize and stabilize at-risk neighborhoods by encouraging historical and conservation districts, preserving not only buildings and property values, but the sense of community they represent. They operate a salvage warehouse, providing materials, education and guidance in the rehabilitation of the island's historical heritage, and promoting re-use green renovations. GHF has run a Paint Pals program, administered code enforcement grants, and became a CHODO for low income housing. They are innovative, nimble, and contribute culturally, educationally and socially to the rich fabric of this island. They have an excellent track record and are used to working with others to accomplish goals. They garner huge volunteer support locally and from well beyond our shores for all of their fundraisers and programs annually. They are well-respected in the community and are recognized nationally as a leader in preservation.

On the other hand, I would like to discourage the use of the Galveston Housing Authority or it's affiliates, for this revitalization function. Despite approximately 70 years of operating public housing in Galveston, making it an Entitlement City eligible for federal funding, this funding never seems to make much of an impact or translate into improvement to the city as a whole. On the contrary, the Section 8 program guarantees rent to landlords with little oversight of property conditions by GHA, resulting in neglected properties which instead bring down neighborhoods. The public housing has been poorly maintained and has done nothing to enhance the surrounding neighborhoods. There is a significantly greater incidence of crime surrounding their properties, which GHA admits they cannot control. Most recently, they have ignored public input into the rebuilding of the projects, requests for information and plans from

both the City Council and Planning Commission, as well as recommendations by Federal Mediators they themselves hired to help achieve community consensus. GHA is not used to having to consider opinions other than their own or to ask permission from the community for their projects. They are not the most likely candidate to be forging partnerships or brokering deals among stakeholders.

***In Conclusion:***

I want to thank the ULI for the time and effort put into this study, and to Galveston's Long Term Recovery Committee led by Betty Massey for engaging your valuable services. Please forward my comments to those on the committee, below. I would welcome any response.

Sincerely,  
Jul Kamen,

ULI District Council Chair  
Reid Wilson

**Committee Members**

Gary Altergott  
Laura Bailey  
Jonathan Brinsden  
Matthew Behrmann  
K. Gregory Erwin  
Stephan Fairfield  
Marlene Gafrick  
Roger L. Galatas  
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Brandon Houston  
Burdette B. Huffman  
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Also:

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