

Special City Council Meeting

September 28, 2012

| Census Tract | % of Individuals Below Poverty Level (2010 Census) |
|--|--|
| <u>7240</u> Oleander Homes | 56.1% |
| <u>7241</u> | 25.6% |
| <u>7242</u> | 19.0% |
| <u>7243</u> Magnolia Homes | 25.7% |
| <u>7244</u> | 19.7% |
| <u>7245</u> | 11.4% |
| <u>7246</u> Cedar Terrace | 61.0% |
| <u>7247</u> | 35.2% |
| <u>7248</u> | 19.9% |
| <u>7249</u> | 11.9% |
| <u>7250</u> | 23.6% |
| <u>7251</u> | 37.6% |
| <u>7252</u> | 36.7% |

| | |
|-------------|-------|
| <u>7253</u> | 16.1% |
| <u>7254</u> | 12.1% |
| <u>7255</u> | 1.7% |
| <u>7256</u> | 35.3% |
| <u>7257</u> | 2.6% |
| <u>7258</u> | 18.1% |
| <u>7259</u> | 16.6% |
| <u>7260</u> | 6.2% |
| <u>7261</u> | 7.8% |

| City | % of Individuals Below Poverty Level (2010 Census) |
|--------------------|---|
| Galveston | 22.5% |
| La Marque | 17.5% |
| Texas City | 15.0% |
| Dickinson | 13.4% |
| Santa Fe | 10.7% |
| League City | 6.0% |
| Friendswood | 5.3% |

| City | % Economically Disadvantaged Students (2012 Texas Tribune) | Great Schools District Ranking (2012 GS) |
|--------------------|--|--|
| La Marque | 73.9% | 3 |
| Galveston | 69.2% | 4 |
| Texas City | 62.0% | 5 |
| Dickinson | 60.1% | 6 |
| Santa Fe | 32.8% | 6 |
| League City | 22.7% | 8 |
| Friendswood | 6.2% | 10 |

| City | Employment Growth July 1995-June 2012 (2012 BLS) |
|--------------------|---|
| Galveston | -32.8% |
| Texas City | -8.7% |
| Friendswood | +27.6% |
| League City | +129.1% |
| Santa Fe | ? |
| Dickinson | ? |
| La Marque | ? |

Vacant Housing

| City | % Distressed Vacant Housing Units |
|-----------------------|--|
| Galveston, TX | 23.7% |
| Detroit, MI | 22.6% |
| Flint, MI | 20.9% |
| Cleveland, OH | 19.1% |
| Youngstown, OH | 18.8% |
| Buffalo, NY | 15.4% |

Section 8 (Housing Choice Vouchers)

HCVs used in Galveston November 2010 = 607

HCVs used in Galveston July 2012 = 971

60% increase

Galveston Island's Section 8 Housing
Source: GOGP, ORR



Subsidized Housing

Currently:

450 Public Housing Units
579 Low-Income Tax Credit Units
192 Project-Based Voucher Units
971 Tenant-Based Voucher Units

2,192 Subsidized Housing Units

32,368 Total Housing Units
19,943 Occupied Housing Units
12,425 Vacant Housing Units (includes vacation homes)

2,192 Subsidized/19,943 Occupied = 11% of all the Occupied Units in the City of Galveston are Subsidized

Proposed Additions:

529 Public Housing Units
141 Market Rate Units (Subsidized?)

Proposed Totals:

979 Public Housing Units
579 Low-Income Tax Credit Units
192 Project-Based Voucher Units
971 Tenant-Based Voucher Units

2,721 Subsidized Housing Units

33,038 Total Housing Units
20,613 Occupied Housing Units
12,425 Vacant Housing Units (includes vacation homes)

2,721 Subsidized / 20,613 Occupied = 13% of all the Occupied Units in the City of Galveston will be Subsidized under the proposed plan

Under the proposed plan, Subsidized Housing will climb from 2,192 to 2,721

Where are the 569 Families?

Pre IKE

Prior to Ike 544 of the 569 public housing units were occupied.

Post IKE

| | |
|------------------|------------|
| HCV | 210 * |
| Public Housing | 66 ** |
| Deceased | 13 |
| Terminated | 138 *** |
| No Contact Info | 115 |
| Un-accounted for | 2 |
| Total | 544 |

* 160 converted to HVC from DHAP & 50 used HCV via waitlist

** Gulf Breeze 15, Holland House 10, the Oaks 29, Scattered Sites 11, Nursing Home 2

*** Terminated from housing program for various reasons

Information provided by GHA July 2012

Regional Approach

“Baltimore City should not be viewed as an island reservation for use as a container for all of the poor of a contiguous region...”

U.S. District Court Judge Marvin Garbis, Thompson v HUD

HGAC Housing Authorities

Reallocation – Public Housing & Subsidized Housing: On May 31, 2012 GLO notified H-GAC that the following Public Housing Authorities declined the opportunity to apply for their respective funding allocations: Bay City, Bellville, Cleveland, Dayton, El Campo, Huntsville, La Marque, Palacios, and Texas City. The funds available for reallocation total \$3,857,731 and are restricted to the repair or replacement of public housing units or subsidized housing damaged by Hurricane Ike. H-GAC proposes reallocating the public housing and subsidized housing funds using the formula included in the Board approved MOD, and increasing allocations for nine Public Housing Authority subrecipients. This reallocation of funds does not affect any other Round 2 Phase 2 allocations. The proposed table revision is included below.

H-GAC- SUBSIDIZED AND PUBLIC HOUSING ALLOCATION - ROUND 2.2 MOD - 06/19/2012

| Housing Authority/Entity | County | Surge Weighted Subsidized Housing Allocation - 11/2011 | Surge Weighted Subsidized Housing Allocation - 06/2012 | Surge Weighted Subsidized Housing Allocation - Change | Public Housing Units Allocation 11/2011 | Public Housing Units Allocation 06/2012 | Public Housing Units Allocation - Change |
|---------------------------------|------------------|---|---|--|--|--|---|
| Bellville Housing Authority | Austin County | \$ - | \$ - | \$ - | \$ 92,289 | \$ - | \$ (92,289) |
| Galveston Housing Authority | Galveston County | \$ 34,087,545 | \$ 34,470,924 | \$ 383,379 | \$ 50,000,000 | \$ 50,000,000 | \$ - |
| La Marque Housing Authority | Galveston County | \$ 189,382 | \$ - | \$ (189,382) | \$ - | \$ - | \$ - |
| Texas City Housing Authority | Galveston County | \$ 1,665,135 | \$ - | \$ (1,665,135) | \$ 401,729 | \$ - | \$ (401,729) |
| Baytown Housing Authority | Harris County | \$ 7,441,297 | \$ 7,643,805 | \$ 202,508 | \$ 1,248,616 | \$ 1,404,140 | \$ 155,524 |
| Harris County Housing Authority | Harris County | \$ 13,274,630 | \$ 13,635,887 | \$ 361,257 | \$ - | \$ - | \$ - |
| Houston Housing Authority | Harris County | \$ - | \$ - | \$ - | \$ 14,834,102 | \$ 16,681,793 | \$ 1,847,691 |
| City of Houston | Harris County | \$ 29,490,046 | \$ 30,292,591 | \$ 802,545 | \$ - | \$ - | \$ - |
| Pasadena Housing Authority | Harris County | \$ 3,851,965 | \$ 3,956,793 | \$ 104,828 | \$ - | \$ - | \$ - |
| Cleveland Housing Authority | Liberty County | \$ - | \$ - | \$ - | \$ 190,007 | \$ - | \$ (190,007) |
| Dayton Housing Authority | Liberty County | \$ - | \$ - | \$ - | \$ 271,438 | \$ - | \$ (271,438) |
| Bay City Housing Authority | Matagorda County | \$ - | \$ - | \$ - | \$ 249,723 | \$ - | \$ (249,723) |
| Palacios Housing Authority | Matagorda County | \$ - | \$ - | \$ - | \$ 119,433 | \$ - | \$ (119,433) |
| Huntsville Housing Authority | Walker County | \$ - | \$ - | \$ - | \$ 271,438 | \$ - | \$ (271,438) |
| El Campo Housing Authority | Wharton County | \$ - | \$ - | \$ - | \$ 407,157 | \$ - | \$ (407,157) |

HGAC Board Meeting June 04, 2012

http://www.h-gac.com/agendas/board/documents/June%202012/ce_Hurricane%20Ike%20Round%20%20%20Amendment_mga_06_04_2012.pdf

Alternative Plan 2

1. Overview

To date, HUD and GLO have advised GHA that tenant-based vouchers will not be made available, and may not be used, to replace 529 of the 569 public housing units destroyed by Hurricane Ike. This Alternative Plan provides a reasoned, rational proposal consistent with GHA's legal obligation to affirmatively further fair housing, relying on expert advice for the best way to meet this obligation.

Put simply: Assuming tenant-based vouchers are unavailable from HUD, where are the best places to locate the 529 units which achieves our obligation to affirmatively further fair housing, based on expert research and accepted standards?

Dr. Kirk McClure, an industry expert, has assisted in answering this question. Dr. McClure is a professor in the Department of Urban Planning at the University of Kansas. He has worked on and off for HUD for the past two decades, interspersed with stints in academia and work for local agencies. His résumé is attached to this proposal as Appendix 1, and his report is attached as Appendix 2.

The short answer is that assisted housing best furthers fair housing when it is located in “high-opportunity areas” - low poverty, low unemployment, an educated adult population, and low numbers of assisted households already in the area.

Based on the information provided below, this Plan proposes the following:

1. Acquiring up to 150 existing apartment units in high-opportunity areas in Galveston. GHA would renovate and rehabilitate these units, and use them to provide subsidized housing.

2. The balance of the 529 units would be secured using project-based vouchers at existing apartment complexes in high-opportunity areas in mainland Galveston County. These units would be secured from an existing base of over 6,000 apartments currently operating in these areas.

If accepted, this Plan will be submitted to the United States Court for the Southern District of Texas, Galveston division, for review and approval that such plan affirmatively furthers fair housing.

State Housing Advocates

“A group of people in Galveston are engaged in a campaign to block the rebuilding of homes of public housing residents destroyed by Hurricane Ike. While this group of white Galveston residents demands government funds for the rebuilding of “their ” community, they are organizing to make sure that lower-income and especially, lower-income African-Americans cannot move back home to Galveston.

This is ethnic cleansing pure and simple.

Repeated public expressions of racism, paranoia and hatred are vented daily on the internet, in the Galveston newspaper and at Galveston City Council meetings.”

John Henneberger, June 25, 2011

<http://texashousers.net/2011/06/25/the-racism-of-new-berlin-is-growing-in-galveston/>