

FOR IMMEDIATE RELEASE:

Galveston Glut: 3,237 Vacant Rentals!

GALVESTON, Texas – 23 January 2012

Recently-released data, from the 2010 census, show that at the time of the census, there were **3,237 housing units for rent** out of a **total of only 32,368 housing units** in the City! This is very bad news for local landlords, because this glut of available rental units has to be putting tremendous downward pressure on rental income!

Based on the overall vacant housing crisis in the City, as outlined in our [20 January 2012 press release](#), showing that **Galveston may have the highest level of distressed vacant housing units in the country** (see table below), the Galveston Open Government Project is calling on the City Council to develop a suitable vacant housing policy to address this crisis.

This policy needs to consider:

- 1. Aggressive code enforcement on blighted vacant properties including funding for demolition.**
- 2. Developing incentives to encourage owners of blighted vacant properties to sell to someone who will put the housing unit to a productive use.**
- 3. Developing a special planning and permitting process for blighted vacant properties to make rehabilitation less costly, faster, and more efficient.**
- 4. A total moratorium on government subsidies and incentives for new construction, including tax abatements, Low-Income Tax Credits, and TIRZs until vacant housing is reduced to a targeted level.**
- 5. A City Council resolution asking the Governor to sever any implied requirements in the Conciliation Agreement for the GHA to rebuild any**

more Public Housing units in the City of Galveston due to the current vacant housing crisis.

The GHA rebuilding plan, as presented to the Planning Commission and City Council late last year, would add an additional 1,288 rental units to an existing inventory of 3,237 units for rent, likely increasing the number of vacant rentals by $1,288 / 3,237 = 40\%$!

New, **unofficial plans** using project-based vouchers and less mixed-income are being floated as a trial balloon to appease local rental-property owners, but this plan would still dump a total of about 984 new rental units into this glutted rental market!

As stated in the first press release, the Census Bureau data show **7,671 distressed owners**, at the time of the 2010 census, and if each unit had an average value of \$50,000, there would be **\$383,550,000 of trapped capital** in a local economy starving for productive capital.

It is time for City Council to act!!

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%

Source: Census Bureau, 2010 census, Table QT-H1

http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC_10_SF1_QT_H1&prodType=table

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