

Houston in Flux:

Understanding a Decade of Bayou City Development



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Executive Summary

This report quantifies, visualizes and analyzes new construction and demolition in Harris County between 2005 and 2015. By showing both demolition and construction, this report spotlights the effects of economic booms and busts, illuminates the locations where development pressures are either most extreme or nonexistent and draws attention to communities rebuilding themselves within a decade. These changes are often discussed anecdotally in Houston, but quantifying construction and demolition offers a concrete and nuanced look at how these processes affect different parts of the region. Redevelopment, preservation, outward growth and gentrification can all be spotted in the maps included in the report and in the accompanying interactive online map (www.houstoninflux.com).

The report and accompanying interactive component serve two purposes. First, the report is an example of forthcoming Kinder Institute “landscape” analyses that will establish a baseline understanding of important critical issues facing the Houston area. Second, the interactive map provides an accessible public tool that citizens, public entities, businesses and community-based organizations can utilize to better understand their respective communities.

Background

The Houston region is growing rapidly, but quantification and visualization of this growth is not always readily accessible. Although public entities release data on construction, new building permits and demolition permits, it remains challenging to contextualize individual projects within broader regional trends. This report aims to translate information about isolated developments into a cohesive narrative of the Houston area’s physical transformation over the past decade.

Methodology

The report integrates data from the Harris County Appraisal District’s building and permit records to examine construction and demolition throughout the county from 2005 to 2015.

In the first section of the report, countywide development patterns are framed using two distinct units of analysis.

First, the county is divided into five subregions defined by the concentric highway loops that run through and around Houston. This section begins by quantifying the volume of building stock in each subregion in order to establish how the extent and density of development shifts as one moves away from the city’s center toward the county’s periphery. Next, this section reports the volume of recent demolitions and construction for each of the five subregions. Quantifying the construction and demolition in commonly understood geographic areas provides a rough portrait of recent development in Harris County and sets the stage for a discussion of more granular patterns.

Next, we use census data to paint a finer portrait of recent development trends in Harris County by turning to the census tracts as a unit of analysis. Mapping the construction and demolition of Harris

County census tracts captures variation within subregions and reveals stark differences between the eastern and western parts of the central city. By comparing the frequency of construction and demolition in individual census tracts to the countywide rates, we next classify each census tract as one of four typologies:

- *High-Turnover Areas*, where both demolition and construction sites are more common than in the county as a whole;
- *Demolition-Intensive Areas*, where a significant portion of the building stock has been demolished but relatively few new buildings have been constructed;
- *Construction-Intensive Areas*, which have high levels of recent construction but low levels of demolition; and
- *Low-Turnover Areas*, where both recent construction and demolition are rare.

Classifying census tracts according to both construction and demolition patterns provides a multifaceted view of construction and demolition, capturing subtle variation that the subregional framework cannot convey.

The second part of the report takes a closer look at four specific communities in Harris County, each of which exemplifies one of the four types of census tracts described above.

Findings

- At the county level, new construction far outstrips demolition. At the end of 2015, 15 percent of parcels in Harris County had obtained building permits since 2005. Only 1.7 percent of parcels received a demolition permit. The disparate rates of construction and demolition indicate that the bulk of construction projects over the past decade have taken place on previously undeveloped or vacant property.
- About 52 percent of demolition sites countywide experienced some form of new building activity – either new construction or an associated building permit. The remaining 48 percent are affiliated with neither recent construction nor new building permits, suggesting that the parcels remain vacant.
- Infill development – that is, new construction located on sites where demolition permits were previously issued – varies widely across the region. This variation points to vastly different speeds of redevelopment in different parts of the region.
- Almost half of census tracts in Harris County are classified as *Low-Turnover Areas*, about 20 percent are *Demolition-Intensive*, another 16 percent are *Construction-Intensive* and the final 5 percent are *High-Turnover*.

Future Reports

The Kinder Institute plans to combine this data with other built environment and socioeconomic data to produce additional reports in the future. The Institute also encourages outside researchers to use the interactive map to ask additional questions of the data.

Introduction

Overview

Buildings are the backbone of any metropolitan region. Their condition – whether glistening or dilapidated, stately or decrepit, under construction or crumbling – can illuminate a great deal about the status of a street, a neighborhood or an entire community. A region's built environment changes over time, buffeted by demographic shifts, natural disasters, real estate cycles and countless local, national and global forces. Tracking changes in a city's building stock, then, provides a crucial view into how those regions navigate broader forces.

This study traces the recent evolution of the Houston area's built environment by analyzing new construction, building permits and demolition permits in Harris County – the central and most populous county in the metropolitan region – from 2005 to 2015.

During this period, a range of local, national and global forces exerted considerable influence on the built environment of the metropolitan region. The first half of the period was particularly perilous for existing and planned structures in Houston. In 2005 and 2008, Houston weathered Hurricanes Rita and Ike, respectively, both of which damaged many buildings beyond repair. And beginning in 2007, the collapse of the housing bubble and the global financial crisis stalled major development and redevelopment projects within the area.

While hurricanes and the Great Recession prompted demolitions and discouraged new construction, neither brought a stop to demographic growth or new construction. Houston weathered the 2005 hurricane season much better than nearby New Orleans, and thousands of Katrina evacuees permanently resettled in the Houston area. Likewise, the regional economy recovered from the shocks of the financial crisis faster than many other American cities. Expanding energy production from hydraulic fracturing in West and South Texas and North Dakota kept the energy sector soaring through much of the Great Recession, and Houston's expanding Texas Medical Center brought thousands of additional blue- and white-collar jobs to the region. The metro's strong economy drew migrants from both within the United States and beyond its borders, many of whom sought to evade the economic decline of other major metropolitan areas or the violence and volatility of other countries. All told, Harris County grew from 3.6 million residents to more than 4.5 million people between 2005 and 2015, an increase of 25 percent.

Although building proliferated alongside highway projects on the periphery of the region, the rising premium on land located in and around employment centers motivated property owners and developers to demolish existing structures in order to make room for new types of construction. In some cases individual homeowners replaced mid-century, post-war houses with larger, grander homes. In other cases, real estate developers tore down shotgun houses, craftsman homes and obsolete industrial buildings to erect townhomes, mid-rise apartments and denser forms of urban living.

In certain communities, longtime residents objected to the rapid rate of building turnover and pressured the city of Houston to develop new tools for neighborhood preservation.¹ In response, the City Council amended Chapter 42 of the city code in 2007, making it considerably easier for

¹ Jennifer Friedberg, "New lot size, building line ordinances lift Heights residents," *Houston Chronicle*, April 3, 2007.

communities without deed restrictions to seek a minimum lot size ordinance on a block-by-block basis. While minimum lot size ordinances do not explicitly forbid new construction, they make it more difficult for Houston developers to pursue the lucrative townhome model of development, under which they subdivide larger lots to build several multi-story homes with small building footprints.

Between 2007 and 2014, the city also established more than a dozen new historic districts in the Heights, Washington Avenue and Montrose areas, imposing further regulations on construction and demolition for swaths of these particular communities. These districts complemented the city's Historic Site Tax Exemption Program, which gave developers and homeowners alike financial incentive to restore historic structures in the urban core.²

In 2013, the city altered Chapter 42 again to change the definitions of “urban” and “suburban” within the planning code for the city, thus providing more opportunities for developers. The shift moved the “urban” boundary to Beltway 8, allowing higher density construction in areas between the 610 Loop and Beltway 8 for the first time.

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Next, we use census data to paint a finer portrait of recent development trends in Harris County, by turning to the census tracts as a unit of analysis. Mapping the construction and demolition of Harris County census tracts captures variation within subregions and reveals stark differences between the eastern and western parts of the central city. By comparing the frequency of construction and demolition in individual census tracts to the countywide rates, we next classify each census tract as one of four typologies:

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- *Construction-Intensive Areas*, which have high levels of recent construction but low levels of demolition; and

² http://www.houstontx.gov/ecodev/historic_site_tax_exemption.html

- *Low-Turnover Areas*, where both recent construction and demolition are rare.

Classifying census tracts according to both construction and demolition patterns provides a multifaceted view of construction and demolition, capturing subtle variations that the subregional framework cannot convey.

The second part of the report takes a closer look at four specific communities in Harris County, each of which exemplifies one of the four types of Census Tracts described above. These case studies draw upon new Kinder Institute-created data boundaries called Community Tabulation Areas (CTAs) that are purposefully built around complete census tracts. These geographies will be used in future publications in order to aggregate several types of data consistently and accurately.

The Kinder Institute offers this report as a landscape of recent development in the greater Houston region. The report and accompanying interactive online map operate as a foundational piece in a larger Institute-wide effort to analyze, understand and improve the region.

By showing both demolition and construction, this report spotlights the effects of economic booms and busts, illuminates the locations where development pressures are either most extreme or nonexistent and draws attention to communities rebuilding themselves within a decade. While these changes are often discussed anecdotally in Houston, quantifying construction and demolition offers a concrete and nuanced look at how these processes affect different parts of the region. Redevelopment, preservation, outward growth and gentrification can all be spotted in the maps and numbers included in the report.

Supporting Interactive Map

This report is supported by an online interactive map – accessible at www.houstoninflux.com – that displays parcel-specific information on construction and demolition for the entire county. This map moves beyond the four case studies highlighted in the report to illustrate the physical evolution of countless other blocks, neighborhoods and Houston area communities over the past decade.

This interactive map is available to researchers and members of the public who wish may explore this parcel- and tract-level data at their leisure. Users can zoom in and out on different areas of the county and customize the map to suit their own purposes.

Data and Methodology

This study uses Harris County Appraisal District’s building and permit records to identify the sites of recent construction and demolition.

To identify parcels that experienced recent construction, this study filters HCAD’s 2016 building records for structures erected in or after 2005. Because this metric is derived from a single snapshot of the building stock, it does not capture buildings that were both constructed and subsequently torn down between 2005 and 2015. Though such short-lived structures may very well exist, this study rests upon the assumption that they are relatively rare. We assume that the vast majority of the buildings erected since 2005 were still standing in 2015, and were recorded in HCAD’s 2016 database.

To identify parcels that experienced recent demolition, this study filters HCAD's records of permits – which contains permits from 2004 onward – for residential and commercial demolition permits active at any point between 2005 and 2015. This study relies on records of demolition permits rather than actual demolitions, and obviously in some cases landowners who pulled a demolition permit may not have actually demolished structures. Therefore, we may have categorized some parcels as experiencing demolitions even though the buildings are still standing. In other cases, buildings may have been demolished without a permit. While the discrepancies are regrettable, given the volume of parcels in Harris County it would be prohibitively time-consuming to ground-truth every demolition permit. We assume that demolition permits serve as a reasonable proxy for actual demolitions.

Identifying the parcels affiliated with new construction and demolition permits makes it possible to calculate rates of construction and demolition for different geographic areas, such as census tracts or blocks. These two metrics – the demolition rate and the construction rate – capture the fraction of the built environment that has been demolished or constructed in the past decade. Because these rates measure the amount of recent activity relative to the size of the total building stock in an area, they differ considerably from the sheer *volume* of construction in a given area, which is the most frequent metrics used to quantify real estate development: The places with the *highest rates* of recent construction are not necessarily the places with the *most* new buildings. Rather, they are the places where the most buildings are *new*.

Community Tabulation Areas

The four case studies in the second part of this report highlight countywide trends by examining the evolution of the built environment in several of the Kinder Institute's Community Tabulation Areas (CTAs).

The Community Tabulation Areas subdivide the metropolitan area into geographic areas that are comparable in size to city of Houston Super Neighborhoods but extend past the city limits and build upon census geographies. These boundaries are not intended to replace or reject existing jurisdictions or individual perceptions neighborhoods or subdivisions. Rather, the CTAs establish geographic frameworks that will allow the Kinder Institute to analyze and report data about Houston-area communities in an accurate, efficient and consistent way. CTAs allow us to examine and compare defined geographical areas throughout Harris County in a way that aligns with census tracts. Because Super Neighborhoods are not tied to census tracts, aggregating census data at the Super Neighborhood level can compromise the reliability and the accuracy of the estimates. The CTA structure eliminates this level of uncertainty.

To delineate and name the Community Tabulation Areas, Kinder Institute researchers referenced the city of Houston Super Neighborhoods, U.S. Census-Designated Places, school districts and Houston Area Realtor Market Areas. The Community Tabulation Areas build off of 2010 census geographies, such that each CTA consists of one or more census tract and each census tract coincides with exactly one CTA. As of spring 2016, the Kinder Institute has created Community Tabulation Areas for all of Harris County and is working to develop CTAs for other counties in the metropolitan region. While maintaining the close connection to the census tract is essential, the Kinder Institute intends to discuss and possibly tweak these boundaries in consultation with communities in the months to come.

Construction and Demolition throughout Harris County

Overarching Development Patterns

This section of the report subdivides the county into five subregions in order to establish the general contours of development within the county at the end of 2015.

Map 1 displays the five subregions delineated by the roughly concentric highway loops that encircle Houston. The subregions are defined by the Interstate 610 Loop, Beltway 8, State Highway 6 and Farm-to-Market Road 1960, the Grand Parkway (State Highway 99) and the county boundary.

Map 1. Subregions of Harris County

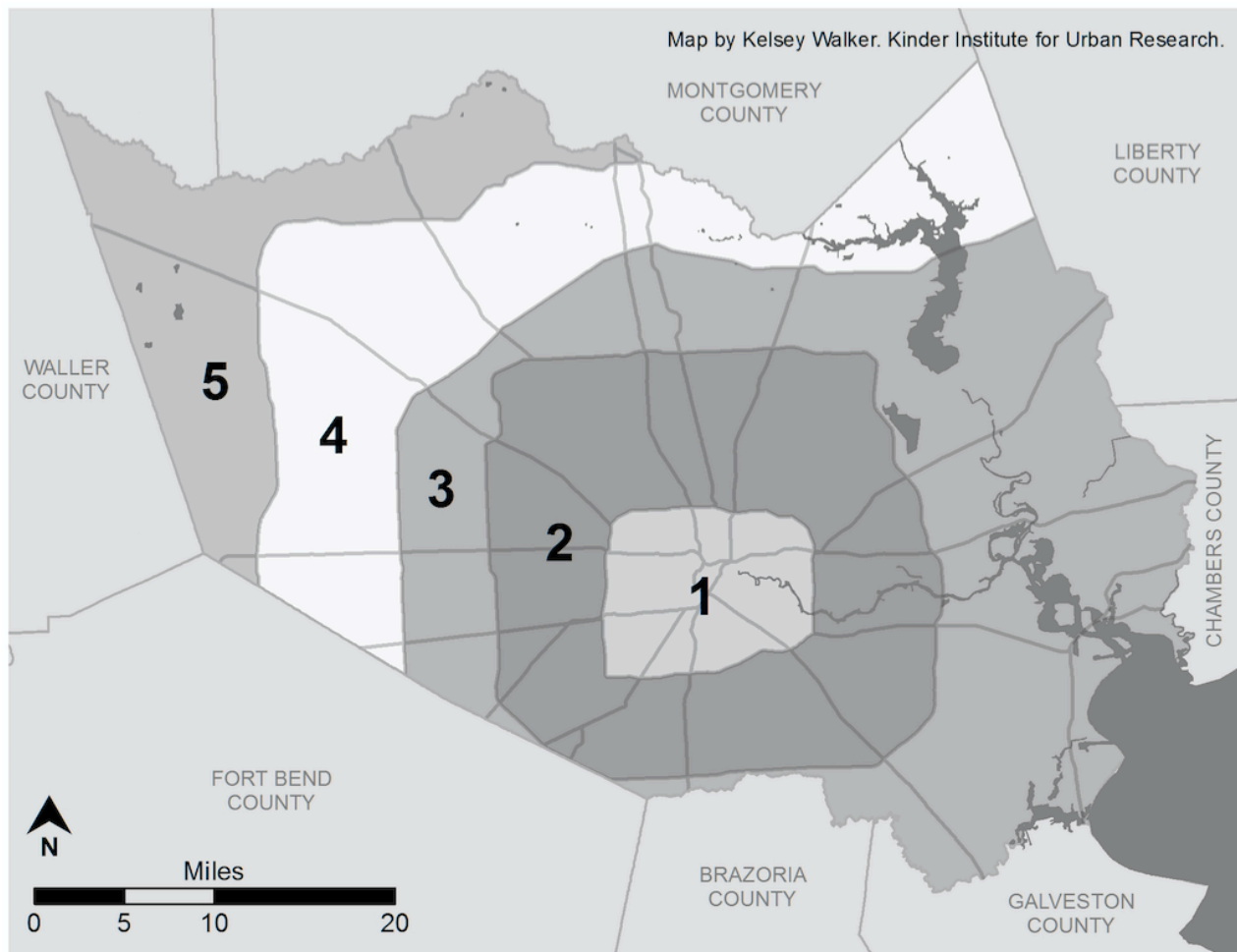


Table 1 displays the total land area (square mileage), total parcels (legally designated lots) and the total building area (square footage) contained within each of the subregions.

Table 1. Volume and Fraction of Building Stock in Subregions of Harris County

Map Label	Subregion	Area - Sq. Mi.		Pct. of Area in County		Parcels		Pct. of Parcels in County		Building Area - Million Sq. Ft.		Pct. of Bldg. Area in County	
1	Inside Loop 610	97	5.5%	155,287	12.2%	628	15.7%						
2	Loop 610 to Beltway 8	434	24.4%	423,765	33.3%	1,320	32.9%						
3	Beltway 8 to SH6-FM1960	626	35.2%	326,911	25.7%	1,071	26.7%						
4	SH6-FM1960 to Grand Parkway	380	21.4%	319,317	25.1%	871	21.7%						
5	Outside Grand Parkway	239	13.5%	49,033	3.8%	120	3.0%						
Harris County		1,777		1,274,313		4,010							

As Table 1 shows, while the county's building stock is disproportionately found within the central city, the density of development does not plummet abruptly outside of Beltway 8. Rather, the density of development descends gradually – and somewhat erratically – as one moves away from the historic urban core through several rings of edge cities and suburbs and toward the metropolis' periphery.

- Harris County's building stock is disproportionately found within Houston's Beltway 8. Subregions 1 and 2 – the innermost two rings on the map – account for roughly 30 percent of the county in terms of land area (square miles) but contain more than 45 percent of its total parcels and 48 percent of its existing building square footage.
- The building stock is particularly concentrated within Loop 610. Subregion 1 holds 15.7 percent of existing square footage in only 5.5 percent of the county's total area.
- Subregion 4 approximates the density of development in the county as a whole, accounting for 21.4 percent of the square area in Harris County and 21.7 percent of the county's total building area (square footage).
- Only Subregions 3 and 5, which include the most peripheral areas in the northwest and the east periphery much of the county's undeveloped periphery, have a disproportionately low fraction of the county's building stock and properties given its land area.

Recent Construction Patterns

Building upon the understanding of Harris County's general form provided by Table 1, we turn now to examine how the building stock evolved in different areas of the county between 2005 and 2015.

Table 2 displays the amount of new construction in each of the subregions and in the county as a whole.

Table 2. Recent Construction in Subregions of Harris County

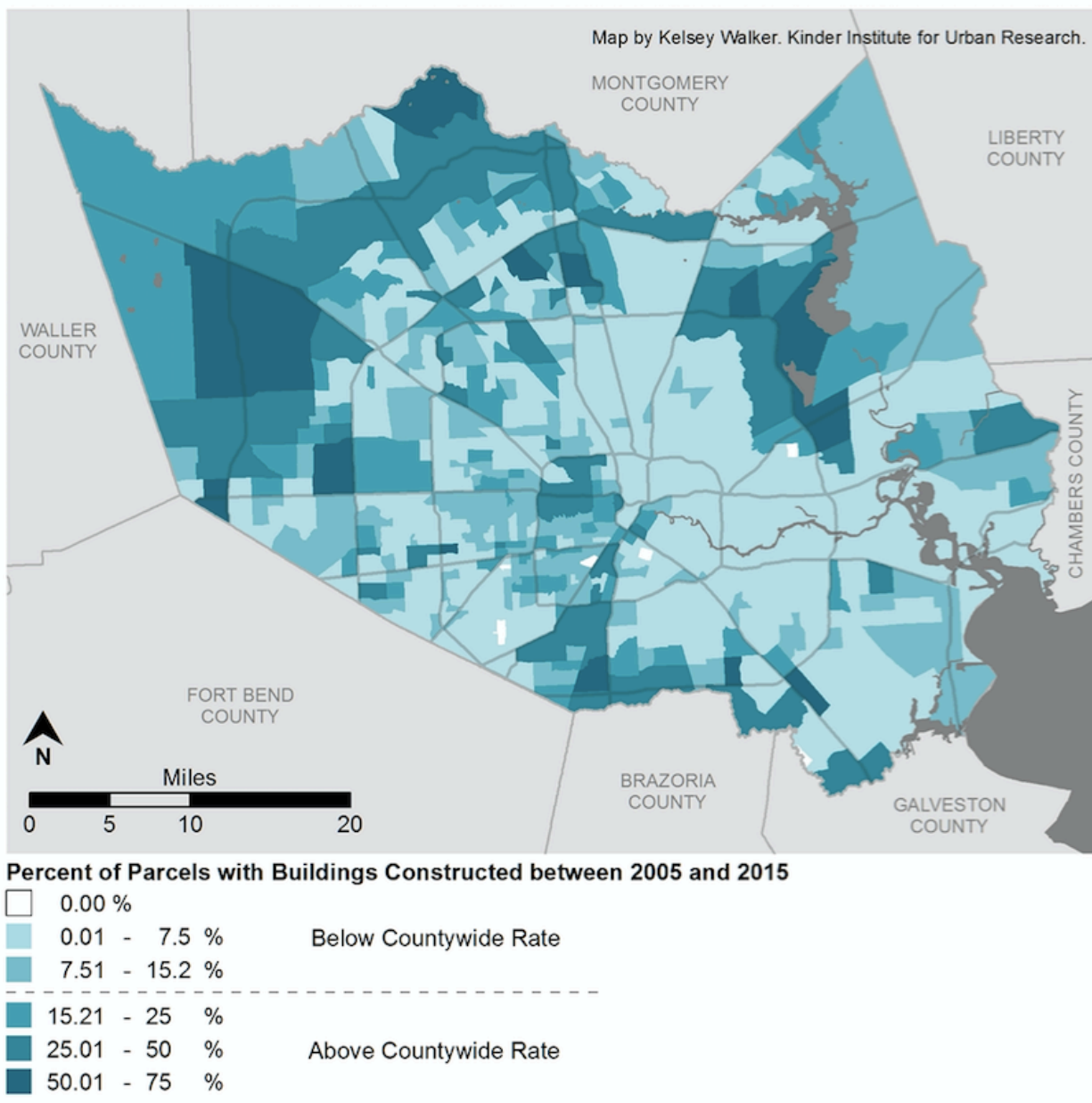
Map Label	Subregion	Pct. of Parcels in County	Construction - Parcels	Constr. - Pct. of Constr. Parcels in County	Constr. - Pct. of All Parcels in County	Construction - Building Area	Constr. - Pct. of Constr. Bldg. Area in County	Constr. - Pct. of All Bldg. Area in Subregion
1	Inside Loop 610	12.2%	21,083	10.9%	13.6%	121	13.8%	19.3%
2	Loop 610 to Beltway 8	33.3%	38,147	19.7%	9.0%	195	22.3%	14.8%
3	Beltway 8 to SH6-FM1960	25.7%	45,793	23.6%	14.0%	248	28.3%	23.1%
4	SH6-FM1960 to Grand Parkway	25.1%	72,440	37.4%	22.7%	250	28.5%	28.7%
5	Outside Grand Parkway	3.8%	16,307	8.4%	33.3%	62	7.1%	52.0%
	Harris County		193,769		15.2%	876		21.9%

As Table 2 indicates, more than 15 percent of the parcels in Harris County are sites of recent construction, holding buildings erected in or after 2005. The table also illuminates general patterns in recent construction.

- The highest rates of new construction are found in the two most peripheral subregions. Subregions 4 and 5 are the only two subregions in which the construction rate exceeds that of the county.
- The innermost three subregions have lower rates of construction than the county as a whole.
- While the construction rate tends to fall as one moves closer to the central city, Houston's Inner Loop is an exception to this trend. In Subregion 1, 13.6 percent of parcels contain recent construction, but only 9 percent of the parcels in Subregion 2 hold buildings erected in the past decade.

Map 2 shifts away from subregion as a unit of analysis and instead visualizes the construction rates of Harris County census tracts.

Map 2. Recent Construction Rates in Harris County Census Tracts



Map 2 bears out many of the trends visible in Table 2 and reveals that high rates of recent construction are found in specific areas at Houston's periphery and in its urban core. Areas with above-average rates of recent construction are located mainly along the Grand Parkway in northwest Houston, along southern and northeastern stretches of Beltway 8, in and around the northern suburb of Spring, and in the northwest section of Houston's Inner Loop. With the exception of areas immediately east of Houston's Downtown and Midtown district and a few census tracts along Beltway 8, virtually all of the census tracts east of the Highway 288-Interstate 45 corridor and within the Beltway have much lower construction rates than the county as a whole.

Demolition Patterns

Similar county-level demolitions statistics provide the full measure of the changing built environment at the parcel level.

Table 3 displays the amount of demolition in each of the subregions.

Table 3. Recent Demolition in Subregions of Harris County

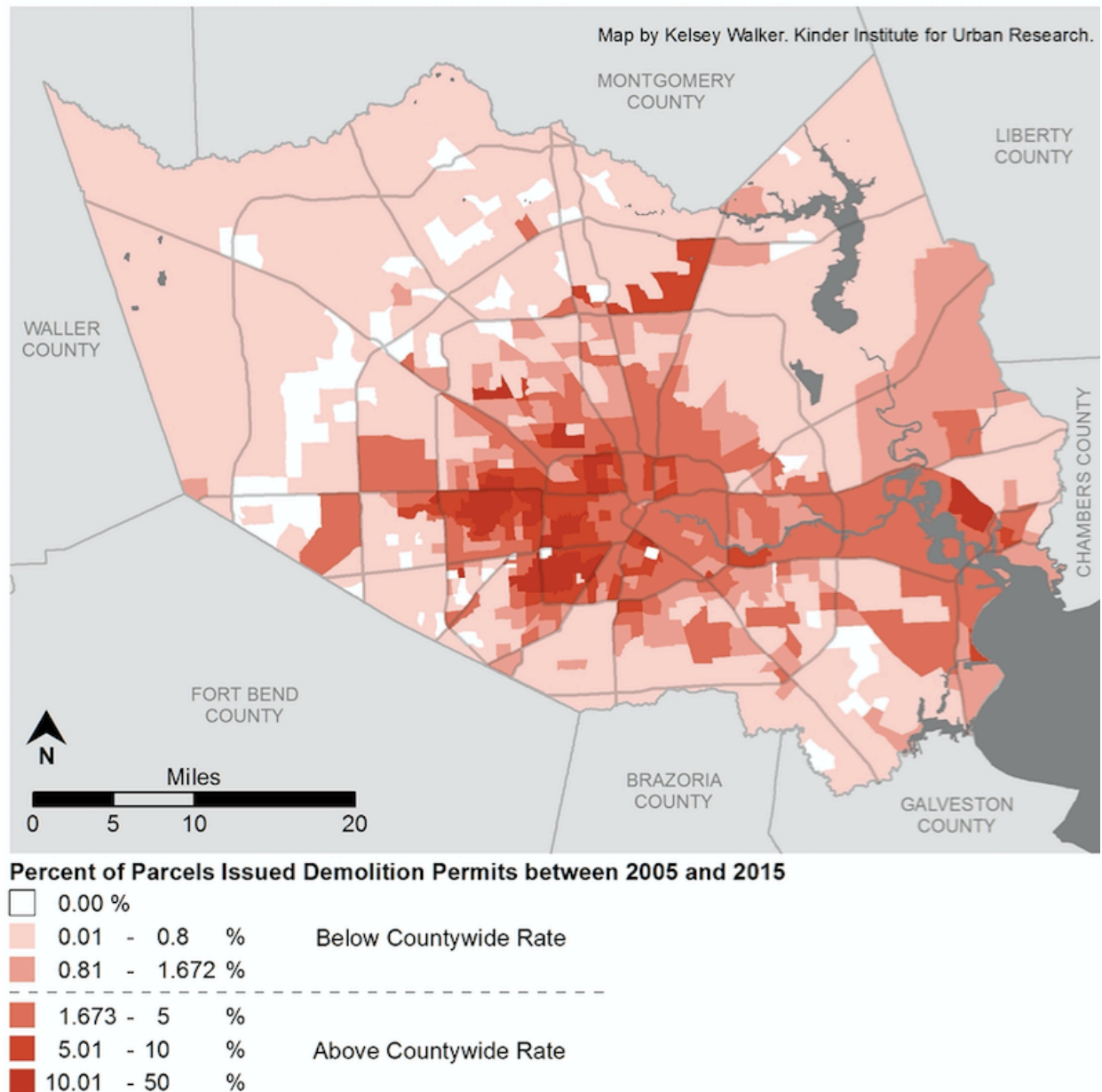
Map Label Subregion	Pct. of Parcels in County	Demolition - Parcels	Demo. - Pct. of Demo. Parcels in County	Demo. - Pct. of All Parcels in Subregion
1 Inside Loop 610	12.2%	9,252	43.4%	6.0%
2 Loop 610 to Beltway 8	33.3%	9,070	42.6%	2.1%
3 Beltway 8 to SH6-FM1960	25.7%	2,488	11.7%	0.8%
4 SH6-FM1960 to Grand Parkway	25.1%	391	1.8%	0.1%
5 Outside Grand Parkway	3.8%	115	0.5%	0.2%
Harris County		21,315		1.7%

As Table 3 indicates, demolitions occurred on only 1.7 percent of parcels in Harris County between 2005 and 2015. Demolitions rates were highest in the most central subregions of Harris County, which contain the greatest concentrations of older building stock.

- Eighty-six percent of all demolitions occurred within Subregions 1 and 2, the historic center of the region.
- In Subregion 1, only 6 percent of parcels were tied to a demolition permit, less than the percentage of parcels affiliated with new construction. This suggests that even inside Loop 610, a sizable portion of recent construction has taken place on vacant land.
- In Subregions 3, 4 and 5, less than 1 percent of parcels were connected to a demolition permit. These areas' high rates of construction coupled with extremely low rates of demolition imply that recent construction in these areas is primarily greenfield development.

Map 3 again moves from subregions to census tracts to visualize demolition throughout the county.

Map 3. Demolition Rates in Harris County Census Tracts



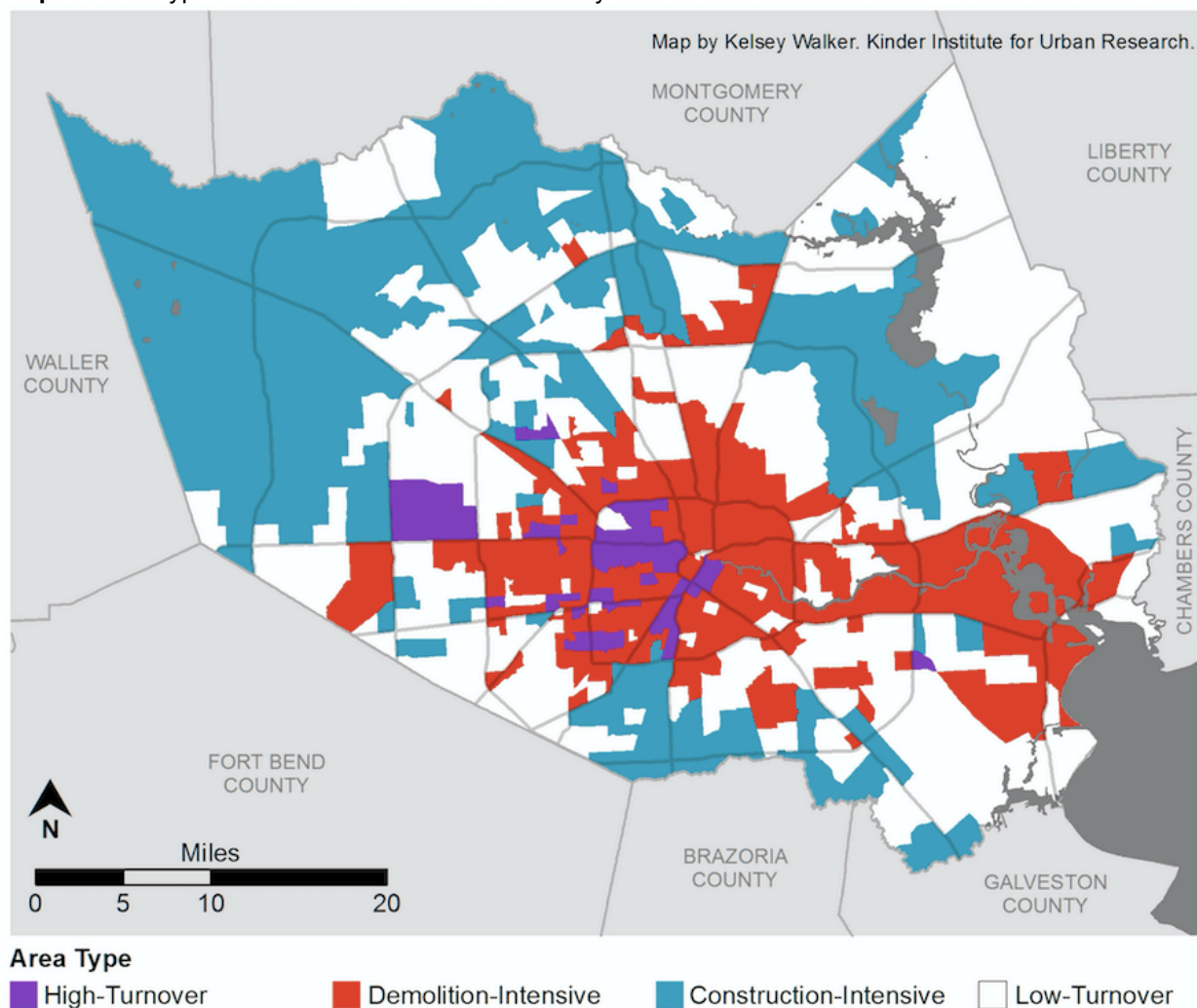
Map 3 shows the heavy concentration of demolitions within the census tracts of the innermost two subregions. Areas with above-average rates of demolition are found primarily within Houston's urban core. Virtually all census tracts within Loop 610 have higher rates of demolition than the county as a whole, as do several of the tracts within Subregion 2. High demolition rates can also be found in the areas flanking Interstate 10 between State Highway 6 and Loop 610 in the western part of the county, near Bush International Airport in the north and along the Houston Ship Channel and Galveston Bay in the east. With the exception of these three swaths, almost all of the census tracts outside of Beltway 8 have lower demolition rates than the county as a whole.

Typology Based on Construction and Demolition

Overlaying construction and demolition data enables us to identify four types of census tracts based on construction and demolition trends. Classifying Harris County census tracts into one of four categories reveals considerable variation within individual subregions. Each census tract is categorized as one of four area types:

- *High-Turnover Areas*, with higher rates of both demolition and new construction than Harris county as a whole,
- *Demolition-Intensive Areas*, with higher rates of demolition but lower rates of construction than the county,
- *Construction-Intensive Areas*, with lower rates of demolition and higher rates of construction than the full county; and
- *Low-Turnover Areas*, with lower rates of both demolition and construction than the county.

Map 4. Area Type of Census Tracts in Harris County



The categorization of census tracts displayed in Map 4 allows us to assess how common each type of community is within Harris County using a number of metrics, including the percent of census tracts, land area and parcels. Incorporating population estimates from the American Community Survey adds a human dimension to the discussion, revealing the relative number of Houstonians living in different types of communities.

High-Turnover Areas are rare. Of Harris County's 786 census tracts, just 42, or 5.2 percent, have greater rates of both construction and demolition than the county as a whole. These tracts account for just 4.4 percent of the county's 2014 population, less than 2.9 percent of its land area and 5.1 percent of its parcels. High-turnover areas are found in the western half of Houston's Inner Loop (as well as immediately east of Houston's Downtown and Midtown districts), scattered between Loop 610 and Beltway 8 in the west and along the Energy Corridor north of I-10 west of Beltway 8.

Demolition-Intensive Areas are more common. Almost 30 percent of census tracts in Harris County qualify as demolition-intensive areas; these tracts account for 21.6 percent of the county's 2014 population, 18.8 percent of its land area and 21.3 percent of its parcels. These tracts are found in the eastern and southern portions of Loop 610; the area bounded by Beltway 8 on the west, Interstate 10 on the north, Loop 610 to the east and Westpark Tollway to the south area; several other areas immediately outside the Loop 610; and along the Ship Channel and near Galveston Bay.

Construction-Intensive Areas make up another 16 percent of Harris County's census tracts. These tracts account for 25.3 percent of the county's 2014 population, 37.7 percent of its land area and 29.9 percent of its parcels. These areas of new development are found near the county's periphery: The communities between Loop 610 and Brazoria County in the south, between SH 6 and Waller and Montgomery counties in the northwest and along Beltway 8 in the northeast all have much higher rates of construction (but lower rates of demolition) than the county as a whole.

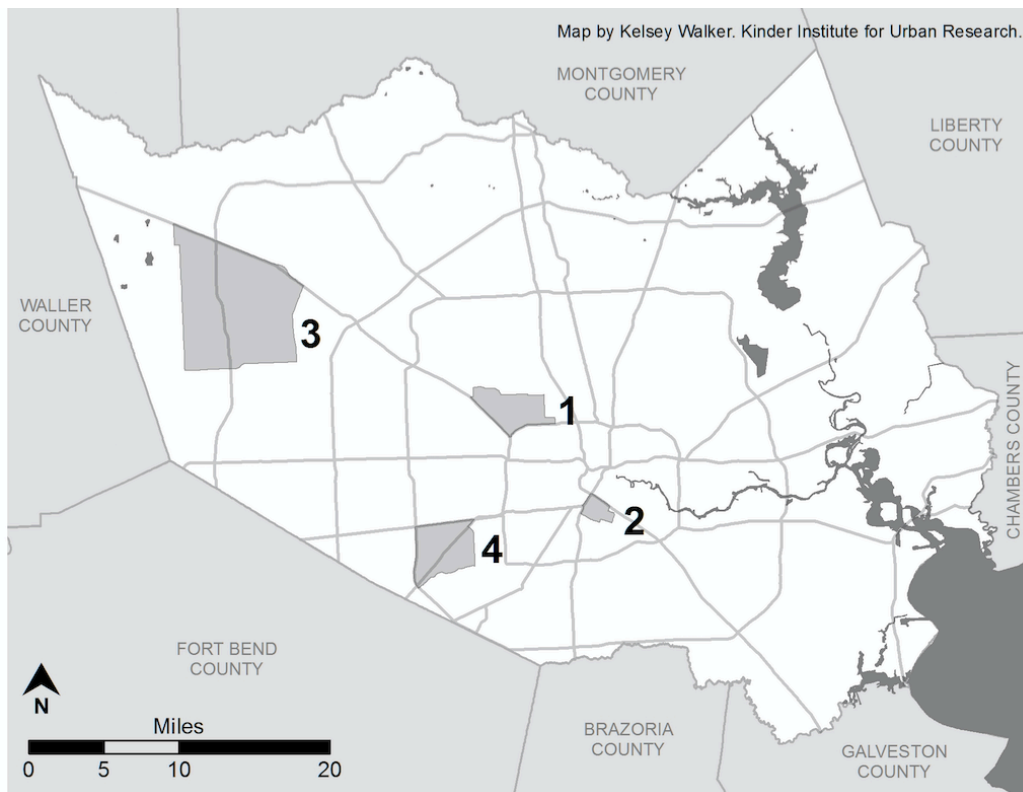
Low-Turnover Areas are the most common at almost one half – 48.7 percent – of census tracts in Harris County. These tracts account for 48.7 percent of the county's 2014 population, 40.7 percent of its land area and 43.8 percent of its parcels. These relatively stable areas are interspersed with areas of high demolition and high construction between Loop 610 and Beltway 8 throughout the county, and also between Beltway 8 and the Grand Parkway in the west. Low-turnover areas are also found at the county's periphery: many census tracts near Fort Bend County in the southwest; Liberty County, Chambers County and Galveston County in the east; and Montgomery County in the north have lower rates of both demolition and construction than Harris County writ large.

Community Case Studies

This section of the report takes a closer look at construction and demolition activity in four communities in Harris County. Each community exemplifies one of the four categories described above, but our analysis also shows the nuances within some of these communities. These are:

- *High-Turnover*. The Oak Forest Community Tabulation Area, which lies just north of Loop 610 on either side of White Oak Bayou, contains both *High-Turnover* census tracts and *Demolition-Intensive* tracts. We focus on the *High-Turnover* census tracts in the center of the community.
- *Demolition-Intensive*. The Third Ward CTA, located just east of Highway 288 and south of US 45, also contains both *High-Turnover* census tracts and *Demolition-Intensive* tracts. Though pockets of the neighborhood have above-average rates of construction, the tabulation area as a whole qualifies as *Demolition-Intensive*.
- *Construction-Intensive*. The Cypress South CTA, which lies on either side of the Grand Parkway northwest of Houston, illustrates the *Construction-Intensive* model of development.
- *Low-Turnover*. The Sharpstown-Braeburn-Westwood CTA, located just inside Beltway 8 along Highway 59 in Southwest Houston, comprise a *Low-Turnover* area.

Map 5. Selected Community Tabulation Areas in Harris County



These four case study communities are highlighted in Map 5. The four CTAs are spread across the region. The first case study – the Oak Forest CTA – lies just north of Loop 610, making it a part of Subsection 2. The second case study – the Third Ward CTA – is closest to the heart of central Houston and pertains to Subregion 1. The Cypress South CTA – the third case study – is the western-most community considered in this report. It is also the farthest removed from central Houston. This CTA flanks the Grand Parkway northwest of Houston and falls primarily in Subregion 4. The final community – the Sharpstown-Braeburn-Westwood area – lies just inside Beltway 8 in Subregion 2. While the Sharpstown-Braeburn-Westwood CTA falls in the same subregion as the Oak Forest CTA, the demographics and socio-economic statuses of these two communities differ greatly.

Table 5a. Recent Construction and Demolition in Selected Community Tabulation Areas

Map Label	Community Tabulation Area	Area - Sq. Mi.			Building Area - Million Sq. Ft.		Construction - Parcels		Constr. - Pct. of All Parcels in CTA		Constr. - Building Area - Million Sq. Ft.		Demolition - Parcels		Demo. - Pct. of All Parcels in CTA	
1	Oak Forest	9.8	15,038	43.9	1,465	9.7%	5.7	13.0%	1,021	6.8%						
2	Third Ward	2.6	5,308	7.5	359	6.8%	1.2	16.3%	373	7.0%						
3	Cypress South	58.8	21,059	47.9	12,807	60.8%	39.9	83.5%	2	0.0%						
4	Sharpstown-Westwood-Braeburn	13.3	12,145	79.5	241	2.0%	2.6	3.2%	84	0.7%						

Table 5a uses the same statistics presented at the county level to compare demolition and new construction trends in each of the CTA case studies. These four case studies represent the extremes of each category.

- The Oak Forest CTA, the *High-Turnover* example, has a higher rate of overall construction and demolition than the county in several census tracts. Some Oak Forest census tracts have more than double the construction and demolition rate of the county.
- In the Third Ward CTA, the *Demolition-Intensive* example, more parcels are associated with demolition than construction.
- The Cypress South CTA, the *Construction-Intensive* example, has almost no demolitions and a huge proportion of new construction.
- The Sharpstown-Westwood-Braeburn CTA, the *Low-Turnover* example, is in between these two extremes, with little construction or demolition occurring.

Table 5b. The Rebuilding of Demolition Sites in Selected Community Tabulation Areas

Map Label	Community Tabulation Area	Demolition - Parcels		Demo. - Pct. of All Parcels in CTA		Demo. & Construction - Parcels*		Demo. & Constr. - Pct. of Demo. Parcels in CTA*		Demo. & Building Permit - Parcels**		Demo. & Permit - Pct. of Demo. Parcels in CTA**		Demo. Only - Parcels***		Demo. Only - Pct. of Demo. Parcels in CTA***	
1	Oak Forest	1,021	6.8%	790	77.3%	63	6.2%	168	16.5%								
2	Third Ward	373	7.0%	23	6.2%	14	3.8%	336	90.1%								
3	Cypress South	2	0.0%	1	50.0%	0	0.0%	1	50.0%								
4	Sharpstown-Westwood-Braeburn	84	0.7%	29	34.5%	7	8.3%	48	57.2%								

* Parcels affiliated with both demolition permits and recent construction

** Parcels issued both demolition and new building permits that are unaffiliated with recent construction

*** Parcels issued demolition permits that are unaffiliated with recent construction and new building permits

Table 5b illuminates the dramatic variation in the percentage of demolition parcels that double as construction sites across communities.

- In the Oak Forest CTA, the vast majority – 77.3 percent – of parcels issued a demolition permit doubled as sites of recent construction. And another 6.2 percent of demolition parcels were issued a new building permit even though they did not see new construction.
- In contrast, upwards of 90 percent of demolition parcels in the Third Ward CTA saw no type of follow-up activity, either in the form of recent construction or a new building permit.
- The Cypress South and Sharpstown-Westwood-Braeburn communities fall between these two extremes. However, demolitions are less common in these areas, rendering the analysis of construction activity on demolition sites less relevant.
- Sharpstown-Westwood-Braeburn has a higher of demolitions, 57.2 percent, without associated development.
- Cypress South had only two demolitions in the past 10 years.

Case Study Maps

For each of the four communities, we display three maps with the following color schemes.

Recent Construction, Demolition and Building Permits. Maps 6a, 7a, 8a and 9a demonstrate the overlaps between the three types of actions that can be tied to a parcel.

- Dark Purple represents parcels with both new construction and demolition.
- Dark Blue represents parcels with new construction alone.
- Dark Red represents parcels with demolition alone.
- Light Blue and Light Purple each represent parcels with permits, but no new construction.

Recent Construction and Building Permits by Property Type and Year. Maps 6b, 7b, 8b and 9b display construction by single-family and other, shows the year built range, and displays parcels associated with new buildings permits.

- Dark Purple (residential) and Dark Green (non-residential) are parcels with new construction between 2013-2016.
- Purple and Green are parcels with new construction between 2009-2012.
- Light Purple and Light Green are parcels with new construction between 2005-2008.
- Pink (residential) and Yellow (non-residential) are parcels with permits, but no new structure over the past decade.

Demolition by Property Type and Year. Maps 6c, 7c, 8c and 9c break down demolitions by single-family and other and display the time frame of demolition.

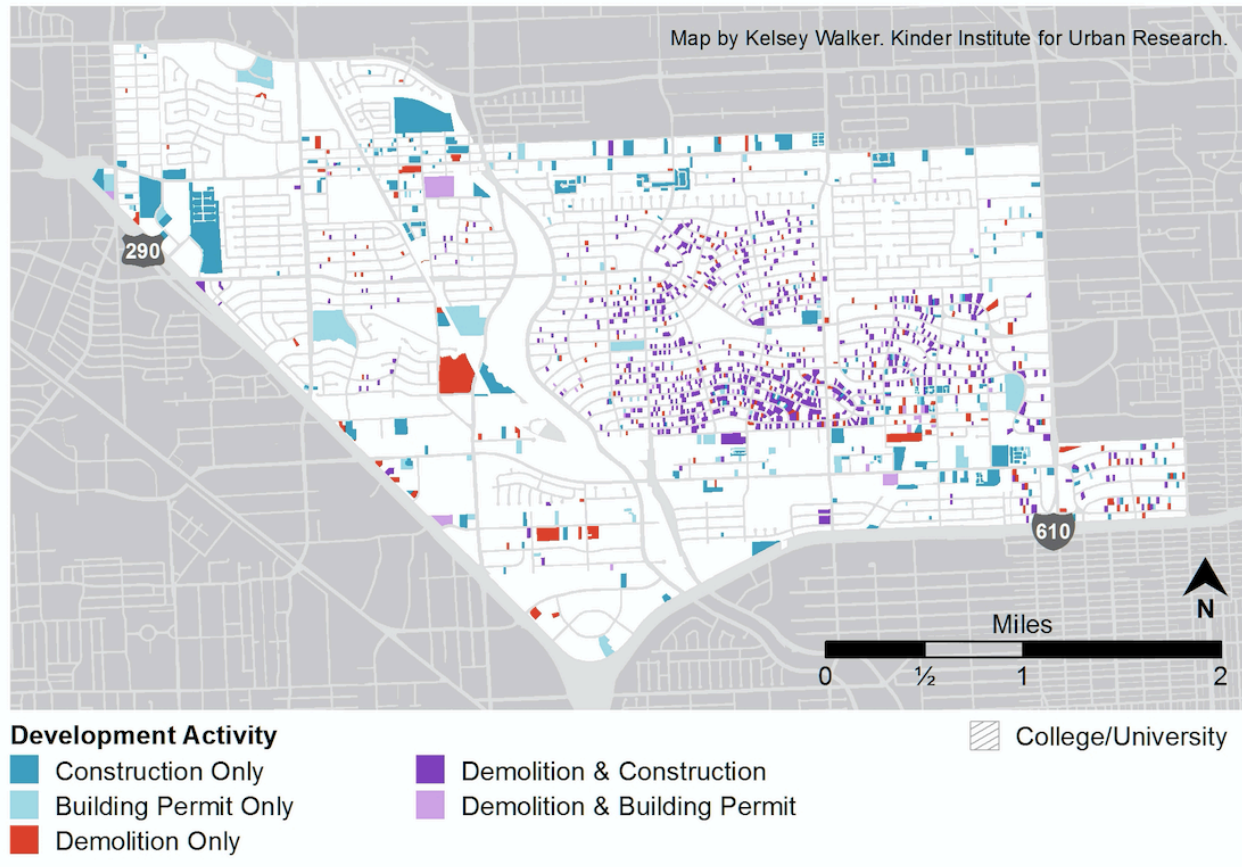
- Dark Red (residential) and Dark Brown (non-residential) are parcels associated with demolitions between 2013-2016.
- Red and Brown are parcels associated with demolitions between 2009-2012.
- Light Red and Light Brown are parcels associated with demolitions between 2005-2008

High-Turnover Case Study: Oak Forest CTA

The Oak Forest CTA, located just north of Loop 610 along White Oak Bayou, embodies the *High-Turnover* model of construction and demolition.

- As Table 5a shows, 6.8 percent of parcels had demolition permits between 2005 and 2015, more than four times the countywide average.
- The overall new construction rate of 9.7 percent is lower than county average, but some census tracts experienced upwards of 28 percent new construction.
- As Table 5b illustrates, the vast majority, 83.5 percent, of demolitions in the CTA are tied to new construction or a permit.

Map 6a. Recent Construction, Demolition and Building Permits in Oak Forest CTA



Map 6a illustrates the heavy rate of residential redevelopment in the Oak Forest CTA over the past 10 years. Residential turnover is by far the biggest activity in the area.

History

The high-turnover residential areas in Oak Forest, the purple areas in Map 6a, fall almost entirely within the first sections of the Oak Forest development built by Frank Sharp beginning in 1946. When it was built, the area's ranch-style homes were among the city's most desirable.

Though Oak Forest's ranch homes were perched on the edge of Houston's developed area when it was originally built, the expanding city grew around them. By the 1960s, Loop 610 ran along the community's southern boundary. In the ensuing decades, the encroaching city – with commercial strips, changing racial demographics and perceived crime – led many of the area's white residents to move out.

As white middle-class interest in the neighborhood waned, property values also fell: While Frank Sharp's ranch houses initially sold for between \$100,000 and \$120,000 (in 2016 dollars), values fell to just \$60,000 by the 1990s.

Table 6. Recent Construction and Demolition by Property Type in Oak Forest CTA

Type	Parcels	Building Area - Million Sq. Ft.	Construction - Parcels	Constr. - Pct. of All Parcels in CTA	Constr. - Building Area - Million Sq. Ft.	Constr. - Pct. of All Bldg. Area in CTA	Demolition - Parcels	Demo. - Pct. of All Parcels in CTA
Residential	12,726	23.4	1,380	9.2%	4.1	9.5%	984	6.5%
Other	839	20.5	85	0.6%	1.6	3.6%	38	0.3%
All	15,038	43.9	1,465	9.7%	5.7	13.0%	1,021	6.8%

The decline of prices into the 1990s, and the reemergence of the community as close-in, amenities-rich area, set the stage for the immense remaking of the residential fabric of the community in the past decade. As Table 6, shows in the past decade, 984 residential structures have been demolished while 1,380 have been built, suggesting that nearly 400 lots were already vacant or repurposed to residential use.

The growing desirability of the CTA has led to home prices in the Oak Forest CTA rising tremendously. The average price in the Houston Area Realtors Oak Forest market area is \$533,000, well above the \$272,658 average for the metro as a whole.³ Even empty lots zoned to some of the community's best public schools have sold for upwards of \$300,000.⁴

Map 6a shows that demolitions in Oak Forest are associated with new construction at rates far higher than the county average. Of the 1,021 parcels issued demolition permits in the Community Tabulation Area, fully 84 percent were later the sites of new construction or building permits.

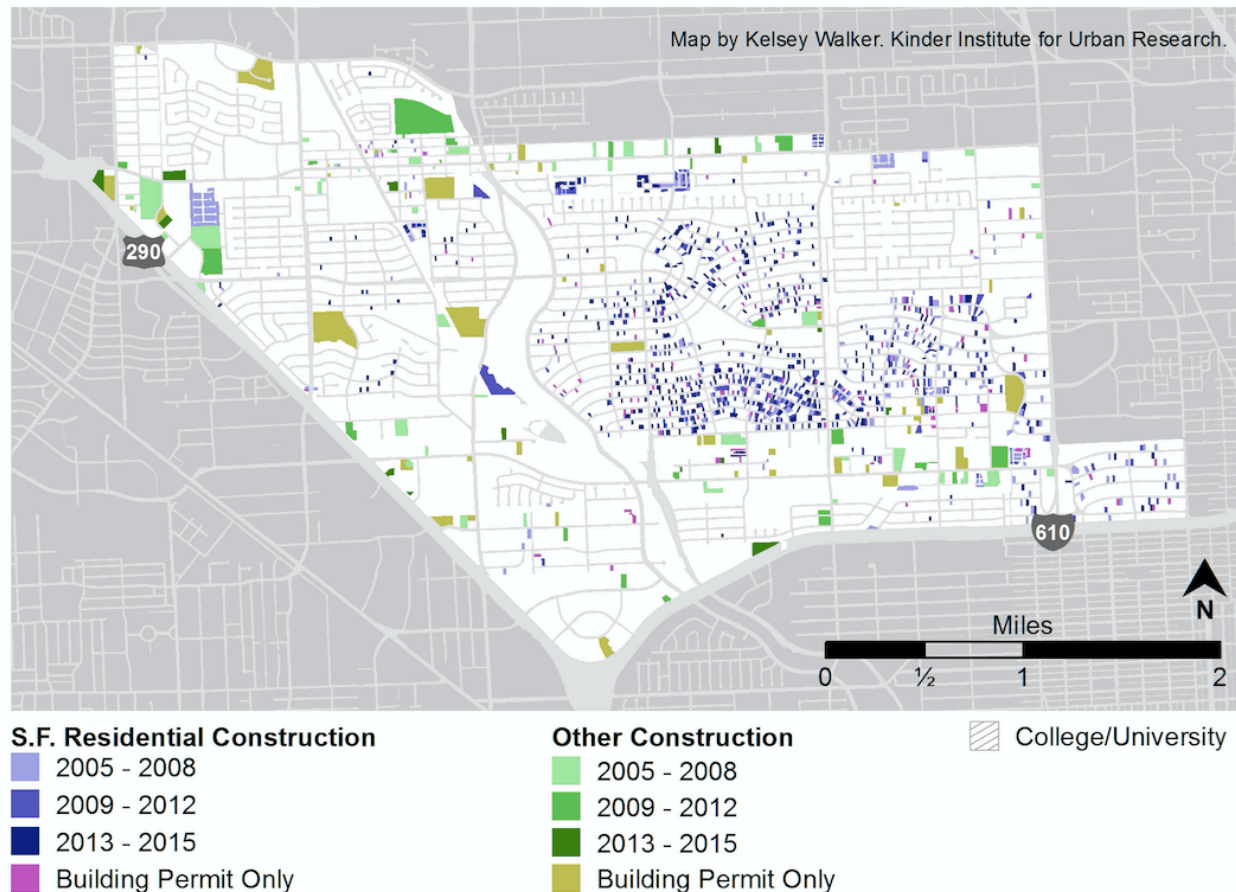
These figures back what media coverage and anecdotal evidence of the transitions underway in Oak Forest have highlighted – as quickly as the older ranch-style houses have been demolished, they are replaced by custom-built homes. Further, as the financial incentives for homeowners to sell have grown, so has the pressure from developers. Long-time residents are often badgered by developers seeking to purchase older homes, tear them down and raise new ones in their place. The requests

³ Houston Area Realtors data for Oak Forest market area and Houston Area Realtors, "MLS report for March 2016 Houston's march housing numbers show stability despite ongoing energy jitters."

⁴ "No doubt about it: Oak Forest is a sellers market," *The Leader News*, January 25, 2014.

“come in spurts,” Chris Krienke, an Oak Forest resident since the late 1990s told the *Houston Press* in 2014, “about two or three a week.”⁵

Map 6b. Recent Construction and Building Permits by Property Type and Year in Oak Forest CTA

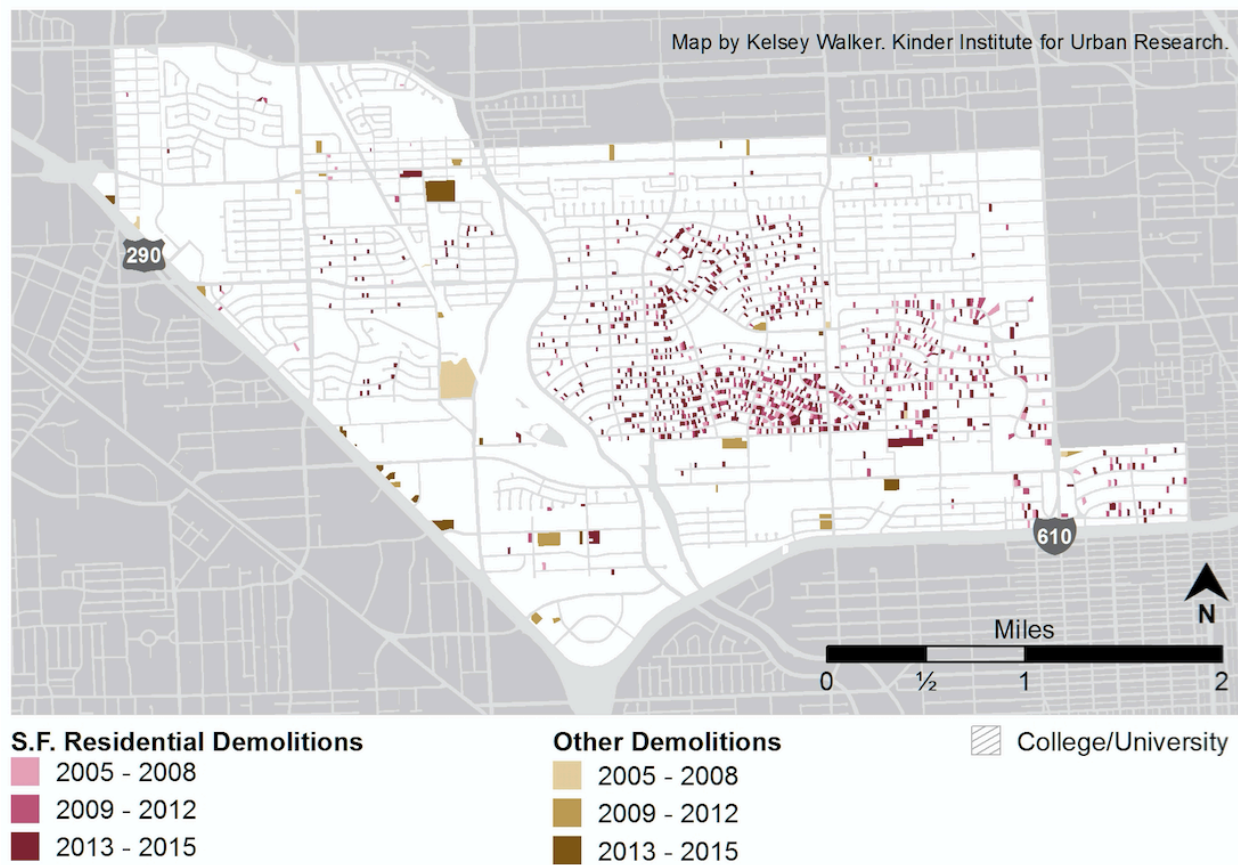


Both Map 6b and Map 6c document the effects of high home turnover and the pressure to sell noted by Krienke. Map 6b shows that new construction of residential parcels was brisk between 2005-2008, but that the number of parcels associated with new construction has increased greatly within the past three years. On top of existing new construction, several parcels have permits associated with them, signaling that the transition between old and new will continue.

While new construction has been occurring rapidly in the past few years, demolitions peaked in the earlier part of the study period. Map 6c shows that many of the parcels associated with demolitions occurred between 2005-2008, prepping the ground for the later new construction boom.

⁵ “No doubt about it: Oak Forest is a sellers market,” *The Leader News*, January 25, 2014.

Map 6c. Demolition by Property Type and Year in Oak Forest CTA



Many longtime residents resent the demolition practices because they think demolitions send the message that their homes are good merely as teardowns. One resident told the *Houston Press* in 2014, that he didn't like "the fact that our houses aren't even being considered for remodeling...10, 15 years ago...people would buy the houses, move in and remodel, update. Now they buy the houses, knock them down and build something that looks like it belongs in another neighborhood."⁶

While both Oak Forest and Garden Oaks are deed-restricted communities with active homeowners associations, their restrictions do not prevent the type of redevelopment occurring on many of the lots, which appears to be mostly the replacement of a ranch-style single-family home with a larger single-family home.⁷ As one would expect in a deed-restricted community, non-residential uses are concentrated along major thoroughfares and historic commercial strips. While there are a number of non-residential permits and new buildings in these commercial areas, these developments are far eclipsed by the rapidly changing residential landscape in the community.

The trends are clear in the Oak Forest CTA and many other high turnover communities, demolished buildings are replaced at a fast clip. Vacant lots do not sit idle due to neglect, speculation or ownership confusion.

⁶ Chris Lane, "The Changing Face of Houston - Oak Forest," *Houston Press*, September 22, 2014

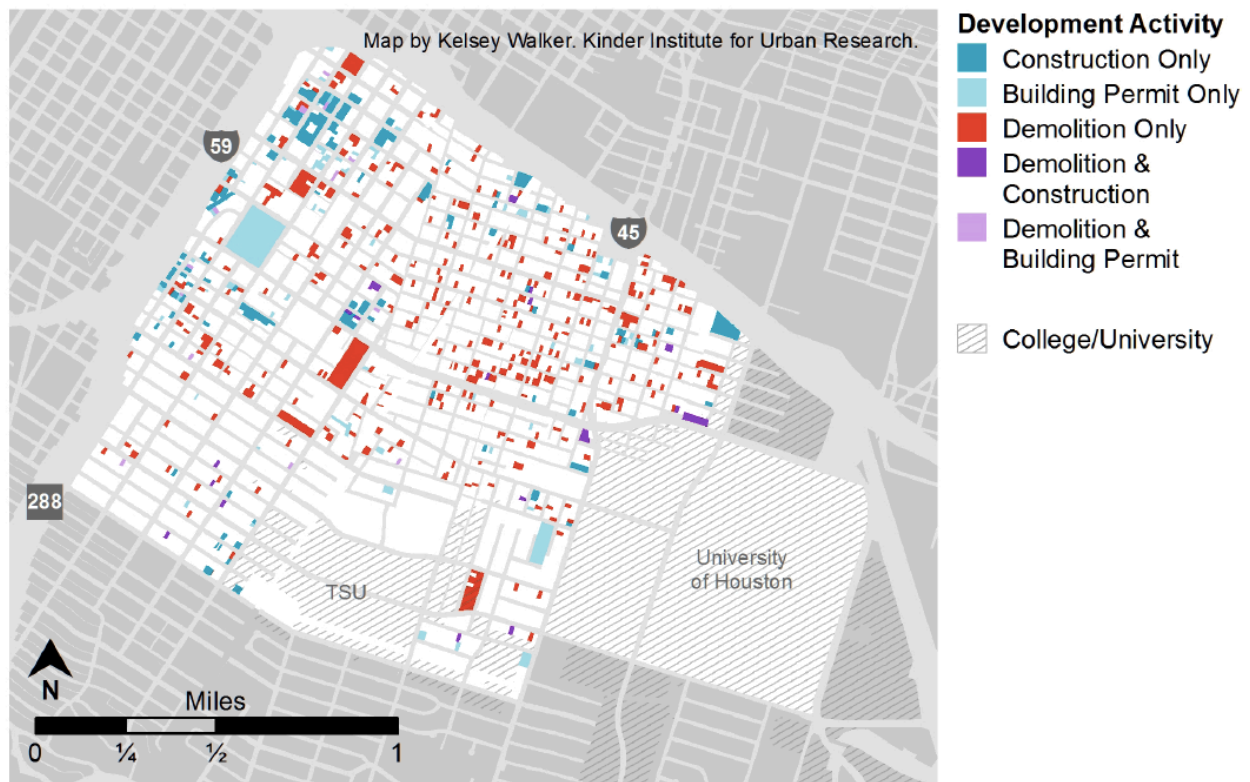
⁷ For the Oak Forest Deed restrictions see www.myoakforest.org; for Garden Oaks restrictions see <http://gardenoaks.org/gomo/index.html>

Demolition-Intensive Case Study: Third Ward CTA

Houston's Third Ward is situated just southeast of Downtown Houston. The Third Ward CTA represents the *Demolition-Intensive* model.

- As Table 5a shows, demolitions are approximately four times more frequent in the CTA than in the county as a whole (7 percent versus 1.7 percent).
- Meanwhile, the CTA's construction rate of 6.8 percent falls well below the countywide average of 15.2 percent.
- As Table 5b shows, though, very few demolitions in the Third Ward are tied to new construction. Only 10 percent of all demolitions either had new construction or a permit associated with the parcel.

Map 7a. Recent Construction, Demolition and Building Permits in Third Ward CTA



Map 7a shows that the majority of new development in the Third Ward has occurred along the western edge of the community near State Highway 288. A great deal of demolition, without new construction, has occurred on the eastern side.

History

The Third Ward generally and Dowling Street in particular used to be the heart of Houston's African-American community. Highway construction displaced and disrupted the community in the 1960s. And desegregation and civil rights gains permitted more affluent residents to move to

different communities. This double whammy marked the beginning of an economic decline for the community, especially in terms of its building stock.

The flight of capital and investment that accompanied the departure of many of the area's well-off residents led to a quickly deteriorating built environment. As renters took over for owners, homes fell into disrepair. In the early 1900s, the historic shotgun homes built in the community were being lost to dereliction. Amidst these shifts, many community members remained committed to the area. Despite a wealth of human and social capital in the form of a network of long-time residents, churches, and educational institutions, however, residents possessed few options to help preserve or improve their community well into the 1990s and early 2000s.

Current Development Context

Table 7. Recent Construction and Demolition by Property Type in Third Ward CTA

Type	Parcels	Building Area - Million Sq. Ft.	Construction - Parcels	Constr. - Pct. of All Parcels in CTA	Constr. - Building Area - Million Sq. Ft.	Constr. - Pct. of All Bldg. Area in CTA	Demolition - Parcels	Demo. - Pct. of All Parcels in CTA
Residential	2,579	4.3	344	6.5%	0.7	9.5%	340	6.4%
Other	419	3.2	15	0.3%	0.5	6.8%	38	0.7%
All	5,308	7.5	359	6.8%	1.2	16.3%	373	7.0%

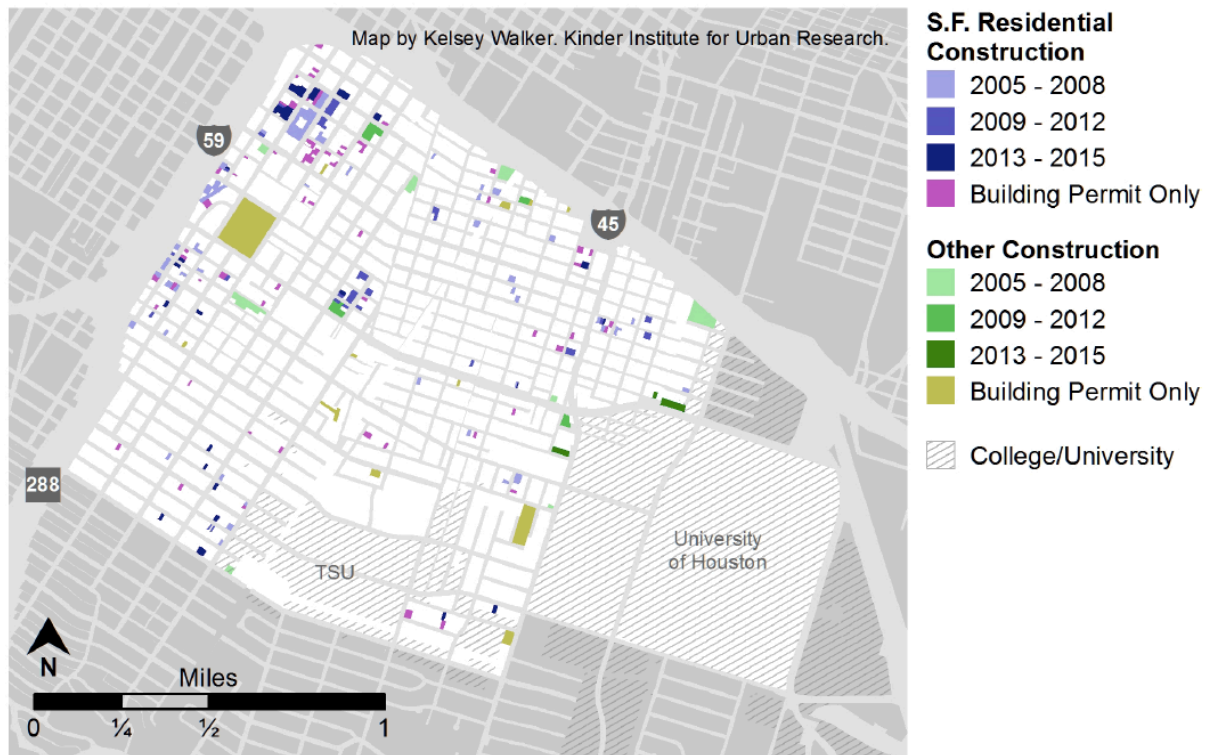
Table 7 highlights how slow the pace of development in the Third Ward has been over the past 10 years, with demolitions outnumbering new construction. This result may be attributable to any of several factors, from an overall lack of public investment in the community, to a historically-rooted population uninterested in leaving the community, to speculative land holding by some developers and landowners.

Similar to Oak Forest, as property values declined in the Third Ward through the later half of the 20th century, speculators purchased land on the west side of the Third Ward. Longtime owners began to receive letters pressuring sales in the early 2000s. Map 7b captures the mounting pressure on the western edge, as townhomes and new structures replaced older homes or filled vacant parcels in the past decade.

Third Ward residents have organized against redevelopment and fought to preserve the community fabric in the form of the building stock and the land. Through Project Row Houses CDC, the efforts of churches and Rep. Garnet Coleman's use of Midtown TIRZ affordable housing funds in

the Third Ward, local residents have gained control over large parts of the community. As resident Chris Tucker told the *Houston Chronicle* in 2004 at the height of this effort and in what would become a popular slogan to the resistance of townhome development and speculation, “Third Ward is our home, and it’s not for sale.”⁸

Map 7b. Recent Construction and Building Permits by Property Type and Year in Third Ward CTA



The new construction depicted on Map 7b demonstrates that the struggle over the community continues. Community ownership and organization has clearly slowed the overall turnover of land as the development on the western edge has mostly not jumped over Dowling Street. The new homes built along State Highway 288 were put up in the earlier part of the decade and only a few pockets of newer buildings have gone up in the past three years. Those new projects are bleeding toward the quickly growing EaDo area and pressure to redevelop remains as evidenced by the number of permits on parcels to the north of Emancipation Park.

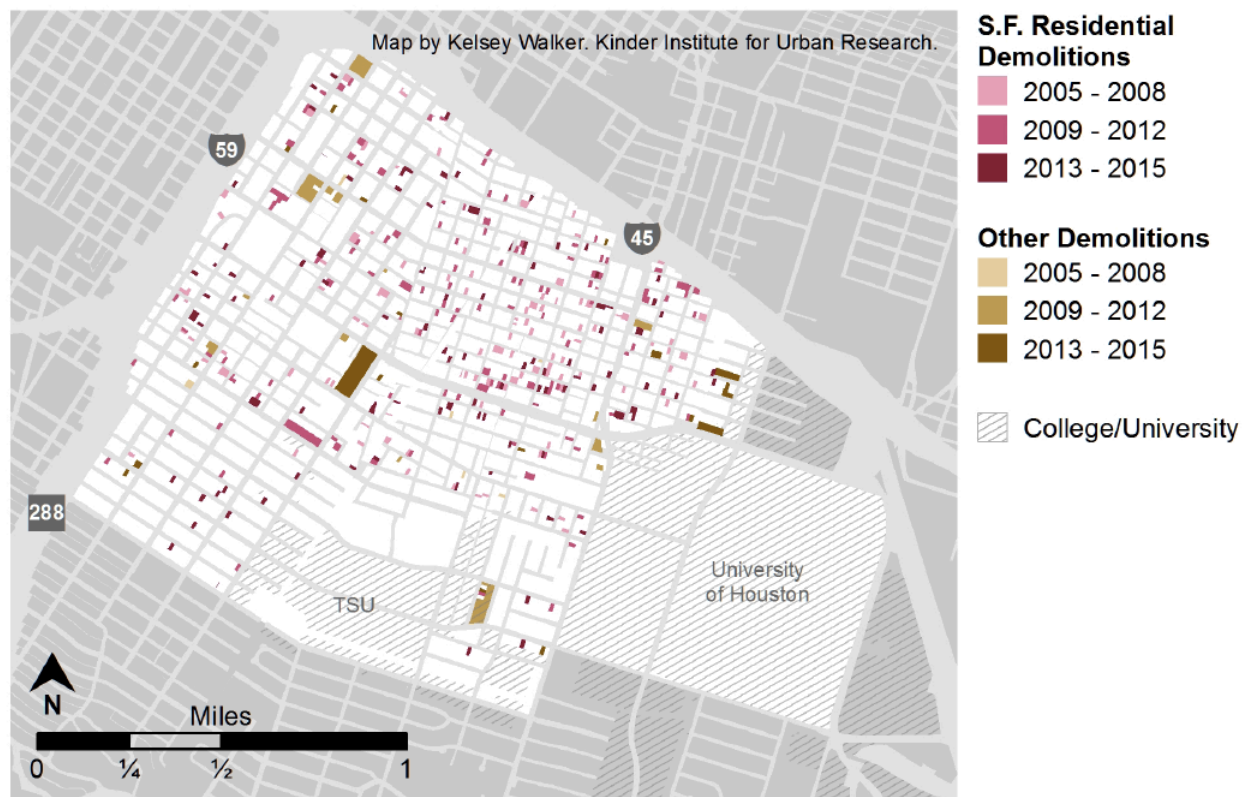
Home prices within the Third Ward reflect the different tensions at play on the built environment. While the average home price is \$264,352, prices range from as low as \$30,000 to more than \$500,000.⁹

⁸ Mike Tolson, “Residents of Houston Neighborhood Organize Against Townhouse Developers,” *Houston Chronicle*, March 14, 2004. Steve Inskeep, “Fighting Gentrification With Money In Houston,” *NPR*, September 17, 2009; “Gentrification Of Houston’s Third Ward: A Threat To Its African American Culture?” KUHF, 2015.

⁹ Houston Area Realtors, Greater Third Ward market area figures

Map 7b also brings the slow pace of new construction on the eastern side of the community – whether residential or other – into stark relief. Few new homes have been built since 2005 east of Dowling Street. And even non-residential building has been slack, with only a handful of parcels experiencing any new construction. This suggests that commercial, retail, and office development in the community has likewise been slow.

Map 7c. Demolition by Property Type and Year in Third Ward CTA



Meanwhile, demolitions tell a different story. Map 7c shows that most demolitions have occurred on the east side of the Third Ward, away from Highway 288. But almost none of these sites have experienced redevelopment. In the Third Ward the vast majority of demolitions – 88.1 percent – are not accompanied by new construction or permits. This suggests that either people are demolishing older homes and holding property for speculative development or the homes are being removed due to neglect or unclear ownership and vacant lots are taking their place.

Many of the buildings on the eastern side of the community were demolished between 2005 and 2008. Since there has been little new construction in this area many of those parcels remain vacant. This side of the community has thus far been removed from the speculative buying that led to quick construction along State Highway 288.

However, the construction of the Purple Line light-rail along Scott Street, and the presence of University of Houston to the east and Texas Southern University to the south, make this area poised to garner more redevelopment attention in the future. With several demolished buildings to its

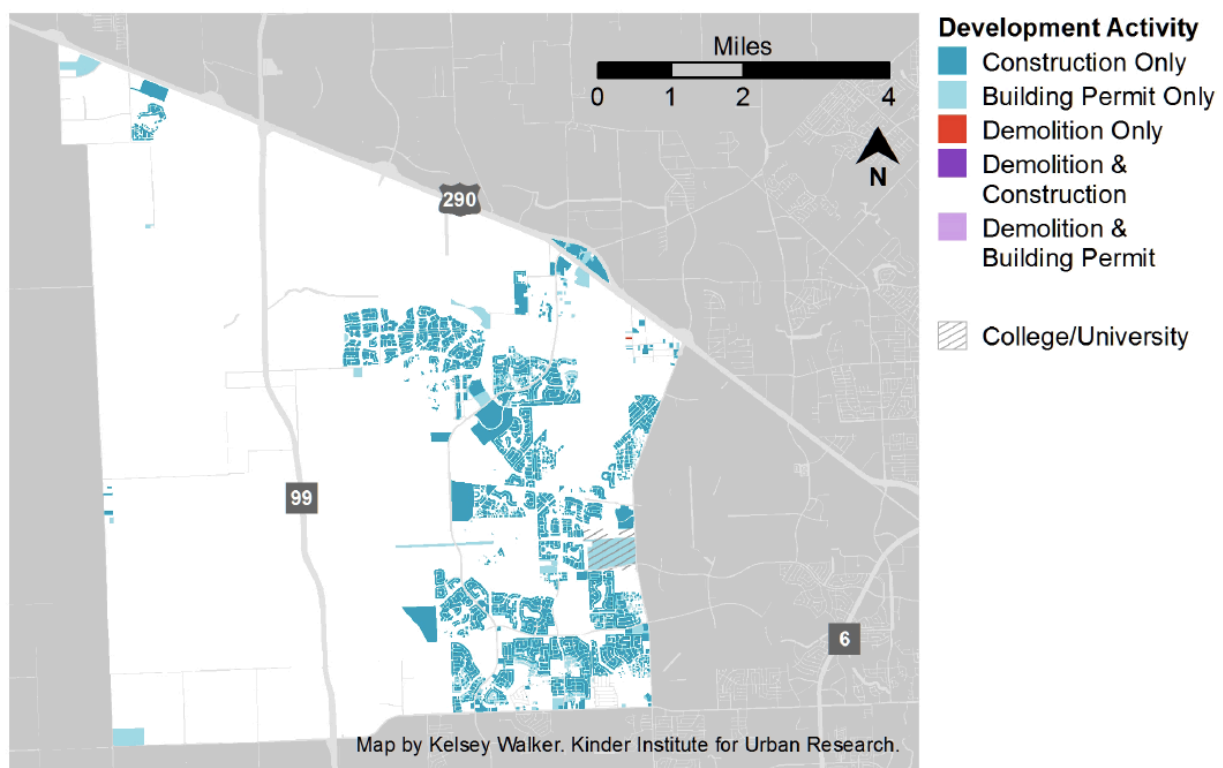
immediate north and more to the west of Scott Street, UH has begun to consider the possibility of expanding student housing and other development into the area.¹⁰ If such development comes to fruition similar tensions among community stakeholders as can be found in the western Third Ward will arise. Given the high number of vacant parcels because of demolitions, though, the east side of the Third Ward presents an opportunity for residents and institutions to work together to redevelop the area in a manner that works for all parties.

Construction-Intensive Case Study: Cypress South

The Cypress South CTA, to the of northwest Houston, straddles Houston's third ring highway, the Grand Parkway, and represents the *Construction-Intensive* model of growth

- As Table 5a shows, 83.5 percent of all building area (square footage) in the CTA has been built within the past decade.
- Only 2 parcels total have been associated with a demolition.

Map 8a. Recent Construction, Demolition and Building Permits in Cypress South CTA



Map 8a starkly displays how clustered development can be in communities near Houston's periphery. The western and most peripheral swath of the CTA has experienced almost no new construction at all in the past decade and contained very little development to begin with. The eastern portion of the CTA, however, developed rapidly over the past decade, pushing the whole

¹⁰ Erin Mulvaney, "Student housing may be a catalyst near UH," *Houston Chronicle*, August 19, 2014.

area into the *Construction-Intensive* category. This form of lopsided development is common along the county's periphery.

History

The Cypress-Fairbanks area was an agricultural hinterland of rice fields and grazing pasture until the 1980s and 1990s. The area around the Cypress South CTA began to be built up as second-ring suburban development moved beyond Beltway 8.

The Cypress South CTA is home to two major master-planned communities that began construction with the time frame of this study. This explains the recognizable shape of most of the residential development – tightly constructed areas of mostly single-family homes built along cul-de-sacs and situated between major thoroughfares. The success of these communities has drawn a large number of residents to the area, driving up real estate prices, leading to the growth of its large independent school district, and contributing to high rates of new construction.

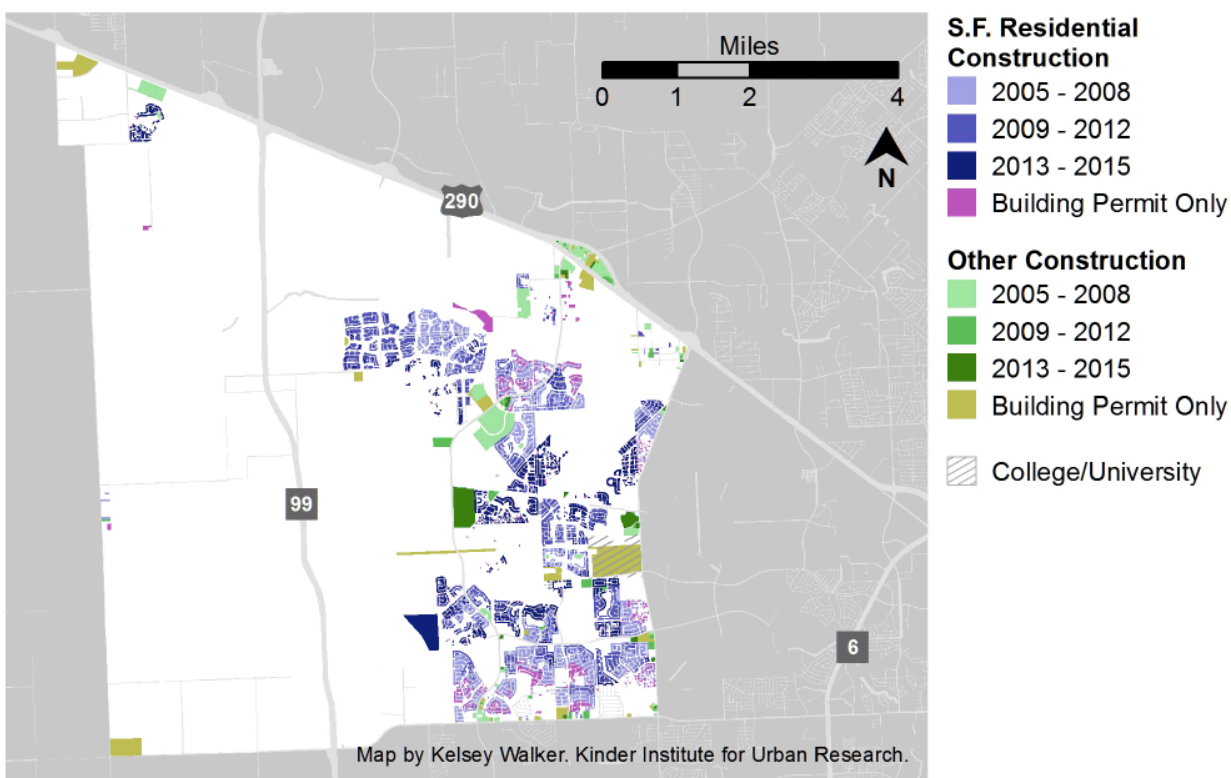
Current Development Context

Table 8. Recent Construction and Demolition in Cypress South CTA

Type	Parcels	Building Area - Million Sq. Ft.	Construction - Parcels	Constr. - Pct. of All Parcels in CTA	Constr. - Building Area - Million Sq. Ft.	Constr. - Pct. of All Bldg. Area in CTA	Demolition - Parcels	Demo. - Pct. of All Parcels in CTA
Residential	16,225	43.5	12,702	60.3%	36.1	75.4%	2	0.0%
Other	146	4.4	105	0.5%	3.9	8.1%	0	0.0%
All	21,059	47.9	12,807	60.8%	39.9	83.5%	2	0.0%

Table 8 highlights the sheer volume of new construction occurring with the CTA over the past decade. More than half of the parcels in the area have seen new construction, and only two have witnessed a demolition.

Map 8b. Recent Construction and Building Permits by Property Type and Year in Cypress South CTA



As Map 8b demonstrates, of the CTA's more than 21,000 parcels, almost 13,000 – roughly 60 percent – hold a structure built in the past 10 years. An additional 6 percent were associated with a permit. This tremendous amount of new construction mostly took place within master planned communities built on greenfields. But permits have also been taken out on a number of the non-residential parcels along US Highway 290.

The success of Bridgeland and Towne Lake, the two major master planned communities with the CTA, has driven up home prices and drawn many families into the Cypress South CTA. Bridgeland currently consists of six subdivisions that together make up one of four “villages” that will eventually surround a Woodlands-like town center. When built out, Bridgeland will fill an 11,000 acre area with more than 21,000 homes. Towne Lake covers 2,450 acres built around a 300-acre private lake. The community will eventually have 3,000 homes.

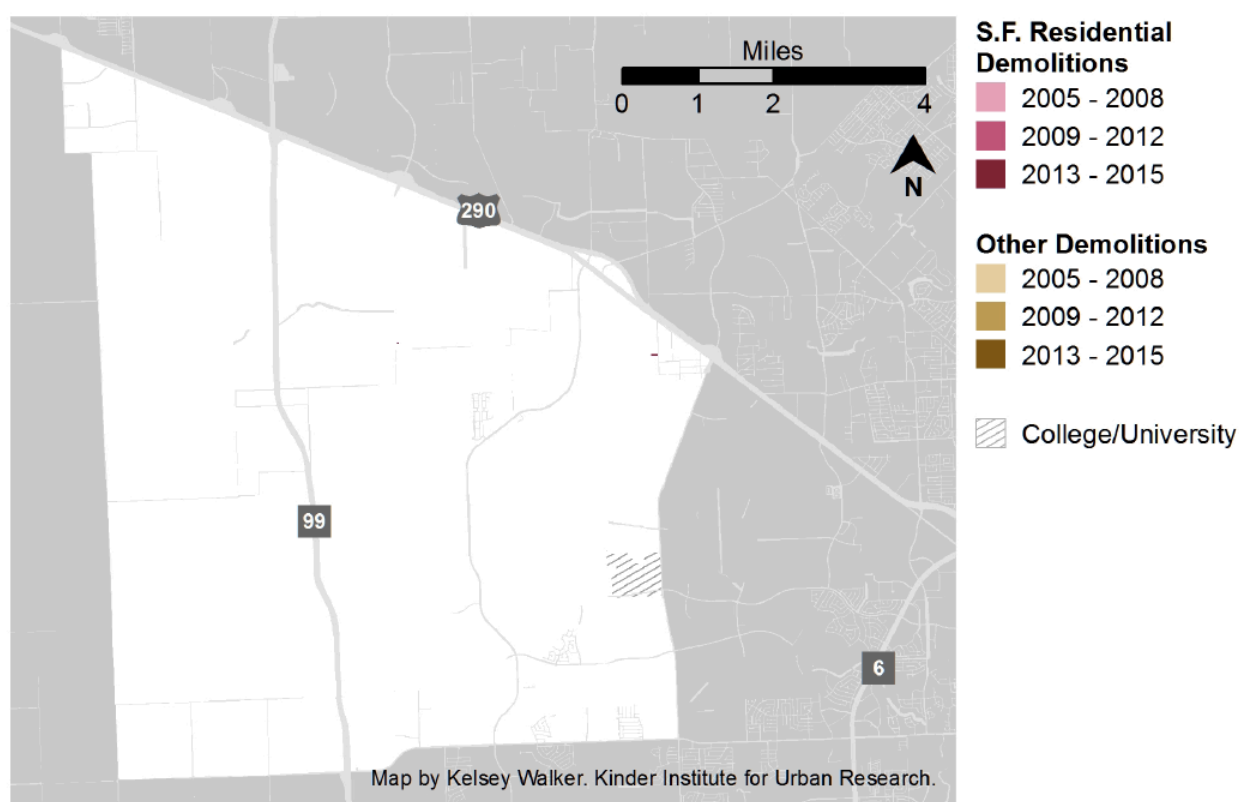
The homes in both MPCs are very valuable. Towne Lake homes range from \$200,000 to more than \$1 million, and Bridgeland's prices are comparable.

In addition to highlighting the importance of the MPCs, the construction and demolition maps capture another element that helps explain the desirability and rapid development of areas such as Cypress South: the growing and successful school district. Indeed, a number of the non-residential

sites of new construction shown on Map 8b are schools. The Cypress-Fairbanks Independent School District is growing incredibly quickly, and the development maps reflect that growth.¹¹

The improving quality and resources of the school district and the attractiveness of the successful MPCs creates a mutually beneficial relationship that continues to drive new construction and the expansion of the master planned communities. Schools draw families to new homes and new homes help support school expansions with property taxes. As one realtor explained to the *Houston Chronicle* the dual pressures create a good market “for sellers because we are getting multiple offers. Anything under \$500,000 is selling really fast.”¹² Even amidst the recent economic downturn in Houston the market for homes in southern Cypress’ MPCs has been brisk, with new sections selling out well in advance of their opening.

Map 8c. Demolition by Property Type and Year in Cypress South CTA



Areas such as Cypress South are so new that unlike Oak Forest or the Third Ward they are not yet experiencing much demolition. Their adjacency to greenfield property further means that demolitions are unlikely to occur in the near future, especially since master planned community developers are probably planning future development on greenfield property already. This reality is reflected in Map 8c, a CTA nearly absent demolition.

¹¹ Lindsay Peyton, “Work under way on ‘educational village’” *Houston Chronicle*, November 17, 2015.

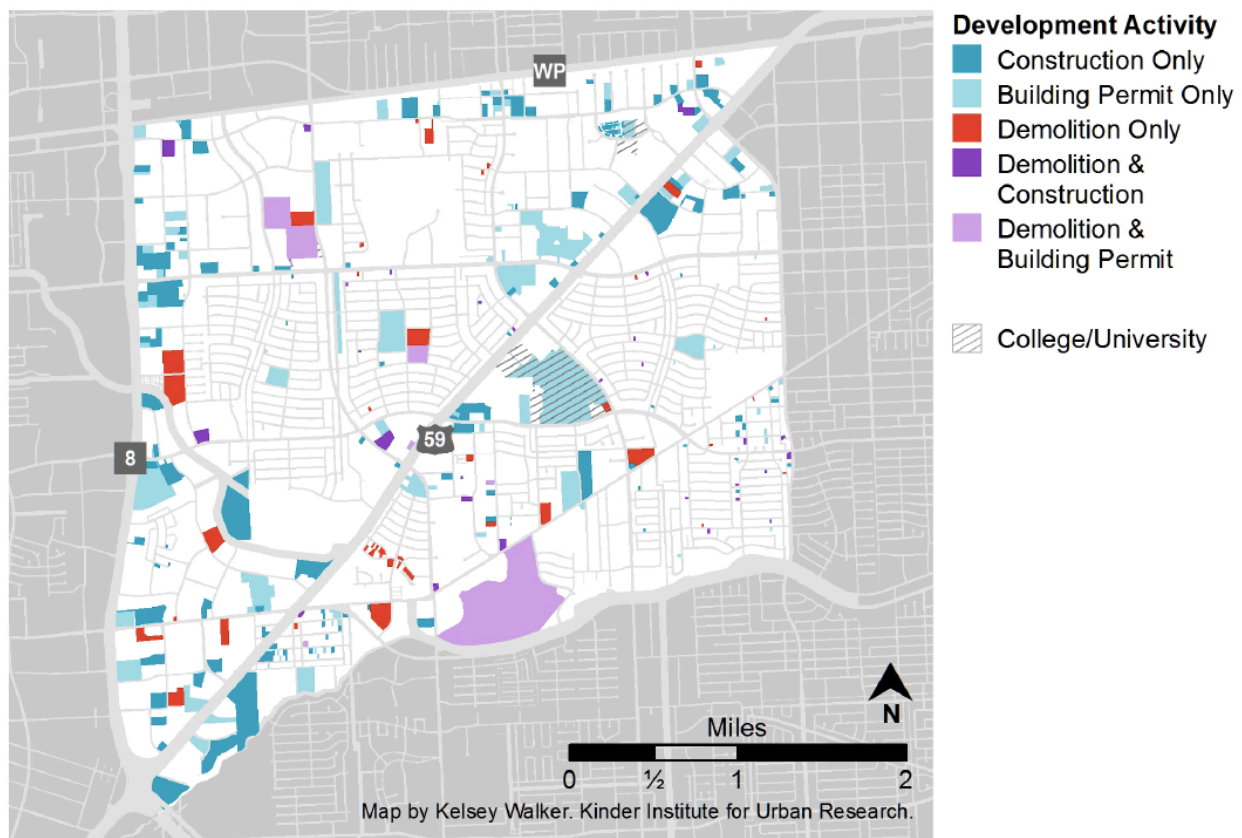
¹² Katherine Feser, “Burgeoning prices reflect high growth,” *Houston Chronicle*, April 18, 2015

Low-Turnover Case Study: Sharpstown-Braeburn-Westwood CTA

The Sharpstown-Braeburn-Westwood CTA is located to the southwest of downtown Houston along U.S. Highway 59 and Beltway 8.

- As Table 5a shows development in the community has been slow, with 2 percent of parcels housing new construction.
- Even fewer parcels, 0.7 percent, have demolitions in the past 10 years.

Map 9a. Recent Construction, Demolition and Building Permits in Sharpstown-Braeburn-Westwood CTA



Map 9a shows the static development state of the Sharpstown-Braeburn-Westwood CTA. The majority of new construction has happened on larger, mostly commercial parcels, and stayed out of the residential core. The map also reflects the pending nature of development in the CTA, because many of the parcels are associated only with permits and little new construction has occurred.

This low-turnover CTA is markedly different from some others that house more affluent populations. Many of the suburban areas that appear as *Low-Turnover* in Map 4 are far different from the Sharpstown-Braeburn-Westwood CTA. Whereas suburban communities built shortly before 2005 have experienced little new construction or demolition simply because of their age, areas like Sharpstown fall into the *Low-Turnover* category due to a lack of investment, changing demographics and the persistence of older housing stock.

History

Sharpstown was Frank Sharp's second major development in the Houston region after Oak Forest and it sits at the core of the Sharpstown-Braeburn-Westwood CTA. Similar ranch style homes were intentionally built near US 59 in the 1950s and early 1960s to take advantage of the growing importance of highway travel to Houstonians. The middle-to-upper-middle class, white Houstonians who lived in the Sharpstown area celebrated this connectivity. They also lauded the amenities Sharp installed in the community including a golf course and the indoor, air-conditioned Sharpstown Mall, which helped draw a great deal of retail from downtown Houston.¹³

However, Sharpstown and the surrounding subdivisions of Braeburn and Westwood, experienced the rapid departure of white residents in the 1980s. As in neighboring Gulfton, this led to an influx of non-white Houstonians, many of whom were international immigrants from Guatemala, El Salvador and Vietnam. These groups possessed fewer financial resources, often inhabiting affordable but lower-quality multifamily units built along or near commercial corridors. These realities contributed to the remarkably small amount of change occurring to the area's building stock in the years before this study, even as the Sharpstown and Gulfton communities became among the densest in the region.¹⁴

Current Development Context

Table 9. Recent Construction and Demolition in Sharpstown-Braeburn-Westwood CTA

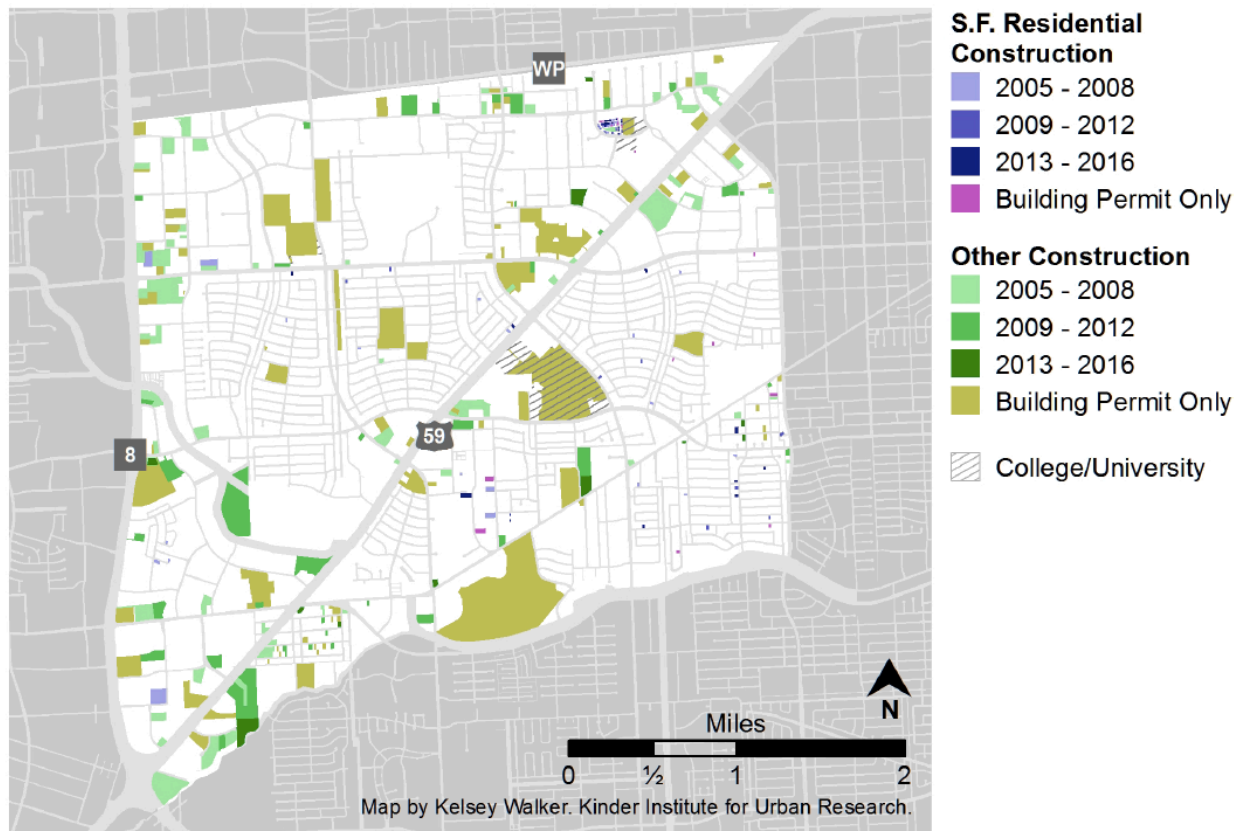
Type	Parcels	Building Area - Million Sq. Ft.	Construction - Parcels	Constr. - Pct. of All Parcels in CTA	Constr. - Building Area - Million Sq. Ft.	Constr. - Pct. of All Bldg. Area in CTA	Demolition - Parcels	Demo. - Pct. of All Parcels in CTA
Residential	10,414	18.8	117	1.0%	0.3	0.4%	51	0.4%
Other	1,198	60.7	123	1.0%	2.3	2.8%	33	0.3%
All	12,145	79.5	241	2.0%	2.6	3.2%	84	0.7%

Table 9 demonstrates that even as the area became denser and more demographically diverse, the static pattern of development remained. Despite having more than double the number of parcels as the Third Ward, for example, the Sharpstown-Braeburn-Westwood CTA had about three times fewer new structures and six times fewer demolitions than the Third Ward.

¹³ Southwest Management District History of Sharpstown.

¹⁴ Chris Lane, "The Changing Face of Houston: Sharpstown Then and Now," *Houston Press*, September 15, 2014.

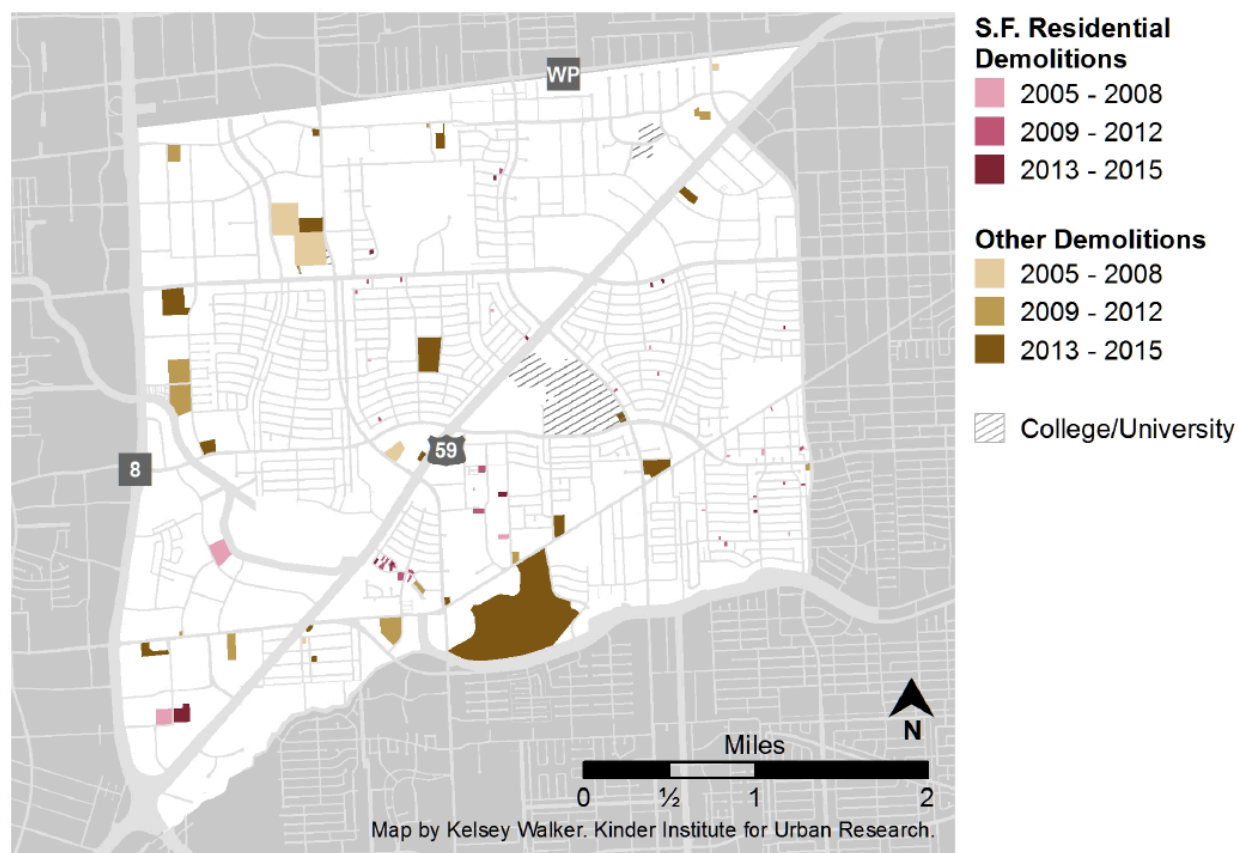
Map 9b. Recent Construction and Building Permits by Property Type and Year in Sharpstown-Braeburn-Westwood CTA



Since 2005, despite continued demographic shifts, little new construction or demolition has occurred in residential areas, as Map 9b illustrates. Residential building stock is aging but not yet being replaced. A low level of investment in non-residential and residential properties alike has stymied major improvements or development except along the highways and major roadways. Many of the older buildings in the CTA are multi-family units that have simply not been updated. Low turnover of non-residential parcels also suggests stagnant economic development overall.

There are a number of entities grappling with the immense demographic shifts in the area and trying to help stimulate shifts in the built environment to better accommodate and serve current residents. Map 9b reflects the work of private groups such as Neighborhood Centers Inc. and the Chinese Community Center and public institutions like the Houston Independent School District and the city of Houston. These groups are diligently working to address underinvestment issues and many of the larger new or pending construction projects in the CTA are community service buildings – whether schools, new service centers or existing greenspaces. Moreover, the CTA is among one of Houston’s most diverse, and the city is only beginning to recognize the strengths inherent in such diversity. The CTA sits just on the edge of the International District and is beginning to see benefits of that proximity as visible in the new construction just to the east of Beltway 8.

Map 9c. Demolition by Property Type and Year in Sharpstown-Braeburn-Westwood CTA



As Map 9c shows there are almost no demolitions within the CTA. Despite having two colleges and a major hospital branch, the redevelopment of the community has been slow. The lower income levels of area residents make it feasible to rent older building stock at a profit, so owners see little reason to sell or build new.

While the affordability of these current structures is essential given the rising rent rates elsewhere in the city, if and when redevelopment occurs in the area how rents and homes prices adjust may result in an even more protracted affordable housing problem within Houston proper.

Area leaders in the Sharpstown-Braeburn-Westwood area are well aware of the challenge of stagnant investment, particularly in the residential domain. A recent change in city ordinance that moved the “urban boundary” of Houston to areas beyond Loop 610 and now allows for greater density on many lots may allow for new forms of development to occur within the community. That is the hope expressed by some area residents such as Jim Bigham who told the *Houston Chronicle* in 2013 that he hoped the new rules would mean more development that could move the CTA in a new direction. “We’re stuck right now. What’s not working is having an empty retail – vacant, crappy – building for 20 years sitting on the same corner.”¹⁵ The underinvestment highlighted by Bigham affects each sector of the CTA and is captured strikingly by the building stock stagnation. Thus far, the development Bigham and others hope for has not materialized.

¹⁵ Mike Morris, “Development rules may help southwest Houston,” *Houston Chronicle*, April 13, 2013.

Conclusion

Every community's relationship with its own building stock is in a constant state of flux. In large part, this is because residents move to and away from neighborhoods more quickly than buildings are constructed and torn down. In addition, every community's story is different. Some neighborhoods – and even some buildings – may house a particular demographic group for decades, as the shotgun houses and ranch houses in residential sections of the Third Ward and Oak Forest largely have. But master-planned communities initially marketed to middle-class whites may eventually house the families of immigrants, as is the case in Sharpstown.

However, just as different people may cycle through one particular structure, the buildings located on a particular site can also change. Developers and property owners deliberately alter, construct and remove certain structures. Other buildings simply age.

Many of the dynamics that we see playing out between the residents and building stock of Oak Forest, Third Ward, Cypress and Sharpstown today will likely reappear in other parts of the metropolitan area in the years to come. New master planned communities in peripheral suburban areas may remain stable for decades, or they may change as Sharpstown has. Residents and business owners, while struggling to maintain aging buildings, may come to covet redevelopment.

And an older master-planned community such as Sharpstown may one day encounter some of the challenges that the Third Ward grapples with currently. For example, if the building stock continues to decay without replacement or upgrading in the coming decades, the area may see a slow, speculative model of real estate development where lots sit vacant for years on end after the parcels' original structures are eventually demolished.

The case studies in this report point to a variety of challenges and pressures that communities confront as the building stock around them ages and evolves. However, these four areas represent but a small sample of communities in the Houston area. The interactive map that accompanies this report will allow researchers, developers, and residents all over Houston to take a closer look at dozens of other areas that face the similar challenges associated with a building stock that may be aging, changing or stagnating.