

City of Wharton Housing Report January 2020

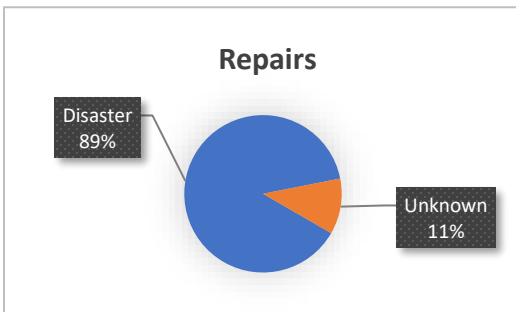
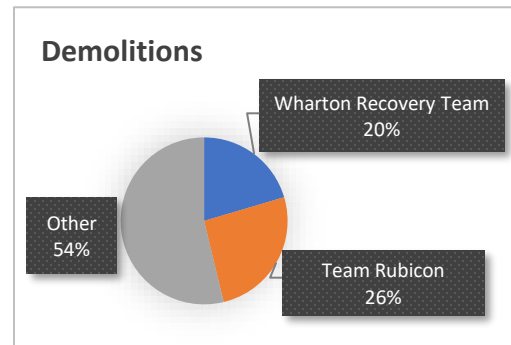
HOUSING SUMMARY

The City of Wharton has experienced drastic impacts in housing as a result of Hurricane Harvey and other repeated flooding events. It is anticipated that the population of Wharton will show a decrease in the 2020 Census data when compared to previous census information as a result of these impacts. This impact is evident in area housing data and lack of availability in both ownership and rental housing options available on the market. Many of the available housing options are either at capacity or sub-standard, including multi-family apartment units that need repairs and upgrades, and have been impacted by flooding or are not affordable for the typical family. The struggle to attract young adults and families or to maintain quality educators are signs of this lack in affordable and healthy housing options. Additionally, existing housing options for seniors are at capacity, leaving older families and individuals in larger homes they may no longer be able to maintain physically or financially, without any local options to downsize. The need for housing options will increase with the construction of I-69, which is anticipated to bring more families and individuals, as well as commercial activity, this direction. Increasing housing opportunities will be critical in attracting investments from future residents and businesses with this improved access to the area. The city has recently seen an increased growth in new housing, including affordable housing, as well as repairs to existing homes currently, and expects to see continued growth with the installation of the levee and subsequent proposed recreational overlay.

HOUSING PROJECT DATA

Demolitions

Demolition data shows that permits issued for total property demolitions increased from 29 in 2018 to 64 in 2019. Disaster recovery groups, Wharton Recovery Team and Team Rubicon, account for less than half or 46% of the total demolition permits issued since January of 2018. It is not clear if the remaining 54% of demolition permits issued to other companies/property owners is disaster related, but it is assumed that most of these would be.

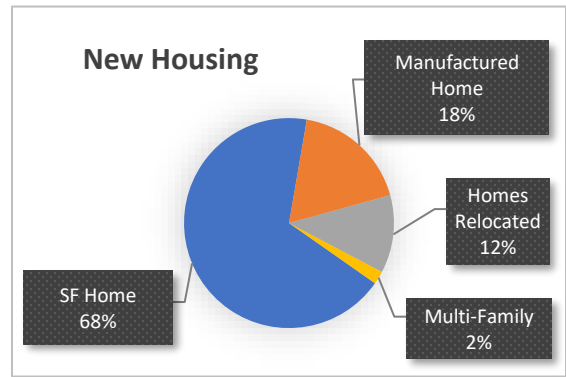


Repairs

The City of Wharton has issued 166 home repair permits with an estimated value of \$1,394,890 since January 1st of 2018. Of the 166 repair units, 147 were issued as a result of disaster related damage needs during the period when fees for permits were waived. The remaining 19 repair permits issued in the past 2 years may or may not be related to disaster repairs.

New Construction

In the past two years, the City of Wharton has issued a total of 50 new housing permits with an estimated value of just under \$5.5 million, including 1 tri-plex, 34 new construction single family homes, 9 new manufactured homes, and 6 houses moved to new locations within the City. At least 5 of the new housing units are known to be non-disaster related. The majority of which are known to be replacement homes for homes damaged by Harvey or other flooding events.



HOUSING PROJECTS

1. City

City staff and local committees play a vital role in the future development of the City of Wharton. Staff, committees, and commissions work together to improve and enhance communities through housing and commercial development, planning, and infrastructure. Each group has a key role in furthering the opportunities that will help the City of Wharton grow and prosper.

Committees

Housing Committee – The Housing Committee was established in 2004 as sub-committee for the City Council and is comprised of 3 City Council members and terms renew annually on June 30th. This Committee is designed to develop housing related issues, infrastructure needs as they relate to housing development, and to review and recommend housing initiatives that will be going before City Council for a vote. To date, the Housing Committee has assisted in supporting the City Council through establishing the Wharton Housing Finance Corporation in 2018, application of housing grant funding applications in 2017 through both the CDBG-DR and TDHCA HOME programs and oversight on the TDHCA HOME program in 2005.

Housing Finance Corporation – The City of Wharton created the Housing Finance Corporation in 2018 in an effort to further housing development activities. This Corporation includes 7 positions appointed by the City Council and Mayor. The Housing Finance Corporation has begun working with the City and private developers on infill housing development. Moving forward, the Housing Finance Corporation will grow to serve as a trustee for city owned lots that can be leveraged for developing affordable housing, provide support through land assemblage, and will be able to take out tax bonds that can be utilized to provide resources like down payment assistance and repair grants.

Planning Commission – The Planning Commission is comprised of 7 members and was established in 1987 as a group to review and provide recommendation regarding requests to replat and subdivide land in the City of Wharton, provide recommendation on variances to building ordinance and codes and provide recommendation on subdivision ordinances. The recommendations to approve or deny requests are forward to City Council, which determines the final outcome.

City Staff Departments

Community Development Department provides support in creating places and spaces that make Wharton a desirable and feasible place to live, work, and play. This can include anything from working with private developers to public infrastructure, such as utility lines, parks, trails, and more. The Community Development Department helps support and oversee the functions of the

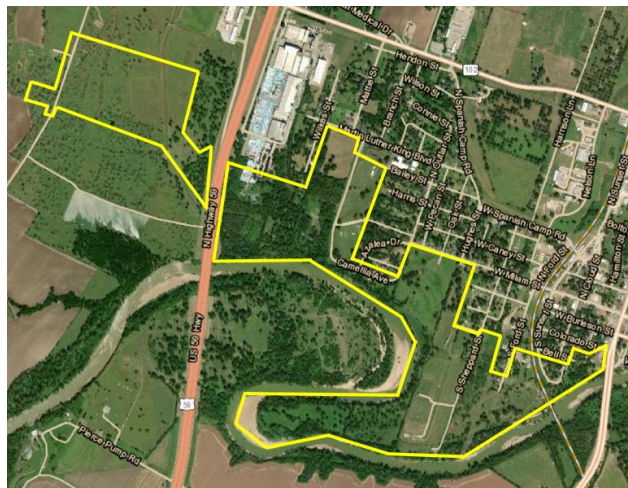
Housing Committee and Housing Finance Corporation. The Department will continue to provide this support in growing and improving the housing development activities supported through other City groups as well as non-profit partners and private developers.

Code Enforcement Department assists with ensuring that new home construction and repairs are consistent with current adopted codes, conduct inspections, follow up on complaints, and enforce property maintenance codes. Code Enforcement is also responsible for enforcing ordinances on vacant and derelict lots.

Public Works Department has worked in the area of housing to provide installation, maintenance, and support for utility related activities. This includes installing new water and sewer lines, replace outdated and damaged lines, providing taps to water and sewer utilities, assisting with demolitions and debris removal and storm and drain line installation and repair. The Public Works Department has also worked closely with the Community Development Department when it comes to negotiating developer agreements and in providing the utility support necessary to these developments.

2. Levee Acquisition and Relocation

The City has commenced with the acquisition process started in August of 2019. 2019 will wrap up the initial phases for conducting surveys with appraisals and relocations to begin in 2020. A total of 17 families have been identified as residing in the acquisition area that will be receiving relocation assistance. Of which, 10 families are homeowners and 7 are tenants (not including agriculture related tenancy). An additional 11 properties have personal items or agriculture related tenancy that will also be reviewed for relocation assistance. The families in need of relocation assistance can potentially be eligible for options such as purchasing a comparable home, constructing a comparable home, or becoming a renter. The City has also identified at least 3 homes that are potentially able to be physically relocated should the homeowner want to and be able to pursue this as a relocation option or options to make these homes available for other housing needs. The City has contracted with HDR, who will explore eligible options for homeowners and renters in need of relocation and assist them with each step.



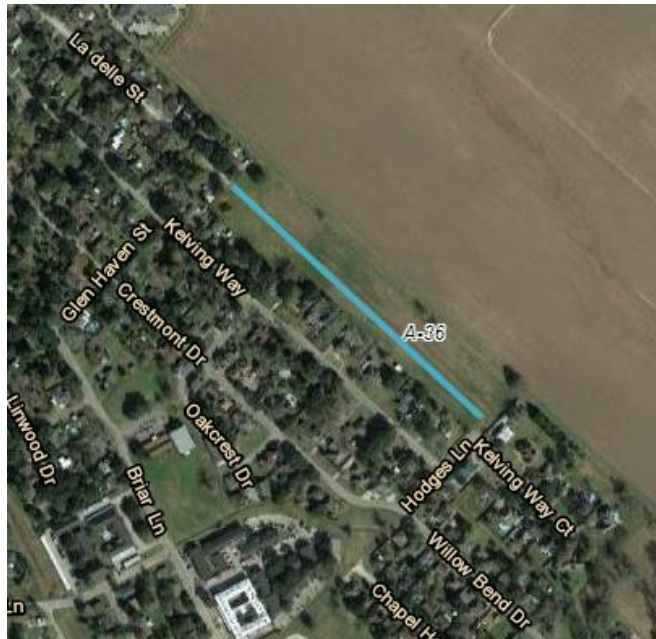
3. Private Development

-Exuma Construction & Development – Local private developer and landlord, Steve Griffin, is working to complete some infill development. He is currently in the permitting process for 3 homes and has requested to meet with the City of Wharton Housing Finance Corporation to work with him in providing free lots for developing affordable housing. Mr. Griffin will be presenting information to the

Corporation on the elevations, price ranges, and other details of the planned construction prior to completing a developer agreement.

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-Patio Homes @ La Delle Street – Private developer, Brett Rowley, has worked with the City to complete a signed developer agreement on approximately 38 patio homes to be constructed between the end of La Delle Street and connecting through to William Way at Kelving Way Court. The homes to be constructed are anticipated to have a listing price of approximately \$200,000. The City is currently awaiting the contractor information prior to Mr. Rowley breaking ground, but construction is estimated to begin February 2020.

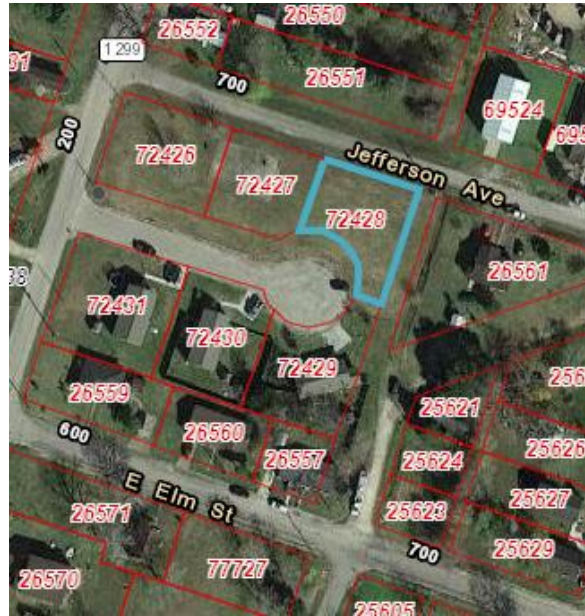


-Subdivision @ FM 1301/HEB – The City is currently in negotiations to complete a development agreement with Mr. He to construct an estimated 600 single family homes in the 193 acres located off of FM 1301 behind HEB. Construction is currently planned to be completed in 6 phases, with phase 1 including single family houses and commercial frontage on FM 1301 phase 2 to include multi-family apartment buildings and additional single family homes, phases 3-6 to include the remaining single family residences.



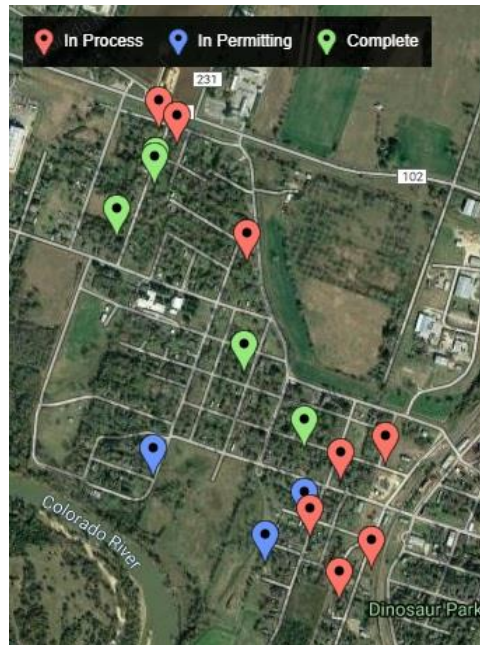
4. Non-Profit Development

Habitat for Humanity – Wharton’ Habitat for Humanity has recently awarded a new construction build to a family in need. Construction on this home is currently in the permitting stage, with an estimated construction start date for 2020. Habitat anticipates this new home to be completed in time for the family to move in around the Summer season.

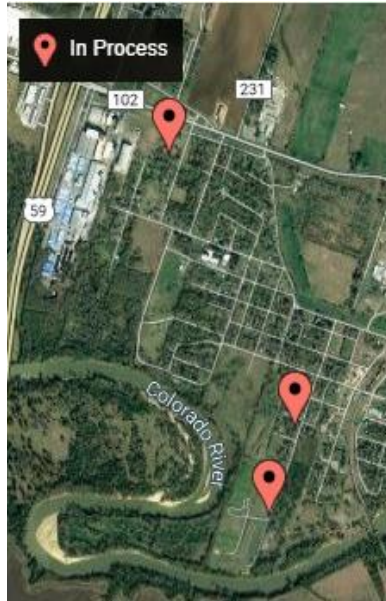


5. Disaster Recovery Development

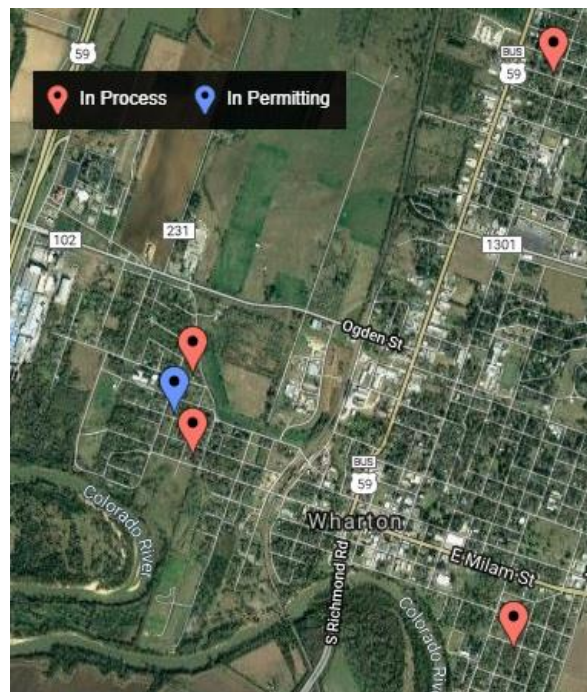
-Wharton County Recovery Team: The WCRT has submitted a total of 17 permits to build new homes for 2019. There are currently 5 homes completed, 8 in construction, and 4 homes in the permitting process. The City works with the WCRT to streamline the permitting process and assists in providing taps and connections to city utilities. The WCRT anticipates constructing a minimum of 40 new homes in the West End through grant funding.



-Samaritan's Purse: Samaritan's Purse has been conducting disaster related home repairs and some rebuilds across the City. To date, 3 permits have been issued for rebuilds and are currently in construction. Estimated completion date on these rebuilds has not been determined by Samaritan's Purse.



-GLO Homeowner Assistance Program (HAP): The GLO has approved a total of 4 new construction homes in the city limits, all of which have started construction as early as September of 2019. GLO estimates that the homes currently under construction will be completed within 90 days. GLO anticipates an additional 19 approved rebuilds for Wharton County, with the count of those located in the City limits unknown at this time.



-2016 CDBG-DR Funds: GrantWorks has conducted outreach and held an intake session in the month of October with a total of 3 applications. The City worked with GrantWorks to increase outreach, including radio and newspaper ads, mailings, and contact with local organizations, churches, and businesses for a second intake session that occurred in December. This additional outreach yielded a total of 2 additional applications in the December intake event. Totaling 5 applications to date for this

program. Total number of approved applications for homes damaged by the 2016 floods is currently in review.

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-2017 TDHCA HOME Program: The program has been in process since June of 2017. There were 73 applicants from throughout the city that submitted applications to participate in the program. Due to various requirements some applicants were disqualified, and some applicants failed to complete the process by providing all of the required documentation. To date 1 home is near completion and another just signed closing documents to begin construction.

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CONCLUSION

The impact of Harvey and other flood related weather events has left a void in housing opportunities for the City of Wharton. The past 2 years have shown increased demolition and repairs as a result, but future housing development projects are forecasted to start bridging the gap in housing needs. There is still a need for housing for families that are low to moderate income and a significant absence of healthy and affordable multi-family units, such as apartment complexes, duplexes, and fourplexes - both in repairs and upgrades and in new construction of each. The City of Wharton continues to explore opportunities to attract diverse housing development, enhance the quality of life in the communities, increase connectivity between communities through hike and bike paths, and continue to build out and improve infrastructure to support growth.