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## MARKET HOUSING IN HOUSTON

Does the construction and design quality of Houston's recently built housing result from consumer demand, greedy developers, cautious lenders, or careless politicians? Market forces affect the design and location of new apartments, townhouses, and speculative housing projects more than they do those of commercial and institutional developments. And several factors peculiar to Houston make the market's influence even stronger than in comparable cities.

The need for security, both real and perceived, is unquestionably driving residential design in Houston. Both renters and home buyers are demanding safe, crime-resistant neighborhoods. Therefore, the

youngest population of all the states; the population is predicted to double in the next 35 years, and with the economic impact of NAFTA contributing to that growth, the average age will remain low in the coming decades.<sup>1</sup> Mobility, another important factor, is high — almost 30 percent of Houstonians move every 15 months, making this the nation's fifth most mobile city.<sup>2</sup> These factors make Houston more dependent on rental hous-



The Park at Westgate, in the Galleria area. Design and location of rental property are increasingly dictated by lenders rather than architects or even developers.



Reata Apartments on Allen Parkway: packing in apartment units, tenement style, and sacrificing open space and sunlight.

rental and condominium development currently successful in Houston is a type of feudal compound or walled enclave located in what is perceived as a "neutral" or "better" area of the city. This kind of development creates an unprotected no-man's-land between the walled compounds, defeating any larger sense of neighborhood or community.

The few close-in neighborhoods perceived as safe are going for top dollar. Developers and individual homeowners are building single-family houses in established subdivisions such as West University Place, Southampton, River Oaks, and Tanglewood, replacing older, modest houses with new ones that have twice the square footage — or more. Overscaled and often unimaginatively designed, these houses are built for owners who pay a premium for the property and want a showy structure to fill up their valuable land. Both the homeowners and the developers want maximum square footage for a bottom-dollar construction price. Design and quality are sacrificed.

Another crucial factor in building trends in Houston and statewide is our sizable per capita renting population. Fewer than 60 percent of Texans owned their own homes in 1993, which placed the state 44th nationally in that regard. Home ownership in Houston has declined more than 5 percent since 1970, a period in which the nationwide rate increased. The ability to afford a down payment on a house is a function of age, marital status, income, and mobility. Texas has the third

ing than most major cities, and as a result, developers have been more influential than in places where buyers speak with greater authority.

Developers, in turn, claim that design and location of their projects are dictated by lenders. This means that lenders become the interpreters of demand. In the past, local savings and loans or bank loan committees, who were familiar with the developers, sympathetic, and willing to take business risks, financed both large and small projects. Today, fiscal conservatism fed by the saving-and-loan debacles of the last decade guides loan policy. Lenders are now large insurance companies, pension funds, university endowments, and real estate investment trusts. They are more interested in portfolio management than in design or creation of neighborhoods. Formerly, developers with large-scale projects were the tastemakers. Now lenders have become the arbiters.

### Midtown: A Case Study

Within Loop 610 there is a great deal of underused real estate located south of the Pierce Elevated freeway and north of the South End/Museum District between Louisiana Street and State Highway 288. Called Midtown, this zone is convenient to most of Houston's cultural institutions, jobs both downtown and in the Texas Medical Center, parks and recreational facilities, churches, and commercial centers. Although this could be an extremely desirable residential area, development is not occurring. It will take a long-range, comprehensive, cooperative

effort by the city, the county, the state, the school district, major developers, lending institutions, and insurance companies to give rise to a significant number of housing units in this inner-city area. Although the Midtown area did receive a glamorous makeover in *Houston Life*,<sup>3</sup> the artist's conception of the neighborhood had little grounding in reality and may even have exacerbated the areas' problems by raising landowners' hopes, which in turn can

real political interest in making the 30- or 40-year commitment for tax abatement, police protection, public transportation, high-quality school programs, and public buildings. In addition, large-scale development will require expenditures for infrastructure improvements. And the racial, ethnic, and class-based issues of displacement — or assimilation — of the neighborhood's current residents will have to be addressed.



The Remington, stands on the site of the old Battelstein's department store on South Shepherd.

raise land values, making redevelopment more difficult.

Development in Midtown will have to counter a number of obstacles. These include a perception of a high level of crime and danger, poor public schools, and land ownership fragmented in small parcels that are difficult to assemble into sites suitable for major development. Liability exposure and insurance costs figure centrally into the lender's and developer's cautious approach to such a location.

Real estate expert Warren Dold of Exxon Land Management points out that visible first steps by both the public and private sectors are needed to spark further lender and developer interest in Midtown. Those initial efforts might be focused on attracting urban professionals without children to the area, but long-term development must include families. To attract such a diverse population, good educational facilities, as well as security provisions to deal with crime and allay the perception of danger, are essential. Any large-scale residential development in the area, even a coordinated public-private effort, will in its early phases confront the choice between walled-in compounds and street-related complexes. While the preponderance of new housing in Midtown will certainly be rental projects, future development on a large scale should include owner-occupied single-family and condominium housing. Without such stability, it is hard to create successful neighborhoods.

The big unknown is whether there is any

There are powerful negative factors in developing the Midtown area, but precedents in other cities with similar conditions have been successful. New York City has been facing an analogous situation in redeveloping 307 acres of beachfront property in Queens, vacant since it was cleared by the Lindsay administration in the late 1960s. Since all plans for large-scale, sweeping redevelopment of the area have failed, the Republican Giuliani administration is starting mod-



Electric meters at the Reata.

estly, making just a few blocks available for developers, who will build 180 two-family townhouses, aided by infrastructure improvements provided by the city. It is a small demonstration, not a mammoth development. Unsubsidized housing, reliance on private development, and modest scale seem more in keeping with the political spirit of the day.

#### Is There a Place for Architecture?

Do the design professions have a serious part in all this? Or is architecture superfluous to the provision of mass housing in Houston? Obviously, the problem of Midtown cannot be solved by architects

and planners alone. But redeveloping the area in progressive steps is a design problem as well as a political, social, and economic one.

Houston has a few well-designed inner-city residential projects that provide positive models of multifamily housing. Arlington Court townhouses in the Heights (1985, William F. Stern & Associates, Architects) is a clear example of a well-designed, small townhouse project that in scale and texture slips gracefully into a neighborhood that is beginning to redevelop but retains its historic character and small-town scale. The Court at Museum's Gate on Montrose (1985, Jay Baker for Compendium) is another successful example of a block-square development, with underground parking so full use can be made of the dense urban neighborhood site. This project was influenced by Lovett Square (designed by this article's co-author, William T. Cannady), which set an example back in 1978 of what might be done with the area later known as Midtown. Isabella Court (1929, W. D. Bordeaux) on Main Street in Midtown is a classic example of harmonious urban housing.

grows everywhere. Poor construction and inadequate maintenance will most certainly lead to rapid decay.

Multifamily housing design is especially complex because market considerations impose demanding financial goals and constraints. Contributing to the design problem are land-use controls, building codes, and conventions of construction.

Most multifamily-unit designs are repeats and variations on market-proven products. Lenders believe that innovation in design means unwarranted additional risk. Even so, outstanding models have been built over the years, some of which are still applicable today. For example, the 18th-century Georgian terrace houses of London, Edinburgh, and Dublin could be prototypes for Houston today. Twentieth-century types, especially in England, Scandinavia, and Europe, are relevant to Houston's needs.

Since speculative housing is a major part of the fabric of this city, designers, lenders, developers, and politicians share responsibility for the quality of residential construction in Houston. If a



Parking at the Park at Westgate.

These projects give their neighborhoods a sense of permanence and set an example of quality design and construction. Some of the newer speculative housing projects, however, appear to be good candidates for instantaneous slums. With designs driven by utility and efficiency, the projects often have no shared common space except for parking lots, hallways, and fire stairs. Finished with some cobbled-together historical details — one new project is described in its own marketing brochure as "pure 18th-century Paris today . . . drawn from the traditional residences of the Parisian Left Bank . . . the pediments and pilasters are Greek, the Mansard Towers are Louis XV, and the Italian and Gothic influences are apparent . . . the design is at once classical and pure"<sup>4</sup> — they offer no views (except into neighbors' windows), and an incredible harvest of mechanical and electrical equipment

turnaround is to come for areas such as Midtown, the architectural profession needs to lead a movement for a public-private concord toward a type of new construction that is both durable and conducive to neighborhood stability. This could generate a major improvement in the our city's quality of life. The alternatives for Houston's future are not attractive. ■

1 U.S. Census Bureau data, quoted in *Houston Chronicle*, 12 December 1994.

2 *Tierra Grande, The Journal of the Real Estate Center* (Texas A&M University), Fall 1994.

3 Linda Barth, "Long and Lean and Green and Lovely," *Houston Life*, 12 August 1994.

4 Brochure, *La Tour Fontaine*, 2400 Fountainview, June 1994.