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Learning from Latin America in Texas: How Housing Informality Continues to Trump Formality

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In part, at least, the stimulus for the research presented in this panel, along with many of the insights that we have drawn and the policies that we proposed, are inspired by research from the Latin American Housing Network (www.lahn.utexas.org). That research effort examines consolidated low income self-help settlements that began informally but are now 25-40 years' old and present major issues of housing deterioration and need for rehab; title irregularity and "clouding" borne of informal land sales, inheritance and intestacy; lot sharing and multi-households sharing; a rise in renting; poor market performance and dysfunctionality; and community organization and governance issues, etc. While housing conditions in Texas colonias and informal low income subdivisions (IfHSs) are quite different, team research over the past ten years reveals many similar issues: clouded titles; home improvement and deterioration; widespread succession under intestacy. The databases and public reports generated by this research are publicly available on the aforementioned url (click on "Texas Housing Studies"). All papers presented in this panel are by researchers in one or more of those studies.

Vacant Lots and Property Abandonment: Colonias and Informal Subdivisions in Texas

Presenter: Peter Ward, LBJ School, UT-Austin (peter.ward@austin.utexas.edu)

Author(s): Peter Ward, UT Austin; Noah D. Durst, UT-Austin

Property abandonment and lot vacancy are issues of particular interest given widespread demographic and economic changes in urban areas in the US. This article explores these issues in a different context, that of colonias and Informal Homestead Subdivisions in Texas. These exceedingly low-income, informal settlements are located in rural and peri-urban areas, particularly, but not exclusively, in the Texas-Mexico border region. This paper article has four principal goals: first, we document changes in lot vacancy in these subdivisions of a ten-year period, from 2002 to 2012; second, we examine county tax assessor records to determine the extent to which property tax delinquency is a corollary of abandonment and long-term lot vacancy; third we offer model of the factors that likely trigger property abandonment; and fourth we discuss policy interventions such as the Community Land Trust model that might bring vacant lots back onto the market and prevent property abandonment by homeowners.

Low-Income Homeowners in Texas: Trends of Informality and Policy Implications

Presenter: Heather Way, UT Law School (hway@austin.gmail.com)

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Despite living in deep poverty, many low-income families still find ways to become homeowners. In Texas, many of the poorest homeowners are living in subdivisions just outside major metropolitan areas and in colonias on the US-Mexico border. A year-long study of these homeowners by UT faculty uncovered three major trends relating to the informal manner by which low-income families buy homes and then, after their deaths, transfer their homes inter-generationally to their children. This paper discusses these trends, along with the implications for the homeowners and their communities. We also discuss public policies that are urgently required in order to enhance the ability of low-income families to acquire more secure interests in their homes and to minimize the hazards that low-income homeowners confront in informal property transactions. The paper closes with a discussion on what our study did not uncover: a full understanding of how these informality trends contribute to the long-term disintegration of communities and property abandonment, calling out the need for future research in this area.

The Rise of Renters and Renting in Texas Colonias

Presenter: Noah Durst, LBJ School, UT-Austin (noahdurst@gmail.com)

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Owner-occupied housing is the norm in the low-income, informal settlements along the US-Mexico border known as colonias. As a result, renters and renting have been largely overlooked by both scholars and policymakers. Using GIS technology and data provided by the US Census Bureau from 2000 to 2011, this article is the first to 1) document the growth of renting in these settlements in recent years and the nature and extent of the rental market, and 2) to explore important differences between owner- and renter-households and the myriad ways in which colonia renters are more vulnerable than homeowners. The results suggest that renting in colonias is largely informal and occurs primarily in single-unit homes, many of which were built via self-help by the owner and have since been converted to rental property. As a result of these findings, it is argued that renting in colonias more closely resembles the rental market in informal settlements throughout Latin America than it does the national (US) rental market, and thus the rise of renting in colonias presents unique challenges that merit attention by both scholars and policymakers. The presentation concludes with a brief discussion of current and future policy concerns regarding renting in these settlements.

Energy, Housing and Income in South Texas Colonias

Presenter: Carlos Olmedo, LBJ School UT-Austin (colmedo@utexas.edu)

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Colonias are rural and peri-urban areas of the Texas-Mexico border that represent an important means of affordable and flexible housing production among lower income families. Central to these land developments is the self-help and incremental nature of the home construction that often takes place over a period of several years, a building pattern of informality that can invariably lead to substandard dwelling conditions particularly during the early stages of lot acquisition. More so, as families build in phases many are unable to adequately fix their homes with energy efficiency in mind in order to help reduce expenditures. Although residential choice decisions are not sufficiently well understood and often entail overlapping considerations, what is clear is that colonia families trade off inadequate infrastructure, poor housing and geographic isolation to become homeowners. Through a survey of 343 households, this paper documents the largely unknown extent to which colonia residents in the Texas Lower Rio Grande Valley lack electricity access, their energy usage and expenditures, and the housing and economic characteristics that play a role in their level of fuel poverty.