HOUSTON’S FOURTH WARD

Old Neighborhood, New Life
The Federal Reserve Bank of Dallas recently dedicated the land for a new Houston Branch building, scheduled to be completed in 2005. The Bank is proud that the Branch will be in the city’s historic Fourth Ward, which has played an important role in the civic and cultural lives of black Houstonians since newly freed slaves settled there in 1865.

This special issue of Perspectives looks at the Fourth Ward’s rich history and efforts to develop affordable housing and revitalize the neighborhood. The Fourth Ward, like many historic black neighborhoods, went from a thriving community that offered opportunity to its residents to an area of boarded-up houses, few local businesses and deteriorating infrastructure. Over the past four decades, numerous revitalization efforts have failed, engendering disappointment and frustration among those remaining in the neighborhood. Only recently, through a strong partnership of area churches, bankers, local organizations and the city, have things begun to change. Today, as you will see, new homes are being built and old, historic homes renovated.

Amid this revitalization, the Houston Branch of the Dallas Fed plans to be a good neighbor. Since the Branch opened in 1919, its work has increased as Houston has grown to become the nation’s fourth-largest city. Today, the Branch processes currency, checks and other payments for financial institutions, and bank examiners monitor the financial soundness and management of state member banks and bank holding companies. The Branch also does economic research that is used in formulating U.S. monetary policy.

In addition to contributing to these traditional Federal Reserve functions, an important part of the Branch’s mission is to educate the community on the economy and how it functions and emphasize the importance of financial literacy, affordable housing and consumer education. We look forward to being an active member of the Fourth Ward community and providing information on these important topics to our neighbors.

Local organizations, churches, banks and the city are proving that community development can work under even the most difficult circumstances.
For almost 140 years—through good times and bad—the Fourth Ward has had special meaning for Houston blacks. The ward’s rich history continues to play an important role today, as the city and community organizations work to revitalize the area and develop affordable housing.

The Fourth Ward’s Legacy

When news of emancipation reached Texas in 1865, several thousand blacks—many from plantations along the Brazos River—made their way up the San Felipe road to Houston. Once there, many of them joined native blacks in leasing or buying farmland on the city’s western edge and forming Freedmen’s Town.

This area south of Buffalo Bayou—part of the city’s Fourth Ward—was not Houston’s only black settlement, but it was the largest. By 1870, the ward was home to more blacks than any other area in Houston, and by 1915, they constituted a majority.

But numbers alone were not what made the Fourth Ward a touchstone for blacks. Its wealth of religious, educational and cultural institutions came to define black life in Houston in the late 19th and early 20th centuries and left a legacy for future generations.

Then, as now, churches were powerful forces in the community and helped shape its other major institutions. Even before emancipation, a private school for blacks operated out of Trinity Methodist Episcopal Church. Gregory Institute, the city’s first black public school, grew out of Freedmen’s Bureaus at the churches. Antioch Baptist Church and its pioneering pastor, Jack Yates, started Houston College to provide young blacks with the opportunity to pursue vocational and ministerial studies.

The churches were also on the forefront of civic matters, helping organize the Harris County Republican Club, an integrated organization in which blacks held several important offices, and establishing Houston’s first park for blacks.

Barred from the city’s white libraries, Fourth Ward residents organized and negotiated the construction of the Carnegie Library for blacks. They secured the city’s permission for an all-black board and autonomy over the library’s collections, salient achievements given that blacks were seldom allowed to govern their own institutions at the time.

By 1900, the Fourth Ward was center stage in Houston’s black professional life. It was home to 80 percent of the city’s black professional institutions and almost a third of its black-owned businesses. A decade later, a group of black doctors—barred from white hospitals—founded Union Hospital, and by 1915, all but one of Houston’s black doctors and dentists had offices in the community.

The Fourth Ward was also the commercial and cultural hub for black Houston. The black-owned Pilgrim Building, built in the late 1920s, housed offices, restaurants, beauty shops, nightclubs, a ballroom, a roller rink, and law, medical and dental practices. In the ward’s heyday, restaurants and nightclubs on West Dallas drew crowds of blacks and whites, prompting some to retrospectively dub it Houston’s Harlem.

The Fourth Ward began to lose prominence in the 1920s, when the Third Ward began to attract more of Houston’s black institutions. Forty years later, integration further eroded the community, as many residents moved to parts of the city previously off-limits to blacks. Perhaps more significant was the encroachment of public buildings. The construction of City Hall...
Data from the 2000 census put the number of households in the Fourth Ward at 590, down from 794 a decade earlier.

in the 1930s displaced many people, and a decade later, San Felipe Courts, an all-white public housing complex, displaced many more. In 1945, the new Interstate 45 split the ward nearly in half, undermining the community’s cohesiveness.

By 1980, Fourth Ward’s population — nearly 17,000 in 1910 — had fallen to 4,400, almost half of whom lived below the poverty line. And home ownership, which had reached 12 percent in 1900 — less than 40 years after emancipation — had sunk to 5 percent.

The community continued to lose ground over the next 20 years. Data from the 2000 census put the population at 1,740, down from 2,371 a decade earlier, and the number of households at 590, down from 794. More than 40 percent of Fourth Ward households had incomes under $15,000 in 1997, the most recent data available. The neighborhood’s racial composition changed markedly, with the number of black residents falling from 60 percent in 1990 to 37 percent in 2000 and Hispanics rising from 34 percent to 54 percent.

Today, the city and community organizations are working to bring new life to this once-vibrant urban community.

Public Housing Yesterday

Nothing has been easy about revitalizing the Fourth Ward. Political wrangling, market realities, the economic downturn of the 1980s and decades of neglect have presented numerous hurdles. Much of the controversy, and most of the court battles, revolved around San Felipe Courts — later renamed Allen Parkway Village — a sprawling public housing complex.

Built in the 1940s for defense workers and the families of servicemen at war, the 1,000-unit Allen Parkway consisted of two- and three-story flat-roofed brick apart-
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Public Housing Today
Since the late 1990s, the city has transformed the Fourth Ward’s once-bleak public housing, building 322 new units and renovating another 278. The apartments offer the kinds of amenities found in market-rate properties, such as ceiling fans, microwaves and washer/dryer connections. Some of the new units enjoy spectacular views of downtown.

The first residents began moving into what’s now called Historic Oaks of Allen Parkway Village in late 1999. The 642- to 2,061-square-foot apartments have one to five bedrooms. A third of the units are reserved for households with incomes of up to 30 percent of the area median, a third for those with up to 60 percent and a third for those up to 80 percent. This broad range of incomes enables the site to be self-sustaining.

About three blocks away, in the heart of the Fourth Ward, is Victory Apartments. The 100-unit, $9 million complex was completed in 2000 for families who earn up to 60 percent of median area income. Apartments range from 692 to 1,314 square feet, with one to three bedrooms. The gated community features front porches and decorative accents that echo the residential architecture once characteristic of the neighborhood.

HACH is further preserving the Fourth Ward’s architectural legacy by building 25 new row houses and rehab-
Faced with the Fourth Ward’s continuing erosion, community leaders sought a plan to ensure a viable neighborhood.

Enter the Nonprofits

When Freedmen’s Town was named to the National Register in 1985, it was described as the country’s last intact community founded by freed slaves. But the 40-block area continued to deteriorate, resulting in the loss of many houses. Faced with the Fourth Ward’s continuing erosion and the threat of being engulfed by high-end development, community leaders sought a plan to ensure a viable neighborhood that respected its past and provided housing for all income levels.

Like much else in the Fourth Ward, realizing that goal has not been easy. In the late 1990s, the nonprofit Houston Renaissance Inc. received a $3.4 million grant from the city and a $6.6 million loan from the city’s Houston Housing Finance Corp. (HHFC) to assemble land and build affordable housing in the Fourth Ward. Houston Renaissance acquired more than 1 million square feet of land but ran out of money before any houses were built.

By mid-1999 the city had terminated its contract with Houston Renaissance. The land and related liabilities were transferred to Hou-Tex Redevelopment Authority, a new nonprofit created by HHFC. Since taking over, Hou-Tex has sold the land for both affordable and market-rate housing. The housing authority acquired two parcels at below-market cost, one of which is the site of Victory Apartments. Hou-Tex sold a parcel to the Houston Independent School District, and private developers bought others for market-rate housing.

Hou-Tex reserved more than 400,000 square feet for affordable housing development by four faith-based community development corporations (CDCs) that committed to build at least 150 single-family homes. The CDCs are purchasing the lots for $11 per square foot, but because of the original $3.4 million grant from the city, HHFC is able to provide a subsidy of $8 per square foot on each lot. Lot sizes have been trimmed from 5,000 square feet—standard in the Fourth Ward—to 2,500 square feet to further lower housing costs.

The city is providing first-time homebuyers down payment assistance. To qualify, families must have household income of no more than 80 percent of the area median and be able to obtain mortgage financing.

Today, four CDCs are building affordable housing in the neighborhood. About 70 single-family homes have been completed, and close to another 100 are currently planned. The two-story, 1,000-to 1,400-square-foot houses sell for $87,000–$92,000.

Miracle of Hope. In fall 2000, this affiliate of Second Pleasant Green Missionary Baptist Church became the first of the CDCs to break ground under the new redevelopment plan. Partnering with Larus Builders, the CDC has completed 16 of the 36 houses it plans. The CDC used a $10,000 grant from JP Morgan Chase to acquire an option on the lots. Miracle of Hope, like the other three CDCs, received a $50,000 grant from the city for operating costs.

Antioch Project Reach. In 1997, this offshoot of Antioch Baptist Church used a $75,000 loan from Compass Bank
to purchase three shotgun-style houses of the type once common in the Fourth Ward. The CDC used a grant from Houston Endowment to renovate the structures, which were subsequently sold to their previous tenants for $25,000 each. In 2000, the CDC used part of a $500,000 grant from Houston Endowment to buy land for the 60 homes it plans to build with Amenity Plus Homes; seven have been built so far with interim financing from Bank One and HHFC.

**Fourth Ward Community Coalition.** FWCC grew out of a series of meetings held in the late 1980s by clergy, community representatives and other interested parties. The CDC has completed almost half of the 40 affordable homes it plans. FWCC is working with Larus Builders, Vanguard Properties and North Houston Bank, which is providing interim construction financing.

**Uplift Fourth Ward.** This CDC, created by Rose of Sharon Missionary Baptist Church, has sold 24 of the 30 homes it has built in partnership with Majestic Home Builders. Southwest Bank of Texas works with potential homebuyers to prequalify them for mortgages.

The CDC has also converted a decaying, 97-year-old structure that had been everything from a boarding house and a brothel to a crack house into housing for the elderly. Residents of the eight units at Rose of Sharon Manor II have private baths and kitchenettes but share a full-sized kitchen and common sitting area on each floor. The city funneled about $500,000 in federal HOME funds to finance the work, which received an award from the Greater Houston Preservation Alliance.

**Another Player**

A CDC spin-off of Freedmen’s Town Association has developed affordable housing in the community in the past and plans to do so again. In 1989–90, the CDC restored 18 houses, using HUD funds from the Neighborhood Development Demonstration Project. A new affordable home went up in 1996, and three others followed in 2000. Current plans call for 16 more new homes.

**Beyond Bricks and Mortar**

Of course, revitalizing a neighborhood requires more than improving its housing stock. Funds from the federal HOPE VI program are being used to support an array of services, many of which operate out of Historic Oaks but are available to all Fourth Ward residents who qualify.

Houston READ Commission, a nonprofit literacy coalition, has opened a learning center at Historic Oaks, with classes in such areas as adult basic education, GED preparation, preemployment and workplace skills, and financial and computer literacy. The center also offers an after-school enrichment program and a book club for teens.

Those seeking job training and help with job searches receive referrals to such agencies as Houston Area Urban League, Texas WorkSource and Gulf Coast Community Services Association.

Seniors have access to meals, health screenings, arts and crafts, and exercise programs. The city expects to begin construction on a neighborhood resource center and a daycare center at Historic Oaks in January.

From its beginnings as a home for freed slaves to its years at the center of black civic, cultural and commercial life...
and its subsequent decline, the Fourth Ward presents a microcosm of big-city neighborhoods across the United States. Despite years of conflict over the Fourth Ward’s fate, the city and local organizations are proving that community development can work under even the most difficult circumstances.

—Jackie Hoyer
Brook Griffin