



LINA HIDALGO



Mayor Sylvester Turner

Honorable Marcia L. Fudge

June 11, 2021

Secretary of the U.S. Department of Housing and Urban Development
451 7th St. S.W.
Washington, DC 20410

Re: Harris County and City of Houston CDBG-MIT Program Funding

Dear Secretary Fudge:

We are writing to ask that the U.S. Department of Housing and Urban Development (HUD) work with the State of Texas' General Land Office (GLO) as necessary to disburse an equitable and proportional amount of the \$4.3 billion in Community Development Block Grant-Mitigation (CDBG-MIT) funds allocated to the State of Texas after Hurricane Harvey to entities within Harris County, including Harris County itself and the City of Houston as direct subrecipients. Given the recent comments of Land Commissioner Bush, an amendment to the State's Action Plan is needed and should be submitted to HUD without delay.

We believe the \$4.3 billion of CDBG-MIT funds, per Congressional intent, based on documented damage from Hurricane Harvey, should be distributed equitably and proportionally. Approximately half (more than 154,000) of the roughly 300,000 structures that flooded during Harvey were in Harris County, and 36 of the 68 total fatalities from Harvey occurred in Harris County.

A proportional allocation would follow the prior direct subrecipient allocations to Harris County and the City of Houston of CDBG-Disaster Recovery funds based on unmet need directly related to Hurricane Harvey. In the Federal Register published by HUD on August 30, 2019, HUD states that, "The guiding structure and objectives established for CDBG-MIT funds bear similarities to other federal programs that address hazard mitigation, particularly FEMA's Hazard Mitigation Grant Program (HMGP)."

Over 40% of the funds awarded under the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) went to the City of Houston and Harris County. Zero dollars of CDBG-MIT funds have been awarded to Harris County and the City of Houston under GLO's distribution.

The Commissioner of the GLO has publicly committed to amend the GLO's Action Plan to name Harris County as a direct subrecipient of \$750 million of the \$4.3 billion in CDBG-MIT funding. However, this amount is not nearly enough funding for Harris County alone, much less for Harris County and City of Houston combined. Nor is it an equitable and proportional allocation of the funds considering the impact of Hurricane Harvey on our region. As a result, we are requesting from HUD the following:

- Certainty in your support of the \$750 million direct allocation that the GLO plans to submit to HUD, which we view as an initial "down payment" for Harris County.

- HUD's assistance in ensuring that, as part of the State of Texas's amended CDBG-MIT action plan, government entities in Harris County receive a combined total of at least \$2.1 billion, including \$1 billion each to Harris County and the City of Houston. This amount represents an equitable and proportional distribution of the State's \$4.3 billion total grant and would be consistent with the congressional intent of the Bipartisan Budget Act of 2018. Some of the \$2.1+ billion could include a reallocation of funds, for example, from Councils of Government, which may not invest these critical mitigation funds equitably or proportionally.
- Given this matter involves funds allocated in February of 2018, the rules were promulgated in August of 2019, and hurricane season has already begun for 2021, HUD should require the GLO to submit this amendment within the next 30 days.

Protecting Harris County from more severe and frequent disasters driven by climate change is an economic and national security issue. Harris County is the epicenter of our national energy infrastructure and the economic engine for our region and much of the southwest United States. The Harris County region employs nearly a third of the nation's workers in oil and gas extraction and is home to 4,600 energy-related companies.¹ The Port of Houston is the nation's largest port by cargo tonnage, supporting more than 3 million jobs, and serves as a vital portal for foreign trade.² The region's 500-plus petrochemical manufacturing plants employ nearly 40,000 workers and make up over 40% of the United States' overall petrochemicals manufacturing capacity.³ Harris County is also home to more than 80 hospitals⁴, including the Texas Medical Center—the world's largest concentration of medical institutions—which conducts more than 10 million patient encounters and 180,000 surgeries per year and has 9,200 patient beds and more than 106,000 employees.⁵ All of this vital regional and national infrastructure has been negatively impacted by past and recurrent flooding events.

Harris County and the City of Houston's most vulnerable communities—those meant to be assisted by Community Development Block Grant programs—are also at special risk of damage, displacement, and death due to flooding. The legacy of redlining and other discriminatory housing practices has clustered many communities of color in flood-prone areas, which subsequently have not received adequate investments in mitigation infrastructure to protect these communities against future flooding. In 2018, the voters of Harris County chose to make a significant investment to protect these same communities by overwhelmingly approving a \$2.5 billion flood bond package that included equity language meant to prioritize our most vulnerable neighborhoods for long-awaited flood control improvements. Extensive further investment, however, is necessary to properly protect the Harris County and City of Houston residents who are most likely to experience flooding and are the least able to recover.

As the chief executives of the nation's third-most populous county and fourth-most populous city, we appreciate HUD's past commitment to helping serve our residents and safeguard the continued safety of our region. We ask now that HUD continue with that commitment by directing the GLO to allocate an equitable and proportional amount of these vital mitigation funds to Harris County and the City of Houston.

¹ Jose Beceiro, *Energy*, Greater Houston Partnership, available at: <https://www.houston.org/why-houston/industries/energy>.

² A.J. Mistretta, *Port of Houston No. 1 in the U.S. by Cargo Volume*, Greater Houston Partnership (Nov. 30, 2020), available at: <https://www.houston.org/news/port-houston-no-1-us-cargo-volume>.

³ Lisa Bridges, *Houston Ship Channel recognized as the largest chemical complex in the U.S.*, *Colliers* (Nov. 15, 2019), available at: <https://www.colliers.com/en/news/houston/petrochemical-and-plastics-industry-2019-houston-economic-outlook>.

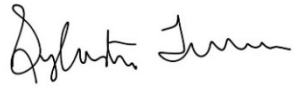
⁴ *Hospitals Located in Harris County*, Texas County Profiles, available at: <https://txcip.org/tac/census/hospitals.php?FIPS=48201>.

⁵ *About TMC*, Texas Medical Center, available at: <https://www.tmc.edu/about-tmc/>.

Sincerely,

A handwritten signature in black ink, appearing to read "Lina Hidalgo". The signature is fluid and cursive, with a large initial "L" and "H".

Lina Hidalgo
Harris County Judge

A handwritten signature in black ink, appearing to read "Sylvester Turner". The signature is cursive and somewhat stylized, with a large initial "S" and "T".

Sylvester Turner
Houston Mayor