



**ROBERT GALLEGOS**  
HOUSTON COUNCIL MEMBER  
DISTRICT I

March 13, 2023

House Committee on Urban Affairs  
Room: E2.126  
Capitol Building  
Austin, TX 78768

Dear Chairman Lozano and members of the committee,

I write in opposition to House Bill 183, authored by Representative Gary Gates. This bill will undermine the existence of legally established and operated management districts by changing the rules and eliminating the two-thirds petition threshold required to dissolve management districts.

This bill appears to be driven by Gatesco, Inc., a residential property management company with problematic properties<sup>1</sup> within the Hobby Area Management District in my council district. For the past few years, Gatesco has maintained a coordinated campaign to disband management districts where the company has properties, including the Hobby District. However, since the company has failed to convince a two-thirds majority of property owners to dissolve the districts, Gatesco has again backchanneled its efforts to the bill's author, Rep. Gates, who is also President of the namesake company.<sup>2</sup>

Let me be clear: I strongly believe House Bill 183 smacks of personal interest and conflict. It will directly benefit Rep. Gates and his company at the expense of the greater community. Management districts are good for communities – they support economic growth, fund additional public safety services for property owners, and help create safe and vibrant places in which to live, work, build, and invest. It is why local property owners and assessment payers have dismissed Gatesco's past efforts to disband the districts. The existing laws governing management districts also ensure transparency, accountability, and participation without undermining the greater public interest, as would occur with House Bill 183.

I ask committee members to reject and vote down this blatantly self-serving bill.

Respectfully,

Robert Gallegos  
Houston Council Member  
District I

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<sup>1</sup> ABC13: 2 shot dead at Broadway Street apartment complex - <https://abc13.com/2-dead-houston-apartment-broadway-deadly-shooting-southeast-crime/10517167/>

<sup>2</sup> Houston Chronicle: As legislator and real estate mogul, Gates seeks to disband management districts - <https://www.houstonchronicle.com/news/houston-texas/houston/article/As-legislator-and-real-estate-mogul-Gates-seeks-16095788.php>

