



CITY OF HOUSTON

Housing & Community Development Department

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David Woll
Principal Deputy Assistant Secretary
Office of Community Planning and Development
U.S. Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

Dear Principal Deputy Assistant Secretary Woll:

I am writing to enlist your help in adopting a common-sense approach to providing disaster recovery assistance to smaller households. HUD, the City of Houston, and our State of Texas partners at the General Land Office need to work together to ensure that Houston has a healthy housing stock for the future, and that vulnerable Houstonians who receive much-needed recovery funds after Harvey are not forced to unreasonably downsize longstanding family homes as a condition of receiving assistance.

In Houston, many of our lower-income seniors live in single family homes that are their only asset. They have raised their families in these homes and hope to pass them on to future generations. We recognize that household size at the time of a disaster event is one factor – but not the only factor – that should determine the size of the home that is rebuilt.

Our desired standard is to rebuild a three-bedroom home for households of four or fewer people whose homes had three or more bedrooms before the storm. This approach will encourage participation in our programs, preserve homeowner value, provide a healthy housing stock for Houston's future, and is fair to the taxpayers investing in our recovery.

While this is the standard outlined in our Homeowner Assistance Program guidelines, we are subject to rules set by the Texas General Land Office (GLO). GLO requires occupancy as the sole factor for determining the size of rebuilt homes.

Under GLO rules, people who have lived for many years in a three- or four-bedroom home would be forced to accept a two-bedroom home as a condition of receiving Harvey recovery assistance. We know from our own outreach and concerns expressed by housing advocates in Houston that this approach will discourage participation in our programs by those who need them most.

Along with Harris County, the City of Houston has sought a waiver of this requirement from GLO, in favor of a common-sense approach that is fair to both homeowners and taxpayers. The City's waiver request is to build three-bedroom homes as the standard home, with variations from that standard depending on household size. For example, if a two-person household had a three- or four-bedroom home

prior to Harvey, the City's recovery program would rebuild a three-bedroom home. If a household has one or two members and their damaged home had only one or two bedrooms, we would build a two-bedroom home. And if a household has between five and eight members, we would build a four-bedroom home.

Scenarios of Home Size Makeup	
Home Size	Methodology
2 bed / 1 bath	Households with 1-2 members if the damaged home had 1-2 bedrooms
3 bed / 2 bath	Proposed program standard bedroom size, unless the above or below scenarios apply
4 bed / 2 bath	Households with 5-8 members

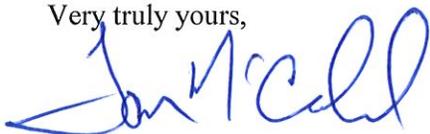
Rebuilding a large stock of two-bedroom homes simply doesn't make sense for Houston's growing population. The City's Needs Assessment for Hurricane Harvey indicates that the average household size for the almost 98,000 low- and moderate-income storm-affected households is 2.5 people. As we build for the future, Houston needs affordable, resilient three-bedroom homes.

The City requested a waiver of the GLO's restrictive bedroom size requirements on June 3, 2019. GLO denied the request on June 4th on the grounds that doing so may violate HUD guidance on household size, leaving the GLO vulnerable to a potential audit finding and the possibility of repaying large sums of recovery funds to HUD.

GLO and HUD each say the other has the authority to resolve this issue. HUD spokesperson Brian Sullivan is quoted in the Houston Chronicle as saying that "the department has no position on the bedroom rule, and the [GLO] is free to waive it."¹ At the same time, Deputy Land Commissioner Mark A. Havens wrote on June 26, 2019, "...GLO will not agree to waive the applicability of the housing unit size requirements under the GLO's Housing Guidelines to the City-administered [Homeowner Assistance Program] **without HUD approval.**"

To resolve this urgent issue, we are asking HUD to provide clear guidance to GLO, the City of Houston, and Harris County that affirms a reasonable approach on rebuilding for smaller households. GLO needs confidence that if it allows the City of Houston and Harris County to rebuild three-bedroom homes for two-person households, HUD will not later seek to recapture funds spent for this purpose. The City of Houston asks HUD to allow for the reconstruction of homes according to the size standards detailed above with the use of CDBG-DR funds. As we are actively reviewing hundreds of applications, we request that HUD provide this guidance as soon as possible.

Very truly yours,



Tom McCasland

Cc: Mark A. Havens

¹ Despart, Zach. "Houston, county denied waiver on bedroom limit for rebuilt Harvey homes." *Houston Chronicle* June 25, 2019.