



CITY OF HOUSTON

Sylvester Turner

Mayor

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March 7, 2018

The Honorable George P. Bush
Commissioner
Texas General Land Office
1700 Congress Avenue
Austin, Texas 78701

Dear Commissioner Bush:

I am writing to express my concerns about the State of Texas' draft Hurricane Harvey Disaster Recovery Action Plan, including on the following grounds:

- The plan as drafted does not include data to explain how the GLO is calculating unmet need or a method of distribution that would give the city clarity or confidence that it will get its fair share of resources to recover;
- The plan denies local control of a large portion of funds that will ultimately be deployed in the City of Houston; and
- The City of Houston was not consulted in assessing unmet need, determining the use of funds, methods of distribution, or developing the draft Action Plan, as required by HUD.

My deep concerns about the State's draft Action Plan are rooted in Houston's own experience with Hurricane Ike. Because of the State's attempt to direct funds to areas other than those most impacted, Houston suffered lengthy delays in accessing Ike recovery dollars. The issues that caused delay in that instance are the same ones that I am concerned about now: needs assessment; methods of distribution; and a lack of local engagement. We cannot afford delays in this recovery incurred by a strategy that risks rejection by HUD, litigation from civil rights advocates, misguided spending, and severe delay in the receipt of disaster aid by those most in need.

We believe there is a way forward to overcome these challenges in a successful partnership between the State and local government. Acting now, we can deliver a recovery that meets the expectations of HUD, moves funding quickly, and addresses the urgent needs of Houstonians.

Houston expects to play an important role in the recovery effort, as prescribed by the U.S. Department of Housing and Urban Development (HUD). HUD underscores in the Federal Register that "recovery is a partnership between Federal, State and local government..." HUD

describes the role of local and state governments as a “*shared commitment and responsibility for long-term recovery and future disaster risk reduction.*” [emphasis added]

Houston takes this partnership – and our responsibility to it – very seriously. As the largest jurisdiction in the impacted area and as home to more than half the affected population, we are ultimately the last line of defense in ensuring our residents’ health, safety and welfare. The City must play an important role in regional planning efforts, and have the lead on recovery activities in our jurisdiction.

In order to fulfill its critical role in delivering a successful recovery to the people of Houston, the City makes four requests for immediate consideration and action:

1. Accurately and transparently assess need to prioritize the most affected and vulnerable people

The City of Houston suffered the greatest amount of damage from Hurricane Harvey and has the largest population impacted by the storm. But the GLO has failed to include data supporting its methodology for calculating unmet need or its formula for methods of distribution of funds that will determine how much money is coming to the most impacted jurisdiction.

HUD has been clear that local governments must be consulted in the development of methodologies for calculating unmet need and the method of distribution. The GLO is required to certify “that it has consulted with local governments...in determining the use of funds, including the method of distribution of funding.” It has not completed this basic requirement; the failure to include the City of Houston in any discussion of these critical areas is a significant impediment to a fair and quick delivery of recovery dollars.

Methods for calculating unmet need are particularly important in meeting HUD’s requirements to support low- and moderate-income residents affected by the disaster, the majority of whom are concentrated in Houston and Harris County. For example, maps provided by the GLO in the draft plan show that the unmet renter need is concentrated in Houston and Harris County. Houston will therefore require a larger portion of funding to address low- and moderate-income rental needs. According to the GLO, “Approximately 68 percent of the unmet need is below 80 percent LMI category. The unmet need for the LMI population is over \$1.85 billion for renters.” Yet the plan only allocates a total of \$500,000,000 for multifamily rental.

We must have clarity about how unmet needs are calculated, and the method of distribution, so that the city can plan and prioritize the best recovery possible.

2. Subrecipient status for Houston and distribution of funds commensurate with proportion of overall population and damage

The draft plan indicates that the GLO intends to exclude the City from having a strong and appropriate role in future decisions regarding the allocation of these important recovery funds, and imposes additional layers of administration and expense on our recovery in the form of

regional Councils of Government. Moreover, the City is excluded from administering its own recovery, in favor of State control, in all but one program area.

In the current draft, Houston are only envisioned as subrecipients of the GLO in one program area for homeowner repair. Limiting the largest jurisdictions and most affected localities to a single program area is inappropriate given the relative scale of the impact in Houston and the need for locally-led planning and implementation. It simply is not reasonable that the State proposes to take over the City's role in the administration of the majority of recovery funds.

The City of Houston should be subrecipients of the GLO in all program areas, including single-family, multi-family, homelessness, and economic revitalization and infrastructure that support housing, among others. Ensuring the City has subrecipient status is essential so that Houston can fully participate in regional planning efforts and appropriately administer recovery within our jurisdictions and the time period required by HUD. We would welcome discussion of the role HUD and the State might play in approving local program plans, based on the model employed in New Orleans following Katrina.

3. Adequate planning resources at the local level to execute successful recovery

Successful recovery requires planning at the local level. Our vision for recovery is centered on community-based planning that integrates funding for multiple program areas to revitalize communities and prepares Houston to meet the challenges of a 21st century city. This kind of planning should be led locally, by people who live here and have a stake in the city's future.

The State cannot reasonably expect that all planning dollars be redirected to universities. Universities can be important complements to municipal planning activities, but they are not a substitute for local, professional planning. Houston is eager to take advantage of the best expertise, at the local, state, and national level. We are working with HUD to develop a plan for technical assistance that will be the first effort of its kind in comprehensive disaster recovery planning.

HUD allows States to spend "a maximum of 15 percent of its total grant amount on planning costs," which leaves ample room for additional planning funding directed to local governments.

4. Meaningful consultation between State and local government

In its February 9, 2018 notice in the Federal Register, HUD requires that "States receiving an allocation under this notice consult with all disaster-affected local governments...in determining the use of funds. This ensures that State grantees sufficiently assess the recovery needs of all areas affected by the disaster."

In the view of the City of Houston, these required consultations have not begun. In providing evidence of "consultation" with the City of Houston in the draft Action Plan, the State only identifies a single meeting with the City after HUD published the notice in the Federal Register on February 9, 2018. HUD further requires the State to certify "that it has consulted with affected

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local governments...in determining the use of funds.” Based on the existing facts, I do not believe you can sign that certification in good faith.

Before the State moves further in the process, I am requesting meaningful consultation that leads to reconsideration of the draft plan to reflect the important role Houston must play in recovery, especially in the areas of needs assessment, methods of distribution, and use of funds. This can be done quickly and in a way that still fulfills your responsibility for equitable allocation – and direct management – of funds in smaller impacted jurisdictions within Texas. If necessary, we believe HUD can be helpful in working with the State, City of Houston, and potentially Harris County to establish a revised process that meets their requirements while maintaining a quick pace of recovery, which is our shared and urgent objective.

There is an opportunity to reset our engagement and agree on reasonable modifications to the State’s current approach to set Houston and Texas on a better path. I look forward to working with you in making locally-driven, speedy, effective recovery a reality for our great city.

Sincerely,

A handwritten signature in black ink, appearing to read "Sylvester Turner". The signature is fluid and cursive, with a large initial "S" and a long, sweeping underline.

Sylvester Turner
Mayor

Cc: The Honorable Greg Abbott, Governor of Texas
Deputy Secretary Pamela Patenaude, U.S. Housing and Urban Development
Assistant Secretary Neal Rackleff, U.S. Housing and Urban Development
The Honorable Ed Emmett, Harris County Judge
Pete Phillips, Texas General Land Office
Marvin Odum, City of Houston
Tom McCasland, City of Houston