



CITY OF HOUSTON

Sylvester Turner

Mayor

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April 5, 2019

The Honorable Eduardo Lucio, Jr.
Chair, Senate Intergovernmental Relations Committee
P.O. Box 12068
Austin, Texas 78711

Dear Chairman Lucio and Members of the Senate Intergovernmental Relations Committee:

I write to you today to request support for Senate Bill 493 that will enable the governing body of a municipality or county to authorize the allocation of 9% Housing Tax Credits to more than one development located within a two-linear mile boundary if the county population is in excess of one million people.

The City of Houston and Harris County are currently administering over \$2 billion of CDBG disaster recovery funds issued by HUD to aid in the recovery of Hurricane Harvey. A portion of these funds are often leveraged with 9% Housing Tax Credits to construct and rehabilitate new affordable rental units.

A restriction was placed in the Qualified Allocation Plan to restrict proximity of two miles for 9% affordable housing developments in a response to concerns of concentration of low income families within geographic areas throughout urban centers in Texas. The current rule hampers the City's ability to leverage its CDBG dollars with 9% Housing Tax Credits within the urban core. The current legislation provides additional development challenges that include:

- Three of the five areas I have identified for revitalization (Complete Communities) overlap within the same two-mile area.
- Several work centers that include downtown, the Galleria and the medical district share a two-mile area and restrict multiple housing proposals being made.

The proposed amendment will permit the City to specifically identify developments it supports to share a two-mile geographic area. The City is in development of a policy to establish criteria to determine when it is reasonable to place affordable housing developments within proximity of each other. These factors will include supporting areas

that provide economic choices to residents and revitalization efforts.

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 tail.

Sylvester Turner,
Mayor