



GOVERNOR GREG ABBOTT

May 7, 2018

To Harris County Commissioners Court:

I am writing in response to your May 1, 2018, letter requesting an emergency special election to be called in Harris County on August 25, 2018, for bonds that would fund Hurricane Harvey-related flood control projects in Harris County.

As you know, I consider responding to matters concerning Hurricane Harvey to qualify as an emergency. To the extent your emergency special election relates to Hurricane Harvey, it is granted.

As this request for an emergency special election was duly passed by a unanimous vote of the Harris County Commissioners Court, I hereby grant approval as governor of Texas for this emergency special election to be called for bonds to fund flood-related mitigation projects that respond to Hurricane Harvey.

Your letter requesting the emergency special election correctly states: "Congress has appropriated and the various federal agencies are beginning to make available to us significant funds." As detailed below, billions of federal dollars either are currently available to Harris County or will be available to the county before it has the ability to issue the bonds requested in your letter.

You also correctly note that "significant federal funds" are available from "FEMA, the Department of Housing and Urban Development, and the United States Army Corps of Engineers."

Federal funding sources now available to Harris County include funds for buyouts and elevations of flood prone properties; drainage and reservoir projects that reduce future flooding; other projects that lessen the frequency or severity of flooding; flood risk reduction projects such as dams, retention basins, levees, floodwalls, seawalls, jetties, sand dunes, and large-scale channeling of waterways; and countless other projects.

In your letter requesting an emergency special election, you noted that "[t]aking advantage of these programs requires additional capital" in the form of "matching funds." Importantly,

Congress purposefully provided much of those matching dollars through Community Development Block Grant (CDBG) funds so that local governments would not need to match the federal grants. For example:

- Funds are available today for Harris County to draw from the \$500 million available in FEMA's Hazard Mitigation Grant Program (HMGP); and Harris County may choose to use CDBG-Disaster Recovery (DR) funds for the HMGP cost-share match for eligible projects.
- Harris County is eligible to apply for additional grant funds from the additional \$600 million that will be available in August 2018, in FEMA's Hazard Mitigation Grant Program, and Harris County may choose to use CDBG-DR funds for the HMGP cost-share match for eligible projects.

Additionally, Harris County and the City of Houston, together, have already been allocated \$2.27 billion in CDBG-DR funds from the U.S. Department of Housing and Urban Development (HUD). Last week, HUD officials informed me that those funds should be available to you before the proposed emergency special election. Harris County is able to use some of that \$2.27 billion to match the federal grants.

Also, HUD has already approved an additional \$5.035 billion in CDBG-DR funds that Harris County and Houston will soon be able to draw from. Again, we anticipate that Harris County will be able to use some of that \$5.035 billion to match the federal grants. The majority of these funds will be used to fund mitigation projects in the Harvey-affected area.

Harris County and the City of Houston are eligible for FEMA Public Assistance funding to rebuild public facilities and infrastructure damaged by Hurricane Harvey. As of now, Harris County has submitted approximately \$240 million in claims for that funding. The local match for those funds is 10 percent. As a result, the Harris County local match for FEMA Public Assistance projects will be less than \$25 million.

Additionally, Congress directly funded billions of dollars of U.S. Army Corps of Engineers' (USACE) projects. An initial allocation for high-priority projects announced last week includes repairs to Buffalo Bayou and dredging of the Houston Ship Channel. It is also my understanding that USACE is responsible (and has already begun work) to repair Barker and Addicks Dams and Reservoirs. It is my expectation that USACE will allocate billions more to Texas in the next few months to undertake already approved flood mitigation construction projects — many of which are in Harris County. To my knowledge, these projects require no local share or will permit local jurisdictions to repay that local share over 30 years.

Finally, Harris County was required to pay a local match for debris removal. As you know, the State of Texas made available \$90 million in November 2017 to fully cover the local match associated with debris removal for all local jurisdictions affected by Hurricane Harvey, including

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Harris County. I thank Lieutenant Governor Patrick and Speaker Straus for helping to make that funding available.

Thank you for all you are doing to help your community recover from Hurricane Harvey and to help safeguard Harris County from potential future flooding. I remain committed to working with Harris County to achieve its goals in the most efficient way possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Abbott", written in a cursive style.

Greg Abbott

Governor

GA:xx