



THE GALVESTON
NORTHSIDE
TASKFORCE



July 8, 2013

Jorge Ramirez
Senior Director, Disaster Recovery Program
Texas GLO
P.O. Box 12873
Austin, TX 78711-2873

RE: Requested Limited Release of City of Galveston Round 2.1 and 2.2 funds Non-Housing Funds

Dear Mr. Ramirez,

The Collaborating Organizations¹ have worked tirelessly over the years since Hurricane Ike to assist Galveston and Galveston County recover from that historic storm. Over the last several months our concerns have included the demolition and condemnation of residences in our historic Northside community,² outreach and relocation assistance for LMI homeowners in Round 2, and the release of CDBG infrastructure funds for city projects. You may be aware of our meeting on January 30th where our concerns for the future of the Northside community in

¹ The membership of the coalition known as the Galveston County Collaborating Organizations varies depending on the issue. Generally the CO is comprised of: NAACP Galveston Unit 6180, LULAC Galveston Council 151, Galveston County Coalition for Justice, Northside Task Force, Gulf Coast Interfaith, Barbour's Chapel Community Development Corporation, NAACP Mainland Branch Unit 6201, NAACP Dickinson/Bay Area Branch Unit 6280, LULAC Texas City Council 255, and Galveston County Homeless Coalition.

² The Northside community, historically neglected by the City, is located north of Broadway, from Rosenberg (25th) on the east to approximately 46th Street on the west and includes Ball St (Ave H) as the main corridor and the neighborhoods bounded by Broadway on the south to Market Street on the north. Not far from this neighborhood boundary, on June 19, 1865, Union General Gordon Granger and 2,000 federal troops arrived in Galveston, Texas, to take possession of Texas and enforce the emancipation of its slaves after Granger read the contents of General Order No. 3.

Galveston and the release of CDBG funds for infrastructure were the topics of a meeting arranged by Galveston city council member Cornelia Banks that included representatives of GLO, Texas Appleseed, Texas Low Income Housing Information Services, and City of Galveston. At that meeting we discussed our deep concerns about six items:

1. Moratorium on constructing tin buildings on the Northside.
2. Removal of water tanks.
3. Elimination and mitigation of Northside flooding.
4. CO role in Northside infrastructure planning.
5. Adoption of a strong Sec. 3 policy.
6. Redrawing Northside residential zoning lines.

We received positive comments and assurances about some of the items. Our conversations concerning the Northside were not static and additional items have been added to our list of concerns about the recovery of Galveston.³ A recovery that has been robust in some neighborhoods and, as we all must acknowledge, painfully and unfairly slow in others. We have continued meeting with Galveston representatives.

You are aware the Collaborating Organizations worked tirelessly with GHA, COG, Austin Advocates, and others to meet the September 28th deadline for submitting a public housing rebuilding plan to GLO. We have listened to the rhetoric and threats and have expressed our concerns publicly and privately with federal, state, and local officials. We have met with our good friends from Texas Appleseed, Texas Low Income Housing Information Services, and Lone Star Legal Aid as they have advocated the enforcement of the Settlement Agreement and Conciliation Agreement. Months have passed and we share the same concerns expressed in your April 29th letter to the City of Galveston.

As we wind down Round 1 and begin Round 2 and continue our long wait for the concrete to begin pouring at Magnolia Homes and Cedar Terrace mixed income housing, and all the while not forgetting the historic use and misuse of CDBG and tax funds in poor Galveston neighborhoods, we are concerned about continuing and stimulating the ongoing positive efforts to recover in Galveston.

³ The Collaborating Organizations were joined by Friends in November, 2012 in an effort to ensure the redevelopment of the Northside community: former mayors Barbara Crews, Lyda Ann Thomas and Joe Jaworski; former GHA chairs Art Mabasa, Paula Neff, and Betty Massey; Galveston Housing Recovery Outreach Committee co-chairs Chula Ross-Sanchez and Laura Murrell; former GHA board member Raymond Lewis.

The federal and state government have legitimate concerns to address as they try to conclude their role in the recovery of Galveston. The housing advocates have concerns as they try to ensure the enforcement of their agreements. Local politicians and their supporters have their agenda. It is difficult to achieve a fair balance for the competing concerns. Knowing full well that perfection is illusive and that a good compromise should be cherished by everyone concerned, we would like for you to consider our support for the following proposal.

LIMITED RELEASE OF CDBG FUNDS

We respectively request the release of the City of Galveston’s CDBG DR non-housing round 2.1 Roadway Reconstruction Projects and the partial release of the most time sensitive of the City’s round 2.2 Cost Share & Water System Projects.

Round 2.1 Roadway Reconstruction Projects	\$17,420,900
Round 2.2 Cost Share	\$4,136,529
59th Street Water Pump Station	\$19,625,850
Round 2.2 Total Requested Projects	\$23,762,379
Total 2.1 & 2.2 Request Projects	\$41,183,279

It has been reported to us that the Roadway projects are important as some of the roads have failing sewer lines. These leaking lines cause environmental problems and elevate the potential for sink holes hazards. Engineering for these projects are already half complete.

The Cost Share project is to provide match to FEMA recovery funds largely for a project that is already in process. Lift stations all over the City were destroyed in Ike and repairs/replacements are underway. The City needs to close out these FEMA projects before funding lapses. Funds are alright until this September, when an extension will be needed. The City expects to be able to get the extension. Final FEMA funds expire in September of 2014. Due to the Cost Share project being frozen, the City’s sewer fund is cash-flowing the lift stations project and local funds are being reserved for the match. This has sidelined a number of City “regular” capital projects that they had intended to start this year, dashing citizen hopes of finally starting a few regular non-disaster projects and undercutting the City’s legitimacy and perceived ability of the Public Works department to deliver.

The 59th Street water pump station project has been partially funded by FEMA’s Hazard Mitigation Grant program, so the amount of funds needed could be reduced from nearly \$20

M, by FEMA's nearly \$9 M, down to about \$11 M, assuming cost escalations do not materialize. The City's fear is those cost escalations will show up, as they've seen on other projects, so some significant allowance for inflation should be realized. The 59th St. water pump station is recognized by the City Engineer as the most critical Round 2.2 project to the City.

ENFORCEMENT

Your concern about the good faith of the current city council of Galveston to rebuild public housing in Galveston is equally matched by the expressions of hostility by current council members directed at the GLO. The GLO will, of course, still retain over \$60 million in CDBG funds after the limited release of funds that we currently support. Those remaining funds should be considered for release, in whole or in part, once permits for Magnolia Homes and Cedar Terrace are approved by the city council.

After the limited release, the failure of the City of Galveston to proceed with all deliberate speed in rebuilding public housing in Galveston should be considered by the public and all concerned as a failure to affirmatively further fair housing and an intentional act of discrimination.⁴ It will sadly confirm the concerns already expressed by GLO and HUD and was the underlying basis for the stinging comment in GLO's April 29th letter to City Manager Kovacs-

As stated previously, the invoices along with the other items identified in our previous letter, will not trigger the automatic release of any infrastructure funds. The City of Galveston must demonstrate real and meaningful steps toward progress on all facets of ongoing recovery before we release any additional funding.

Further, this behavior will prompt the reconsideration of any further support of the City of Galveston recovery efforts by the Collaborating Organizations.

Our support is a leap of faith by the undersigned organizations. The members of our organizations will directly benefit from these projects to repair streets, restore services, and provide for community resiliency and sustainability in the face of future storms. We hope and pray our faith that our current city council will now lead rather than obstruct as we continue to struggle forward together for the recovery of all of Galveston has not been misplaced. The recovery of Galveston after the Great Storm and Hurricane Ike should both be models that our descendants will be proud to recommend to the rest of America as models to emulate.

⁴ Searching America and finally finding an expert to support an effort to avoid rebuilding public housing in Galveston will not be considered as a legitimate defense.

It is our understanding that if you grant this requested limited release, the City Manager Kovacs will be immediately contacting you to discuss in detail their plans for the funds release. If you have any questions, please direct them to Gulf Coast Interfaith.

Yours respectfully,

THE GALVESTON COUNTY COLLABORATING ORGANIZATIONS

The Galveston Northside Taskforce

By: *Lillian McGrew*

Lillian McGrew, Chairperson

The Galveston County Coalition for Justice

By: *Leon Phillips*

Leon Phillips, President

Gulf Coast Interfaith

By: *Stephen McIntyre*

Stephen McIntyre, Leader

Joe Compian

Joe Compian, Leader

NAACP, Galveston Unit #6180

By: *David Miller*

David Miller, President

LULAC, Galveston Council #151

By: *Anna Olivares*

Anna Olivares, President

(All Signatures By Permission)

cc:

Maddie Sloan, Texas Appleseed

John Henneberger, Texas Low Income Housing and Information Services

Fred Tombar, HUD

Jerry Patterson, GLO Commissioner

Michael Kovacs, City of Galveston, City Manager

