

## NEWS

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## State awards \$81.1 million to repair, rebuild affordable multifamily properties damaged by Hurricane Rita

Housing agency directs federal disaster funds to help restore five rental housing properties in Beaumont, Port Arthur, and Orange

(AUSTIN) — Five Golden Triangle-area affordable multifamily rental properties damaged or destroyed by Hurricane Rita will receive major repairs or be completely reconstructed through \$81.1 million in federal disaster recovery funds awarded today by the Texas Department of Housing and Community Affairs (TDHCA). The construction work, once completed, will restore rental units housing 576 individuals and families.

"The citizens of Jefferson and Orange counties don't need to be reminded of how devastating Hurricane Rita was to the area," said Congressman Kevin Brady. "The storm inflicted a terrible blow to the region, and the shortage of safe, decent housing remains a critical issue."

TDHCA Executive Director Michael Gerber echoed the Congressman's comments and added: "Our rental housing stock restoration effort is a significant step in restoring the quality of life to Southeast Texas. TDHCA has heard the region's plea for assistance, and we're moving as quickly as possible to respond to the need."

Scheduled to be repaired or rebuilt are the Pointe North and Virginia Estate apartments, Beaumont; Gulfbreeze Plaza I & II Apartments and Brittany Place Homes II, Port Arthur; and Orange Navy Homes, Orange. Each was providing affordable housing opportunities prior to Hurricane Rita's landfall and received extensive damage as a result of the storm.

Gerber explained that the funds were part of a \$428.6 million allocation in federal Community Development Block Grant (CDBG) Program disaster recovery funds awarded earlier this year to Texas by the U.S. Department of Housing and Urban Development (HUD). TDHCA set aside \$81.1 million for this multifamily rental housing restoration program specifically targeting a 22-county region of Texas most affected by the hurricane; however, the Department only received applications from Jefferson and Orange counties.

The balance of the funds is being directed toward single-family home repairs, reimbursements to the city of Houston and Harris County, and the near-total restoration of the community of Sabine Pass, which bore the brunt of the hurricane's fury.

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HUD rules mandate that at least 51 percent of CSBG disaster recovery funds must be used for affordable rental housing serving households at or below 80 percent of the area median family income. In addition to helping repair or reconstruct these five properties, the CDBG funds may also be used for demolition, site clearance, and site remediation.

## **About the Texas Department of Housing and Community Affairs**

The Texas Department of Housing and Community Affairs is Texas' lead agency responsible for affordable housing, community services, energy assistance, and colonia housing programs. The Department annually administers more than \$400 million through for-profit, non-profit, and local government partnerships to deliver local housing and community-based opportunities and assistance to Texans in need.