



# NEWS

---

## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

---

FOR IMMEDIATE RELEASE  
September 3, 2009

Contact: Gordon Anderson 512.475.4743  
Jill McFarren 512.475.2844

### **State housing agency provides \$3.4 million boost to Orange's post-Ike rental housing market**

(AUSTIN) — Working to expand rental options for Orange residents struggling to secure affordable housing in the wake of hurricanes Rita and Ike, the Texas Department of Housing and Community Affairs (TDHCA) and State Representative Joe Deshotel today announced a major funding award to the private developers of a new rental property designed to bring stability to the lives of low to moderate income tenants and much-needed benefits to the local economy.

TDHCA awarded \$3.4 million in disaster recovery funds to Orange Navy II L.P. for development of Orange Navy II, which will involve the substantial rehabilitation of an existing 25-unit property damaged by Hurricane Ike while adding 11 new, two-story single-family homes on scattered sites within the same neighborhood.

In addition to restoring the city's stock of affordable rental housing, state officials expressed hope that the new construction will act as a catalyst for further economic development activities at the local level.

"Coming so close on the heels of Hurricane Rita, Ike was like a one-two punch that devastated the entire region," said Representative Deshotel in making the funding announcement. "A lack of quality housing for our workforce persists throughout the area which is impeding our efforts to recover from this storm. I am encouraged to see our state housing agency moving these funds so critical to our mission to an area of the state that truly needs the assistance."

"TDHCA recognizes that Southeast Texas continues to experience a substantial housing shortage, and we are extremely pleased to partner with the developers of Orange Navy II," said Michael Gerber, TDHCA Executive Director. "This property represents a new day for affordable housing in Orange, bringing with it a higher quality of life for tenants, as well as numerous construction jobs, additional taxes and fees to local governments, and the potential to spur redevelopment throughout the community."

Today's award is part of \$1.3 billion in federal hurricane disaster recovery funds allocated to the state just over five months ago by the U.S. Department of Housing and Urban Development (HUD). Under HUD rules, at least 51 percent of the units at Orange Navy II must serve tenants earning no more than 80 percent of the area median family income. For Orange County, this equals an annual income of \$43,450 for a family of four.

- more -

---

221 E. 11TH • AUSTIN, TEXAS 78701 • (800) 525-0657 • (512) 475-3800

Visit us on the world wide web at: [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Hurricane Ike made landfall near Galveston on September 13, 2008, with a significant storm surge and winds topping out at 110 miles per hour. Damages have been estimated to run as high as \$29 billion throughout a 34-county region of Southeast Texas.

On March 31, 2009, the Texas Department of Rural Affairs executed a grant agreement with HUD officials, accepting the \$1.3 billion in disaster recovery funds to the State of Texas for hurricanes Ike and Dolly.

Of this amount, approximately \$620 million has been made available to TDHCA to administer housing programs related to the state's recovery efforts, with \$58 million specifically dedicated to repairing or replacing the affordable rental housing stock in areas impacted by these storms. The award to Orange Navy II is among the first made by the Department for rental housing restoration in response to Hurricane Ike.

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

*The Texas Department of Housing and Community Affairs is the state agency responsible for affordable housing, community services, energy assistance, colonia housing programs, and disaster recovery housing programs. It currently administers over \$1 billion through for-profit, nonprofit, and local government partnerships to deliver local housing and community-based opportunities and assistance to Texans in need.*