

March 19, 2018

1100 K Street Suite 101 Sacramento California 95814 Neal Rackleff, HUD Assistant Secretary for Community Planning & Development U.S. Department of Housing and Urban Development 451 7<sup>th</sup> Street, S.W., Washington, D.C. 20410

Telephone 916.327.7500 Facsimile 916.441.5507 Dear Assistant Secretary Rackleff:

The California State Association of Counties (CSAC) requests that the Department of Housing and Urban Development (HUD) expeditiously allocate funding dedicated to disaster impacted communities through the Community Development Block Grant Disaster Recovery (CDBG-DR) Program. Since the 1990's, HUD's CDBG-DR funding has helped hundreds of thousands of families across the country recover from the impacts of natural disasters, such as wildfires and mudslides. This funding is critical to the long-term recovery of our communities impacted by natural disasters in California.

The 2017 fire season was among the worst in the history of California. On October 8, 2017, a series of wildfires erupted in Northern California and engulfed 100 square miles. Sparked by the same hot, windy conditions, other major wildfires soon broke out across the state, devastating more than 245,000 acres of land and destroying over 8,900 structures. Containment took nearly two weeks, and tragically 44 lives were lost. On December 4, 2017, another series of wildfires erupted in Southern California, resulting in significant destruction in Ventura, Los Angeles, San Diego and Santa Barbara counties. These fires spread quickly due to strong winds and dry brush. The fires destroyed hundreds of homes and other structures, burned almost 300,000 acres, and caused widespread power outages that forced the closure of major highways and local roads.

Furthermore, on January 8, a storm system swept across Southern California, bringing high winds, substantial precipitation, and flooding to Santa Barbara County causing devastating flash flooding, erosion, and substantial mud and debris flows throughout the burn scar areas, forcing the evacuation of residents. This event resulted in 21 fatalities, damaged critical infrastructure, destroyed homes, and forced the closure of major highways and local roads, including Highway 101.

Estimates of the total recovery costs across California are in the billions of dollars, and the full economic impacts will not be realized for years due to the widespread losses across multiple industries and communities. These disasters are coupled with and compounded by California's urgent and expanding need for affordable housing. Thousands of homes were destroyed or damaged by these wildfires and mudslides. Initial data indicates that up to 20% of homeowners are uninsured and up to 40% of homeowners are underinsured.

In addition, the scale of these disasters has strained the supply of construction workers and materials throughout California, creating localized shortages and escalating costs to rebuild. Insurance settlements based on normal recovery costs are woefully inadequate, and the cost to rebuild will far exceed insurance coverage due to labor and material shortages and increased building codes. In some counties, approximately 40% of the household displaced by recent disasters were renters. With vacancy rates of less than 2% prior to the fires, renters have few long-term housing options.

For these reasons, we respectfully urge HUD to allocate funding dedicated to disaster impacted communities, as their timely allocation is necessary to putting our disaster impacted areas back on the road to recovery. Thank you for your agency's efforts on behalf of the people of California and for your prompt consideration of these requests. If you have any questions or concerns, please do not hesitate to contact me at 916-650-8100.

Sincerely,

Matt Cate

**CSAC** Executive Director

Mother Z. Cate

cc: Secretary Ben Carson, U.S. Department of Housing and Urban Development

Deputy Secretary Pamela Hughes Patenaude, U.S. Department of Housing and Urban

Development

California Congressional Delegation

Ben Metcalf, Director, California Department of Housing and Community Development Graciela Castillo-Krings, Deputy Legislative Secretary, Office of Governor Edmund G. Brown, Jr.