



August 18, 2010

The Honorable Annise Parker
City of Houston
900 Bagby, 3rd Floor
Houston, TX 77251

Subject: Renew Houston Initiative

Dear Mayor Parker:

Houston is a growing vibrant city that is also an aging and decaying city. Over 65 percent of the city's 6,000 miles of streets and drainage systems are past their design life and are near functional obsolescence. Yet, the city has no program nor any permanent funding source to repair, replace and upgrade its crumbling facilities.

Renew Houston offers hope and a solution to this massive problem. The Renew Houston charter amendment will require the City of Houston to establish a dedicated Drainage and Street Renewal Fund that will also convert city funding to a pay-as-you-go program.

The Renew Houston charter amendment will capture all current funding from third parties (Metro, TxDOT, the federal government) and general revenues (equivalent to the \$0.118/\$100 tax revenues used to pay street and drainage debt service) and will require City Council to establish Developer Impact fees where appropriate and to establish a Drainage User Fee, both in accordance with state law.

The North Houston Association endorses and supports the charter amendment with the understanding that City Council(s), now and in the future, will establish the new fees in an equitable manner, as provided by law. NHA favors the adoption of Drainage User fees that limit exemptions, exceptions, or other exclusions to only those exemptions that are specifically provided by law. No additional permissive exemptions should be allowed or utilized.

Developer impact fees that are applied in accordance with current state law can be beneficial to both the City and future development. Houston should use caution to only establish these fees in areas that provide real benefit and not try to establish any type of city-wide impact fee that would ultimately be detrimental to economic development.

The North Houston Association believes that the Renew Houston program and charter amendment is a 30-year plan that is needed to revitalize Houston and to position the city to benefit from the projected growth in population and employment.

Sincerely,

Mark Froehlich
Chairman of the Board

Jon Lindsay
President

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