

**STATEMENT OF NEAL RACKLEFF**

**NOMINEE TO SERVE AS ASSISTANT SECRETARY FOR COMMUNITY  
PLANNING AND DEVELOPMENT,  
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**SENATE COMMITTEE ON BANKING, HOUSING  
AND URBAN AFFAIRS**

**JULY 18, 2017**

Thank you, Chairman Crapo, Ranking Member Brown, and all the members of this committee for inviting me to testify today.

I am delighted to introduce my wife of 29 years, the lovely Christa Rackleff. She is the pillar of strength in our family, my best friend, and in every way my better. Two of our great children, Eve and Karen, are with us today. Our other two children, Stephen and Annie, and our son-in-law Brett, were unable to attend. My family is the most important thing to me in time and eternity.

Mr. Chairman, I am honored to be nominated to serve as Assistant Secretary of Community Planning and Development at the Department of Housing and Urban Development.

For over 20 years I've worked at the intersection of the public and private sectors, doing real estate development focused on resurrecting ailing communities and providing high quality housing for hard working, good people who — despite their best efforts — are still in need.

I started on this path as a young city attorney in the mid-90s. Downtown Houston was in trouble, property values were declining and population was fleeing to the suburbs. Under the direction of a visionary Mayor, I served on the team that successfully implemented public-private partnerships to redevelop historic downtown properties and revitalize a public housing complex that had been mired in litigation for years.

Houston not only turned around, but came roaring back, after these projects ignited a downtown renaissance. I was blessed to learn from some of the brightest

legal and real estate experts in the city's history. We used private sector creativity and innovation to achieve results with the public sector that neither sector could have accomplished alone.

Public-private partnerships can affect incredible change. For example, a terribly blighted apartment complex plagued a Houston inner-city community. For more than ten years, local, state and federal officials tried to condemn and demolish the structure, but a wily slum lord successfully slipped from their grasp. My team took a different approach — we analyzed the market forces at work, then partnered with the local school district and used funds, from a tax increment finance district and the school district, to purchase and demolish the slum property. An elementary school stands today on the former epicenter of blight that was dragging down an entire neighborhood.

My faith has been a formative factor in focusing on families in need. I served as the Bishop of an inner-city congregation for many years and saw first-hand how hard so many people struggle to meet basic needs. And I became convinced that most people struggling with poverty desire a hand up rather than a hand out. So I decided to do what I could to be part of the solution in helping people become self-reliant.

That faith motivated me to leave my private law practice at Locke Lord and return to the city to serve in the Housing and Community Development Department. I hoped to be able to “give back” in some way to the great city that had afforded my family such great opportunities.

When I took the reins as Director, the department was struggling. Looming over it were 102 HUD findings and over \$80 million in potential fines. But a great team pulled together and not only cleared every finding — we transformed our department to one of the most effective in the nation.

During my tenure, the department financed completion of 7,800 high-quality affordable multifamily housing units, with another 2,700 in progress. And we assisted 1,700 single-family homeowners with reconstruction of hurricane-damaged homes, financial assistance for low-income homebuyers, and emergency home repairs.

Houston has an unstoppable “can-do” spirit. During this same time-frame, the city, Harris County, the for-profit and non-profit sectors, partnered with HUD to alleviate homelessness. Within a few years, we reduced chronic homelessness by more than 70 percent and became the first major city in the country to effectively eliminate the homelessness of veterans.

Unfortunately, Houston’s spirit has been tested by nature’s catastrophic forces. I am grateful that during my tenure at the Housing and Community Development Department, we turned around a troubled \$109 million Disaster Recovery Round 1 program. We also received an additional Disaster Relief grant of \$178 million in Round 2. I am very proud of this work to help the people of Houston as we confronted the aftermath of nature’s fury.

I’ve become convinced that the democratization of data is key to more effective governance. In the aftermath of severe flooding, I worked with a coalition of faith-based and non-profit groups to alleviate suffering in Houston. We mined the city’s fire, police and public works data bases, to generate GIS maps enabling churches and civic groups to locate and serve the elderly and disabled who desperately needed help. We then utilized an open-source social media platform to share data and avoid duplication of efforts as the various philanthropic groups worked together in the same space.

I have been amazed to see the successes that are possible in ameliorating suffering when people put aside differences and ideologies in a united effort to help their neighbors. Love has animated the work I have been a part of and I have loved serving others. The reason I am offering to serve at HUD is that I hope to have the opportunity of doing more to help my fellow Americans.

Mr. Chairman, thank you for this opportunity to appear before you. Thank you to the entire committee. I welcome your questions.