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May 24, 2011

The Honorable Elijah E. Cummings
2235 Rayburn House Office Building
Washington DC 20515

RE: HOME Funds

Dear Rep. Cummings:

On behalf of the Maryland Affordable Housing Coalition, I am writing about the recent article in the Washington Post about HOME funds. The article failed to mention that over 1 million affordable housing units have been produced with HOME funds leveraged with private debt and equity.

Our coalition of over 65 non-profit and for-profit developers works diligently with local housing agencies who are recipients of the Department of Housing and Community Development administered funds. Quality and attractive low-income and special needs housing communities are difficult to finance and develop and HOME funds are critical to our members who are committed to doing the hard work resulting in the development of thousands of new and renovated affordable rental units in Maryland. In fact, in the last few years, affordable housing is still being built despite the economy and at a better rate than private-sector housing.

HOME funds are leveraged with other public and private funding, and there is stringent accountability and compliance throughout the development process and after the community is placed in-service. Annual HOME inspections by local housing agencies of the building, living units and resident records require that the managers and owners keep the facilities in good condition and serve the needs of the low-income population.

There always will be "bad boys" who don't play by the rules, and only 2.5% of 28,000 active developments have gone bad due to the economic downturn or other factors, but overall, HOME funds are used prudently by state and local housing agencies partnering with honest and devoted developers with missions to promote, preserve and produce quality affordable rental housing.

There is no doubt that HUD can do better and with Secretary Shaun Donovan and his excellent staff at the helm, we expect measurable improvements with HOME and other HUD programs in the coming years

Very truly yours,
Wallace L. Scruggs
President