May 24, 2011

The Honorable Tom Latham  
Subcommittee on Transportation, Housing and  
Urban Development, and Related Agencies  
2217 Rayburn HOB  
U.S. House of Representatives  
Washington, DC 20515

The Honorable John Olver  
Subcommittee on Transportation, Housing and  
Urban Development, and Related Agencies  
1111 Longworth HOB  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman and Ranking Member:

We are writing to you in support of the HOME Investment Partnerships program. We want to be sure Congress understands that the recent *Washington Post* article, “A Trail of Stalled or Abandoned HUD Projects,” seriously distorts HOME’s record by focusing on a very small percentage of HOME developments. The reality is that HOME has successfully and cost-effectively produced more than 1 million affordable homes for ownership and rental, as well as made additional homes affordable for tens of thousands of families with rental assistance.

HOME uniquely empowers states and localities to respond to the housing needs they judge most pressing, allowing them to serve the whole spectrum of need, from homeless to ownership to disaster recovery assistance, from urban to rural areas, and all low-income populations, including families with children, the elderly, and people with special needs. States and localities leverage HOME by generating almost four dollars of other public and private funding for every HOME dollar.

 Administrators of the HOME program must comply with federal regulations; meet expenditure deadlines; fulfill reporting requirements; and, in the event of non-compliance, return the funding to HUD. The *Post’s* portrayal of HOME as a “dysfunctional system” is just not supported by the facts.

In response to the *Post* article, HUD has analyzed a majority of the developments that appear to meet the *Post’s* criteria for delayed developments and found that many of them are not actually delayed. In fact, a number of these “delayed” units are not only complete, but families are calling them home.
The Post article also neglected to include in its discussion of delayed HOME developments the impact of the current housing and economic crisis, which has upended many planned developments, as well as some HOME ones. HUD found in its analysis that more than half of those that can correctly be identified as delayed are behind due to market conditions.

Beyond the inaccuracies discussed above, the Post failed to report the bigger picture. HOME has produced 381,883 rental units, assisted 428,373 homebuyers, completed 197,780 rehabilitations, and helped 242,768 tenants since 1992. All HOME funds must be used to help low-income families. More than 96 percent of families who receive HOME-funded tenant-based rental assistance and more than 80 percent of those in HOME-built rental units have incomes below 50 percent of area median income.

HOME funding is a vital piece in financing numerous affordable housing developments—many of which would not be able to go forward and many of which would not provide housing for low-income families without HOME assistance. HOME complements and supports many critical federal housing programs, including Section 202 housing for the elderly, rural housing programs, and the Low Income Housing Tax Credit, making development financing feasible and achieving deeper income targeting. It also enables for-profit and nonprofit developers to provide affordable housing in their communities.

Any report of misspent taxpayer dollars is disturbing and we fully support efforts to ensure all HOME funds are properly used. However, the isolated issues that were the focus of the Post article are not representative of either the administration or the outcome of HOME funds. We are proud of the impact that HOME has made in communities across the country.

We urge you to support the HOME program and help it to continue building on its solid legacy of producing decent, affordable homes.

Sincerely,

Consortium for Citizens With Disabilities Housing Task Force
Corporation for Supportive Housing
Council for Affordable and Rural Housing
Council of State Community Development Agencies
Enterprise Community Partners, Inc.
Habitat for Humanity International
Housing Assistance Council
Housing Partnership Network
Institute of Real Estate Management
LeadingAge (formerly AAHSA)
Local Initiatives Support Corporation
Mercy Housing
National Affordable Housing Management Association
National AIDS Housing Coalition
National Alliance of Community Economic Development Associations
National Alliance to End Homelessness
National Apartment Association
National Association for County Community and Economic Development
National Association of Affordable Housing Lenders
National Association of Counties
National Association of Home Builders
National Association of Housing and Redevelopment Officials
National Association of Local Housing Finance Agencies
National Association of REALTORS®
National Association of State and Local Equity Funds
National Association of State Mental Health Program Directors
National Community Development Association
National Council of State Housing Agencies
National Housing Conference
National Housing Trust
National Law Center on Homelessness & Poverty
National Leased Housing Association
National Low Income Housing Coalition
National Multi Housing Council
National NeighborWorks Association
Preservation of Affordable Housing, Inc.
Rebuilding Together
Stewards of Affordable Housing for the Future
The Community Builders, Inc.
U.S. Conference of Mayors
Volunteers of America