

***The Building Blocks Coalition
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February 13, 2008

The Honorable Deval Patrick
Governor's Office
State House
Boston, MA 02133

Dear Governor Patrick:

On behalf of the Building Blocks Coalition, we are contacting you regarding your proposed FY09 budget, House Two. The Building Blocks Coalition includes many of the statewide and regional groups working on affordable housing issues at the State House.

In light of very difficult revenue projections, we greatly appreciate that your budget makes significant investments in key affordable housing programs. We want to thank you for your outstanding commitment to revitalizing state public housing, which would see a \$13 million increase under your budget. House Two also proposes to provide \$5 million to the Division of Banks to help address the foreclosure crisis. The Coalition has been extremely concerned about this issue and appreciates the proposed investment.

The Massachusetts Rental Voucher Program (MRVP) would see a modest increase under House Two, but the Coalition is concerned that the increase will not be sufficient and could jeopardize the great progress your administration has made on MRVP. We were very pleased that DHCD moved aggressively to restore rents and efficiently administer new rental vouchers during this fiscal year. However, with 300 additional vouchers coming on the books in FY 2008 and the additional costs from utilities and rent restorations, we do not believe the Commonwealth will be able to extend the necessary vouchers to meet the needs of extremely low income residents at the proposed funding level for FY 2009.

We also commend you for proposing to fund the Homelessness Commission Report implementation at an initial level of \$10 million. However, without additional State Low Income Housing Tax Credits (which are depleted), increased investments in the capital budget for housing programs, and additional rental assistance vouchers, the Report's forward-looking approach will fall short in that there will be inadequate opportunities to house the homeless at a rate they can afford, even under the best circumstances. And without these additional investments in permanent housing that would be a viable alternative to shelters, we are concerned that the funding proposal for emergency shelters in House 2 may be less than will be necessary in FY09. Finally, we are also concerned that the Soft Second Program, one of your top priorities last year, will not be able to meet expected demand with the proposed funding level of \$5.25 million.

Once again, thank you for your commitment to affordable housing, investments in public housing and foreclosure prevention, and transparency and access in developing your priorities. We look forward to continuing to work with you to increase the affordability of stable housing for all of the Commonwealth's residents.

Sincerely,

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Citizens' Housing and Planning Assoc.

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Mass. Association of CDCs

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Joe Diamond
Mass. Association for Community Action

CC: Secretary Leslie Kirwan , Executive Office for Administration & Finance
Secretary Dan O'Connell, Executive Office of Housing and Economic Development
Undersecretary Tina Brooks, Department of Housing and Community Development