

Congress of the United States
Washington, DC 20515

March 9, 2023

The Honorable Thomas J. Vilsack
Secretary, U.S. Department of Agriculture
Jamie L. Whitten Building
1400 Independence Avenue SW
Washington, DC 20250

Dear Secretary Vilsack:

We write to convey our serious concerns over the increasing number of United States Department of Agriculture (USDA) Rural Development (RD) Section 515 housing units in Maine that are losing affordability protections.

Maine is experiencing a housing crisis, with an estimated shortage of 20,000-25,000 units for low-income residents. The Section 515 properties have critically-needed affordability protections, including income limits and rent prices set below market rate. We understand many of these properties were built many years ago and are reaching loan maturity. The sale of these properties is resulting in Mainers losing access to affordable housing.

We understand and appreciate that USDA RD is working to prioritize Section 515 properties for preservation. Unfortunately, two Section 515 properties in Maine, Whispering Pines and Jordan Courts II, may lose affordable units if they are transferred to private owners following section 515 loan accelerations. The sale of Whispering Pines may result in weaker affordability protections for 60 percent of the units. Similarly, there are 24 units in the Jordan Courts II complex that are also now at risk of losing affordability protections. We are concerned by recent reporting that RD has not communicated the sale of these properties to mission-driven housing groups committed to preserving affordability.

We respectfully ask that you examine regulatory codes that allow Section 515 properties to be sold to private developers through an accelerated sale, disadvantaging local housing authorities as potential buyers. Additionally, we request responses to the following questions by March 23, 2023:

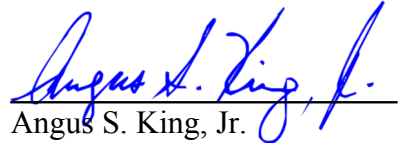
- How many RD properties in Maine are at risk of losing affordability protections during the next five years?
- Can RD change existing regulations to ensure that in the case of 515 loan acceleration, a property owner only may sell to a housing authority or affordable housing preservation nonprofit?
- If RD cannot change existing regulations, please provide rationale.

Preserving Section 515 options is vital for states like Maine where so many of our neighbors need safe, affordable housing. Thank you for your prompt responses to our concerns.

Sincerely,



Chellie Pingree
Member of Congress



Angus S. King, Jr.
United States Senator