

United States House of Representatives
Committee on Financial Services
Washington, D.C. 20515

June 23, 2017

Helen M. Albert
Acting Inspector General
Department of Housing and Urban Development
451 7th Street SW
Washington, D.C. 20410

Dear Ms. Albert:

We write to express serious concerns about President Trump's conflicts of interest with regard to at least one federally-subsidized, multifamily, affordable housing development. We, along with the Ranking Members of each of the Subcommittees within the House Financial Services Committee, wrote to you on November 22, 2016 expressing concerns that President Trump would be beginning his term with more potential conflicts of interest and less transparency about his personal finances than any president in recent history. Since then, the Trump Administration has done little to assure the American people that he is taking the necessary precautions to avoid the numerous potential conflicts of interest that could arise with regard to his businesses and financial holdings. Considering President Trump's extensive real estate holdings, conflicts of interest regarding Trump Organization properties that are overseen and regulated by the U.S. Department of Housing and Urban Development (HUD) were bound to arise. While we cannot know the full extent of such conflicts due to this Administration's consistent lack of transparency, what we do know based on information reported by the media raises serious concerns.

In particular, a recent Washington Post article indicated that President Trump has a four percent ownership stake in a multifamily affordable housing development that received \$491.7 million in federal subsidies to house more than 3,500 low-income households through HUD's Project-Based Rental Assistance (PBRA) program since May 2013, nearly \$38 million of which has been disbursed since President Trump took office in January.¹ The article also reveals that President Trump received at least \$5 million from his ownership stake in the development between January 2016 and April 15, 2017.² Further, the article indicates that these properties are in disrepair, receiving low scores in recent HUD inspections. We understand that President Trump's holding in the company that owns this complex has been placed in a revocable trust, and that he has not divested himself of the assets. This means that President Trump still has a clear interest in the funding level for the PBRA program, any policy changes to the program that could affect the company's management of the development or its profitability, as well as the results of any future HUD investigations into his properties while the Secretary of HUD serves at his pleasure, and can be dismissed at any point without cause.

In light of these clear conflicts of interest, we respectfully request answers to the following questions:

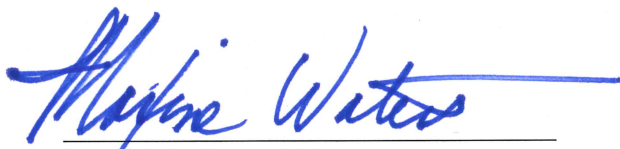
¹ Shawn Boburg, "Trump seeks sharp cuts to housing aid, except for program that brings him millions," the Washington Post, June 20, 2017.

² Id.

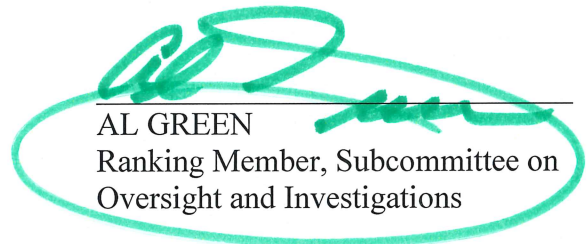
1. Has HUD sought or received guidance from the Office of Government Ethics regarding how to monitor and regulate HUD-assisted properties owned by President Trump or his family? If so, what did the guidance entail?
2. Please review, audit or evaluate what steps HUD has taken to address potential conflicts of interest stemming from President Trump or his family's real estate holdings. In particular, please specify whether or not relevant HUD staff are aware of all HUD-assisted properties in which President Trump or his family have an ownership stake.
3. Has the Inspector General received any complaints from HUD employees regarding concerns with raising conflicts of interest issues concerning properties held by President Trump or his family?
4. Has the Inspector General experienced an increase in the number of complaints regarding conflict of interest issues from the period of January 1, 2017 to May 31, 2017 compared to the period of January 1, 2016 to May 31, 2016? Please provide the number of such complaints received during each of these periods and a description of the nature of these complaints.
5. Has the Inspector General experienced an increase in the number of whistleblower allegations of ethics violations with regard to the administration of HUD programs from the period of January 1, 2017 to May 31, 2017 compared to the period of January 1, 2016 to May 31, 2016? Please provide the number of such allegations received during each of these periods and a description of the nature of such allegations.

We appreciate your consideration of this important issue, and we look forward to your response. Please do not hesitate to reach out to me or Kevin Burris and Esther Kahng with Ranking Member Waters' staff at 202-225-4247 with any questions about this letter.

Sincerely,



MAXINE WATERS
Ranking Member



AL GREEN
Ranking Member, Subcommittee on
Oversight and Investigations

cc: The Honorable Jeb Hensarling, Chairman
The Honorable Ann Wagner, Chair, Subcommittee on Oversight and Investigations