

The Circumstances of Trudy's Departure from CDA and the Investigation of Its Financial Advisor

By 1994, Trudy had served as Director of the State's housing finance agency (CDA) for 13 years under two Governors and seven cabinet secretaries. She established a record of making CDA one of the most outstanding and productive state housing finance agencies in the country. She served in that job longer than anyone before or since and was recognized in 1993 as Maryland's Outstanding State Administrator.

As the end of the Schaefer Administration approached in 1994, Trudy began to formulate plans to start the organization that has become Homes for America, a non-profit, affordable housing organization. Her plans were to resign in sufficient time to take the summer off, be with her terminally ill father, and start the business in the fall.

Beginning in late 1993 and into early 1994, Trudy had been having ongoing differences with the Secretary of the Department of Housing and Community Development (DHCD), of which CDA was a part, on how to reorganize various functions of the Department and how to use the long standing services of CDA's financial advisor, Mr. Thomas Caine. In May 1994, Trudy resigned after a meeting with the Secretary in which these issues came to a head and it was clear that they had major unresolved disagreements.

After Trudy's departure, the Secretary asked the Maryland Attorney General's office to investigate Mr. Caine to determine whether he had received double payment for some of his services from CDA and from the private, investment bankers. This was not an investigation of Trudy or any allegations of misconduct by her. The Attorney General's office investigated, with full cooperation from Trudy and the Mr. Caine, and determined that there was no problem and that the payments had been correctly made. In fact, Mr. Caine works for CDA today as its financial advisor. In addition, ever since Trudy left the department, Homes for America and CDA have had an excellent business relationship and CDA has financed numerous Homes for America communities. See also a June 8, 1994 Baltimore Sun article on Trudy's departure from CDA.