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June 12, 2024

The Honorable Brian Schatz, Chairman Committee on Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies United States Senate Washington, D.C. 20510 The Honorable Cindy Hyde-Smith, Ranking Member Committee on Appropriations
Subcommittee on Transportation, Housing and
Urban Development, and Related Agencies
United States Senate
Washington, D.C. 20510

Dear Chairman Schatz and Ranking Member Hyde-Smith:

Our respective organizations work with Congress every year on a range of our priorities, including protecting migrants and refugees, supporting the poor and vulnerable, and protecting the preborn. As you consider the Fiscal Year 2025 Transportation, Housing and Urban Development, and Related Agencies appropriations bill, we urge you to provide the highest level of funding possible for housing and community development programs serving families and individuals who are poor and vulnerable.

This nation is faced with a worsening affordable housing crisis. More renter households than ever before are cost-burdened, spending more than 30% of their income on housing, while cost burdens among homeowners are also growing. This leaves less room in family budgets for other necessities like food, healthcare, childcare, and transportation. This crisis is punctuated by the alarming rise in homelessness. More people than ever recorded in the Point-in-Time count experienced homelessness last year, a 12% rise from the year before. The supply of affordable housing fails to meet the need, especially among those with very low and extremely low incomes. Wages have failed to keep up with rising housing costs. Low-income people, including those receiving SSI, those living at the poverty line or just above it, and those earning minimum wage or close to it, simply cannot afford decent housing, especially if they have a family.

The Catholic Church, inclusive of all its ministries, is one of the largest private providers of housing services for the poor and vulnerable in the country. We serve as many as we can, yet we lack the resources to assist all our brothers and sisters in need. In 2022, Catholic Charities agencies provided housing services to over 170,000 people, homelessness services to over 600,000 people, housing counseling services to over 15,000 households, and disbursed \$243 million in emergency rental assistance. Despite these efforts, Catholic Charities agencies have over 70,000 households across the country on waiting lists for housing. In response to such widespread, unmet need, HUD programs need more resources, not less. As the Catholic bishops of the United States teach in their pastoral statement *Homelessness and Housing: A Human Tragedy, a Moral Challenge*, "Churches, community groups, the private sector, and state and local governments must all do more to meet our common responsibilities for housing. We must recognize the homeless person as part of the human family, as part of us. However, there is no substitute for an involved, competent, and committed federal government providing resources, leadership, and direction for a broad and flexible attack on homelessness and poor housing." ³

¹ Joint Center for Housing Studies of <u>Harvard University</u>, *The State of the Nation's Housing 2023*.

² U.S. Department of Housing and Urban Development, *The 2023 Annual Homeless Assessment Report*.

³ Catholic Bishops of the United States, *Homelessness and Housing: A Human Tragedy, A Moral Challenge*.

Current federal investments in housing programs do not meet the great need we see in our country. Only one in every four income-eligible households receives housing assistance.⁴ With the lingering effects of inflation, meaningful increases in the HUD budget are needed just to maintain housing for the same number of people currently served. Flat funding for housing and community development programs acts as a cut to vital services. Please provide robust funding for the following programs:

- Section 8 Housing Choice Vouchers, Project-Based Section 8 Rental Assistance, and the Public Housing Capital Fund and Operating Fund: These tenant- and project-based rental assistance programs provide a lifeline for low-income families in need of affordable housing. However, with the supply of affordable rental homes decreasing and demand for rental assistance continuing to rise, funding for these programs fails to keep pace with the need for affordable housing.
- Housing for the Elderly (Section 202) Program: Since its inception, "Section 202" programs have partnered with non-profit organizations, including faith-based organizations, to expand housing for low-income elderly families. Over this time, nearly 400,000 households have been served, but many more seniors are in need of this affordable, service-connected housing. Construction of new units has not kept pace with the rapid aging of the nation's population. New "Section 202" housing construction is essential.
- **HOME Investment Partnership Program:** The need for affordable housing is at an all-time high, and the HOME Investment Partnership Program is vital to mitigating the problem. This program tangibly changes the lives of the poor by building, buying, and rehabilitating affordable housing in blighted communities. Revitalizing buildings in poor communities serves as a catalyst for reducing crime and improving other social outcomes for poor citizens.
- **Homeless Assistance Grants:** The Continuum of Care Program and Emergency Solutions Grants continue to make important contributions to reducing homelessness, particularly chronic homelessness. These programs are effective but need to be scaled up to meet the need, especially as pandemic-era housing resources have wound down.
- Housing Counseling Assistance: As both the Great Recession and the COVID-19 pandemic demonstrated, income loss, rising medical costs, and unexpected expenses can suddenly jeopardize a family's or individual's housing. Housing counseling helps renters seeking more affordable and stable housing choices, supports those facing the risk of homelessness, advocates for homeowners facing foreclosure and default, and educates homebuyers to be aware of abusive lending practices so they have the knowledge necessary to make informed decisions. Increased support for counseling assistance can protect against future abuses in the housing market while helping families and individuals achieve the goal of homeownership.
- Community Development Block Grant Program: For many years, communities struggling to lift themselves out of poverty have turned to the CDBG for support in housing and economic development projects, including housing rehabilitation, blight removal, and infrastructure improvements. Economic development activities have created or supported over 563,000 jobs from FY2005 to FY2023. Protecting these programs is vital for development in low-income communities and allows state and local governments the flexibility to continue identifying the areas and projects that are best suited to produce results.

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⁴ Joint Center for Housing Studies of Harvard University, The State of the Nation's Housing 2023.

In addition to the above programs, increased support for the Section 4 Capacity Building for Community Development Block Grant, Housing Opportunities for Persons with AIDS (HOPWA), Supportive Housing for Persons with Disabilities (Section 811), Veterans Affairs Supported Housing (HUDVASH), and Tribal housing programs is necessary in order to continue to serve poor and vulnerable families across our country. Further, the freedom of faith-based shelters and other organizations should be protected in order to continue serving thousands of people in need at this time without violating their beliefs or compromising the safety of their clients.

We recognize there are many competing priorities as you move forward to enact final spending bills. The above programs, which satisfy the basic human right to shelter, should receive special attention. A just framework for future budgets cannot rely on disproportionate cuts in essential services to poor and other vulnerable persons. It requires shared sacrifice by all, including raising adequate revenues, eliminating unnecessary spending, and addressing the long-term costs of health insurance and retirement programs fairly.⁵

Robust investments in federal housing programs equip families and communities with the resources they need to thrive. Thank you for your consideration and for your support of people and families in need of stable housing.

Sincerely,

Most Rev. Borys Gudziak Archbishop of Ukrainian Catholic

Archeparchy of Philadelphia

+ Boys Hudziak

Chairman, Committee on Domestic Justice

and Human Development

United States Conference of Catholic Bishops

Kerry Alys Robinson
President & CEO
Catholic Charities USA

⁵ <u>USCCB, CCUSA, and CRS Letter to Congress on the Debt limit,</u> May 17, 2023.