





August 8, 2025

Dear Senator/Representative:

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 2026 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. These programs help people build better lives, and cuts to funding and programmatic changes, such as time limits, work requirements, consolidations, and shifts to block grants, would be detrimental to the stability of families and individuals.

Our nation is faced with a crisis in affordable housing that sees no sign of improvement. 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, an 18% rise from the year before and a 39% rise among people in families. 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. People with low incomes, 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, through 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 2023, the Society of St. Vincent de Paul mobilized \$60 million in emergency financial assistance to prevent evictions and keep people housed. Last year, the Catholic Charities network helped 297,000 people access stable and affordable housing and provided homeless-related services to over 800,000 individuals. This includes nearly 70,000 individuals served by Catholic Charities' permanent supportive housing, rapid rehousing, safe haven, emergency shelters, and transitional housing programs. Despite these efforts, Catholic Charities agencies have over 77,913 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 Harvard University, The State of the Nation's Housing 2024.

² U.S. Department of Housing and Urban Development, <u>The 2024 Annual Homeless Assessment Report.</u>

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 and the declining supply of low-rent housing units, 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. Flat funding for these programs is not sufficient to maintain housing and renew contracts for the households currently served. In addition, we are very concerned that funding for the Emergency Housing Voucher Program will run out in early 2026. This critical source of funding provides emergency rental assistance to individuals and families experiencing homelessness or at risk of homelessness.

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 our nation's population and the number of older adults experiencing homelessness is rising. 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. HOME provides critical gap financing, allowing LIHTC projects to serve very low-income and special populations such as 'chronically homeless persons,' who are typically served by Catholic Charities. Increasing the HOME program will augment the recently passed LIHTC enhancements, ensuring more housing options for very low-income households.

Homeless Assistance Grants: The Continuum of Care (CoC) Program and Emergency Solutions Grants continue to make important contributions to reducing homelessness, particularly chronic homelessness. The CoC provides the necessary funds for permanent housing, transitional housing, homelessness prevention, operation costs, resources for coordinated entry that connect people to housing, and the homeless management information system. These programs are effective but need to be scaled up to meet the growing need. Without this critical funding, 8,000 units of permanent supportive housing operated by Catholic Charities would be threatened, impacting more than 160,000 people across our country.

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

⁴ Joint Center for Housing Studies of Harvard University, The State of the Nation's Housing 2024.

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.

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 (HUD-VASH), 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 help uphold the basic human right to shelter, should receive special attention. 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

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