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HOUSING NEEDS IN THE AFTERMATH OF HURRICANE KATRINA

BEFORE THE UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON FINANCIAL SERVICES
SEPTEMBER 15, 2005

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Thank you, Mr. Chairman, for the opportunity to testify on behalf of Catholic Charities USA and its 1400 member agencies and institutions, which in a typical year serve well over seven million poor and vulnerable Americans of all religions and of no religion who are in need.

We are grateful to the Subcommittee for convening this hearing to focus on the unmet needs for emergency, transitional and permanent housing for communities suffering from the effects of hurricane Katrina. Your letter of invitation asked us to report on our efforts in the disaster area and elsewhere to assist with the immediate needs of Katrina survivors.

Roles of Catholic Charities USA

In 2003, the most recent year for which we have data, Catholic Charities agencies provided food assistance to 4.5 million people; social and mental health services to about 3 million people; and housing services to over half a million people. Now our agencies, which were struggling with waiting lists for essential services before the hurricane, are patching together emergency aid for millions of displaced and desperate people who have lost everything.

Catholic Charities USA has been commissioned by the U.S. Catholic Bishops to represent the Catholic community in times of domestic disaster through emergency and long-term assistance delivered by diocesan social services agencies across the country.

Nearly \$1 million in contributions has already been forwarded to the Catholic Charities agencies of New Orleans, Baton Rouge, Houma-Thibodaux and Shreveport, Louisiana; Jackson and Biloxi, Mississippi; Mobile and Robertsdale, Alabama; Galveston-Houston and Tyler, Texas; Atlanta, Georgia; Oklahoma City, Oklahoma; Chicago, Illinois; and the Miami Valley of Ohio. These initial grants are for temporary housing, food, clothing, and other basic necessities; crisis and grief counseling; and financial assistance.

Catholic Charities USA is consistently ranked among the highest and most efficient networks in the country. Based on our experiences with past disasters, about 96 percent of the donations will go directly for victims. We appreciate the generosity of our donors and are respectful of their wishes to provide direct aid to the victims.

Catholic Charities USA's disaster funds operate out of a special account that enables Catholic Charities USA to efficiently and effectively direct donations to where they are needed the most. None of the money donated for Katrina relief will be used for the regular expenses of CCUSA.

More grants are expected to go out in the days to come to those Catholic Charities agencies aiding evacuees throughout the country. As the long-term needs are determined, Catholic Charities USA will fund long-term projects to help evacuees. Over the coming weeks, months, and years our agencies will continue to provide whatever services are necessary to see our neighbors through this difficult time.

Following most previous natural disasters Catholic Charities agencies have served their communities through long-term assistance in redevelopment, housing, counseling, job placement and social services. The devastation post-Katrina and the lack of emergency aid from the designated first-responders in many areas has required

many of our agencies to take on new roles to keep people alive until FEMA, the Red Cross and other agencies arrive.

In particular, in many communities in Mississippi, no other agencies have appeared.

RESPONSE BY CATHOLIC CHARITIES AGENCIES IN MISSISSIPPI

The Seven Florida Catholic Charities Agencies, which have become very proficient in disaster response following the six Florida hurricanes in the past year, jumped into action. The seven dioceses and seven Catholic Charities offices in the state of Florida have adopted the two dioceses in the state of Mississippi-the Diocese of Biloxi and the Diocese of Jackson-to help provide ongoing disaster relief efforts. Staff and volunteers of Catholic Charities of the Archdiocese of Miami and Catholic Charities of the Dioceses of Venice and Pensacola and the Florida Catholic Conference have been onsite in Mississippi since Sept. 5. The Catholic Charities agencies in Florida are providing the technical assistance, staffing and infrastructure in the Biloxi Diocese for disaster relief efforts. The following work has taken place to date:

Diocese of Biloxi

- Assessments made of the devastated areas.
- Plans enacted to open Disaster Recovery Sites.
- Warehouses (parish properties) and equipment located.
- Ongoing coordination with Mississippi State Emergency Management System established.
- Over 5,000 food drop-offs to families have taken place in devastated areas of Biloxi and Gulfport.
- Ten Catholic parishes set up as distribution sites, receiving shipments of supplies for needy families. Those sites are in Biloxi, Gulfport, Columbia, Tylertown, Lucedale, Pascagoula, Wiggins, Delisle, Moss Point, and Hattiesburg.
- Organizing shipments of supplies being received from around the country.
- Coordinating recovery efforts with Catholic parishes.
- Planning to de-contaminate and re-open a warehouse to be the distribution site for long-term needs.

Diocese of Jackson

- Providing technical assistance to Catholic Charities, Diocese of Jackson.
- Assisting local Catholic Charities in coordinating relief efforts with Catholic parishes and other community and faith based groups, especially focusing on the 50,000+ displaced residents that are now in Jackson.
- Helping organize the State warehouse to receive supplies from around the country and routing them to needed areas throughout the state.

Last weekend, Candy Hill, CCUSA's Senior Vice President for Social Policy, was in Biloxi helping the diocesan disaster team go door to door in the most ravaged areas where there was no sign of FEMA. Working

out of the parish hall in St. Mary's Church in Woolmarket, just outside of Biloxi, the Catholic Charities workers distributed food, water and other supplies, but the commodity most in demand was bleach. Residents of storm-damaged houses stood beside huge piles of ruined furniture, clothing, and personal belongings that were covered in mud and reeking of a nauseating stench.

Local residents wanted more than anything else the means to start cleaning up their houses because there is nowhere else for them to go. Getting control of the filth, mold and mildew was their highest priority on Monday.

Snapshot of Other Local Catholic Charities at Work

Here is a look at just some of the local relief efforts.

- **Catholic Charities of New Orleans**, which was under 10 feet of water a week ago, is operating out of the offices of Catholic Community Services of Baton Rouge. It has begun to distribute 400,000 pounds of food daily in hurricane-affected areas through its Food for Families program, a USDA program and food supplies from America's Second Harvest affiliates across the country.

In addition, the New Orleans agency is providing care to New Orleans firemen and policemen. The agency has taken over operation of a medical and respite care center in Baton Rouge where responders who are working on the ground in New Orleans can get crisis and trauma counseling, medical attention, and other support services before returning to duty.

- **Catholic Community Services of Baton Rouge** has also set up a grief counseling line and staff members and volunteers from the New Orleans agency are providing counseling at the city's Louis Armstrong International Airport to those being evacuated. So far, more than \$109,000 in emergency aid has been distributed. Staff and volunteers are helping find transitional housing for evacuees in shelters and are providing rape crisis counselors for victims of sexual violence. The agency is distributing debit cards for gasoline for parish volunteers who are going into under-served rural areas.

In Baton Rouge, Father Larry Snyder, President of Catholic Charities USA, has been helping to organize relief efforts in the Gulf States for over a week. Pope Benedict XVI's envoy, Archbishop Cordes of the Pontifical Council Cor Unum, the Vatican's charity organization arrived in Baton Rouge on September 10 and joined Cardinal McCarrick of Washington, DC and other bishops to bring spiritual and material aid to victims and relief workers.

- **Catholic Social Services of Mobile** has been serving over 125 clients a day with food, clothing and assistance in obtaining identification. They report that in Bayou La Batre, a small fishing village, the community is completely devastated with nearly half of the homes completely destroyed and residents living in cars or make-shift shelters.
- **Catholic Charities of Memphis, Inc.** is working with other groups in the community to assist the thousands of people who have come to Memphis for refuge. The agency is providing shelter at one of its facilities for 110 evacuees in a former residential facility for girls. In addition to shelter, it is also providing clothing, food, and counseling services for approximately 100-150 people. St. Peter

Ministries, the community outreach division of Catholic Charities of Memphis, is coordinating the registration process for families who need shelter.

- **Catholic Charities of Galveston-Houston** has provided more than \$275,000 in funds and resources to more than 1,000 evacuee families.. For those in transit from the disaster area (i.e., traveling to stay with relatives, etc.), Catholic Charities provided one or two nights stay, often at a hotel and funds for food, gas, or transportation to their destination. They are also coordinating with the Red Cross to find longer-term shelter for those with no relatives to go to as well as providing food to these people.
- **Catholic Charities of San Antonio, TX**, has received more than 12,500 evacuees. They are now housed in four shelters. All are receiving basic services. The agency will now start the work of long-term needs as well. The agency is attempting to get set rates from the airlines for transportation for family reunification. FEMA planned to take over the shelters at the end of the week. When FEMA leaves, the agency will begin the process of addressing victims' long-term needs. The agency started an "adopt a family" program and has received hundreds of responses to house families. Catholic Charities has partnered with the Department of Community Initiatives to intake process the 12,500 evacuees who arrived. The agency also partnered with United Way and 211 to provide hundreds of volunteers of doctors, nurses, and others to help with the relief effort.
- **Catholic Charities of Washington, DC**. is working with the 140 parishes of the Archdiocese of Washington and others in the community to find property owners or real-estate agents who can donate vacant housing units.
- **Catholic Charities of Arkansas** has established a hurricane relief office and is asking that all parishes throughout the diocese appoint a volunteer or paid hurricane relief coordinator at the parish level. The agency will provide disaster relief, case management, and resettlement training to all parish relief coordinators so that direct services can provided at the parish level. The Catholic Charities hurricane relief office will be responsible for the overall coordination and support of parish efforts and the coordination of efforts with other relief agencies.
- With more than 30 years of immigration and refugee experience to draw on, **Catholic Charities of Orlando** is identifying and resettling evacuees. To date, at least 125 families identified by Catholic Charities and sister agencies are receiving help. The agency expects that the population will increase by thousands in the next few months.
- **Catholic Charities of Chicago, IL**, has reopened Solace Place, a residential facility on Chicago's South Side, and Maryville Academy in DesPlaines, with a combined capacity of 120 persons. In addition to housing families, Catholic Charities is providing crisis counseling, food and clothing to evacuees who are calling each day for assistance.
- **Catholic Community Service of Southern Arizona**. The Tucson agency is assisting the Red Cross and the Salvation Army to provide mass shelter support at the convention center. The Pima County agency will provide health and mental health, employment, and transportation aid. The agency will be sharing initial case management duties with Urban League and Travelers Aid. The goal is to move people within days after arriving. Nonprofit agencies and members of the faith community are being asked to donate household

items. The schools have agreed to serve all children. The bishop has visited the shelter and agreed to assist with after school program at the Cathedral campus across from the mass shelter.

- **Catholic Charities of San Diego, CA.** is working with the Red Cross to provide housing and other services to evacuees and to establish a community plan that includes non-profits, county government and city agencies.
- **Catholic Charities/CYO of San Francisco, CA** is working with the city of San Francisco, Red Cross and Salvation Army, setting up a shelter for 300 family members in the lower part of a cathedral for at least 60 days. The Department of Human Services is providing the 24 hour staffing. The agency will back them up on shelter issues and also handle case management, seniors, children, and anything else that might come up. The agency is collectively addressing the issues of transitional housing along with the local housing authority. The Department of Public Health will deal with mental health issues and Catholic Healthcare West, with two hospitals in the city, will provide screening and health care.
- **Catholic Social Services of Atlanta** is helping Hurricane Katrina evacuees by providing the following:
 - Immediate Assistance: CSS continues to assist over 100 individuals and households each day with basic food, clothing, grocery cards, gas cards, phone cards, and housing-related financial assistance. More than \$35,000 has been designated for direct relief assistance.
 - Referrals: CSS' strongest role is to help evacuees and their families connect with the various agencies that are providing services and assistance, including American Red Cross, FEMA, Department of Labor, Department of Education, Department of Family and Children Services, and the United Way.
 - Employment: Employment specialists have been mobilized to work with evacuees and their families to secure suitable employment to assist with stabilizing and supporting their families for the months to come.
 - Mental Health Services: Counselors at the Village of St. Joseph Counseling Program have been mobilized to provide "on-call" counseling services to evacuees as well as those individuals who are assisting them. In addition, counselors will be available to provide consultation to parishes to assist in addressing the mental health needs of the people in their care.
 - Spiritual Outreach: CSS recognizes that evacuees and their families have significant spiritual needs, in addition to the many other needs that they face. When asked, staff members pray with evacuees and their families and help them connect with churches of their choice.
- **Catholic Charities of Indianapolis, IN** has been working with the 800 evacuees in the city, taking the lead role in distributing donated funds and materials. A Crisis Office is now open at 1435 N. Illinois Street in Indianapolis. The agency is also working through Catholic Charities USA's Operation Home Away From Home.
- **Catholic Charities of Salina, KS,** is expecting 500 refugees. They will be housed in a recently vacated hospital building, the YWCA, and another shelter. The agency plans to work with the Red Cross to find more permanent housing and jobs.
- **Catholic Charities in Boston, MA** is working with the archdiocese to offer resources to both local and state relief efforts. Archbishop Seán O'Malley has committed to make some diocesan facilities available for

transitional housing when evacuees leave Camp Edwards and/or when evacuees come to Massachusetts through other channels. Catholic Charities in Boston has offered professional counseling and case management services to those at Camp Edwards. It will provide professional skills and services as requested by the dioceses directly affected by the hurricane in Louisiana, Mississippi, and Alabama.

- **Catholic Charities of Lansing, MI** The governor has asked the agency to play a lead role welcoming the first wave of 150 evacuees, and the agency is working with parishes, agencies, hospitals, and others to develop a list of resources that can be made available for the relief effort. These include lists of housing opportunities, job training and placement, health care services, emergency services, counseling, etc. The agency is also working with Catholic schools to assure enrollment opportunities are available
- **Catholic Charities of St. Louis** Evacuees have found and continue to find their way to Catholic Charities and its two primary agencies for people with housing needs - Catholic Charities Housing Resource Center and St. Patrick Center. These two agencies are housing nearly 200 people in motels and are in the process of transitioning them to more permanent housing, employment, and are addressing medical and mental health issues.

Evacuees first register with the Red Cross to start them on the path to assistance as well as connecting them to FEMA. The Red Cross also refers them Catholic Charities' Partnership Center. The Housing Resource Center assists the newly arrived find temporary housing (primarily motels) and provides some direct assistance to prepare them for more permanent housing.

St. Patrick Center has created a database of apartments/houses that are available and overseeing inspections of the units for safety and suitability. It has also prepared volunteer families and churches for a program Catholic Charities has called "Adopt A Family," whereby individuals and groups can adopt people who are being moved into apartments and provide for their physical needs (furniture, clothing, food, etc.). The agency already has several hundred Adopt A Family volunteers.

The agency is also using existing employment programs to assist these incoming people with job needs.

In addition to the individuals making their way to St. Louis on their own, there is an effort to bring people in larger groups to St. Louis in an organized manner by flying them into Lambert Field where a temporary shelter has been created in a hanger at Boeing. The Red Cross is staffing that hanger and will process people as they arrive, assist them to medical help if necessary, and prepare them for temporary housing. Their plan is that within a few days of arrival they will be placed in area motels with vouchers good for two weeks and connected to the Catholic Charities Housing Resource Center for movement into permanent housing as described above.

- **Catholic Charities Kansas City, MO** is working with the City of Kansas City, Red Cross, Salvation Army, HUD and many other organizations. The city has seen about 400 persons from the hurricane area, mainly those persons who fled the area and came here to stay with family members. The Red Cross has set up an initial shelter and is processing them along with meeting their initial needs. The group is working on 250 permanent housing units. The school districts as well as Catholic schools are enrolling students. Job placement, counseling, and other services are being set up. The city will probably receive some of the 4,000 persons sent to St. Louis.
- **Catholic Charities of Central New Mexico** has purchased beds and linens for over 100 evacuees who arrived in the community and helped them move into apartments found for them by the City of Albuquerque. The staff is working closely with the African American Ministerial Alliance, to deliver food

boxes collected by the local food bank. Catholic Charities opened a warehouse and is collecting furniture and household goods from parishes and the general public. Agency staff will assist the Red Cross with follow-up case management and counseling, job placement and housing assistance, including for secondary arrivals.

- **Catholic Charities of Youngstown, OH**, has raised over \$60,000 to date for immediate and long-term recovery efforts. Catholic Charities is also participating with the national Catholic Charities USA "Home Away from Home" project to help respond to the possible relocation needs of those families/persons displaced by the hurricane.
- **Catholic Charities of Oklahoma City, OK**, is participating in coordinated community effort to ensure that the needs of affected victims are met. Catholic Charities is providing case management services for long term recovery to anyone affected by Hurricane Katrina. This includes helping people relocate, establish a new home, navigate the system of applying for benefit, job search, financial assistance, etc. The agency has placed a case manager at Victory Center in OKC to assist with the 150 individuals being provided food, clothing, and shelter from that location.
- **Catholic Charities of Portland, OR**, is working with the Red Cross and a network of faith-based agencies in the effort to respond. Agency staff has received numerous calls from people wanting to help, including those offering to take people into their homes.
- **Catholic Charities of Charleston, SC** reports that 600 evacuees are being housed in Greenville, SC. The agency's regional coordinator, who is a Marriage and family therapist, is providing counseling and support to those in the shelter. Staff is compiling a database of families willing to "adopt" evacuee families, donations of comfort kits with toiletries etc., and case management services. The agency's client advocate from its Greenville office is also working with families, helping to find them housing and household goods. Staff is working closely with BonSecours St. Francis Hospital in Greenville, which is prepared to offer host homes to medical personnel coming in from other St. Francis hospitals in their network. In the PeeDee region of South Carolina, the office reports a large number of people who had evacuated on their own. They are now coming in for help with groceries, finding relatives, and household goods and baby needs. Housing is not a problem as there is a large supply of hotel rooms and vacation rentals now that it is off-season in Myrtle Beach. The staff is finding that mental health issues are foremost. Emotional support is needed; the evacuees want to connect with and talk with each other.
- **Catholic Family Service of Amarillo, TX**, has received more than 125 persons from New Orleans into the Red Cross-operated mass shelter on Sunday and does not expect anymore. After working with Red Cross registration, agency personnel began organizing housing and other services for those in mass care who want to stay in Amarillo long term. Cooperation among City, Red Cross and Faith Based disaster responders has been excellent.
- **Catholic Charities of Central Texas, TX** has opened a disaster response program office in the Bishop's Hall of St. Mary's Cathedral.
- **Catholic Charities Fort Worth, TX**, is leading the VOAD (Volunteer Organizations Active in Disaster) in Tarrant County; is organizing volunteers to help the victims of Hurricane Katrina; and formulating a long-term plan on how to assist these families to find jobs, housing, and financial assistance. The agency is also providing mental health workers, collecting cash donations to assist in long term efforts, and in-kind donations of baby items, toiletries, gift cards for clothing, and new bedding.

- **Catholic Charities of the Diocese of Albany, NY** is sending teams of caseworkers to assist Catholic Charities in Baton Rouge with counseling and direct services to evacuees.
- **Catholic Charities of Arlington, VA**, has a list of host families and shelters to take in families that come to Northern Virginia.
- **Commonwealth Catholic Charities of Richmond, VA** is the central intake agency for the homeless in Richmond, and some evacuees have been placed.
- **Catholic Charities of West Virginia** has accepted 500 individuals from New Orleans and the governor has indicated his desire to accept up to 3,000 people.
- **Catholic Charities of Spokane, WA**, has identified and assessed the suitability of temporary housing options and will provide periodic review and support services through its 15 programs throughout eastern Washington. Families or individuals interested in offering temporary housing are asked to contact their parish priest. The agency is also working with Catholic Charities USA to loan several staff counselors and case managers to areas in need.
- **Catholic Charities of La Crosse, WI**, will identify and screen available housing, assist in placing families in appropriate housing, and provide services to the evacuees as needed. Catholic Charities will work in partnership with the Red Cross and the Salvation Army in meeting the immediate material and psychological needs of evacuees who relocate to the diocese. In that regard, the agency will utilize its emergency services and resettlement staff in its Eau Claire, La Crosse, Stevens Point and Wausau locations to provide case management and emergency assistance.

Each evacuee family relocated to the areas will be immediately provided \$50 gift cards for food, clothing and gas. The agency's resettlement staff will meet with each evacuee family to determine their basic needs and assess whether any further assistance or linkages to school, public health, W-2, Income Maintenance, public housing or other community resources are necessary. Mental Health professionals in each office will be available to meet with evacuees to allow them a chance to debrief from their experiences of trauma and to provide solace for their grief. Other services will be provided as necessary.

Far more is being accomplished that we can report today. Many of our agencies, especially in the Gulf Coast, despite damage to their facilities and the loss of and damage to the homes of staff and volunteers, are getting the work done and will tell us about it later. They have their priorities straight.

OPERATION HOME AWAY FROM HOME

Catholic Charities USA is coordinating an emergency housing effort that connects Catholic Charities agencies in the Gulf Coast with other member agencies that identify and screen available accommodations in host cities. Individuals, parishes, and landlords that are willing and able to provide safe and appropriate temporary housing for evacuees will be matched with evacuees who want to escape shelter conditions and are willing to leave the Gulf Coast area. More than 200 offers of housing have already been received through this network. Member agencies are finding available nursing home beds for ill and disabled elderly survivors in shelters.

OBSERVATIONS:

- The mental health needs of evacuees as well as people still in devastated communities need immediate and long-term attention. While Catholic Charities agencies and others are working night and day to provide crisis counseling, professional therapy and prescription drugs will be necessary for many victims for a long time.
- Imagine that you had to sit and watch your mother, grandfather, or child die in this disaster. Imagine that for weeks you have had no information on missing family members that you fear are dead. Imagine that you spent days feeling abandoned by your nation.
- Imagine that for days you were helpless when the authorities could not protect children and adults when they were attacked, raped, and even killed just a few feet away.

Moreover, many of those who survived in place and evacuees had pre-existing mental health problems, and now they are separated from their treatment programs and without the prescription drugs needed for stability.

Living in open shelters with thousands of strangers without privacy or quiet robs even the healthiest people of their God-given human dignity. Relief workers recognize that emergency and transitional housing facilities that can afford privacy and independence are essential to restoring dignity, hope, and stability.

Typically, FEMA has offered only short-term counseling. The experience in Oklahoma City and New York showed that longer-term treatment must be provided, especially for children and first responders. Housing is key to the success of every other service.

- Getting evacuees out of sports arenas and mass shelters is critical. While evacuees are grateful to have a roof over their heads, mass shelters are dangerous and demoralizing places, especially for families with children, senior citizens and people with disabilities.
- In communities like Baton Rouge and the Gulf coasts of Mississippi and Alabama where the housing stock has been destroyed or is inhabitable, trailers and manufactured housing should be delivered. In most areas, no FEMA emergency housing has yet appeared. According to FEMA, hundreds of thousands of trailers have been purchased or will be with some of the funding appropriated last week, but in many of the hardest-hit areas, there is no emergency housing of any kind.
- While such housing is immensely preferable to the shelters and sports arenas, it is no substitute for rapid reconstruction of the communities that have been physically, but not spiritually, destroyed.
- Many relief workers in Louisiana have been alarmed by reports of FEMA plans to create huge concentrations of trailers. The dangers of such an approach should be obvious to all that have observed the crime, despair, and deterioration of the human spirit that resulted in dense concentrations of tenants in public housing.
- Most evacuees want to be housed as close to their pre-Katrina communities as possible, but they are agreeing to be sent thousands of miles away to get out of shelters and off the streets where there are no shelters.

- The kindness and generosity of Americans who have accepted evacuated family members, friends and even strangers into their homes must not be abused by the federal government. Imagine that you have had a dozen or more people camped out in your home or apartment for over a week. Imagine that you have missed work, given up your privacy, shared your food, spent money on clothing, gasoline, medicine, and other essentials for getting your guests back on their feet. Imagine the stress of overcrowding and living with traumatized people who have lost everything.

The burden must be shared by all Americans through adequate government responses, not just by the brave, resourceful and generous. Congress must ensure that the federal government gets appropriate housing and services in place before this overwhelming hospitality is exhausted.

HOUSING RECOMMENDATIONS

1. Emergency Housing

The Committee should instruct FEMA to reach out to faith- and community-based groups as well as other property owners in the disaster areas that may have property suitable for installation of small numbers of temporary housing, such as trailers, to house survivors. A high concentration of evacuees who are at least temporarily unemployed and have lost everything is a recipe for another disaster.

2. Redevelopment Planning

In the most devastated communities, residents and aid workers fear that neighborhoods will be bulldozed for development of housing that locals will not be able to afford. There are already reports of plans to relocate casinos to formerly low- and moderate-income residential neighborhoods.

The federal government must take steps to ensure that production of mixed-use housing is funded as soon as environmental cleanup makes the area suitable for rebuilding. Many of the areas where our agencies are working were near industrial sites where flooding spilled toxic chemicals into residential neighborhoods.

Federal redevelopment and reconstruction assistance contracts should be conditioned on efforts to hire workers displaced or unemployed by the disaster. The fastest way to rebuild communities is to provide jobs at a living wage.

Congress should also insist that residents, including low-income residents, of devastated areas be included in redevelopment planning. Based on prior experience, federal requirements for community involvement are essential.

3. Section 8 Rental Assistance

Supplemental funding is needed for current voucher holders to support the rental, relocation and administrative costs for displaced families that already had Section 8 vouchers. (HUD has already released portability rules, but the additional money could fill the gaps due to relocation of tenants.)

Section 8 vouchers have many advantages. They are simple to administer and their portability will allow evacuees to move to areas with both available housing and jobs until they are able to return to their original communities.

In communities with some available affordable housing but long waiting lists for Section 8 and public housing, emergency section 8 vouchers are needed.

Landlords who were never before willing to accept Section 8 vouchers are offering apartments for Katrina survivors. Catholic Charities agencies and others are providing a month's rent in many cases, but private agencies do not have the ability to pay rents for the hundreds of thousands of families and individuals who will need housing for months, if not years. The Committee should ensure that HUD has the necessary temporary authority to waive requirements for apartment inspections and income verification so that these opportunities can be seized.

Some of the emergency Section 8 vouchers should be allocated as project-based vouchers to sites that are accepting evacuees.

Moreover, the usual requirements for a one-year's lease, the voucher payment standard ceilings, and minimum rents should be waived for housing for disaster victims for at least one year.

The demand for affordable housing in areas that have accepted evacuees have inflated rents overnight. Consequently, the Fair Market Rents in those areas should be increased for Section 8 certificates to be at all useful.

"Enhanced" vouchers should be authorized for placement of elderly evacuees with health problems in assisted living facilities when other appropriate housing is not available. Getting seniors out of shelters is a matter of life and death.

Owners and managers of Section 8 project-based buildings need guidance on help for displaced residents.

4. Rehab and Replacement of HUD-Assisted Housing

There was already a shortage of affordable housing for low and moderate income people in many of the disaster areas. Much of the HUD-assisted housing has been damaged or destroyed. Even many of the structures that can be rehabilitated are inhabitable now. Funding should be authorized for rehabilitation and rebuilding of assisted housing programs:

- 202 housing for low income elderly and disabled tenants
- 811 programs
- Sheltered housing and shelter plus care
- Permanent housing for homeless veterans

Emergency capital repair funds are needed to get assisted housing back “on-line” quickly in those areas not needing massive environmental cleanup.

5. Family Housing

There is no program for direct federal subsidies for production of affordable rental housing for extremely low-income families with children. The Low Income House Tax Credit and CDBG are effective in stimulating the production of much affordable housing, but they have not resulted in sufficient housing for the lowest income families.

Catholic Charities USA has developed a draft bill for a new program, modeled on the very successful Section 202 housing for the elderly program. Such a program would provide housing to non-profit developers to build and manage scatter-site, low-rise apartments with built-in social services and recreation areas where children can be safe supervised and helped with homework. Catholic Charities agencies and other non-profits with 202 experience would ensure that the new housing would be a good investment for the federal government and assets to local communities. A summary and draft legislative language for such a new program are appended to this testimony.

6. Emergency Food and Shelter Program

The Committee should authorize a tripling of the Emergency Food and Shelter Program, which is under the jurisdiction of FEMA but administered by a national board composed of representatives of national faith-based and community-based organizations, with United Way of America as fiscal agent. It is clear that FEMA is not reaching many of the hardest-hit communities at all, but the Salvation Army, Catholic Charities agencies, and other EFSP groups are already there and ready to provide temporary housing, water, food, clothing, and other aid.

The fastest way to get immediate help to those communities is through the EFSP program. The Committee should authorize FEMA to waive the usual planning and allocation procedures to allow the EFSP and UWA get the funding out immediately. While the President may have the authority to make the decision to use part of the already appropriated FEMA for the EFSP program, he has not yet done so. In addition, the usual restrictions on the use of funds should be waived to allow maximum flexibility to purchase and distribute cleaning supplies and other essentials not usually eligible under EFSP.

7. Housing and Emergency Aid for Immigrants

Even most legal immigrants are barred from nearly all federal assistance for their first five to ten years in the U.S. The individual and organizational sponsors are expected to help immigrants find jobs, housing, medical care and social services. However, now those sponsoring individuals and organizations in the devastated areas have been wiped out themselves or have taken in other family and friends who have lost everything.

Most recent immigrants have little savings, and many in devastated areas still don't have access to their accounts because of damage to financial institutions.

Immigrants, like their neighbors, fled without documents to prove their identities or immigration status. Like their native-born neighbors, they can't provide birth certificates or the other usual verification necessary for housing assistance.

Like their neighbors, the newcomers have lost jobs, housing, and possessions. Like their neighbors, they want to rebuild their lives. What ever your views on government aid to non-citizens, we ask you to set them aside now and act with compassion and justice to ensure that federal aid programs do not discriminate against these vulnerable newcomers who want nothing more than to become good Americans.

CONCLUSION

Catholic Charities USA and its member agencies have been thrilled by the kindness and generosity of Americans and people throughout the world who are making enormous sacrifices to reach out with their time and treasure to aid Katrina survivors.

Many of the survivors themselves have rallied to help their neighbors, volunteering to go door to door to find the injured and traumatized and to distribute emergency assistance. Many who are themselves homeless have volunteered to help in the shelters and to comfort others who have suffered even more.

The U.S. Congress and this Committee must act quickly now to honor the survivors and the responders by authorizing and appropriating the necessary funding for the housing and other services that are necessary for people to participate in rebuilding their communities or adapting to new ones.

Thank you for this opportunity to tell you about what Catholic Charities agencies are doing throughout the country and what we believe, from their experience on the ground, will need to be the minimum done by the Congress to relieve the on-going suffering of millions.

ATTACHMENTS TO TESTIMONY OF SHARON DALY
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HOUSING NEEDS IN THE AFTERMATH OF HURRICANE KATRINA

BEFORE THE UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON FINANCIAL SERVICES
SEPTEMBER 15, 2005

1. Housing Opportunities for Working Families (HOWF): Legislative Proposal for Demonstration Program (draft)
2. Legislative Proposal (draft)

HOUSING OPPORTUNITIES FOR WORKING FAMILIES (HOWF): Legislative Proposal For Demonstration Program

Hurricane Katrina has exacerbated the severe shortage of affordable housing for low-income families. Congressional action to increase the production of safe and affordable housing and provide long-term solutions for these families is critical.

Background Before Hurricane Katrina: The Severe Need for Affordable Housing for Low-Income Families with Children

- 2.5 million very-low-income families with children pay over 50% of their income for housing, and an additional 1 million families with very low incomes pay 30-50% of their income for housing.¹
- The need for affordable housing far outstrips supply: For very-low-income households, there is a shortfall of 2 million units of affordable housing.²
- Families with children are the fastest-growing subpopulation of homeless persons, and the shortage of affordable housing is a major cause of this trend. According to a recent survey of 25 major cities, 41 percent of the homeless population are families with children, up from 32% in 1992.³ Evidence suggests that families with children make up an even greater proportion of the homeless in rural areas.
- Unstable housing and homelessness impair the healthy development of children. A growing number of studies show, for example, that homeless children have higher rates of acute and chronic health problems, are more likely to suffer developmental delays and behavioral difficulties, and are more likely to be homeless as adults.⁴
- Decent, affordable housing, quality childcare and health care, and other family support services can play an important role in helping low-income families to achieve economic stability and self-sufficiency.⁵

Legislative Proposal: Housing Opportunities for Working Families (HOWF)

Purpose of the Legislation: Housing Opportunities for Working Families (HOWF) will expand the production of affordable housing for low-income working families, especially families with children. Housing produced under HOWF will be integrated with essential support services to promote family well-being, stability, and self-sufficiency. As a demonstration program, the purpose of HOWF is to establish (1) HUD's ability to meet the specific affordable housing needs of low-income, working families; and (2) the ability of private non-profit organizations to develop and manage permanent affordable rental housing for working families.

Authority and Forms of Assistance: HUD would be authorized and directed to allocate grant assistance in the form of capital advances and project rental assistance contracts to private non-profit organizations for the purpose of building affordable rental housing for low-income families.

Eligible Activities: The acquisition of land and the construction, conversion, or rehabilitation of housing would be eligible for grant assistance.

¹ Harvard University Joint Center for Housing Studies, *The State of the Nation's Housing, 2003*, p. 40. The cited numbers are for households with incomes in the lowest quintile.

² *ibid*, p. 29.

³ U.S. Conference of Mayors, *A Status Report on Hunger and Homelessness in America's Cities, 2002*, p. 120.

⁴ References, and a brief summary of the research can be found in M. Burt, L.Y. Aron, and E. Lee, *Helping America's Homelessness* (Urban Institute, 2001), p. 137f.

⁵ See, for example, H. Boushey, *Staying Employed After Welfare* (Economic Policy Institute, 2002), and B. Sard and M. Waller, *Housing Strategies to Strengthen Welfare Policy and Support Working Families* (Brookings Institution, 2002).

Selection Criteria: Grantees would be selected according to criteria that ensure that HOWF projects are developed efficiently, managed effectively, and meet the needs of low-income families. Selection criteria would include:

- **Housing design:** The design of proposed housing should meet the needs of low-income working families with children, and accommodate the provision of supportive services for these families. Low-density designs that integrate housing with supportive services and community resources would be preferred.
- **Grantee's experience and expertise:** Grantees should have demonstrated expertise in developing and operating affordable rental housing, and the ability to provide or arrange for supportive services for tenant families, such as childcare, after-school youth programs, employment assistance and counseling, job training and skill development, and outpatient health care.
- **Regional need for affordable housing:** The region in which the proposed housing would be located should have a significant unmet need for affordable housing for low-income families.

Tenant Preferences: Grantees would be required to give preference to tenants who are pregnant women or families with children. In addition, grantees would be obligated to meet the following tenant occupancy targets:

- One third of units must be occupied by extremely low-income working families (i.e., families with incomes below 30 percent of area median income)
- An additional one third of units must be occupied by very low-income working families (with incomes below 50 percent of area median income)
- The remaining one third of units must be occupied by working families with incomes below 125 percent of area median income.

For more information, please contact Candy Hill at Catholic Charities USA, (703) 549-1390 ext. 131, chill@CatholicCharitiesUSA.org.

Sec. ____

The Housing Act of 1959 is amended to add new section 202A as follows:

Section 202A. Demonstration Program: Housing Opportunities for Working Families (HOWF)

(a) Purpose. The purpose of the program under this section is to demonstrate the ability of: (1) the Department of Housing and Urban Development to meet the specific needs of low income working families where at least one parent is working but whose family income is insufficient to allow the family to find affordable rental housing in their communities; and (2) applicants to provide permanent affordable rental housing to such families.

(b) Authority. The Secretary of Housing and Urban Development is authorized and directed to provide assistance to private non-profit organizations to demonstrate the desirability and feasibility of providing housing opportunities for low income working families. Such assistance shall be provided as (1) capital advances in accordance with subsection (c)(1) of this section, and (2) contracts for project rental assistance in accordance with subsection (c)(2) of this section. The Secretary shall approve no fewer than five and no more than ten such applications for such assistance. Such assistance may be used to finance the construction, reconstruction, or moderate or substantial rehabilitation of a structure or a portion of a structure, or the acquisition of a structure to be used as housing for low income working families in accordance with this section.

(c) Forms of Assistance.

(1) Capital advances. A capital advance provided under this section shall bear no interest and its repayment shall not be required so long as the housing remains available for low income working families. Such advance shall be in an amount calculated with the development cost limitations established in subsection (h) of this section.

(2) Project rental assistance. Contracts for project rental assistance shall obligate the Secretary to make monthly payments to cover any part of the costs attributed to units occupied (or, as approved by the Secretary, held for occupancy) by such families that is not met from project income. The annual contract amount for any project shall not exceed the sum of the initial annual project rentals for all units so occupied and any initial utility allowances for such units, as approved by the Secretary. Any contract amounts not used by a project in any year shall remain available to the project until the expiration of the contract. The Secretary shall adjust the annual contract amount if the sum of the project income and the amount of assistance payments available under this paragraph are inadequate to provide for reasonable project costs.

(3) Tenant rent contribution. A family shall pay as rent for a dwelling unit assisted under this section the highest of the following amounts, rounded to the nearest dollar: (A) 30 percent of the family's adjusted monthly income; (B) 10 percent of the family's monthly income; or (C) if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the person's housing costs, the portion of such payments which is so designated.

(d) Term of commitment

(1) Use limitations. All units in housing assisted under this section shall be made available for occupancy by low income working families for not less than forty years.

(2) Contract terms. The initial term of a contract entered into under subsection (c)(2) of this section shall be 240 months. The Secretary shall, to the extent approved in appropriation Acts, extend any expiring contract for a period of not less than sixty months. In order to facilitate the orderly extension of expiring contracts, the Secretary is authorized to make commitments to extend expiring contracts during the year prior to the date of expiration.

(e) Applications. Funds made available under this section shall be allocated by the Secretary among approvable applications submitted by private non-profit organizations. Applications for assistance under this section shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish. Such applications shall contain:

- (1) a description of the proposed housing;
- (2) a description of the assistance the applicant seeks under this section;
- (3) a description of the resources that are expected to be made available in compliance with subsection (h) of this section;
- (4) a description of (A) the category or categories of working families the housing is intended to serve; (B) the supportive services to be provided to the families occupying such housing; (C) the manner in which such services will be provided to such families, including evidence of such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of such services; and (D) the public or private sources of assistance that can reasonably be expected to fund or provide such services;
- (5) a five-year operating budget for the project; and
- (6) such other information or certifications that the Secretary determines to be necessary or appropriate to achieve the purposes of this section.

The Secretary shall not reject an application on technical grounds without giving notice of that rejection and the basis therefor to the applicant and affording the applicant an opportunity to respond.

(f) Selection Criteria. In reviewing applications for projects under this section, the Secretary shall establish selection criteria for assistance under this section, which shall include:

- (1) the ability of the applicant to develop and operate the proposed housing, as illustrated by the experience of the applicant in developing and providing (A) housing and services under the Section 202 supportive housing for the elderly [12 U.S.C.A. § 1701q], (B) multifamily housing, or (C) any other federal housing development program;
- (2) the need for housing opportunities for low income families in the area the project will serve, taking into consideration the availability of affordable, safe and sanitary rental housing for such families in the area; the waiting list for Section 8 vouchers; and the extent to which Section 8 vouchers are effective at getting voucher recipients into affordable housing in the proposed area to be served;
- (3) the extent to which the proposed size and unit mix of the housing will:
 - (A) enable the applicant to manage and operate the housing efficiently;
 - (B) ensure that the applicant provides supportive services in an economical fashion;
 - (C) subject to subsection (i), provide units for families not otherwise qualified as “extremely low income working families” or “very low income working families” under subsection (k) in order to achieve mixed income in the project; and

(4) the extent to which the proposed design of the housing, including any related facilities, will meet the special needs of low income working families;

(5) the extent to which the proposed design of the housing will accommodate the provision of supportive services that the applicant expects the project's residents to need, either initially or over the useful life of the housing, by the category or categories of families the housing is intended to serve;

(6) the extent to which the applicant has demonstrated that it will provide supportive services such as those identified in subsection (g) of this section on a consistent, long-term basis as needed by the families residing in the project; and

(7) such other factors as the Secretary determines to be appropriate to ensure that funds made available under this section are used effectively.

(g) Provision of services.

(1) In general. In carrying out the provisions of this section, the Secretary shall ensure that housing assisted under this section provides a range of services tailored to the needs of the families occupying such housing. Such services may include: (A) child care services; (B) after-school youth development programs; (C) adult education programs; (D) employment assistance and counseling programs; (E) computer and other technical skills training; (F) outpatient health services; (G) nutrition counseling; (H) housing counseling and/or preparation for home ownership; (I) assistance in obtaining other Federal, State, and local assistance available for such residents (including but not limited to physical and/or mental health benefits, nutrition programs, employment counseling, and medical assistance); (J) comprehensive social work services including case management and counseling; and (K) other such appropriate services as determined by the Secretary. The Secretary may permit the provision of services to low income persons who are not residents if the participation of such persons will not adversely affect the cost-effectiveness or operation of the program or add significantly to the need for assistance under this chapter.

(2) Local coordination of services. The Secretary shall ensure that the owners have the managerial capacity to: (A) assess on an ongoing basis the service needs of residents; (B) coordinate the provision of supportive services and tailor such services to the individual needs of residents; and (C) on a continuous basis, seek new sources of assistance to ensure the long term provision of supportive services.

(h) Development cost limitations.

(1) In general. The Secretary shall periodically establish development cost limitations by market area for various types and sizes of housing for low income working families. The cost limitations shall reflect:

(A) the cost of construction, reconstruction, or rehabilitation of housing for such families that meets federal requirements under the American with Disabilities Act [42 USC 12101 et seq.], applicable State and local housing and building codes, and any special neighborhood development standards;

(B) the cost of movables necessary to the basic operation of the housing, as determined by the Secretary;

(C) the cost of special design features necessary to make the project and/or individual dwelling units meet the needs of such families;

(D) the cost of community space and other space necessary to accommodate the provision of supportive services to project residents;

(E) if the housing is newly constructed, the cost of meeting the energy efficiency standards promulgated by the Secretary in accordance with section 12709 of Title 42; and

(F) the cost of land, including ground leases and necessary site improvements.

In establishing development cost limitations for a given market area under this subsection, the Secretary shall use data that reflect currently prevailing costs of construction, reconstruction, or rehabilitation, and land acquisition in the area. For purposes of this paragraph, the term “community space” shall include space for community rooms or buildings, child care centers, computer labs, indoor or outdoor recreation/play areas, outpatient health facilities, or other facilities necessary for the provision of supportive services under subsection (g). Neither this section nor any other provision of law may be construed as prohibiting or preventing the location and operation, in a project assisted under this section, of commercial facilities for the benefit of the residents of the project and the community in which the project is located, except that assistance made available under this section may not be used to subsidize any commercial facility.

(2) Acquisition. In the case of existing housing and related facilities to be acquired, the cost limitations shall include:

(A) the cost of acquiring such housing,

(B) the cost of rehabilitation, alteration, conversion, or improvement, including the moderate rehabilitation thereof and any site improvements, and

(C) the cost of the land on which the housing and related facilities are located.

(3) Annual adjustments. The Secretary shall adjust the cost limitation not less than once annually to reflect changes in the level of construction, reconstruction, or rehabilitation costs based on the market where the housing is located.

(4) Incentives for savings.

(A) Special housing account. The Secretary shall use the development cost limitations established under paragraph (1) or (2) to calculate the amount of financing to be made available to individual owners. Owners which incur actual development costs that are less than the amount of financing shall be entitled to retain 50 percent of the savings in a special housing account. Such percentage shall be increased to 75 percent for owners which add energy efficient features which:

(i) exceed the energy efficiency standards promulgated by the Secretary in accordance with section 12709 of Title 42;

(ii) substantially reduce the life-cycle cost of the housing;

(iii) reduce gross rent requirements; and

(iv) enhance tenant comfort and convenience.

(B) Uses. The special housing account established under subparagraph (A) may be used (i) to provide for services provided to residents of the housing or funds set aside for replacement reserves; or (ii) for such other purposes as determined by the Secretary.

(5) Design flexibility. The Secretary shall, to the extent practicable, give owners the flexibility to design housing appropriate to their location and proposed resident population within broadly defined parameters, and with sufficient allowances for community space to facilitate the delivery of a broad range of supportive services to families as outlined in section (g).

(6) Use of funds from other sources. An owner shall be permitted voluntarily to provide funds from sources other than this section for amenities and other features of appropriate design and construction suitable for housing for low income families if the cost of such amenities is (A) not financed with the advance, and (B) is not taken into account in determining the amount of federal assistance or of the rent contribution of tenants. Notwithstanding any other provision of law, assistance amounts provided under this section may be treated as amounts not derived from a Federal grant.

(i) Tenant Selection.

(1) In general. An owner shall adopt written tenant selection procedures that are consistent with the overall need for affordable housing for low income families in the area where the project will be developed. Such procedures must be satisfactory to the Secretary as (A) consistent with the purpose of improving housing opportunities for low income working families, especially extremely low income and very low income families; and (B) reasonably related to program eligibility and an applicant's ability to perform the obligations of the lease. Owners shall promptly notify in writing any rejected applicant of the grounds for any rejection.

(2) Occupancy rates.

(A) One third of all housing units assisted under this section, must be occupied by extremely low income working families, as defined in subsection (k)(4).

(B) In addition to those units covered in (A), one third of all housing units assisted under this section must be occupied by very low income working families, as defined in subsection (k)(14).

(C) In addition to those units covered in (A) and (B), the remaining one third of the housing units assisted under this section must be occupied by mixed income working families, as defined in subsection (k)(6).

In addition, owners shall grant a preference for families with children when selecting tenants. Upon determination by the Secretary that these occupancy rates result in units remaining vacant for an extended period of time due to unsuccessful efforts to secure a tenant family of the required income level, the Secretary may grant exceptions to these requirements on a case-by-case basis.

(j) Miscellaneous Provisions.

(1) Technical assistance. The Secretary shall make available appropriate technical and training assistance to assure that applicants having limited resources, particularly minority applicants, are able to participate more fully in the demonstration program.

(2) Civil rights compliance. Each owner shall certify, to the satisfaction of the Secretary, that assistance available under this section will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 [42 U.S.C.A. ' 2000d et. seq.], the Fair Housing Act, and other Federal, State, and local laws prohibiting discrimination and promoting equal opportunity.

(3) Owner deposit. The Secretary shall require an owner to deposit an amount not to exceed \$25,000 in a special escrow account to assure the owner's commitment to the housing.

(4) Notice of appeal. The Secretary shall notify an owner not less than 30 days prior to canceling any reservation of assistance provided under this section. During the 30-day period following the receipt of a notice under the preceding sentence, an owner may appeal the proposed cancellation of loan authority. Such appeal, including review by the Secretary, shall be completed not later than 45 days after the appeal is filed.

(5) Labor.

(A) In general. The Secretary shall take such action as may be necessary to ensure that all laborers and mechanics employed by contractors and subcontractors in the construction of housing with 12 or more units assisted under this section shall be paid wages at rates not less than the rates prevailing in the locality involved for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (commonly known as the Davis-Bacon Act) [40 U.S.C.A. ' 276a et. seq.].

(B) Exemption. Subparagraph (A) shall not apply to any individual who:

(i) performs services for which the individual volunteered;

(ii)(a) does not receive compensation for such services; or (b) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(iii) is not otherwise employed at any time in the construction work.

(6) Access to residual receipts. The Secretary shall authorize the owner of a project assisted under this section to use any residual receipts help for the project in excess of \$500 per unit (or in excess of such other amount prescribed by the Secretary based on the needs of the project) for activities to retrofit and renovate the project described under section 8011(d)(3) of Title 42, to provide a service coordinator for the project as described in section 8011(d)(4) of Title 42, to provide a case manager for the project, or to provide supportive services as set forth in subsection (g) to residents of the project. Any owner that uses residual receipts under this paragraph shall submit to the Secretary a report, not less than annually, describing the uses of the residual receipts. In determining the amount of project rental assistance to be provided to a project under subsection (c)(2) of this section, the Secretary may take into account the residual receipts held for the project only if, and to the extent that, excess residual receipts are not used under this paragraph.

(7) Use of project reserves. Amounts for project reserves for a project assisted under this section may be used for costs, subject to reasonable limitations as the Secretary determines appropriate, for reducing the number of dwelling units in the project. Such use shall be subject to the approval of the Secretary to ensure that the use is designed to retrofit units that are currently obsolete or unmarketable.

(k) Definitions.

(1) The term "applicant" means a private non-profit organization.

(2) The term "construction" means erection of new structures or rehabilitation, alteration, conversion, or improvement of existing structures and related infrastructure and site improvements.

(3) The term “development cost” means costs of construction of housing and other related facilities, the cost of movables necessary to the basic operation of the project as determined by the Secretary, and of the land on which it is located, including necessary site improvement, which cost shall be determined without regard to mortgage limits applicable to housing projects subject to mortgages insured under section 231 of the National Housing Act.

(4) The term “extremely low income working families” means families which: (A) have at least one adult who is employed, or is seeking employment, or is engaged in education or job training; and (B) have an annual income that is less than thirty percent of the median income for families of that size in the area in which the project is located.

(5) The term “housing” means structures suitable for dwelling use by families with children which are (i) new structures, or (ii) provided by rehabilitation, alteration, conversion, or improvement of existing structures which are otherwise inadequate for proposed dwelling use by such families.

(6) The term “mixed income working families” means families which: (A) have at least one adult who is employed, or is seeking employment, or is engaged in education or job training; and (B) have an annual income that is less than 125 percent of the median income for families of that size in the area in which the project is located.

(7) The term “owner” means a private non-profit organization that receives assistance under this section to develop and operate supportive housing for low income working families.

(8) The term “private non-profit organization” means any incorporated private institution or foundation: (A) no part of the net earnings of which inures to the benefit of any member, founder, contributor or individual; (B) which has a governing board (i) the membership of which is selected in a manner to assure that there is significant representation of the views of the community in which such housing is located; and (ii) which is responsible for the operation of the housing assisted under this section; and (C) which is approved by the Secretary as to financial responsibility. Such term also includes a for-profit limited partnership the sole general partner of which is an organization meeting the requirements under subparagraphs (A), (B), and (C), or a corporation wholly owned and controlled by an organization meeting the requirements of subparagraphs (A), (B), and (C).

(9) The term “related facilities” means (A) new structures suitable for use by families residing in the project or in the area as community rooms or buildings, day care facilities, or other essential service facilities necessary for the implementation of the services listed in section (g); and (B) structures suitable for the uses in (A) provided by rehabilitation, alteration, conversion, or improvement of existing structures which are otherwise inadequate for such uses.

(10) The term “resident” means an individual or family who occupies a unit in a project developed under the terms of this section.

(11) The term “site improvements” shall include, but is not limited to, site alterations necessary for drainage, storm sewers, utility connections, and water and sewer connections.

(12) The term “State” includes the several States and the District of Columbia.

(13) The term “Secretary” means the Secretary of Housing and Urban Development.

(14) The term “very low income working families” means families which: (A) have at least one adult who is employed, or is seeking employment, or is engaged in education or job training; and (B) have an annual income that is less than fifty percent of the median income for families of that size in the area in which the project is located.

(l) Allocation of funds.

(1) Capital advances. Of any amounts made available for assistance under this section, such sums as may be necessary shall be available for funding capital advances in accordance with subsection (c)(1) of this section. Such amounts, the repayments from such advances, shall constitute a revolving fund to be used by the Secretary in carrying out this section.

(2) Project rental assistance. Of any amounts made available for assistance under this section, such sums as may be necessary shall be available for funding project rental assistance for the duration of the contract in accordance with subsection (c)(2) of this section.

(m) Authorization of appropriations. There are authorized to be appropriated for providing assistance under this section such sums as may be necessary for each of fiscal years 2006 through 2026.

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United States House of Representatives
Committee on Financial Services

“TRUTH IN TESTIMONY” DISCLOSURE FORM

Clause 2(g) of rule XI of the Rules of the House of Representatives and the Rules of the Committee on Financial Services require the disclosure of the following information. A copy of this form should be attached to your written testimony.

1. Name: Sharon M. Daly	2. Organization or organizations you are representing: Catholic Charities USA
3. Business Address and telephone number: 1731 King Street, Alexandria, Virginia, 22314; 703-549-1390 ext. 139	
4. Have <u>you</u> received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2004 related to the subject on which you have been invited to testify? X Yes <input type="checkbox"/> No	5. Have any of the <u>organizations you are representing</u> received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2004 related to the subject on which you have been invited to testify? X Yes <input type="checkbox"/> No
6. If you answered “yes” to either item 4 or 5, please list the source and amount of each grant or contract, and indicate whether the recipient of such grant was you or the organization(s) you are representing. You may list additional grants or contracts on additional sheets. Since 10.1.04, CCUSA received \$1,086,006 in funding from the Department of Housing and Urban Development for distribution to certain of its member agencies for their approved Housing Counseling programs. Most CCUSA member agencies receive some federal funding, usually through subcontracts from state and local governments, but we cannot supply exact figures at this time. Some member agencies receive HUD funding for permanent housing (mostly Section 202) and homelessness programs. CCUSA will provide the necessary information as soon as possible.	
7. Signature: <i>Sharon M. Daly</i>	

Please attach a copy of this form to your written testimony.

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