

# Government: An Essential Partner in Housing

Sr. Claire Regan

Government programs to create and preserve housing are vital components in an overall housing industry especially for very low income households (<30% area median income) where market-driven incentives may not perform efficiently. Government at all levels is a major player in the industry as it sets interest rates, finances mortgages, creates tax incentives as well as provides direct financing of new construction. Government regulates housing and its essential services, water, utilities, etc. Economic indicators for housing point the way as to where the overall economy is going because it is such a prominent industry.

There are many proposed initiatives pending in Congress and at the state and city level of which we should be aware. Efforts to create a national housing trust fund have met resistance in House-Senate reconciliation. Whether and how to garner funds from the government sponsored enterprises, Fannie Mae and Freddie Mac, to support the creation of low income housing is a core source of contention. H.R.1461 would include a requirement that Fannie Mae and Freddie Mac put 5% of their after-tax profits into an Affordable Housing Trust Fund to support housing production of 1.5 million units by 2010 for extremely and very low income families (<30% area median income). Homes constructed or rehabilitated with Trust Fund dollars would remain affordable for at least 50 years; 60% of the funding would go to local governments and 40% to states; 25% of the funding would go to homeownership opportunities and housing placement near jobs, transportation and services would be encouraged.

The Department of Housing and Urban Development (HUD) has put an emphasis on housing the chronically homeless. It has defined the “chronically homeless” as an “unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more or has had at least four episodes of homelessness in the past

three years.” It overlooks homeless families, those not disabled, and youth in its definition and so pits needy populations against each other for service. Yet there are many homeless people who are in need who are not chronically homeless. We should be supporting measures that assist all persons experiencing homelessness.

HUD Section 8 housing vouchers were facing serious cuts, but after Hurricane Katrina were restored. Yet this is the third consecutive year of no funding for new vouchers. There are efforts to block grant Section 8 and to remove the requirement that housing authorities target 75% of vouchers to extremely low income households. A recent report from the 2000 Census showed that New York State had only 35 affordable and available units per 100 extremely low income renter households.\* This points to the dire need for rental assistance to this population. Other income groups fared better during the 90s with the highest rates of housing available for the highest income categories.

The Sisters of Charity of New York have developed many and varied housing programs for the poor, ill and elderly. Many of these projects were partnerships with government. Housing for persons in special need will require long-term commitments from both government and the private sector to be cost effective and successful. Each of us as citizens needs to express our concerns for the vulnerable in our society, assuring them a place at our table.

As Sisters of Charity, we take risks on behalf of the poor. We try to work effectively with government agencies on various levels to provide housing for the underprivileged and elderly. Our goal is to keep government accountable to the least of our brothers and sisters.

\* “*Losing Ground in the Best of Times: Low Income Renters in the 1990s.*” A report of the National Low Income Housing Coalition (March 2004).

continued from page 13

SHF farm at [www.sistershillfarm.org](http://www.sistershillfarm.org). While you're there, check out the great recipes (see page 13).

Without the vision of Sister Mary Ann and the support of the SCNY, this farm—and the good it does—would not be possible. If you'd like to aid the mission of SHF and supply produce to the needy without receiving any yourself, send a check to: Sisters Hill Farm, P.O. Box 22, Stanfordville, NY 12581.



Bill Hurley, Director of Development for SCNY, packs up his share of produce while Sister Mary Ann Garisto and farm apprentice Justin Dansby chat in the background.