

Senator Maria Cantwell

Gonzaga Family Haven: Affordable Housing Roundtable Event

November 21st, 2022

Cantwell Remarks

Part 1 - [\[AUDIO\]](#)

CANTWELL: Well, first of all, thank you, everybody, for being here. And Rob, thank you for Catholic Charities.

You know, as I travel the state, actually travel the country and talk about affordable housing, you find gaps where it's just not happening, and then you realize how that part here is really like the glue. And here you're one of the partners. In many parts of the state, you're one of the key partners, so thank you. I think I want to get you to do some things in some other parts where you're not so that we can help make that happen. We need more affordable houses.

We have a housing crisis in the United States. And you ask yourself, how did we get into this situation? And we - there's so many studies, it's crazy how many studies there are [unintelligible] this situation. But then it's almost like people don't listen to it. And the bottom line of every study is we have not kept pace with demand. And the issue is that we did have more people falling into a need scenario with the downturn of the economy in 2008-2009. But in response to the downturn, we did not build housing. We didn't build housing.

[...]

So all that supply just pushed people down through the system. You know, if you were a millionaire and you lost a lot of your wealth, pretty sure you still have a house. I'm pretty sure if you made six figures and somebody in the house lost a job, and you still have a house. But at some point in time on that ladder at the downturn, if you were affected, and we've met many people across Washington state who were affected, you no longer had a house. And that point has put so much pressure on us as a state and us as a nation that we need to catch up. We need to wake up and catch up.

And one of the things that we've been fighting for, Lisa mentioned, so several years ago, my colleague, and I'm Todd Young from Indiana, were able to get a bump in the number of affordable units by [12.5%] a year. So roughly a 20% increase over the four-year period of time. But that bump is falling off this year. So we're actually, if we don't do anything in this Lame Duck Session, we're going to be building less than we have in the last several years. So we need to fix that, at a minimum. At a minimum, we need to fix that.

But Todd and I – Senator Young and I, are fighting for a 50% increase in the Affordable Housing Tax Credit. We tried in the Build Back Better program, we tried in a couple of other scenarios because we're finding we are not saving any money by not spending money on affordable housing. We're not saving money with this population. They have needs, and they are getting met in a different way in the community, and it's more expensive.

We've had hospitals come and testify that, basically, they're people in an emergency room three times a week because they just don't have a place to live. We had health insurance people come, and tell us “we

think you should do this because it will make health insurance cheaper.” So we know that the answer is the tax credit, but one thing that we still aren't getting through in people's minds is that 95% of the units that get built get built with the tax credit.

So it doesn't matter what the other partners are locally. Over in Seattle, it might be Microsoft, it might be Habitat for Humanity, whatever, it doesn't matter. If you aren't increasing that tax credit, you are not basically increasing supply.

And so we've been trying to ring this bell for several years now and get people to understand what exactly does this mean? And so I just want you to know that we are fighting to get this bump before the end of the year. I don't know if it will be successful, but that's because I'm not sure what we'll get done. It might be that we just continue the budget until 2023. That we're the status quo, we take up all these issues. Our two colleagues Pat Leahy who's retiring, and Richard Shelby, who is also retiring,

Part 2 - [\[AUDIO\]](#)

are working really hard now on a package and would like to get it done. But I'm not sure -- we have a short window when we return. But we're going to keep fighting. And I feel like we have grown national attention around this problem and the problem itself has grown national attention. People now get it, they see it. And they realize: “Oh, we have to do something about this.”

So I'm hoping that our colleagues -- and it is bipartisan, we have good bipartisan support from people -- that this is something that we can make a difference on and increase. Why Family Haven and why we want additional resources here for the wraparound services, is something that Councilmember Beggs said – we're looking for a model. We're looking for a model.

When I met Jerica and her husband, and she told me that they had three kids, but there was no way for them to stay together, and they became homeless. And literally she and her husband didn't even live together. I mean, it's just crushing to think about the fact that those kids, and that family, even though they wanted to stay together, couldn't stay together.

And I saw what families and what was propos[ed] here as it relates to bringing people back together from a family perspective, and then providing the wraparound services. The fact that Gonzaga Prep and Gonzaga were participating, and the fact that you really were not just providing housing, but you were providing a pathway for people to get on the right track in their lives, and actually be employed in things that would give them an income to sustain them for the future. I thought, “This is it.”

Now, the cherry on top of it was when Gonzaga Prep and Gonzaga said, and we will help these residents go to school. I was like, “Wow. This is it. This is a great model.” And you said it, Michael, that this is about community.

So Councilmember Beggs mentioned this Houston situation. So what I see is, yes, we are helping fund, with the federal dollars, wraparound services. So those programs that you all mentioned, like health care, and education, and services, and counseling, all of those things are on site. But I'm hoping that this turns into a model where - Houston is trying to answer this question from a global perspective. But you're answering it from a local perspective. And hopefully we'll learn about what that does in helping us achieve these goals. Hopefully, what we'll learn is that this community approach and wraparound services, really are giving children, first and foremost, of previously homeless families a real shot in the

education system. Now that's changing dynamic. (Unintelligible) There's nothing better than watching those kids, or Jerica saying their seven year old really is so excited because she's going to get this opportunity.

We've seen that in our education programs across the United States. When you go to a community where people know they don't have the same educational opportunities as other families, and you change that dynamic. Parents are all in, they're all in on that, because they want their kids to have the same opportunity.

So anyway, we're happy that we've been able to get these federal dollars that will help, we hope that this particular project the Catholic Church is doing, does become this model that tells us the state about how we do this on a larger scale. And I just thank everybody here today, and the participants, and our builders too. Because people always ask me: "Why do you need the tax credit?" but Derrick can tell you in detail. You know, people can make more money building big houses, building million dollar homes. That's where they make the money. So you've got to have a little bit of incentive in here to assure that people build affordable units.

PARTICIPANT: And Senator, you've said before, it's an incredibly efficient program - public private program. And that's absolutely the case, when it's used appropriately.

CANTWELL: Yeah. I always say, it used to be when we had an economic challenge and a downturn we'd be like: "Let's build housing." In the sixties, the seventies, even in the eighties. Some people thought we might have overbuilt. But in general, you haven't heard that cheer in a long time. You haven't heard that national cheer. "Let's build some housing."

Now I'm not saying no housing was built. But we know that very, very high-end housing has been built and so what happens when you don't build the supply is you are just driving up the price for everybody, because there's no supply, what is the number that you need to have?

PARTICIPANT: 10,000 units

CANTWELL: Well, that too. So what percentage of availability do you have to have, so that you're not driving up price, not just for these families, but for everybody in the system?

I forget what it is. [Unintelligible] It is a percentage, I've heard this number. But we don't have that. Because haven't kept pace with the need. So we've just got to get people to realize that and that these programs can be successful. They can change lives. And I don't know if anybody's checked lately, but the economy actually needs workers. So let's help get the economy some workers.

Thank you for what you're doing. I guess I would ask Gonzaga, if there's anything on the details here on how you spend the money that you want to share.