United States Senate

WASHINGTON, DC 20510

May 13, 2024

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

Dear Chairman Schatz and Ranking Member Hyde-Smith:

As you consider the Fiscal Year 2025 (FY25) Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations Act, we ask that you provide at least \$100 million for the Pathways to Removing Obstacles to Housing (PRO Housing) program. The nation is experiencing an affordable housing shortage, in part due to barriers to building diverse housing throughout the country. The PRO Housing program provides support to communities working to overcome these barriers and expand access to affordable housing.

The PRO Housing program directly assists state and local governments' efforts to incentivize inclusive housing policies. In FY24, Congress appropriated HUD \$100 million for competitive awards to states, local governments, metropolitan planning organizations, and multijurisdictional entities. These grants encourage eligible entities to identify barriers to developing affordable housing and implement plans to lower housing prices.

A well-funded PRO Housing program is critical as housing prices and a housing supply shortage put affordable homeownership and rent out of reach for more and more families. The lack of affordable housing disproportionately impacts low- and moderate-income households. To expand access to affordable housing, many states and communities are taking steps to update outdated zoning laws, increase minimum unit standards, and decrease lot sizes. However, these initiatives require comprehensive reviews of laws at the state and local level—reviews that many communities, especially small rural communities, do not have the resources to conduct.

The PRO Housing program fills these gaps and enables communities to reduce barriers to build more affordable housing. Specifically, grant funds allow eligible entities to support small communities' efforts to advance zoning improvements, repair vacant housing, and further fair housing standards. These plans can include enabling the development of accessory dwelling units and multi-family housing. Such funding furthers the impact of other federal housing resources by ensuring that more households can be served.

In FY23, over 180 entities applied for PRO Housing awards. Given the overwhelming interest in the program, maintaining funding from FY24 of at least \$100 million will enable HUD to serve a wide array of communities. Furthermore, given the scope of America's affordable housing crisis, continued funding for the PRO Housing program will benefit communities across the country.

We ask that you support our request to invest in our communities and our constituents by providing robust funding for the PRO Housing program. Thank you for your consideration of this request.

Sincerely,

Peter Welch United States Senator

Ron Wyden United States Senator

Tina Smith United States Senator

Jon Tester United States Senator

Tammy Baldwin United States Senator

Edward J. Markey

Edward J. Markey United States Senator

Jack Reed United States Senator

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United States Senator

Shurrod Brown

Sherrod Brown United States Senator

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Bernard Sanders United States Senator

Alex Padilla United States Senator