



October 28, 2014

The Honorable Julián Castro
Secretary, U.S. Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

RE: Fiscal Year 2016 Section 811 Appropriations Request

Dear Mr. Secretary,

The undersigned members of the Consortium for Citizens with Disabilities Housing Task Force (CCD), in partnership with the Technical Assistance Collaborative (TAC), urge the U.S. Department of Housing and Urban Development (HUD) to request \$100 million in new Section 811 Project Rental Assistance (Section 811 PRA) funding in the President's FY 2016 Budget. The CCD is a coalition of national consumer, advocacy, provider, and professional organizations working together with and on behalf of children and adults with disabilities and their families living in the United States. The CCD Housing Task Force advocates on behalf of the housing needs of people with a variety of disabilities, including developmental disabilities, mental illness, sensory disabilities, physical disabilities, and intellectual disability.

Robust Section 811 PRA funding for FY 2016 is urgently needed to both stimulate and sustain highly cost effective state policies to synchronize Section 811 PRA with community-based services – particularly those financed through Medicaid – to expand integrated supportive housing to ensure state compliance with the U.S. Supreme Court's *Olmstead* decision and to achieve the federal goal to end chronic homelessness. As you know, the demand for new supportive housing for these important target populations has never been greater because:

- *Olmstead* Settlement Agreements and pending litigation¹ in multiple states require the creation of 40,000 or more new integrated supportive housing units accompanied by a significant expansion of Medicaid-financed community-based care; and

¹ According to the U.S. Department of Justice *Olmstead* webpage, the U.S. Supreme Court's *Olmstead v. L.C.* decision in 1999 has resulted in numerous recent *Olmstead* Settlement Agreements and/or pending litigation pertaining to adults with disabilities, including the states of Rhode Island, New York, Connecticut, Delaware, New Jersey, Pennsylvania, North Carolina, Virginia, Texas, Illinois (3 separate Settlement Agreements), Mississippi, Oregon, New Hampshire, California and Georgia, and in the District of Columbia.

- The federal goal of ending chronic homelessness may not be achieved without a robust expansion of Section 811 PRA – which will stimulate critically needed new PSH partnerships between homeless advocacy groups and state Medicaid officials.

During the past two Section 811 funding cycles, 43 out of 50 State Housing Agencies sought new Section 811 PRA funding – an extraordinary indicator of the high demand for this modernized and highly cost-effective new program. The Section 811 PRA option is also the only HUD supportive housing program requiring a formal Interagency Partnership structure between the State Housing Agency and the State HHS/Medicaid agencies. This partnership is essential for states to significantly expand sustainable models of permanent supportive housing with services financing through the Medicaid program.

The Section 811 PRA model is also proving to be more cost effective than any other HUD subsidy program used for supportive housing. The average one year PRA subsidy cost from the FY 2012 competition is approximately \$5,000 per year – significantly less than the average annual cost of a Non-Elderly Disabled (NED) Housing Choice Voucher or a Shelter Plus Care project-based subsidy. Unlike the previous Section 811 model, the capital cost of PRA units is covered through mainstream affordable housing financing programs – a significant savings in terms of HUD’s budget for the program. In addition, because the Low Income Housing Tax Credit development process is being used as a platform in most Section 811 PRA states, new Section 811 units are being created much more quickly than ever before.

We understand the current constraints on HUD appropriations and know that this is a very difficult fiscal environment. However, we also believe the groundbreaking reforms to HUD policy achieved by the Frank Melville Supportive Housing Investment Act are critically important to the future of supportive housing activities financed by the states, as well as to current and future HUD supportive housing policy. For these reasons, we urge you to request a robust appropriation of Section 811 PRA funding in your FY 2016 budget.

Sincerely,

ACCSES
American Network of Community Options and Resources
Association of University Centers on Disabilities
Autistic Self Advocacy Network
CSH
Easter Seals
Lutheran Services in America Disability Network
National Alliance on Mental Illness
National Association of State Mental Health Program Directors
National Disability Rights Network
Paralyzed Veterans of America
The Arc of the United States
Technical Assistance Collaborative
United Spinal Association