

Foreword

by Senator Robert Menendez (D-NJ)

Priced Out in 2010

I am pleased to join the Consortium for Citizens with Disabilities (CCD) Housing Task Force and the Technical Assistance Collaborative (TAC) in introducing the newest edition of the *Priced Out* report. *Priced Out in 2010* compellingly illustrates the affordable housing crisis affecting millions of vulnerable people with serious and long-term disabilities who rely on federal Supplemental Security Income (SSI) payments for their basic needs. This latest *Priced Out* report makes it clear that it is virtually impossible for people with disabilities receiving SSI to obtain decent, safe, affordable, and accessible housing in the community without a permanent housing subsidy.

Among the key findings from this important national study are the following:



- In 2010, as a national average, a person receiving SSI needed to pay 112% of their monthly income to rent a modest one-bedroom unit, leaving no income for food, clothes, or other necessities. People with disabilities receiving SSI were also priced out of smaller studio/efficiency rental units that cost 99% of SSI income. Incredibly, this study found that there are now 218 markets across 42 states where rents for modestly priced units exceed 100% of monthly SSI. Further, there are 30 housing markets where rents were equal to, or in excess of 150% of SSI. In 6 states, including my own state of New Jersey, rents across the entire state exceeded 100% of monthly SSI.
- In the dozen years since the first *Priced Out* study, the housing affordability gap for people with disabilities has almost doubled as the cost of a modestly priced rental unit has increased from 69% of SSI in 1998 to 112% in 2010.
- People with disabilities who rely on SSI as their primary source of income continue to be the nation's poorest citizens. In 2010, the national average monthly SSI payment for a single individual was only \$703 – equal to only 18.7% of the national median income and over 20 percent below the 2010 federal poverty level of \$10,830.

In my own state of New Jersey, *Priced Out in 2010* documents that rents for one-bedroom apartments priced at the U.S. Department of Housing and Urban Development Fair Market Rent ranged from 107% - 185% of monthly SSI payments

As Chairman of the Senate Banking Subcommittee on Housing, Transportation, and Community Development, I take seriously our nation's responsibility to invest in affordable housing opportunities for low-income households – especially for vulnerable extremely low-income people with disabilities. During these difficult economic times, this responsibility is even more critical. This ongoing economic downturn worsens the already difficult circumstances of the lowest-income households struggling to make ends meet with low-wage jobs or disability payments.

Fortunately, progress is being made. In January 2011, President Obama signed into law bipartisan legislation that I authored to enact reforms to an important HUD program – the Section 811 Housing for Persons with Disabilities program – that develops permanent supportive housing for people with disabilities. The Frank Melville Supportive Housing Investment Act creates new options for HUD to work with states and non-profit agencies to leverage affordable housing resources to develop integrated supportive housing that is targeted to people with disabilities living on SSI. I am pleased that this new law honors the legacy of the late Frank Melville and the work of the Melville Charitable Trust, whose support made this *Priced Out in 2010* report possible.

Most importantly, the new law allows states to compete for project-based operating subsidies that can be integrated into housing already being developed under programs such as the Low Income Housing Tax Credit and HOME. This will allow for deeper targeting of these resources to reach people with severe disabilities that rely on SSI and support the development of additional new units of supportive housing for people with disabilities at a fraction of the current cost. The Frank Melville Supportive Housing Investment Act will also create a new “multi-family” option that will allow HUD Section 811 development funds to be leveraged and combined with other capital funds to support even more integrated rental housing options.

There is no question that our nation is in difficult times. However, investment in affordable rental housing, including rental housing targeted to very low-income people with severe disabilities, is an investment worth making. This new law will help secure important new investments in permanent supportive housing for people living with severe disabilities, and I was honored to lead the effort to pass these reforms to the Section 811 program through Congress. *Priced Out in 2010* presents important information and points out how important it is to continue our efforts to improve people's ability to obtain affordable housing.

