

**Cerebral Palsy Research Foundation of Kansas (CPRFK)
Project Exemption Certificates for Housing Persons with Disabilities**

January 26, 2021

To: House Taxation Committee

From: Patrick Jonas, CEO CPRFK

Chairman Smith, Vice Chair Mason, Ranking Minority Member Gartner and members of the House Taxation Committee; I want to thank you for your willingness to allow me to provide written testimony on behalf of the Cerebral Palsy Research Foundation of Kansas (CPRFK) in support of HB 2104 which allows non-profit institutions who provide housing to persons with disabilities, the ability to utilize project exemption certificates on said projects.

I would like to give you brief history of CPRFK's Residential Program:

CPRFK recognized the short-term and long-term benefits of independent living for persons with disabilities in the mid-1970's and partnered with the U.S. Department of Housing and Urban Development (HUD) to create the first Section 8-202 housing project in the country, designed to accommodate persons with significant physical and neurological disabilities. Importantly, only 30% of their expendable income would be required for rents. This was well before the passing of the American's with Disabilities Act, in 1990. These apartments were built with many accessibility features, which were revolutionary for the time including: lowered countertops, roll in showers, mirrored cooktops, just to name a few. Our property has received multiple HUD and local awards over the years.

With the passing of the Development Disability Reform Act in the mid-90's, emphasizing choice for participants, CPRFK stopped providing nursing and personal care services and allowed the residents to choose their own staffing needs through various home health agencies in the community. This residential system has worked very well, however the majority of the apartments themselves are in significant need of renovation. Over 40 years old, and quite frankly too small for current residents, especially with large powered wheelchairs, which were rarely used and considered at the time of original construction, a redesign is crucial now.

Several focus groups with the residents were held over 2 years ago and significant input from the residents were incorporated into a new apartment design. With the original HUD note paid down and with HUD's encouragement to initiate a Preservation Project, we have refinanced the property and have embarked on a significant re-build of the property, so that our independent housing mission will be in place for another 40 to 50 years.

What we were not aware of, was that a Project Exemption Certificate, would not be allowed for "Human Habitation" projects, which adversely impacts our funding for this major renovation. The Department of Revenue has been very accommodative and has allowed the exemption for the congregate building which will not be lived in, but denied the exemption (due to how the current state law is written) for the residential apartments. Revenue themselves appeared to feel that this exclusion was not meant for projects like ours.

On behalf of the residents we serve, CPRFK supports HB 2104. This important legislation ensures more dollars are used to help serve people with disabilities and would encourage your

support. On behalf of the Cerebral Palsy Research Foundation of Kansas I would like to thank you for this opportunity and will answer any questions you may have.