

# Information Bulletin

Date: August 18, 2026

From: Jonathan Seifried, Assistant Commissioner  
Division of Developmental Disabilities

To: DDD Service Providers and Stakeholders

Subject: Updated Housing Policy on Development of Provider-Managed Settings

## I. Development

### Letters of Support

The Division of Developmental Disabilities (DDD) collaborates with the Department of Community Affairs and the NJ Housing Mortgage Finance Agency to review special needs housing projects that need a Letter of Support to secure funding.

DDD provides funding directly to eligible individuals through their DDD budget and, as allocated, rental subsidy. A Letter of Support means that an eligible person enrolled with DDD may choose to live in a unit that meets state and federal rules (this includes home and community-based services or HCBS standards). That person may then use their DDD budget to purchase services and supports.

#### **A Letter of Support does not guarantee any of the following:**

- That the project will receive financing approval from private lenders or state agencies
- That specific units will be available for future occupancy
- That the state will provide housing subsidies or services in future years

Developers must make sure their projects meet all program rules. They must also qualify for any other financing for which they may be eligible.

#### **How to Request a Letter of Support**

DDD decides when to issue Letters of Support. To request one, send a community integration plan to your assigned program developer. Your plan must include:

- The proposed site address
- A description of the proposed program
- A description of how the setting will meet HCBS standards

The Division will review each plan to decide whether it qualifies for a Letter of Support.

Request a Letter of Support during the planning phase of your project. You can request one before or after you identify a possible site. Do not assume you have DDD support until we finish our review and issue a Letter of Support. We will usually give you a decision within 30 calendar days of your request.

For more details, see [Innovation in Housing: Considerations and Requirements When Developing HCBS Compliant Settings](#).

### **When a Letter of Support will be denied**

We will deny a Letter of Support if the service provider had any of the following in the 24 months before the request. If any of these happen after we issue a letter but before the home opens, the letter becomes void:

- An overall score of one star on the DHS Risk Management Report
- An admissions moratorium placed by the Office of Program Integrity and Accountability (OPIA)
- A Quality Management Team (QMT) assigned by OPIA
- Any other situation where DDD decides that issuing a letter would not serve the best interests of the people served or the Department of Human Services

### **Site Searches**

No matter how a project is funded, DDD must complete site searches for licensed residential settings, such as group homes and supervised apartments. This requirement is in New Jersey Revised Statute [30:11B-5](#), which states in part:

*The geographic location of community residences for the developmentally disabled...shall be monitored by the Department of Human Services. Through the granting and withholding of licenses ...it shall ensure that these residences are available throughout the State, without unnecessary concentration in any one area.*

### **If you use DDD capital funding for new provider-controlled settings:**

- A DDD architect must review the project.
- You must follow the architect's recommendations.

### **If you do not use DDD capital funding:**

- A DDD architect will only review the property if you request it.

If you decline the architect's review or do not follow their recommendations, you are solely responsible for any negative outcomes. (For example, you may fail to get a license or a certificate of occupancy.)

### **Maintenance**

You must keep provider-managed homes in good condition. These homes must meet the standards in [N.J.A.C. 10:44A](#).

To help keep homes in good condition, we encourage you to set up a reserve fund. This fund can help you plan for ongoing maintenance and site repairs.

**Please note:** If you plan maintenance for a state-owned property, the state architect must review it first.

## II. Funding

### Fire Alarms and Fire Suppression

DDD accepts capital-funding requests for fire alarms and fire suppression systems in newly developed single-family homes that support four or fewer individuals. For single-family homes that support more than four individuals, we review funding requests on a case-by-case basis.

### **Sprinkler system policy for multi-family dwellings**

Working with the Department of Community Affairs, DDD continues to follow this policy for sprinkler systems in multi-family dwellings:

- Fire suppression systems are **required** in all new stand-alone DDD licensed homes and DDD homes that require a change in use group.
- Fire suppression systems are **not required** in multi-family dwellings (such as a condominium, townhouse, or apartment) when the person can evacuate without physical help. You may use verbal prompts, verbal cues, and physical prompts to assist with evacuation.
- Fire suppression systems are **required** in multi-family dwellings when the person needs physical help to evacuate quickly in an emergency.

**How to request capital funding:** Submit all requests to your assigned program developer using the Capital Funding Request Form. Include supporting documents for review.

### One-Time Startup Funding

DDD accepts requests for startup furniture in newly licensed programs, up to \$3,000 per person supported in the home. Funding depends on the money available in each State fiscal year.

Please contact your assigned Program Developer with any questions about these policies.