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Inventory of Laws, Policies and Programs Affecting Senior Citizens and Their Housing Needs

Minnesota Housing Finance Agency

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INTRODUCTION

The 1976 Minnesota Legislature requested that the Housing Finance Agency conduct research into housing alternatives for senior citizens. This inventory is part of the research activity. It is intended to provide a comprehensive up-to-date listing and summary of the most important laws, policies, and programs affecting the housing status of senior citizens. It attempts to facilitate understanding of the numerous policies and programs which have been implemented at all governmental levels to help senior citizens meet their housing needs.

HOUSING ASSISTANCE PROGRAMS

The following section will describe federal and state housing programs and federal and state housing rehabilitation loan and grant programs that may affect elderly individuals.

FEDERAL RENTAL HOUSING PROGRAMS.

PROGRAM NAME: Low Rent Public Housing Program.

ADMINISTERING AGENCY: Department of Housing and Urban Development in cooperation with local housing authorities.

LEGISLATIVE AUTHORIZATION: Housing Act of 1937, as amended (42 U.S.C. 1437, et seq).

PROGRAM DESCRIPTION: Provides federal financing to locally established public housing agencies for the purpose of constructing and operating housing for low income families and individuals.

FUNDING SOURCE: Congressional appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNITS:
- May be new construction or adequate existing construction.
- May be multi-family or single family living environment.
- May be a congregate living facility.

DEVELOPER/OWNER:
- Actual construction of units usually a private venture (Turn Key).
- In a majority of cases, a local housing authority ultimately owns the development.
- In some cases these units may be privately owned and leased to the local housing authority (Section 23).

RENT STRUCTURE: Determined on an individual household basis and equals 25% of household income.

TENANT:
- Must have very low income to qualify for admission to public housing.
- Tenant generally on fixed income; i.e., Social Security, AFDC, etc.

PROGRAM BENEFITS: - Tenant never required to pay more than 25% of income toward housing expenses.

- Asset limitations are established by the local housing authority. For senior citizens, the limit on assets is generally between $10,000 and $16,000.

- Federal operating subsidies are available for maintenance and modernization expenditures. Thus, rent increases are a function of increasing income only.

PROGRAM LIMITATIONS: - Although not a major problem for tenants on fixed incomes, increasing income may force tenant to move if income exceeds program income limits.

- Total assets may not exceed a specified amount.

PROGRAM STATUS: Executive action suspended the program in 1973 but was re-enacted by the 1974 Housing and Community Development Act. Program remains operative although only limited funding is available.

PROGRAM NAME: Section 202: Senior Citizens Housing Loan Program.

ADMINISTERING AGENCY: Department of Housing and Urban Development.

LEGISLATIVE AUTHORIZATION: Housing Act of 1959, as amended (12 U.S.C. 1701q, et seq)

PROGRAM DESCRIPTION: Provides long term, low interest loans for the construction of rental housing for lower middle income elderly and handicapped.

FUNDING SOURCE: Congressional appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNITS: - Loan may be used for new construction or substantial rehabilitation of existing structures.

- Certain social and service facilities may be constructed with these loan funds.

RENT STRUCTURE: Actual rental amounts are determined by HUD.

DEVELOPER/OWNER: Must be nonprofit or limited profit private corporation or consumer cooperative.

TENANT: - Must be age 62 or older or handicapped.

- Annual income cannot exceed a specified amount as set by HUD.

PROGRAM BENEFITS: - Enables nonprofit corporations or groups to become involved in providing low and moderate income housing for the elderly.

- Ability to serve a wider group of persons because income eligibility requirements are less restrictive than public housing.

- Used in conjunction with Section 8 Rental Assistance Program to bring rent payments to 15-25% of tenant income.

PROGRAM STATUS: Previous to 1974 Housing and Community Development Act, the Section 202 Loan Program was incorporated under Section 236. Executive action suspended 236 and Section 202 was re-enacted by 1974 legislation.

PROGRAM NAME: Section 231, Federal Mortgage Insurance for Elderly Housing.

ADMINISTERING AGENCY: Department of Housing and Urban Development - Federal Housing Administration (FHA).

LEGISLATIVE AUTHORIZATION: National Housing Act of 1959 (12 U.S.C. 1701, et seq).

PROGRAM DESCRIPTION: Provides long term insurance on loans made by private financial institutions for the construction and development of housing units for the elderly and handicapped.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNITS: - May be of new construction or may be substantially rehabilitated.

- Must meet HUD property standards for the elderly and handicapped.

DEVELOPER/OWNER: May be any public, private or nonprofit entity.

RENT STRUCTURE: - 50% of units must be occupied by elderly or handicapped.

- Rents determined by developer/owner.

TENANTS: - There are no income limits for admission to development insured under this program because loans are issued at current market interest rates.

- Low and moderate income tenants residing in these developments may be eligible for Section 8 Rental Assistance payments.

PROGRAM BENEFITS: - Provides mortgage insurance for rental housing designed for the elderly.

- Program may be used in conjunction with Section 8 Rental Assistance Payments Program.

PROGRAM LIMITATIONS: Program not attractive to developers as interest rate is the current FHA maximum allowable rate.

PROGRAM STATUS: Program remains operative although it has seen little use over the last few years.

PROGRAM NAME: Section 8: Housing Assistance Payments Program -- New Construction and Substantial Rehabilitation.

ADMINISTERING AGENCY: Department of Housing and Urban Development.

LEGISLATIVE AUTHORIZATION: Housing and Community Development Act of 1974 (42 U.S.C. 5301, et seq; 42 U.S.C. 1437f, et seq)

PROGRAM DESCRIPTION: Provides assistance with rental payments to enable low and moderate income households to secure standard housing which is newly constructed or substantially rehabilitated at affordable prices.

FUNDING SOURCE: Congressional appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT: - May be newly constructed or substantially rehabilitated units.

- May be financed by an aforementioned program or state housing finance agencies.
- Generally located in multi-family or congregate facilities.

DEVELOPER/OWNER: Housing eligible for Section 8 Rental Assistance Payments may be owned by any public or private entity or cooperative.

RENT STRUCTURE: - HUD responsible for determining the maximum "fair market rent" that can be charged.

- Market rents are based on rents in comparable newly constructed apartment units.
- Households contribute 15 - 25% of income toward rent.

TENANT: - Eligibility determined by income.

- Generally, for a family of four income cannot exceed 80% of the median income for a locality. Income limits vary according to household size.

- A percentage of tenants must have very low incomes not in excess of 50% of the median income for a locality.

PROGRAM BENEFITS: - Tenant is required to contribute only 15 - 25% of his monthly income toward rent.

- Sponsor/owner of development receives subsidy equal to the difference between market rent of the unit and household's rent paying ability.

- Although cash flows are limited, many tax shelter advantages are available to sponsors.

- Section 8 works in cooperation with other federal financing programs including FmHA's Section 515 program.

PROGRAM STATUS: Currently, the most extensive program providing rental assistance to low and moderate income groups.

PROGRAM NAME: Section 8: Housing Assistance Payments Program -- Existing Housing.

ADMINISTERING AGENCY: Department of Housing and Urban Development through local public housing authorities.

LEGISLATIVE AUTHORIZATION: Housing and Community Development Act of 1974 (42 U.S.C. 5301, et seq; 42 U.S.C. 1437f, et seq)

PROGRAM DESCRIPTION: Provides assistance with rental payments to enable low and moderate income households to secure standard existing housing at affordable prices.

FUNDING SOURCE: Congressional appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT: - Any existing rental unit which meets minimum performance requirements set by HUD.

- Leased from private owner.

DEVELOPER/OWNER: - Any person or entity including cooperatives having the legal right to lease or sublease existing housing.

- A Housing Assistance Payments Contract is entered into by the HRA and the owner of the unit to provide housing assistance on behalf of an eligible family.

RENT STRUCTURE: - HUD is responsible for determining the maximum "fair market rent" that can be charged.

- Market rents are based on a sample of rents for households moving into rental units between January 1969 and April 1971.

- Households contribute 15 - 25% of income toward rent.

TENANT: - Eligibility determined by income.

- Generally, for a family of four income cannot exceed 80% of the median income for a locality. Income limits vary according to household size.

- A percentage of tenants must have very low incomes not in excess of 50% of the median income for a locality.

- Upon receiving a Certificate of Family Participation from a local HRA, the family is responsible for finding an existing housing unit suitable to the family's needs in an area within the HRA's jurisdiction.

PROGRAM BENEFITS: - Tenant is required to contribute only 15 - 25% of monthly income toward rent.

- Owner receives subsidy equal to the difference between market rent of the unit and household's rent paying ability.

- Subsidies tied to the tenant rather than a housing unit broaden the available housing opportunities.

PROGRAM STATUS: Program remains operative.

PROGRAM NAME: Section 236, Rental and Cooperative Housing Program.

ADMINISTERING AGENCY: Department of Housing and Urban Development.

LEGISLATIVE AUTHORIZATION: National Housing Act of 1968 (12 U.S.C. 1705, et seq)

PROGRAM DESCRIPTION: Provides mortgage interest rate subsidy to developer/owner of rental housing for low and moderate income families.

FUNDING SOURCE: Congressional appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT: May be multi-family rental unit of new construction or substantial rehabilitation.

DEVELOPER/OWNER:
- All Section 236 programs privately owned, and financed privately or by state housing finance agencies.
- Any nonprofit organization, consumer cooperative, corporation, partnership or individual.
- Profit-making entity must limit cash return.

RENT STRUCTURE: In exchange for the interest subsidy, HUD establishes the rental charge. Basic rent is established by computing what rent would be necessary at an interest rate of 1%; market rent is established by computing what rent would be necessary at a market interest rate.

TENANT:
- Income must be sufficient to cover the basic rent contribution with 25% of the household's income.
- There are maximum income limitations for residency. Higher income tenants pay greater rental amounts up to the market rent maximum as determined by HUD.
- Some very low income households may be eligible for occupancy if they qualify for an additional rent supplement such as the Section 101 Rent Supplement Program. (See below.)

PROGRAM BENEFITS:
- Sponsor receives an interest subsidy which reduces the effective interest rate to 1% on the outstanding loan.
- Provides affordable housing for low and moderate income groups.
- Rent structure flexible so that increasing income will not require household to relocate.

PROGRAM LIMITATIONS: Program reaches moderate income groups and impacts little on low income groups unless coupled with a rent subsidy program.

PROGRAM STATUS: Suspended by the Housing Subsidy Moratorium of 1973. Any appropriation made currently supports existing 236 projects only.

PROGRAM NAME: Section 101, Rent Supplement Program.

ADMINISTERING AGENCY: Department of Housing and Urban Development in cooperation with local housing authorities.

LEGISLATIVE AUTHORIZATION: Housing and Urban Development Act of 1965, as amended. (12 U.S.C. 1701s et seq)

PROGRAM DESCRIPTION: Program works in conjunction with other federally subsidized housing programs. Program subsidizes sponsors of low and moderate income rental housing who rent a portion of their units to very low income tenants.

FUNDING SOURCE: Congressional appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNITS:
- Must be a result of a federal housing production program.
- Commonly used with Section 236 developments.

DEVELOPER/OWNER:
- Must set aside a certain number of units to be occupied by tenants eligible for this subsidy.
- Must be a nonprofit, limited dividend, cooperative, or public agency sponsor.

TENANT: Must meet income eligibility requirements for low rent public housing.

PROGRAM BENEFITS: Because basic rent requirements under the Section 236 program were so high, very low income families could not avail themselves of these housing opportunities. Thus, this program subsidizes the sponsor/owner for an amount equal to the difference between basic rent and a household's rent paying ability (25% of income). The subsidy may not exceed 70% of the FMR.

PROGRAM STATUS: Program continues to be used with eligible 236 project occupants, although no new commitments are being made.

PROGRAM NAME: Section 515, Rural Rental Housing Program.

ADMINISTERING AGENCY: Department of Agriculture, Farmer's Home Administration (FmHA).

LEGISLATIVE AUTHORIZATION: Housing Act of 1949, as amended (42 U.S.C. 1471, et seq)

PROGRAM DESCRIPTION: Provides direct loans (in some cases at low interest rates) to developers of housing for low and moderate income persons living in rural areas when other means of financing are unavailable.

FUNDING SOURCE: Early congressional appropriations established a revolving loan fund which continues to support this program. Annual appropriations replenish the fund to cover net losses.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNITS:
- May be either new construction or substantial rehabilitation. However, FmHA encourages new construction.
- Must be modest in size, design and cost, yet adequately meet the needs of eligible occupants.
- Must be located in an area containing less than 10,000 in population.
- Some areas consisting of population size from 10,000 to 20,000 may be eligible for these funds.

DEVELOPER/OWNER:
- May be nonprofit, profit-oriented, limited profit, or cooperative entity.
- Only nonprofit, limited profit or cooperative organizations are eligible for interest rate reductions under the program.

RENT STRUCTURE:
- Nonprofit developer has option of two plans which ultimately determine rental charges.
- Plan I -- Occupancy limited to low income individuals and families and low and moderate income elderly persons. In exchange, FmHA subsidizes the developer the difference between market interest rates and a 3% interest rate on the outstanding loan. Rent can be structured to accommodate these income groups.
- Plan II -- Occupancy limited to low income individuals and families. However, there is no maximum income limit for elderly occupants. Basic rent is established by computing what rent would be necessary at an interest rate of 1%; market rent is established by computing what rent would be necessary at a market interest rate. Tenant must pay basic rent, or 25% of household income up to a maximum amount of market rent, whichever is greater. Interest subsidy is determined from actual rent sponsor secures, so the rate could vary from 1% to market rate.

TENANTS: Depending on the sponsor's option, tenancy may be limited to low and moderate income persons, or the development may accommodate all income groups who can meet the basic rent payment. Low and moderate income levels are set periodically by FmHA.

PROGRAM BENEFITS:
- Provides sources of funds for permanent and construction financing in rural areas.
- Provides adequate rental units at affordable costs in rural areas.
- Because rent structures are flexible, nearly all income groups can be accommodated by the program.
- Section 8 Rental Assistance Program may be used in conjunction with Section 515 developments.
- Provides units for general occupancy so that both non-elderly and elderly households are assisted.

PROGRAM STATUS: Program remains operative and contributes a large number of units to the housing stock in the rural parts of Minnesota.

PROGRAM NAME: FmHA Rental Assistance Program.

ADMINISTRATION AGENCY: Department of Agriculture, Farmer's Home Administration.

LEGISLATIVE AUTHORIZATION: Housing and Community Development Act of 1974 (42 U.S.C. 5301, et seq)

PROGRAM DESCRIPTION: Provides rental assistance payments to owners of low and moderate income housing developments on behalf of very low income occupants who otherwise could not avail themselves of these facilities.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNITS: Must be financed under an FmHA program intended to provide rental housing for low and moderate income persons.

DEVELOPER/OWNER: Must be a nonprofit sponsor.

TENANT: Very low income household who would be ineligible for FmHA programs without the additional assistance.

PROGRAM BENEFITS:

- Because occupants must be able to pay a certain amount of rent with 25% of their income, certain low income households would be ineligible for much of the housing financed by FmHA. Thus, this program subsidizes the sponsor/owner for an amount equal to the difference between basic rent and a household's rent paying ability (25% of income). This subsidy is in addition to the normal subsidy a sponsor would be receiving.
- All units of a Section 515 development for elderly may be eligible for such assistance.

PROGRAM STATUS: Although the program is authorized, it has not yet been implemented by FmHA.

PROGRAM NAME: Section 8/515 Housing Assistance Program.

ADMINISTERING AGENCY: Department of Housing and Urban Development with Department of Agriculture, Farmer's Home Administration.

LEGISLATIVE AUTHORIZATION: Memorandum of Understanding, June 23, 1976.

PROGRAM DESCRIPTION: Provides for joint processing of new apartment developments financed under the Farmer's Home Administration Section 515 Program receiving rental subsidies under HUD's Section 8 New Construction Program.

FUNDING SOURCE: Same as under individual programs.

MAJOR PROGRAM REQUIREMENTS:

- Same as under individual programs except for the following:
  - FmHA provides mortgages 1% below the existing rate at which units are currently financed with 515 loan funds.
  - HUD accepts FmHA's notion of "reasonable rent" as long as it is under HUD's fair market rent.
  - HUD's site, relocation, neighborhood, previous participation, historical, equal opportunity and environmental standards and the Minimum Property Standards apply.
  - Davis - Bacon wages for all projects with more than 9 units will be required.
  - Sponsors will deal with FmHA initially for processing.

PROGRAM BENEFITS: Provides new rental units in rural areas which reach lower income groups than the Section 515 Program alone could assist.

PROGRAM STATUS: Program is operative although funding is limited and few units have been processed.

STATE RENTAL HOUSING PROGRAMS.

PROGRAM NAME: Apartment Development Program.

ADMINISTERING AGENCY: Minnesota Housing Finance Agency.

LEGISLATIVE AUTHORIZATION: Minnesota Housing Finance Agency Law of 1971, as Amended (Minnesota Statutes, Chapter 462A)

PROGRAM DESCRIPTION: Statewide program that provides construction and permanent financing at below market interest rates for the development of apartment units to be occupied by individuals and families of low and moderate incomes.

FUNDING SOURCE: Capital is raised through the sale of tax exempt notes and bonds. Note sales generally support construction financing and bond sales support permanent financing.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT:
- Loan funds must be used for new construction or substantial rehabilitation of multi-family living environments.
- May house non-elderly, elderly only or mixed occupancy. Low densities are encouraged.
- Careful attention given to site selection and architectural planning to insure the construction of adequate, attractive living facilities.

DEVELOPER/OWNER:
- May be public or private entity.
- May be limited profit or nonprofit sponsor.

RENT STRUCTURE: Market rent is established by determining operating costs and considering the impact of below market interest rates. Section 8 subsidies may be utilized which reduce rents to 25% of tenant income.

TENANTS:
- There are maximum income limits for tenants receiving Section 8 Rental Assistance Payments.
- Very low income tenants can be housed under this program.

PROGRAM BENEFITS:
- Loan funds are used in conjunction with a statewide Housing Allocation Plan which encourages provision of housing consistent with needs.
- Provides sources of funds for the development of low and moderate income housing when private sources are unavailable under comparable conditions.
- Can be used in conjunction with Section 8 Program.

PROGRAM STATUS: Program remains operative.

FEDERAL HOUSING REHABILITATION PROGRAMS.

PROGRAM NAME: Section 312, Rehabilitation Loan Program.

ADMINISTERING AGENCY: Department of Housing and Urban Development in cooperation with local housing authorities.

LEGISLATIVE AUTHORIZATION: Housing Act of 1964, as Amended (42 U.S.C. 1452 et seq)

PROGRAM DESCRIPTION: Provides low interest, long term loans to property owners in community development areas for rehabilitating property and encouraging code compliance.

FUNDING SOURCE: Congressional appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUWING UNIT:
- Must be located in a Community Development Area (Formerly called Neighborhood Development Programs, Urban Renewal or Code Enforcement areas).
- Most properties are single family units. However, small multi-family properties and commercial buildings may be eligible as well.
- Must be below HUD's Property Rehabilitation Standards.

OWNER/OCCUPANTS: Households of limited incomes, but showing evidence that loan repayment can be met, receive priority.

PROGRAM BENEFITS: Property owner may receive a 20 year (or 3/4 the economic life of property) 3% interest loan to upgrade property and bring property up to code.

PROGRAM LIMITATION: Receipt of such loans may cause recipient to lose all or part of public welfare assistance he may be receiving.

PROGRAM STATUS: Program is operative, however, few areas are using it and eligibility for funds under the program is limited to very specific areas.

PROGRAM NAME: FmHA Section 504, Home Repair Loans and Grants.

ADMINISTERING AGENCY: Department of Agriculture, Farmer's Home Administration.

LEGISLATIVE AUTHORIZATION: Housing Act of 1949, as amended (42 U.S.C. 1471, et seq)

PROGRAM DESCRIPTION: Low interest loans and grants are made to very low income rural home owners for the purpose of making their homes safer and healthier for the occupants. Emphasis has been placed on winterization and insulation improvements.

FUNDING RESOURCE: Revolving loan fund; however, congressional appropriations are used to replenish the loan fund for the amount that is used to provide interest credits and grants.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT:
- Must be located in rural area meeting FmHA population size requirement.
- Must be hazardous to the health and safety of the occupant and surrounding community.

LOAN RECIPIENT:
- Must be unable to secure credit elsewhere.
- Must lack sufficient income to qualify for a Section 502 loan.
- Must have sufficient income to repay loan.

GRANT RECIPIENT:
- Combination loan and grant may be made to applicant over age 62 who lacks sufficient income to repay the total loan amount.
- A grant may be made to an applicant over age 62 who lacks sufficient income to repay any of the cost.

PROGRAM BENEFITS:
- Very low income property owners may be eligible for long term, low interest loans to make household repairs that are necessary for the health and/or safety of the occupant.
- Elderly persons of very limited financial means may qualify for partial or total grants to make these necessary repairs.

PROGRAM STATUS: Program remains operative although it has seen very limited use in this state.

PROGRAM NAME: Emergency Energy Conservation Services

ADMINISTERING AGENCY: Community Services Administration through Community Action Agencies.

LEGISLATIVE AUTHORIZATION: Community Services Act of 1974 (P.L. 93 - 644).

PROGRAM DESCRIPTION: Provides grants to low-income homeowners and renters for energy-conserving improvements to their dwelling units; provides emergency funds for utility shut-offs or lack of fuel; provides funding for programs to offset increased transportation costs for access to essential services and employment.

FUNDING SOURCE: Congressional appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT:
- A local Project Advisory Committee, a majority of whose members must be poor, recommends policies for the selection of dwellings. Emphasis is placed on a balanced combination of improvements.
- Expenditures beyond $350 require approval of the advisory committee.
- At least 90% of funds allocated must be spent on materials.
- Rental units may be included.

GRANT RECIPIENT:
- When subsidized CETA labor is used, income may not exceed 100% of the poverty level.
- When subsidized CETA labor is not used, income may not exceed 125% of the poverty level.

PROGRAM BENEFITS:
- Allows low income persons to upgrade their housing.
- Emphasizes energy improvements, conservation and consumer education.

PROGRAM STATUS: Program remains operative.

STATE HOUSING REHABILITATION PROGRAMS.

PROGRAM NAME: Home Improvement Grant Program.

ADMINISTERING AGENCY: Minnesota Housing Finance Agency.

LEGISLATIVE AUTHORIZATION: Minnesota Housing Finance Agency Law of 1971, as amended (Minnesota Statutes, Chapter 462A).

PROGRAM DESCRIPTION: Statewide program providing grants to low-income homeowners for purposes of rehabilitating their homes.

FUNDING SOURCE: Legislative appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT:
- Must exhibit deficiencies affecting the habitability, safety, or energy usage of residential property.
- Must be relatively energy efficient; otherwise grant funds shall be used to upgrade those items.

GRANT RECIPIENTS:
- Gross assets, excluding the property to be improved, cannot exceed a specified amount.
- Adjusted gross income cannot exceed a specified amount.
- Must have at least 1/3 ownership interest in the property to be improved.

PROGRAM BENEFITS:
- Allows persons with limited financial resources opportunities to upgrade their housing.
- Work completed with grant funds must comply with existing codes, but funding will not be denied because improvements made do not place property in full compliance with codes.

PROGRAM LIMITATIONS: If property is transferred within 6 years from date of grant, all or part of funds must be repaid to MHFA.

PROGRAM STATUS: Program remains operative.

PROGRAM NAME: Home Improvement Loan Program.

ADMINISTERING AGENCY: Minnesota Housing Finance Agency in cooperation with private lending institutions.

LEGISLATIVE AUTHORIZATION: Minnesota Housing Finance Agency Law of 1971, as amended (Minnesota Statutes, Chapter 462A)

PROGRAM DESCRIPTION: Statewide program providing FHA Title I Home Improvement Loans at below market interest rates to low and moderate income home owners for property rehabilitation purposes.

FUNDING SOURCE: Proceeds from bond sales and legislative appropriation.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT:
- Must be more than 15 years old unless needed improvements resulted from natural disaster.
- Must be used for residential purposes.
- May contain no more than 6 individual units.

LOAN RECIPIENT:
- Adjusted gross income cannot exceed a specified amount.
- Must show evidence that loan can be repaid.

PROGRAM BENEFITS:
- Allows low and moderate income households to secure home improvement loans at below market interest rates.
- Effective interest rate on each loan is determined by the adjusted gross income and family size relationship of a recipient.

PROGRAM STATUS: Program remains operative.

LOCAL HOUSING REHABILITATION PROGRAMS.

PROGRAM NAME: Minneapolis/St. Paul Rehabilitation Loan and Grant Programs.

ADMINISTRATIVE AGENCY: Minneapolis/St. Paul Housing and Redevelopment Authorities.

LEGISLATIVE AUTHORIZATION: Minnesota Laws, 1974, Chapters 285 & 351.

PROGRAM DESCRIPTION: Separate programs in Minneapolis and St. Paul provide below market interest rate loans and grants to low and moderate income property owners within the cities' boundaries.

FUNDING SOURCE: Revenues from sale of general obligation bonds, private lenders, and Community Development Block Grant funds.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT:
- Any dwelling structure containing 8 or less units.
- Must be in violation of code and a majority of the loan must be used to repair such items.
- Must be at least 10 years old.

LOAN RECIPIENT:
- In Minneapolis recipient can be owner-occupant, absentee owner or nonprofit corporation which acquires and rehabilitates and resells improved property.
- In St. Paul recipient must be owner-occupant.
- Applicant must have the ability to repay the loan and must be an acceptable credit risk.

GRANT RECIPIENT:
- Applicant must be owner-occupant with very limited assets available to pay for necessary housing repairs.
- Must have very limited gross annual income.
- Grants approved to finance corrections which pose immediate health and safety hazards.
- Minneapolis program limits structure size to 2 dwellings units.

PROGRAM PRIORITIES:
- Owners required to make repairs because of Urban Renewal, Code Enforcement program or court order.
- Owners unable to secure property insurance because of physical hazards.
- Owners who have purchased property through an Urban Homesteading Program.

- Owners unable to afford rehabilitation loans at market interest rates.
- St. Paul has established a concentrated rehabilitation program in several designated areas of the city.

PROGRAM BENEFITS:
- Program provides low interest long term loans for low and moderate income property owners.
- Effective interest rate for each loan is determined by a household income/family size relationship.
- If 25% of applicant's income does not cover his housing expense, this can further reduce the loan interest rate under this program.
- Direct grants are given in cases of extreme need.
- Programs may be used city wide or restricted to designated areas.
- Program can be supplemented by Community Block Development funds which suggests public improvements may complement private rehabilitation efforts.

PROGRAM LIMITATIONS: Sale of property within 3 years requires that owner repay a grant on a pro rata basis.

PROGRAM STATUS: Certain parts of the program especially those supported by Community Development Block Grant funds are expected to continue. Those programs supported by revenues from general obligation bonds and private sources are uncertain.

FEDERAL HOMEOWNERSHIP PROGRAM.

PROGRAM NAME: FmHA Section 502, Homeownership Program.

ADMINISTERING AGENCY: Department of Agriculture, Farmer's Home Administration.

LEGISLATIVE AUTHORIZATION: Housing and Community Development Act of 1968, as amended, (12 U.S.C. 1701)

PROGRAM DESCRIPTION: Provides loans to purchase new or existing single family homes or to build, rehabilitate, or relocate a single family home. Interest credits are available to low income families.

FUNDING SOURCE: Revolving loan fund; interest credit deficits are replaced by Congressional appropriations.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT:
- Must be owner occupied.
- Must be modest in size, design and cost.
- Must be located within FmHA program boundaries; i.e., population size cannot exceed 10,000. In some cases population size may range from 10,000 to 20,000.

OWNER:
- Net worth of owner, excluding the value of the site and dwelling being improved, household goods and debts against them, cannot exceed a specified amount.
- Adjusted income cannot exceed a specified amount.
- Exceptions are made for elderly families as it is recognized that they must retain a certain reserve for health and maintenance expenses.
- Must be unable to secure credit elsewhere.

PROGRAM BENEFITS: Rural households of limited incomes may secure loans to purchase or rehabilitate single family homes. They may be eligible for interest credits which reduce the effective interest rate of the loan.

PROGRAM STATUS: Program is operative.

STATE HOMEOWNERSHIP PROGRAMS.

PROGRAM NAME: MHFA Homeownership Mortgage Program.

ADMINISTERING AGENCY: Minnesota Housing Finance Agency

LEGISLATIVE AUTHORIZATION: Minnesota Housing Finance Agency Law of 1971, as amended (Minnesota Statutes, Chapter 462A).

PROGRAM DESCRIPTION: Statewide program providing loans at reduced interest rates for the purchase of new or existing homes.

FUNDING SOURCE: Proceeds from bond sales.

MAJOR PROGRAM REQUIREMENTS:

HOUSING UNIT:
- Must be owner occupied one-to-four family structures.
- Sales price cannot exceed $37,500.

OWNER:
- Must be a Minnesota resident.
- Adjusted gross income cannot exceed a specified amount.
- Must be a reasonable credit risk with the financial ability to repay the mortgage loan.

PROGRAM BENEFITS:
- Allows low and moderate income households to secure homeownership loans at below market interest rates.
- Encourages the construction of new homes.
- Provides financing for home mortgage loans that are FHA insured, VA guaranteed, conventional loans with private mortgage insurance, or uninsured conventional loans if the equity investment exceeds 25%.

PROGRAM STATUS: Program is operative.

TAX PROGRAMS

Certain provisions of Minnesota's taxation system serve to benefit the elderly population in this state. The individual income tax and property tax systems provide the primary tax benefits for this population. In certain cases, the two systems interact to provide these benefits. The following section will briefly ennumerate these benefits.

FEDERAL TAX PROGRAMS.

PROGRAM NAME: Federal Income Tax System.

ADMINISTERING AGENCY: Internal Revenue Service.

LEGISLATIVE AUTHORIZATION: Internal Revenue Service Code (current through Tax Reform Act of 1976, P.L. 94 - 455)

PROGRAM BENEFITS:

- Federal Social Security benefits and state-related social security benefits are not included as taxable income.
- Persons age 65 and over are allowed the standard personal exemption plus an additional equal exemption for meeting the above age requirement.
- A low income allowance provides elderly individuals with minimal incomes the option of taking a percentage standard deduction of gross income or a special low income allowance. This provision is designed to free persons below the "estimated poverty level" of income tax.
- Certain portions of pensions and annuities may be partially nontaxable.
- Elderly individuals may be eligible for a retirement income credit equal to a percentage of the total of retirement income from pensions, interests, rents, dividends and other passive incomes.
- An individual of any age confined to a nursing home for medical reasons may deduct the entire cost of these services (including meals and lodging) as medical expenses.
- For income tax purposes a person over age 65 may choose to exclude the capital gain from the sale or exchange of his residence. To be eligible for the full benefit, the adjusted sales price cannot exceed $35,000. If

the adjusted sales price is greater than $35,000, a percentage of the capital gain may be excluded. The individual may exercise this option once during his lifetime.

STATE TAX PROGRAMS.

PROGRAM NAME: Minnesota Individual Income Tax System.

ADMINISTERING AGENCY: Minnesota Department of Revenue.

LEGISLATIVE AUTHORIZATION: Minnesota Statutes, 1974, Chapter 290

PROGRAM BENEFITS:

- Filing Requirements -- Minnesota residents earning minimal incomes as defined by statutes are not required to file tax returns. Persons age 65 and over are granted further preference because minimal incomes as defined by statute are somewhat higher for this group.

- Credits Against Income Tax -- Individual income tax liability is reduce for all payers by a personal credit. Persons age 65 and older receive a special additional credit for meeting the eligible age requirement.

- Low Income Credit -- Credit granted to persons of all ages who have minimal incomes. The correlation between household size and income serves to determine those who can be fully relieved of income tax burdens.

- Deductions Against Income Tax -- Income derived from Social Security and related benefits is non-taxable income under this system.

PROGRAM NAME: Minnesota Property Taxation System.

ADMINISTERING AGENCY: Minnesota Property Taxation System.

LEGISLATIVE AUTHORIZATION: Minnesota Statutes, 1974, Chapter 272.

PROGRAM BENEFITS:

- Property Classifications System -- A major intent of this system is to provide preference to certain types of property owners.

- Housing for the elderly financed by direct federal loans or federally insured loans or financed under the Minnesota Housing Act is taxed at a lesser percentage of market value than many other forms of multi-family housing.
- Housing for the elderly located in rural areas and financed under FmHA programs are taxed on the basis of a very minimal percentage of market value.
- Dwelling properties classified as homesteads are taxed at lesser percentages of market value than most other forms of taxable property.
- Homestead Credit — A provision that serves to reduce the property tax burden by 45% or a maximum of $325 for all homestead property owners.

PROGRAM NAME: Minnesota Income Adjusted Homestead Credit or "Circuit Breaker" (Replaces the Senior Citizens & Disabled Persons Income/Property Tax Credit).

ADMINISTERING AGENCY: Minnesota Department of Revenue.

LEGISLATIVE AUTHORIZATION: Omnibus Tax Act, 1975 (Laws of Minnesota, 1975, Chapter 437)

PROGRAM BENEFITS:
- The state reimburses households for amount that property taxes payable or rent constituting property tax exceeds the predetermined income percentage one should be required to pay up to a maximum amount.
- For persons age 65 and older and/or disabled the maximum credit is $325 greater than for other eligible groups.
- 1976 legislation allows qualified senior citizens who rent units in tax exempt or public housing facilities to claim this credit.

PROGRAM LIMITATIONS:
- For purposes of this credit, income includes such sources as social security and supplemental security income and certain other nontaxable sources under the income tax system.
- Any credit under the Income Adjusted Homestead Credit provision is reduced by the standard homestead credit amount.

SOCIAL SECURITY PROGRAMS

The following section will outline programs authorized by the Social Security Act. Although social security legislation encompasses many areas of social insurance, the following presentation will summarize only those areas directly affecting older Americans.

INSURANCE BENEFITS PROGRAMS.

PROGRAM NAME: Retirement Insurance Benefits Program.

ADMINISTERING AGENCY: Social Security Administration through the Department of Health, Education and Welfare.

LEGISLATIVE AUTHORIZATION: Social Security Act of 1935, as amended (42 U.S.C. 402, et seq).

PROGRAM DESCRIPTION: Provides monthly cash benefits to retired workers who are covered by the Social Security Act and auxiliary benefits may be payable to other persons based on the earning records of the retirement insurance recipients.

FUNDING SOURCE: Contributions from employees, employers and self-employed individuals working in jobs and businesses covered by the Social Security Act.

MAJOR PROGRAM REQUIREMENTS:

- Individual age 62 or over who is fully insured (fully insured meaning contributions have been made for 40 quarters under the Social Security Act).
- Individual age 72, although not fully insured meets the transitional insured status requirements.
- Auxiliary benefits may be available to the wife of the insured worker if she is 62 or older (age 72 if husband is claiming benefits under transitional insured status) and is not entitled to primary benefits greater than one half of her husband's.
- Auxiliary benefits may be available to the husband if the wife is eligible for insurance benefits and previously contributed at least half support to the husband.

PROGRAM BENEFITS:

PRIMARY BENEFITS:
- Actual monthly cash benefits received by the fully insured retiree are related to the highest average monthly earnings of the insured.
- Individuals qualifying for benefits under the transitional program and those receiving benefits before age 65 receive lesser monthly amounts.
- The cash benefit is intended to be a partial replacement of earnings lost due to retirement.

AUXILIARY BENEFITS:
- A spouse qualifying for auxiliary benefits is entitled to half the amount received by the primary insurance beneficiary if the combined amounts do not exceed a specified family maximum.
- Monthly cash benefits automatically increased with cost of living increases.

PROGRAM LIMITATIONS:
- Monthly cash benefits may be reduced or ceased if the insured or auxiliary beneficiary earns wages in excess of yearly exempt amounts.
- Excess earnings by an insured reduce both primary and auxiliary benefits whereas excess earnings of an auxiliary beneficiary reduce only the auxiliary benefits. (Earnings consist of all wages for services rendered and do not include such things as interest from investment income.)

PROGRAM NAME: Survivors Insurance Benefits Program.

ADMINISTERING AGENCY: Social Security Administration through the Department of Health, Education and Welfare.

LEGISLATIVE AUTHORIZATION: Social Security Act of 1935, as amended (42 U.S.C. 402 et seq)

PROGRAM DESCRIPTION: Provides monthly cash benefits to survivors of retired workers covered by the Social Security Act.

FUNDING SOURCE: Contributions from employees, employers, and self-employed individuals working in jobs and businesses covered by the Social Security Act.

MAJOR PROGRAM REQUIREMENTS:

- Widow or widower age 60 or over or disabled widow between the ages of 50 and 60.
- Deceased spouse must have been fully insured at time of death or transitionally insured if age 72 or over.

PROGRAM BENEFITS:

- Monthly cash benefits payable are equal to the primary retirement insurance benefits received by the deceased insured.
- Actual benefits paid may be less if the widow/widower insurance benefit would exceed the maximum family benefit.
- If surviving spouse is entitled to an individual retirement benefit, the survivors insurance benefit would pay the difference in the two amounts.
- Monthly benefits are subject to periodic cost of living increases.

PROGRAM LIMITATIONS:

- Cash benefits may be reduced or ceased if the surviving spouse is under age 72 and earns wages in excess of the annual exempt amount.
- If individual is entitled to these payments because of disability and refuses to accept vocational rehabilitation, benefits may cease.

PROGRAM NAME: Hospital Insurance Benefits Program (A part of the program generally referred to as "Medicare").

ADMINISTERING AGENCY: Primary responsibility rests with the Social Security Administration through the Department of Health, Education, and Welfare. Social Security Administration contracts with state agencies such as health departments and intermediaries such as private insurance companies to assist with local administration of the program.

LEGISLATIVE AUTHORIZATION: Social Security Act, Part A. Title XVIII, 1965 (42 U.S.C. 1395 1-2 et seq)

PROGRAM DESCRIPTION: Provides insurance protection for most persons age 65 and over against expense incurred for hospitalization and related care.

FUNDING SOURCE: Contributions from employees, employers and self-employed individuals who are covered by the Social Security Act. Persons not covered and over age 65 may pay premiums to obtain such coverage. Appropriations from U. S. general funds may be used in certain situations.

MAJOR PROGRAM REQUIREMENTS:

- Individual age 65 or over who is covered by the Social Security Act.
- Uninsured persons age 65 or over who meet transitional insurance requirements.
- Uninsured persons age 65 or over who voluntarily enroll and agree to pay a monthly premium.
- Benefits may be available to persons receiving Survivor's benefits.

PROGRAM BENEFITS: Hospital Insurance benefits include payment for inpatient hospital care, extended care services in a skilled nursing facility, home health service visits, and psychiatric hospital services.

PROGRAM LIMITATIONS:

- Recipient of hospital insurance benefits is subject to a deductible for each benefit period.
- Recipient may be subject to a coinsurance amount after a certain period of hospitalization.

PROGRAM NAME: Medical Insurance Benefits Program (A part of the program generally referred to as "Medicare").

ADMINISTERING AGENCY: Primary responsibility rests with the Social Security Administration. Social Security Administration contracts with carriers and intermediaries who serve as administrative agents for the program.

LEGISLATIVE AUTHORIZATION: Social Security Act, Part B Title XVIII, 1965 (42 U.S.C. 1395 et seq).

PROGRAM DESCRIPTION: A voluntary insurance program which provides payment for medical and surgical services and supplements the coverages of the hospital insurance program.

FUNDING SOURCE:

- Monthly premium payments from thoseindividuals desiring coverage.
- Premium contributions are matched by the federal government out of general revenue funds.

MAJOR PROGRAM REQUIREMENT:

- Any person age 65 or over who is a resident citizen or lawfully admitted alien.
- Any person, whether or not he is 65 years old, who is entitled to Hospital Insurance benefits.

PROGRAM BENEFITS: Medical insurance benefits include payments for services of physicians and surgeons, certain home health services, certain therapeutical services, therapeutic and prosthetic devices, diagnostic x-rays and laboratory tests and out-patient hospital services.

PROGRAM LIMITATIONS:

- Recipient of medical insurance benefits is subject to a yearly deductible for medical services.
- Recipient can recover only 80% of incurred medical expenses after the deductible.
- Monthly premium amounts increase for each full year in which the individual could have been enrolled in the medical insurance program, but was not.

SUPPLEMENTAL SECURITY INCOME PROGRAM.

PROGRAM NAME: Supplemental Security Income Program for the Aged, Blind and Disabled (SSI).

ADMINISTERING AGENCY: Social Security Administration through the Department of Health, Education and Welfare. State agencies may be involved in certain situations.

LEGISLATIVE AUTHORIZATION: Social Security Act, Title XX, 1972 (42 U.S.C. 1381 et seq)

PROGRAM DESCRIPTION: Replaces the former federal grants to states for aid for this purpose. Provides basic assistance payments to needy aged on the basis of uniform eligibility requirements. In addition, individual states may be required to institute supplementation for the program if income levels of recipients were higher under the former program. Additional assistance for special situations may be provided at state option.

FUNDING SOURCES: General revenues of the United States---basic program. General revenues of state for required supplementary or optional programs.

MAJOR PROGRAM REQUIREMENTS:

- Individual age 65 or older.
- Resources of an individual or couple must not exceed a specified amount. Resources do not include a home of reasonable value, household goods and personal effects, automobile, and other property of reasonable value essential to self-support.
- Current income must not exceed a specified amount. Income for these purposes includes other insurance benefits, wages, rents, dividends, interest and gifts.
- Grants received from MHFA for housing rehabilitation purposes are not considered income and do not affect SSI benefits.

PROGRAM BENEFITS:
- Provides financial assistance to supplement whatever income is available from other sources while allowing the recipient to retain resources necessary for self-support.
- Cash benefits automatically increase with cost of living increases.

PROGRAM LIMITATIONS: Recipients should be aware that other income sources such as some forms of housing rehabilitation grants may affect these benefits.

PROGRAM NAME: Supplement Security Income Program for the Aged — Minnesota's Required and Optional Programs of Supplementation.

ADMINISTERING AGENCY: Social Security Administration — Required Program Minnesota Department of Public Welfare along with County Welfare Boards — Optional Program.

LEGISLATIVE AUTHORIZATION: Social Security Act, Title XX, 1972. (42 U.S.C. 1382 et seq; 42 U.S.C. 1397 et seq)

PROGRAM DESCRIPTION:
- The required program is to maintain income levels under the former federal grants to states program.
- The optional program provides for special and emergency needs not covered under the basic federal SSI program.

FUNDING SOURCE:
- General revenues of the state of Minnesota with federal revenues assisting with administrative expenses for the required program.
- General revenues of the state of Minnesota and contributions from county revenue sources support the optional program.

MAJOR PROGRAM REQUIREMENTS:

REQUIRED PROGRAM:
- Eligible SSI recipient.
- State must contribute monies to insure that recipient is not receiving less income under the federal program.
- Minnesota must make these contributions as state recipients were gaining more income under the former program.

OPTIONAL PROGRAM:
- Eligible SSI recipient.
- Resources of an individual or couple must not exceed a specified amount.
- Basic resource requirements are similar to the federal SSI program. However, Minnesota has somewhat more stringent regulations on values of acceptable resources.
- Income from other governmental programs and private sources cannot exceed a specified amount.
- Occasional assistance for housing repair or extreme utility expenses may be granted on an emergency basis.

PROGRAM BENEFITS: - Provides additional cash benefits to needy individuals who qualify for SSI payments.

- Provides cash assistance in emergency situations.

- State programs must pass along federal cost of living increases.

PROGRAM LIMITATIONS: States not complying with requirement to maintain income levels of recipients at former amounts under other programs become ineligible for Title XIX (MedicAid) federal matching funds.

MEDICAL ASSISTANCE PROGRAM.

PROGRAM NAME: Medical Assistance or "MedicAid".

ADMINISTERING AGENCY: Minnesota Department of Public Welfare and County Welfare Boards.

LEGISLATIVE AUTHORIZATION: Social Security Act, Title XIX, (42 U.S.C. 3416 et seq; Minnesota Statutes, Chapter 265B)

PROGRAM DESCRIPTION: Payments are made to suppliers of medical services and care on behalf of Supplemental Security Income recipients who are unable to meet these medical costs.

FUNDING SOURCE: State and local revenues augmented by federal contributions.

MAJOR PROGRAM REQUIREMENTS:

- A person who is eligible for or receiving supplemental security income for the aged, blind and disabled.
- Person, except for amount of income or resources, who would qualify for Supplemental Security Income payments and is in need of medical assistance.

PROGRAM BENEFITS: Allows persons with insufficient resources to seek appropriate medical care and in some cases will pay for insurance premiums under Title XVIII of the Social Security Act (Medicare).

SERVICE PROVISION PROGRAMS

Many public and private agencies work to provide social service programs and facilities to improve and/or maintain a certain quality of life for older Americans. It is an impossibility to describe all entities which provide thse kinds of services. Thus, the following section will focus on major federal and state programs that carry out these activities.

Major program involvement occurs at the federal level and nearly all federally funded service programs are authorized by the Older American's Act. A majority of the programs authorized by the Act will be summarized under the general program heading of Older American's Social Service Programs. Highly visible and individual programs will be described separately.

SOCIAL SERVICE PROGRAMS

PROGRAM NAME: Older American's Social Service Programs.

ADMINISTERING AGENCY: Administration on Aging (Department of Health, Education and Welfare) in cooperation with the Minnesota Governor's Citizens Council on Aging and locally designated area agencies on aging.

LEGISLATIVE AUTHORIZATION: Older American's Act of 1965, as amended, Title III (42 U.S.C. 3003, et seq)

PROGRAM DESCRIPTION: Provides funding to state governments for local service programs intended to upgrade and enhance the quality of life for older Americans and to help them achieve the maximum independence and dignity possible in their home environments. Programs generally receive federal support for three consecutive years and then ongoing programs must be supported locally.

FUNDING SOURCE: Congressional appropriations. Local contributions.

PROGRAM PRIORITIES: - Funds may be used to provide the following types of services:

- health services
- continuing education and information and referral services
- recreational services
- transportation services especially those providing access to social services
- assistance to elderly in securing adequate housing
- services intended to help older persons avoid institutionalization for as long as possible

- Other funds may be used for research purposes.
  - development of gerontology centers
  - staff training in the field of gerontology

MAJOR PROGRAM REQUIREMENTS:

ADMINISTRATION: - Development of a comprehensive state plan outlining the need for such activities and a description of objectives to meet these needs.

- Coordination of working agreements with other agencies to maximize benefits of existing and planned social service programs.
- Establishment of local entities to develop necessary local programs, seek grant funding and ultimately deliver services.

RECIPIENT: - Generally, all older Americans (60 or over) are eligible for these social services.

- Special consideration should be given to planning programs for older Americans with special needs.
- If programs can reach only a limited number, priority is given to those elderly with greatest social and economic needs.

PROGRAM BENEFITS: - Because programs can be individualized to meet specific needs of an area's population, it is difficult to measure specific benefits. However, general benefits may be viewed as:

- Major attempt to coordinate the development and delivery of social services to older Americans to maximize the benefits.
- Programs are generally open to all elderly individuals regardless of income.

PROGRAM STATUS: Program remains operative and funding is expected to be continued.

PROGRAM NAME: Nutrition Program for the Elderly.

ADMINISTERING AGENCY: Administration on Aging (through the Department of Health, Education and Welfare) in cooperation with Governor's Citizens Council on Aging and local area agencies on aging.

LEGISLATIVE AUTHORIZATION: Older American's Act of 1965, as amended, Title VII (42 U.S.C. 3045, et seq)

PROGRAM DESCRIPTION: A federal program with statewide coverage consisting of 180 centers, to provide congregate meals and a limited number of home delivered meals and supportive services such as transportation, recreation, informational and health services for older Minnesotans. The program is a further attempt to help elderly Americans remain independent for as long as possible.

FUNDING SOURCE: Congressional appropriations, Minnesota legislative appropriations.

PROGRAM NAME: Section 308, Model Projects Program

ADMINISTERING AGENCY: Administration on Aging (through the Department of Health, Education and Welfare) in cooperation with Governor's Citizens Council on Aging.

LEGISLATIVE AUTHORIZATION: Older American's Act of 1965, as amended, Title III (42 U.S.C. 3028 et seq)

PROGRAM DESCRIPTION: - Certain model or demonstration projects significant to the initiation, expansion or improvement of social services are given funding priority. Some priorities are:

-- Housing assistance programs that provide grant funds to needy elderly homeowners.

- Housing programs demonstrating methods of adapting existing housing or new construction to meet needs of older persons suffering from disabilities.
- Programs aimed at providing in-home services.

FUNDING SOURCE: Congressional appropriations.

LAW ENFORCEMENT PROGRAMS.

PROGRAM NAME: Crime Control Program.

ADMINISTERING AGENCY: Law Enforcement Assistance Administration.

LEGISLATIVE AUTHORIZATION: Crime Control Act of 1976 (P.L. 94-503)

PROGRAM DESCRIPTION: Provides financial and technical assistance to states to develop crime control programs that are designed to reduce the incidence of crime against the elderly.

TRANSPORTATION PROGRAMS.

PROGRAM NAME: Title III, Transportation Programs.

ADMINISTERING AGENCY: Administration on Aging (through the Department of Health, Education and Welfare) in cooperation with Governor's Citizens Council on Aging.

LEGISLATIVE AUTHORIZATION: Older American's Act of 1965, as amended, Title III (42 U.S.C. 3029)

PROGRAM DESCRIPTION: Establishes a grant program to assist local agencies in providing transportation services to elderly.

PROGRAM NAME: Special Mass Transportation Programs.

ADMINISTERING AGENCY: U. S. Department of Transportation.

LEGISLATIVE AUTHORIZATION: Urban Mass Transportation Act as amended Title 16 (49 U.S.C. 1612 et seq)

PROGRAM DESCRIPTION: Establishes a grant program toprovide funding to state and local agencies interested in providing specialized mass transportation services to accommodate the specialized needs of elderly and handicapped.

PROGRAM NAME: Subsidized Transportation Program for Elderly and Handicapped Individuals.

ADMINISTERING AGENCY: U. S. Department of Transportation.

LEGISLATIVE AUTHORIZATION: Urban Mass Transit Act (49 U.S.C. 1604B, 1605 et seq)

PROGRAM DESCRIPTION: Federal funds are granted to sponsors of urban mass transit facilities to provide free transport to elderly and handicapped individuals during non-peak hours.

EMPLOYMENT AND EDUCATION PROGRAMS.

PROGRAM NAME: Older American's Community Service Employment Program.

ADMINISTERING AGENCY: Department of Labor in cooperation with the Minnesota Governor's Man Power Office (works to fulfill policies of Administration on Aging).

LEGISLATIVE AUTHORIZATION: Older American's Act of 1965, as amended Title IX (42 U.S.C. 3056, et seq)

PROGRAM DESCRIPTION:
- Program is intended to provide community service opportunities to unemployed individuals over age 55 with limited possibilities of securing other employment.
- Work is related to publicly owned and operated facilities.
- Payment is based on local minimum hourly wage.

FUNDING SOURCE: Congressional appropriations not to exceed a certain percentage. State contributions in cash or kind fulfill the remainder of the obligation.

PROGRAM NAME: Community Service and Continuing Education Program.

ADMINISTRATIVE AGENCY: Department of Health, Education and Welfare.

LEGISLATIVE AUTHORIZATION: Higher Education Act of 1965, as amended Title 1 (20 U.S.C. 1008a et seq)

PROGRAM DESCRIPTION: Establishes a grant program encouraging institutions of higher education to develop programs designed to apply the resources of higher education to the problems of elderly with particular regard to transportation and housing problems experienced by rural elderly.

PROGRAM NAME: Special Education Programs for the Elderly.

ADMINISTERING AGENCY: Department of Health, Education and Welfare.

LEGISLATIVE AUTHORIZATION: Adult Education Act, Title III as amended
Title III (20 U.S.C. 1208a et seq)

PROGRAM DESCRIPTION: Establishes a grant program enabling state and local educational agencies to provide remedial education programs for elderly persons having limited English, reading and speaking abilities.

PROGRAM NAME: Older Reader's Services Program.

ADMINISTERING AGENCY: Department of Health, Education and Welfare.

LEGISLATIVE AUTHORIZATION: Library Services and Construction Act, as amended
Title IV (20 U.S.C. 361 et seq)

PROGRAM DESCRIPTION: Establishes a grant program which enables states to carry out public library service programs for older Americans in coordination with programs assisted under the Older Americans Act.

PROGRAM NAME: National Older Americans Volunteer Program.

ADMINISTERING AGENCY: ACTION in cooperation with local state Action agencies. In Minnesota, Governor's Citizens Council on Aging.

LEGISLATIVE AUTHORIZATION: Federal: Domesitc Volunteer Service Act of 1973, as amended
(42 U.S.C. 5001, 5011)

Minnesota: Foster Grandparents Program,
Minnesota Statutes, Chapter 256, 1976

Senior Companions Program,
Minnesota Laws, Chapter 323, 1975

PROGRAM DESCRIPTION: Establishes a grant program to encourage interested agencies to develop volunteer service programs utilizing the services of older Americans to carry out such programs. Retired Volunteer Service Programs and Foster Grandparents Program establishes a supplementary funding source to expand this program within the state.

EQUAL OPPORTUNITY POLICIES

FEDERAL EQUAL OPPORTUNITY POLICIES.

PROGRAM NAME: Age Discrimination Policy.

ADMINISTERING AGENCY: Administration on Aging (through the Department of Health, Education and Welfare).

LEGISLATIVE AUTHORIZATION: Age Discrimination Act of 1975, Title III, Amendments (P.L. 94-135)

PROGRAM DESCRIPTION: A federal policy which prohibits unreasonable discrimination on the basis of age in programs receiving federal financial assistance and in some cases, state and local assistance. The Department of Health, Education and Welfare is charged with the responsibility of developing regulations for this policy.

STATE EQUAL OPPORTUNITY POLICIES.

PROGRAM NAME: Handicapped Discrimination Law

LEGISLATIVE AUTHORIZATION: Minnesota White Cane Law (Minnesota Statutes, Chapter 256C.025)

PROGRAM DESCRIPTION: A state policy which prohibits discrimination against the blind or other physically handicapped persons in the rental or leasing of housing solely because of their disability.

LAND USE REGULATIONS

LOCAL ZONING REGULATIONS.

In some municipalities in the state, local zoning codes make special provision for multi-family housing for senior citizens. They generally include less stringent requirements in such areas as parking, lot size, and floor area ratio than those for other types of multi-family housing. The particular requirements may vary from one community to another making it difficult to detail particular codes in this inventory. However, it is important to realize their potential impact on the development of senior citizen housing.

ACCESS POLICIES AND REGULATIONS

FEDERAL ACCESS POLICIES AND REGULATIONS.

PROGRAM NAME: Architectural and Transportation Barriers Compliance Board.

ADMINISTERING AGENCY: Architectural and Transportation Barriers Compliance Board.

LEGISLATIVE AUTHORIZATION: The Rehabilitation Act of 1973 (P.L. 93 - 112, et seq)

PROGRAM DESCRIPTION: Established the Architectural and Transportation Barriers Compliance Board to ensure compliance with prescribed standards as well as to examine alternative approaches to eliminating barriers in transportation, housing, public buildings, and parks.

PROGRAM NAME: Architectural Barriers Removal Tax Deduction.

ADMINISTERING AGENCY: Internal Revenue Service.

LEGISLATIVE AUTHORIZATION: Tax Reform Act of 1976 (P.L. 94 - 455)

PROGRAM BENEFITS:
- Provide an elective business deduction for the removal of architectural barriers to the handicapped and elderly.
- Maximum deduction allowed of $25,000 a year.

PROGRAM STATUS: Effective December 31, 1976, through January 1, 1980.

PROGRAM NAME: Minimum Property Standards.

ADMINISTERING AGENCY: Department of Housing and Urban Development.

PROGRAM DESCRIPTION: Establishes minimum design and construction standards for any housing development which receives federal funds or whose financing is guaranteed either in whole or in part by the federal government. They include minimum accessibility standards for the elderly and physically handicapped.

STATE ACCESS POLICIES AND REGULATIONS.

PROGRAM NAME: Minnesota State Building Code, Chapter 55, "Facilities for the Handicapped."

ADMINISTERING AGENCY: Minnesota Department of Administration.

LEGISLATIVE AUTHORIZATION: Minnesota Statutes, 1974
Chapter 471.476

PROGRAM DESCRIPTION: Establishes minimum requirements of accessibility for the elderly and the handicapped for all new public buildings and all larger private buildings in the state including apartment buildings of 8 dwelling units or more. These standards also apply to all new construction in those parts of the state which enforce the State Building Code excepting one and two family dwellings, condominiums, temporary buildings, farm buildings, and buildings of less than 150 square feet.