

HUD Funding to Develop Housing for Grandfamilies

January 9, 2024

- **Please type in the chat - your name, state, tribe (if applicable), and role**
- **Type your questions in the chat at any point during the presentation – we'll address them during the panel discussion**
- **All participants will receive a link to the slides and the recording by the end of the week**

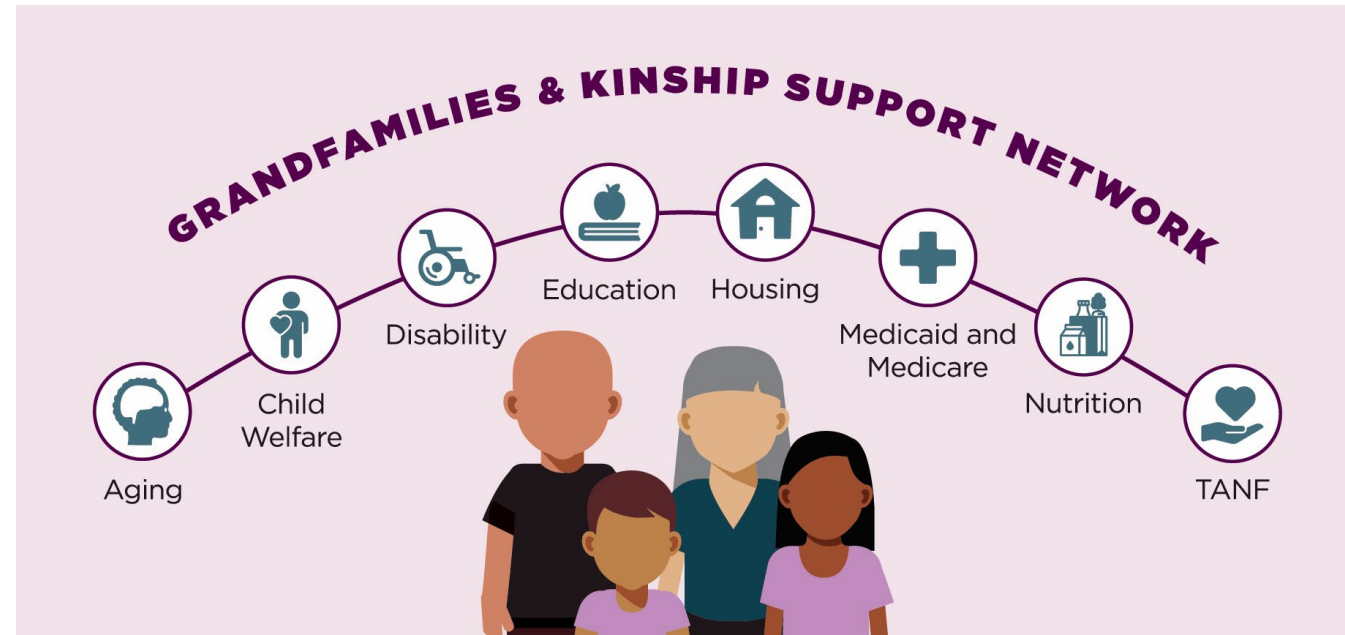
Who is joining us today?

POLL #1:

What type of organization or system do you represent?

Non-profit housing developer	Child Welfare
Aging Services	Disability Services
Housing	Kinship Navigator
Education	Kinship Caregiver
Other	

- 5-year (2021-2026) cooperative agreement with Administration for Community Living
- Purpose is to provide technical assistance to the array of tribal, state, and territorial government agencies, as well as non-profit organizations that serve kinship families
- Not designed to serve the families directly – working to improve systems for families



How We Help



Learning Collaboratives and Information Dissemination

The Network hosts [webinars](#) and facilitates learning collaboratives.



Targeted, Specialized Support

The Network's **Bridging Systems for Kinship Families** initiative will provide select jurisdictions with in-depth support to improve collaboration across government systems and nonprofit services providers, address service barriers, and leverage resources to maximize support of all kinship families.

[Apply](#) by January 30.



Individual Assistance

We respond to [individual requests for help](#) from government agencies, kinship navigators, and community-based nonprofits.



A Centralized Hub

The Network is elevating exemplary kinship/grandfamily practices and programs from around the country on its accessible website, www.GKSNetwork.org.

The First-Ever National Technical Assistance Center for those who Serve Kinship/Grandfamilies

We help government agencies and nonprofits in states, tribes, and territories work across jurisdictional and systemic boundaries to improve supports and services for families in which grandparents, other relatives, or close family friends are raising children.



Housing for Grandfamilies



*Grandparent Family Apartments -
South Bronx, New York*

- Dedicated grandfamilies housing with services on-site in at least 20 programs around the country - www.gksnetwork.org/resources/housing-developments-for-grandfamilies/
- See Generations United's 2019 State of Grandfamilies Report: "A Place to Call Home" www.gu.org/resources/a-place-to-call-home-building-affordable-housing-for-grandfamilies/

Meet Our Presenters & Panel Moderator

- **Karyne Jones**, President and Chief Executive Officer, National Caucus and Center on Black Aging (NCBA)
- **Dwight Mayes**, Director of Housing, National Caucus and Center on Black Aging (NCBA)
- **Belinda Koros**, Director, Assisted Housing Oversight Division, U.S. Department of Housing and Urban Development (HUD), Office of Asset Management and Portfolio Oversight
- **Katina Washington**, Branch Chief, Office of Multifamily Housing, U.S. Department of Housing and Urban Development (HUD), Office of Asset Management and Portfolio Oversight
- **Shalonda M. Kelly**, Program Analyst, Grants and New Funding, Assisted Housing Oversight Division, U.S. Department of Housing and Urban Development (HUD), Office of Asset Management and Portfolio Oversight
- Panel Moderator, **Alison Harte**, Housing Fellow, Generations United

Carl F. West Estates Washington, DC



OFFICE OF HOUSING

Section 202 Supportive Housing for the Elderly Program

OFFICE OF MULTIFAMILY HOUSING PROGRAMS

January 9, 2024

Section 202 - History

What is the Section 202 Supportive Housing for the Elderly Program?

The Section 202 program was established under the Housing Act of 1959.

Enacted to allow seniors to age in their community by providing assistance with housing and supportive services.

Program has gone through various programmatic iterations during its lifetime.

Program regulations are found 24 CFR Part 891.

What are some programmatic changes that have taken place since 1959?

Prior to 1974, Section 202 funds were 3% loans that may or may not have had either Section 8 or rent supplement assistance for all or some of the units.

Between 1974 and 1990, Section 202 funds were provided as loans and subsidized by project-based Section 8 contracts. Until the creation of the Section 811 program in 1990, the Section 202 program funded housing for both seniors and people with disabilities.

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In 1991 the Section 202 program was converted to a capital advance grant with a project rental assistance contract for operational expenses, known as Section 202 PRAC.

***Very Low Income = 50% of area median income.**

Section 202 - Overview

Eligible Applicants:

- Private non-profit organizations that have tax-exempt status under Section 501(c)(3) or Section 501(c)(4) of the Internal Revenue Code of 1986, and non-profit consumer cooperatives are the only eligible applicants
- Basic Requirements*
 - Articles of Incorporation
 - Constitution
 - Resolutions or other organizational documents
 - By-laws
 - A graphic organizational chart indicating the relationship among parties and a list of the applicants' officers
 - Current valid IRS tax exemption determination letter (including churches).

*Please see NOFO for full eligibility requirements, including documentation and regulations

Section 202 - Overview

- Provides Capital Advance funding for the development of supportive rental housing for Very-Low-Income* persons aged 62 years or older.
- Provides project rental assistance contract funds (PRAC) to maintain ongoing affordability. Funds are used to supplement the difference between the total tenant payment and HUD-approved operating expenses.
- Capital Advance funds bear no interest and repayment is not required provided the housing remains available for occupancy by Very-Low-Income Elderly Persons for at least 40 years.
- Provides elderly persons with the opportunity to live independently, but with important voluntary support services such as nutrition, transportation, continuing education, education and outreach regarding telemarketing fraud, and/or health-related services.

Section 202 – Capital Advance



Allowable Use	Yes	No
Property Construction	X	
Property Rehabilitation	X	
Rental Assistance		X
Salaries		X
Supportive Services		X
Property Acquisition	X	

Section 202 – PRAC

Pays the difference between the unit rent and the tenant's total rent payment:

EXAMPLE:

Unit Rent: \$800

Tenant Portion: \$250

PRAC amount: \$550



*Costs associated with the employment of a service coordinator are eligible to be covered under a PRAC and are incorporated into the calculation of the initial PRAC rents

**Up to \$15 per month per unit of PRAC funds may be used for service expenses which is incorporated in the initial PRAC rents

Allowable Use	Yes	No
Property Construction		X
Property Rehabilitation		X
Rental Assistance	X	
*Salaries	X	
**Supportive Services	X	
Property Acquisition		X

Supportive Services

Examples:

Services that assist with Activities of Daily Living

Services that Assist with Instrumental Activities of Daily Living

Services that aid in total health of resident

Nutritional Health

Physical Health

Mental Health (social isolation, depression)

Employing a full or part-time service coordinator

Funding Mechanisms:

Public and/or private funds

Section 202 Program allowable expenses

Medicaid Reimbursement

Poll #2

Are you familiar with the Intergenerational component of the Section 202 Program?

Intergenerational Housing

- **Authorization:** Living Equitably: Grandparents Aiding Children and Youth Act of 2003 or the LEGACY Act of 2003 (Pub. L. 108-186, Title II, Dec. 16, 2003; 117 Stat. 2688).
- **Purpose:** Expand the supply of intergenerational dwelling units for very low-income grandparent(s) or relative(s) heads of household 62 years of age or older raising a child.
- **Eligible Customers:** Residents who meet the occupancy requirements as established for very low-income grandparent(s) or relative(s) heads of household 62 years of age or older raising a child.

Why Intergenerational Housing is Important

Need:

NIH: More than 2.7 million children currently being raised by older family members

(<https://www.nia.nih.gov/health/caregiving/grandfamilies-and-kinship-families-caring-young-relatives>)

U.S. Census data:

7.1 million grandparents live with their grandchildren under 18

About 1/3 of grandchildren living with grandparents are younger than 6 years old.

Reasons for Need:

Senate Special Committee on Aging:

COVID orphaned at least 140,000 children

Parental Substance Use (Opioid Epidemic)

Incarceration

Parental mental health

Traumatic Events (Intimate/Partner Violence, Murder, Child Abuse)

Why Intergenerational Housing is Important

Grandfamilies are at risk:

Washington Post Magazine:

Most subsidized and most market-rate senior residences do not permit children to live in their buildings

NIH – National Library of Medicine

Children living in skipped-generation households are particularly at risk, as nearly one third of them live below the poverty line

FY 2022 NOFO Overview

- **NOFO made \$174.6 Million available**

 - \$15 million set aside for Intergenerational Housing (first NOFO with Intergenerational set-aside)

 - 6 Applications (<1% of eligible applications)

 - 0 Awardees

 - \$160.1 Million awarded for Supportive Housing for the Elderly

 - \$151 Million – Capital Advance

 - \$9.1 Million – PRAC

- **Specific Requirements for Intergenerational Applicants (List not exhaustive. See NOFO for full details.)**

 - Narrative*

 - Describing need for intergenerational housing in the proposed area

 - Plan for leasing the building

 - Plan for identifying qualified households

 - Describe how the project will meet the physical needs of children and older adults

 - Describe services that will support children being raised by older adults

 - Describe prior experience with owning, operating, developing, or managing
intergenerational housing

 - Provide information/evidence about successful performance

Final Thoughts

- **Ways to Increase Intergenerational application quantity and quality**
 - HUD to provide education and Technical Assistance to increase number of applications
 - HUD to increase outreach through additional advertising of available funds
 - HUD to engage stakeholders in discussion about Intergenerational Housing, including Generations United
- **Next NOFO expected to be released in early 2024**
 - Anticipates an Intergenerational set-aside

Appendix - Program Definitions

- **Capital Advance**

Funds used to finance construction, reconstruction, moderate or substantial rehabilitation, or acquisition of a structure with or without rehabilitation. Capital Advance funds bear no interest and repayment is not required provided the housing remains available for occupancy by Very-Low-Income Elderly Persons for at least 40 years.

- **Intergenerational Family**

An intergenerational family is a family that (a) includes a child and (b) has a head of household who is either a grandparent or other relative who is raising the child. The head of household must be an elderly person (62+)

- **Intergenerational Housing**

Per definitions in the LEGACY Act of 2003 (Pub. L. 108-186, sec. 202; 12 U.S.C. 1701q note), an intergenerational dwelling unit is a qualified dwelling unit that is reserved for occupancy only by an intergenerational family.

- **Notice of Funding Opportunity (NOFO)**

A NOFO is a formal announcement inviting grant award applications from eligible applicants for a specific program or purpose.

- **Project Rental Assistance Contract (PRAC)**

The Agreement between an Owner and HUD that sets the rights and duties of the contracted parties with respect to project rental assistance payments.

Appendix - Resources

Resources

[HUD Section 202 Webpage](#)

[FY2022 Section 202 NOFO](#)

[FY 2022 Section 202 Awardees](#)

Email: 202CapitalAdvanceNOFO@hud.gov

Q&A

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your feedback
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code to access
our short
evaluation.**



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