

Feedback Requested on FY 2013 Section 202 Budget Proposal

Over the last 50 years, HUD's Section 202 program has provided over 400,000 affordable homes for very low-income elderly individuals through a number of different financing structures, including subsidized financing, capital advances, and ongoing operating assistance. In FY 2013, in an effort to maximize creation of new affordable units in a time of funding restraints, the Department is requesting the flexibility to provide operating assistance-only funding to new or existing elderly affordable housing developments that utilize capital from other state and local sources. HUD's assistance will allow these properties to provide housing to a segment of the elderly population that is older, poorer, and frailer than would normally be able to access or afford housing subsidized only through the Low Income Housing Tax Credit and/or HOME programs. This new authority will draw on lessons learned from the implementation of the Section 811 project rental assistance authority (enacted under the Frank Melville Supportive Housing Investment Act of 2010).

Under this model, for a portion of these funds, state housing agencies, in partnership with state health care agencies, will act as a delegated agent for HUD, taking advantage of efficiencies inherent in these same agencies' oversight responsibilities for tax credits, HOME funds or similar housing funding. Up to 3,450 units could be made available with support from this project rental assistance, assuming three-year upfront funding of contracts.

In addition, HUD will continue to support and expand its service coordinator program supporting residents to live independently in the community for as long as possible. All of these changes better align Section 202 developments with health care reforms at the state and federal level and better support elderly residents as they age in place in the community.

HUD convened a meeting and conference call for stakeholders on April 25, 2012 to get feedback on this proposal. Click on the link below to view the presentation and discussion slides from the April 25 Convening.

- Section 202 Supportive Housing for the Elderly Program: [Guiding Principles and Discussion Questions](#)

To complement this Convening, HUD is requesting written comments from stakeholders.

If you were unable to participate in the April 25 Convening, or would like to expand upon your comments, please submit feedback to [Benjamin Metcalf](#), Senior Advisor to the Acting Assistant Secretary for Housing/FHA Commissioner for Multifamily Housing, **by June 1, 2012**. Please write "Section 202 Comments" in the subject line of your message.