Chapter 4
ELDERLY HOUSING PROGRAM

Section 1. Program Description

4-1. **Types of Assistance and Eligible Developers**. The Department of Housing (DOH)/ Connecticut Housing Finance Authority (CHFA) provides grants, deferred loans, or loans to housing authorities, nonprofit organizations, municipal developers, and limited partnerships for the development of housing for the elderly and the disabled, as defined in Chapter 128 and amended in CGS Section 8-114a.

4-2. **Use of Development Funds and Handicap Units**. Funds may be available for the new construction or the rehabilitation of existing structures. Ten percent of the units must be designed to be accessible to individuals with physical disabilities.

4-3. **Rental Subsidy Provided**. Rental Subsidies may be available to eligible individuals/families through the DOH's Rental Assistance Program.

Section 2. Statutes, Regulations and Assistance Agreement

4-4. **Statutes**. The Elderly Housing Program is subject to Sections 8-112a of the Connecticut General Statutes. Chapter 128 - Department of Housing: Municipal Housing Projects

4-5. **Assistance Agreement**. Every Elderly Housing complex is also subject to the provisions of the Assistance Agreement between the Owner and DOH/CHFA.

Section 3. Eligibility for Admission

4-6. **Income Limits**. An applicant's total, **Gross Family Income** must be used to determine his/her eligibility for admission (see Section 1 of Chapter 9).

Per CGS Section 8-115a, the **admission limits** for Elderly Housing complexes shall be 80% of the AMI as published from time to time by HUD in the Federal Register adjusted for family size. They can be found on the Internet on CHFA's website at www.chfa.org. Search Income Limits.

4-7. **Eligibile Families**. Only "elderly persons" are eligible. An "elderly person" means a person who is sixty-two years of age or older, or a person who has been certified by the Social Security Administration as being totally disabled under the Federal Social Security Act or certified by any other federal board or agency as being totally disabled. [CGS Sec. 8-115a (c)(2) (A) and (B)]

The Chief Executive Officer-Executive Director of CHFA may, for periods of up to one year, authorize an owner to admit persons who are less than sixty-two years of age but not less than fifty-five years of age (near elderly). Provided that the owner submits an application approved

by the chief executive officer of the municipality in which the owner is located demonstrating that:

   a. the owner is not able to attract an adequate number of elderly persons to occupy the project and,
   b. the owner has (1) published a notice, at least once each week during the thirty days preceding the submission of its application, in one or more newspapers having a substantial circulation in the municipality, indicating that the units are available and, (2) sent such notice, at least thirty days preceding submission of its application, to each owner operating an elderly housing project pursuant to Part VI of the Connecticut General Statutes and having fifty or more units. [CGS Sec. 8-115A –B]

No person admitted to such project pursuant to these provisions shall be evicted from or denied continued occupancy of such project solely because such person is less than sixty-two years of age.

Additional guidance on eligibility for occupancy is provided in the CGS Sec.8-116c.

Section 4. Rent Determination

4-8.   <u>**General Requirements**</u>. Tenants must pay the base rent or a percentage of their adjusted gross income, minus a utility allowance, whichever is greater. The percentage must be established by the owner and approved by CHFA (Exhibit 4-1).

See Chapter 9 for detailed information on income and assets.

4-9.   <u>**Terms Used to Compute the Rent**</u>.
   a. **Family Income.** The total, gross annual income received by all persons residing in the unit (see Section 1 of Chapter 9).
   b. **Adjusted Gross Income.** The Family Income less allowable deductions.
   c. **Medical Expenses.** See Section 3 of Chapter 9.
   d. **Adjusted Monthly Income.**   The Adjusted Gross Income divided by twelve (12).
   e. **Current Approved Percentage.** The percentage by which the Adjusted Monthly Income is multiplied to determine if the tenant will pay more than the base rent. The percentage must be established by the owner and approved by CHFA on the most recently approved Management Plan.
   f. **Base Rent.** The minimum rent that must be charged to meet all of the complex's operating expenses. This rent is established on the Management Plan (i.e., the operating budget) for the complex.
   g. **Available Monthly Income.** The Adjusted Monthly Income multiplied by the Current Approved Percentage.
   h. **Utility Allowance.** The owner's estimate of the average monthly utility bills (gas, electric, oil, propane, sewer, and water) for an energy conscious household. This estimate considers only utilities paid directly by the tenant. If all utilities are included in the rent, there is no utility allowance.
   i. **Adjusted Monthly Rent.** The Available Monthly Income minus the Utility Allowance.

j.   **Tenant Rent.** The greater of the Adjusted Monthly Rent or the Base Rent.

 4-10. Forms Used to Compute the Rent. **Elderly Housing Rent Calculation Worksheet** is the form used to calculate the Tenant Rent. It should also be used to determine if an applicant's Gross Family Income exceeds the Admission Limit. The form appears in Exhibit 4-2 and should agree with the above "Household Income".

Section 5. Recertifications

4-11.   Recertification Requirements. Tenants who are subsidized by the DOH's Elderly Rental Assistance Program (ERAP) must be recertified on an annual basis. All other tenants must be recertified <u>at least </u>once every two years. See Chapter 9 for details.

4-12.   Possession of Pets. See Statutes, Section 8-116b for details.

Exhibit 4-1

CERTIFICATE OF APPROVAL
PERCENTAGE OF INCOME USED TO DETERMINE
THE TENANT RENT IN ELDERLY HOUSING DEVELOPMENTS

The _____, has established
and fixed, by an appropriate Resolution of said Authority/Corporation, the percentage of income
that will be used to determine the tenant rent in Elderly Housing Project(s)
No._____ as follows:

Project Name(s)   % of Income
_____   _____

_____   _____

_____   _____

_____   _____
Authorized Representative   Date

This is to certify that CHFA, has reviewed and herewith approves the percentage of income
established by the _____ for Elderly Housing Project(s) No.
_____.

Recommended by:

_____   _____
Administrator, State Housing Portfolio   Date

Approved by:

_____   _____
Managing Director, Multifamily Asset Management   Date
CHFA

Exhibit 4-2

Elderly Housing
Rent Calculation Sheet

Tenant's Name: _____ Effective Date: _____
Unit Number: _____

A. **Family Income**

	Tenant	Income		Tenant	Income
1.	_____	_____	2.	_____	_____
3.	_____	_____	4.	_____	_____
5.	_____	_____	6.	_____	_____
7.	_____	_____	8.	_____	_____
9.	Interest from Asset Sheet	_____			

Gross Family Income: $ _____

B. **Deductions**
   Medical
   1. Total Medical Expenses $ _____
      Less reimbursed medical expenses   _____
      Out of Pocket medical expenses $ _____
      Less 3% of Lin A. Total   - _____
      Allowable medical deduction $ _____

   2. Court ordered Alimony $ _____   **Total Allowances** $ _____

C. Adjusted Gross Income (Line A. minus Line B.) $ _____
D. Adjusted Monthly Income (Line C. divided by 12) $ _____
E. Available Monthly Income (Line D. multiplied by current approved %)   _____ $ _____
F. Utility Allowance $ _____
G. Adjusted Monthly Rent (Line E. minus Line F.) $ _____
H. Base Rent (approved by CHFA) $ _____
I. Tenant's Rent (greater of Line H. or Line G.) $ _____
J. Income Limit for Admission $ _____   INCOME ELIGIBLE

Note: Applicants can not be admitted if their **GROSS Family Income** (Line A.) exceeds the Income Limit for Admission.

_____   _____
Signature - Owner Representative   **Date**

_____   _____
Signature of Tenant   **Date**

IF APPLICABLE: Rental Assistance Calculation
Base Rent   _____
Tenant Rent @ 30% of Adj.Income (Line G)   _____
Rental Assistance   _____

I, _____ ,certify that I fully understand that I am financially responsible for
payment of the full Base Rent, _____ , as established by the Housing Authority through their
Management Plan. Under the Rental Assistance Program (RAP) my contribution towards the Base Rent will
be 30% of my adjusted gross income or _____ .

The Rental Assistance Program will contribute the additional amount between my contribution and the Base
Rent, until such time that funding for this Program is no longer available. At that time, I will be fully
responsible for payment of the Base Rent. If the Program is only partially funded, I understand that the
Rental Assistance payments may be distributed on a pro-rata basis, and I will be responsible for any
additional payment due.

_____   _____
Signature of Tenant   **Date**

Resident's Name: _____

Unit Number: _____   Effective
Date: _____

Calculating Family Income From Assets that Generate Interest Income

List the Type of Asset (Savings/checking, etc.)	**List the Cash Value of the Asset as shown on Bank Statement, etc.**		**List the Actual Annual Income from Asset as shown on Bank Statement, etc.**
_____	_____		_____
_____	_____		_____
_____	_____		_____
_____	_____		_____
_____	_____		_____

Total Assets: _____   **Total Earned Interest:** _____

HUD Passbook Rate: 0.06%   **Imputed Interest for these assets is:** _____

Note: If HUD changes the HUD Passbook Rate, you must update cell B21 above.

Calculating Family Income From Assets that DO NOT Generate Interest Income

List Any Non-Income Producing Assets (Home, Collectibles, etc.)	**List the Cash Value of Asset**		**Calculate the Imputed Income by multiplying the Value listed by current HUD Passbook Rate**
_____	_____		_____
_____	_____		_____
_____	_____		_____
_____	_____		_____
_____	_____		_____

Total Assets: _____   **Imputed Interest:** _____

Note: Imputed Income from Assets = Cash Value of non-income producing assets x Department of Banking Current Rate.

If assets are > $5000 and the imputed income is higher than actual income you must use the imputed income. This is done for you
in the bottom section.

Total Imputed Interest: _____
Total Earned Interest: _____

Total Interest: _____

Resident's Name: _____

Unit Number: _____ Effective Date: _____

Calculation Worksheet to Determine Medical Expenses

Type of Medical Expense	Total Expense		Paid By Medicare or Other Insurance		Paid for by Tenant
	(A)	**(-)**	**(B)**	**(=)**	**(C)**
ConnPACE					$0.00
Medicare Basic Premium					$0.00
Medicare Part D Premium					$0.00
Other Medical Insurance					$0.00
Dr.					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
Hospital					$0.00
					$0.00
					$0.00
Pharmacy					$0.00
					$0.00
					$0.00
Over The Counter Med					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
					$0.00
Totals	**$0.00**		**$0.00**	**=**	**$0.00**