

Rural Housing Options for Elderly People

Each person experiences the aging process differently. Some people are able to maintain lifelong health and independence, while others find that they face increasingly more difficult challenges to their ability to take care of themselves. The difficulties that aging can bring are felt not only by elderly people but also by their children and grandchildren, making the question of how to address these issues one of intergenerational importance. Adding urgency to this question is the fact that America's elderly population is growing rapidly: the U.S. Census Bureau forecasts that the proportion of people age 65 and older will grow from 12.5 percent in 1990 to 17.7 percent in 2020, a 41.6-percent increase.

USDA Rural Development recognizes the importance of providing rural seniors with a wide range of living options. We invest heavily in programs that help elderly people live with as much independence and dignity as possible. These include the Section 504 Loan and Grant Programs, which make vital home repairs for very-low-income seniors; the Section 515 Rural Rental Housing Program, which provides affordable rental housing to seniors and people with disabilities (as well as families); the Section 521 Rental Assistance Program, which makes rents in the Section 515 Program affordable to tenants with very low incomes; and the Community Facilities Program, which finances a variety of elder-care facilities. Following are descriptions of how each of these programs serves elderly people.

Section 504 Loan and Grant Programs

The Section 504 Loan and Grant Programs allow elderly people with very low incomes to maintain their independence by allowing them to remain in their own homes and improving the quality of their lives. The loan

Quick Facts

- Median annual income of Section 504 borrowers: \$8,055;
- Average annual adjusted income of USDA multi-family tenants: \$7,627;
- 42 percent of USDA multi-family tenants are elderly;
- 47 percent of Section 515 funds in 1999 were invested in housing for the elderly;
- Total Community Facilities Program investments in facilities that directly benefit seniors: \$657 million;
- 14 percent of Community Facilities funds in 1999 were invested in facilities for seniors.

program is available to any rural person with a very low income, but most program beneficiaries are elderly. The 504 Loan Program helps qualifying applicants repair, improve, and/or modernize a home, make it safe and sanitary, or remove health and safety hazards.

The 504 Grant Program is available exclusively to very-low-income rural seniors aged 62 or older. Both programs provide funds to make such major repairs or renovations as removing electrical and fire hazards, replacing roofing, installing or improving water and waste-water disposal systems, and installing insulation and heating and cooling systems.

Section 515 Rural Rental Housing Program Section 521 Rental Assistance Program

“Before moving [to Section 515 Rural Rental Housing] I lived alone in a two-room cabin [with] no foundation, no plumbing and [which was] heated by a small wood-burning stove. I had a long walk to the rural mailbox over a rough dirt lane. If this [Section 515] complex did not exist, I would still be living there. Many other low-income elderly people in Maine are living under those conditions, or worse.”
(letter from Betty C. McAfee of Belfast, Maine)

Many relatively independent rural seniors find that they cannot keep up with the yard work and structural maintenance that homeownership requires. Others find that they need to live closer to vital services, such as doctors, pharmacies, and grocery stores. For these elderly people, the Section 515 Rural Rental Housing program is an attractive option. In addition to being virtually maintenance-free, these apartments for elderly and disabled people are equipped with special amenities, such as strategically placed handrails and emergency call buttons or lights with which to signal for help. Many of them are wheelchair accessible. Managers of these complexes often arrange for services such as transportation, grocery and pharmaceutical delivery, Meals on Wheels, health screenings, and entertainment. They make sure that the community rooms stay in constant use. In addition, a small percentage of Section 515 complexes offer congregating care facilities in which seniors receive two cooked meals per day.

To make Section 515 housing available to tenants who cannot afford market rents, USDA provides assistance through the separately appropriated Section 521 Rental Assistance Program, which brings tenants' rent down to 30 percent of their adjusted incomes and makes up the difference to the landlords.

Community Facilities Loan and Grant Program

Through the Community Facilities Loan and Grant program, USDA finances a range of service centers for elderly people, including nursing homes, boarding care facilities, assisted care, adult day care, and a few inter-generational care facilities which serve both elderly people and children at the same time.

In addition, the program invests heavily in hospitals, clinics, and emergency services, which benefit people of all generations.

For more information

on USDA Rural Development housing programs, see see our website at www.rurdev.usda.gov

Detailed information and applications for financial assistance are available through your nearest USDA Rural Development State or local office. To locate an office near you, visit the USDA Service Center Locator on the Web at: http://offices.usda.gov/scripts/ndISAPI.dll/oip_publicUSA-map

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