

ADEQUACY OF FEDERAL RESPONSE TO HOUSING NEEDS OF OLDER AMERICANS

HEARING
BEFORE THE
SUBCOMMITTEE ON
HOUSING FOR THE ELDERLY
OF THE
SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE
NINETY-FOURTH CONGRESS
FIRST SESSION

—
PART 13—WASHINGTON, D.C.
—

OCTOBER 7, 1975



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- Part 1. Washington, D.C., August 2, 1971.
- Part 2. Washington, D.C., August 3, 1971.
- Part 3. Washington, D.C., August 4, 1971.
- Part 4. Washington, D.C., October 28, 1971.
- Part 5. Washington, D.C., October 29, 1971.
- Part 6. Washington, D.C., July 31, 1972.
- Part 7. Washington, D.C., August 1, 1972.
- Part 8. Washington, D.C., August 2, 1972.
- Part 9. Boston, Mass., October 2, 1972.
- Part 10. Trenton, N.J., January 17, 1974.
- Part 11. Atlantic City, N.J., January 18, 1974.
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- Part 13. Washington, D.C., October 7, 1975.
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ADEQUACY OF FEDERAL RESPONSE TO HOUSING NEEDS OF OLDER AMERICANS

OCTOBER 7, 1975

U.S. SENATE,
SUBCOMMITTEE ON HOUSING FOR THE ELDERLY
OF THE SPECIAL COMMITTEE ON AGING,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 4232, Dirksen Senate Office Building, Hon. Harrison A. Williams, Jr., chairman, presiding.

Present: Senators Williams, Clark, Durkin, Stafford, and Beall.

Also present: William E. Oriol, staff director; Diana McIver, professional staff member; John Guy Miller, minority staff director; Margaret Fayé and Gerald Yee, minority professional staff members; Patricia Oriol, chief clerk; Kathryn Dann, assistant chief clerk; Eugene Cummings, printing assistant; and Alison Case, assistant clerk.

OPENING STATEMENT BY SENATOR HARRISON A. WILLIAMS, JR., CHAIRMAN

Senator WILLIAMS. Good morning to all. Welcome to the hearing of the Subcommittee on Housing for the Elderly of the Special Committee on Aging.

I would like to say at the outset, today and tomorrow our subcommittee turns its attention to a little-noticed emergency which seems to be developing in many public housing projects throughout our country, and that emergency has been slow in developing, but it has certainly become more intense as older persons in public housing continue to grow in numbers and in age.

Many persons now in such housing were elderly when they first took up residence there. Many have grown old in such quarters. The very plain consequence is such individuals are likely to need more services as they grow older and to be less able to cope with chores and functions they once regarded as routine.

Their need may be for a few hours of work weekly by a homemaker to help them keep their quarters in order. They may need transportation so that they continue to do their own shopping. They may need a podiatrist's examination every so often to keep mobile. Meals in a group setting can provide more than nutrition; they can also mean the difference between loneliness and involvement.

ELDERLY IN A SERVICE LIMBO

The need for such services may seem to be self-evident, but in many communities the elderly in public housing are in a service limbo. Housing authorities, already swamped by increasing costs and restricted budgets, may tend to reject any new commitments. Hard pressed directors of municipal service programs say that older persons in public housing at least can be sure of a roof over their heads at rents which are mandated to remain within certain limits.

The result, as described by one of our witnesses, Marie McGuire Thompson, former U.S. Public Housing Commissioner, is:

As could be anticipated, an increasing number of public housing agencies are faced with the fact that either they must evict the more frail or impaired who cannot sustain the shopping, cooking, or heavy housekeeping chores designed for the hale and hearty, or they must develop—on a crash and, perhaps, ill-founded basis—some semblance of the services these aging occupants need to maintain at least semi-independence in a residential setting.

Notice the emphasis on residential setting. In other words, a comparatively few well-directed services can help keep people in their own quarters and out of institutions.

At a time when there is so much talk about “alternatives to institutionalization,” here is a good one.

At a time when the Federal share of total long-term care in the United States is \$4 billion here is one we can't afford to neglect.

It is true that in 1970 and again in 1974 the Congress took action to encourage greater reliance on what the legislation described as “congregate housing.” I'm proud to say that I led the effort leading to the 1970 enactment. But I am well aware the congregate housing requirements of that act have not been widely used, for reasons which will be discussed at this hearing. I am also aware that the Department of Housing and Urban Development and the Administration on Aging have taken encouraging, but limited, actions to develop a cooperative course of action to deal with the service needs I've mentioned.

I'll look forward to HUD-AOA testimony tomorrow, but today I'll say that I am impatient for more action at a more rapid pace than is now the case.

After all, approximately 40 percent of all residents in public housing are over age 62. In New Jersey, where nearly 20,000 units of public housing are occupied by elderly persons, this same percentage holds true.

“MORE THAN A ROOF”

But even though these 2 days of hearings are devoted to public housing, I should also point out that the need for “more than a roof” is not limited to that program. There is a growing need for congregate housing in other settings, as well. Dr. Wilma Donahue, one of the pioneers in gerontology and one of our distinguished witnesses today, regards such housing as a means to maintain or return to a semi-independent lifestyle while avoiding institutional care. A working paper written by Marie McGuire Thompson will soon be issued by this committee and will explore such themes further, as will this subcommittee.

For the next 2 days, however, we will be concerned about what has been done in public housing and what more should be done. We do

know already, for example. that this idea of "providing more than a roof" for elderly persons in such housing is not an untried, untested concept.

Several communities have taken the lead in developing this type of project by coordinating the service aspects through their local and State governments. Of particular excellence are public housing projects developed in Columbus and Toledo, Ohio; Alma, Ga.; and Burwell, Nebr. I will insert factsheets * on these projects in the hearing record so that interested parties might observe their unique situations.

Unfortunately, such projects remain few in number—and with most State and local governments in precarious financial condition today—it is increasingly difficult for housing authorities and others to arrange the long-term local and State commitments necessary to begin new projects.

We have with us today a wide range of witnesses who bring with them their own perspectives on the adequacy of services provided in public housing. We will hear from persons who have conducted research on service needs, from housing authorities familiar with the needs of these elderly tenants, as well as a public housing resident himself who, perhaps more emphatically than any of us, can identify what needs to be done to retain independent living situations for elderly persons.

To me, the issue we are considering today boils down to one of humanity. Are we to force persons to enter nursing home situations prematurely simply because there is no desirable alternative, or are we to provide the necessary services—be it meals, transportation, housekeeping, medical, or whatever—to allow older persons to avoid institutionalization to the maximum extent possible?

Through the testimony presented this week, I hope that our subcommittee will be given appropriate guidance in seeking appropriate solutions, and I am very pleased to have this opportunity for a discussion of the issues involved.

Today and tomorrow we will be hearing from people who have demonstrated so clearly the need of housing, and those who have done so much to meet those needs.

Through this testimony which will be presented, I hope our subcommittee will be given guidance in seeking appropriate solutions, and we are very pleased to have an opportunity for a discussion of the issues involved.

At this time I would like to enter into the record the prepared statement of Senator Frank Church, chairman of the full Committee on Aging.

[The statement follows:]

STATEMENT BY SENATOR FRANK CHURCH

Senator CHURCH. I am especially pleased that Senator Williams, as chairman of the Subcommittee on Housing for the Elderly, has called these hearings to examine the "Service Needs of the Elderly in Public Housing." Indeed, the problems facing elderly persons in public housing could become insurmountable unless the Congress and the administration act promptly and forcefully to improve the living situations for the nearly 400,000 elderly families in public housing.

*See appendixes 4, 5, and 6, pp. 972, 976, and 979.

It is not enough to offer an older American the "security of having a roof over his or her head." The security of shelter fills only one need. The fulfillment of food, medical, and emotional needs are critical to the well-being of the elderly person also; and it is the adequacy of the Federal response to these needs that we are examining here today.

Independent residential living is certainly the most preferred type of living by elderly persons. However, with increasing age, older persons sometimes find that they are unable to keep up with the pace of life to which they were accustomed in earlier years.

It may become more difficult to do heavy chores about the house, to get back and forth to the doctor's office, or to do the marketing and the laundry. Unless, the older person has a companion or spouse to assist with this type of activity, he or she soon becomes forced to leave an independent living situation and enter a dependent situation, such as a nursing home.

By adding a few services to the public housing environment, we could prevent such premature eviction of elderly persons in public housing. The provision of such services as meals, transportation, house-keeping, health, and personal hygiene could substantially lengthen the independent living situation, in addition to meeting the individual's security needs.

It is unfortunate that this type of living situation, combining shelter with services, is not more prevalent in communities across the Nation. I know in visiting housing developments for the elderly in Idaho, I have encountered exceptionally fine public housing facilities which have attempted to meet service needs. Even utilizing State, local and Federal programs, however, they are unable to offer a full range of services; and administration cutbacks in social service programs in recent years have been devastating to this type of delivery system.

Since 1970, we have had a statute on the books encouraging the development of congregate housing facilities, but the imposition of a housing moratorium by the Nixon administration curtailed the development of not only congregate housing for the elderly, but all subsidized housing as well. Such apathy has served to widen the gap in the availability of living situations for the elderly, and has only further strayed from the objectives of the 1971 White House Conference on Aging recommendations that "a national policy on housing for the elderly worthy of this Nation must enjoy a high priority and must embrace not only shelter but needed services of quality that extend the span of independent living in comfort and dignity, in and outside of institutions, as a right wherever they live or choose to live."

Today we attempt once more to redirect the administration's policy on housing for the elderly as we examine the Federal policy on service needs in public housing. Hopefully, this examination will provoke a reassessment of the adequacy of the Federal response to elderly persons in public housing and subsequently trigger improvements. Certainly, that is the objective of the committee, and I look forward to the suggestions of our witnesses today and tomorrow in helping us toward these objectives.

Senator WILLIAMS. We will begin this morning with a grand friend of everybody and especially of this subcommittee on Housing for the Elderly, Dr. Wilma T. Donahue, Ph.D., director of the International Center for Social Gerontology, and a pioneer in aging.

I am sure most people here know all of the things that Dr. Donahue has been associated with and is doing.

Dr. Donahue, you may proceed.

STATEMENT OF DR. WILMA DONAHUE, DIRECTOR, INTERNATIONAL CENTER FOR SOCIAL GERONTOLOGY, WASHINGTON, D.C.

Dr. DONAHUE. Mr. Chairman, I am Wilma Donahue, Director of the International Center for Social Gerontology, Washington, D.C. I am also emeritus director of the Institute of Gerontology, the University of Michigan, from which position I retired in 1969. Subsequently, I served as technical director of the 1971 White House Conference on Aging, and staff director of its post-conference board. My first interest in housing the elderly was expressed when I organized the first national conference on housing older people at the University of Michigan in 1952—an interest ardently sustained for the past two decades. The International Center for Social Gerontology is engaged currently in a number of activities related to housing older adults including a comparative international study of congregate housing in Western Europe and the United States. In connection with this study, a special focus has been on public housing in this country.

Senator Williams, my purpose in appearing before your subcommittee this morning is to support the position of the Congress and of increasing numbers of researchers and practitioners in the field of aging that the time, knowledge, and resources are at hand to fill a glaring gap in the continuum of housing that the United States should be making available to its older population. Specifically, it has been amply demonstrated that there is need for specially designed housing with a variety of associated services for scores, if not hundreds, of thousands of older people who must now live under growing apprehension of having too soon to seek refuge in long-term medical care facilities as they progress through the later years of their lives. These are the impaired but not ill, noninstitutionalized, often low-income older people who must struggle against rising odds to maintain themselves in the community. It is probable, too, that the type of housing with services of which I am speaking could accommodate a great many of the older people now living in nursing homes because no other living arrangements suited to their circumstances is available to them.

The kind of accommodation the International Center for Social Gerontology believes to be required—and that we believe the Congress had in mind when, in 1970, it enacted legislation embodying Senator Williams' proposal—is being identified as congregate housing. The International Center's current operational definition is:

Congregate housing—assisted independent living—is a residential environment which incorporates shelter and services needed by the functionally impaired and socially deprived but not ill elderly to enable them to maintain or to return to a semi-independent lifestyle and avoid institutionalization as they grow older.

This working definition has been growing out of better perception of the needs of older people and out of a gradual evolution in the efforts of concerned groups to provide the best possible living environments compatible with the changing circumstances of the elderly.

What experience there has been with congregate housing in our country and in several European countries yields confidence that such housing gives clear promise of serving several important purposes.

Most importantly, assisted residential living would extend significantly the period of time impaired though not ill older people are able to remain in the community enjoying the independence, autonomy, privacy, and social relationships that constitute the very essence of meaningful life.

Correspondingly, the availability of congregate or assisted housing would obviate, or at least postpone, the dreaded move into a nursing home merely to obtain the minimal supporting services they need.

Additionally family members, vitally concerned with the well-being of older relatives, would be relieved of most of the sometimes overwhelming burden of trying to provide continuing assistance to them and of the extreme sense of guilt usually associated with consigning aged parents to a nursing home from which few return.

Mr. Chairman, we at the International Center for Social Gerontology submit that these are compelling reasons for urging the U.S. Senate Special Committee on Aging to use whatever the means at its disposal to advance the concept of congregate housing and the creation of conditions that will facilitate its implementation.

Mr. Chairman, I should like to cite to you a rather dramatic bit of evidence that older people, themselves, would respond eagerly to the availability of congregate housing. Two weeks ago today 300 mobile older people, many of whom were obviously impaired, from the New York area came to Washington to protest the new title XX means test to Chairman Randall of the House of Representatives Select Committee on Aging and to members of the New York congressional delegation. In the course of the meeting, a Federal official described the concept of congregate housing and indicated that the Administration on Aging and the Department of Housing and Urban Development are working together to bring it about. The official's remarks were greeted with an immediate vigorous and sustained applause by what appeared to be the entire group—the surfacing of a deep-seated and enduring fear of loss of independence through institutionalization.

We may conclude, I believe, that older people are able to appraise their own needs quite well and that they can be enthusiastic about facilities and programs thoughtfully designed to meet those needs and sustain their right to an independent way of life.

SURVEY OF LHA'S

I want now to turn to the current study of the ICSG mentioned earlier on. As part of that work, we have recently conducted a survey to gather the perceptions of experienced local housing authorities—LHA's—about the need for congregate housing with associated services. The survey sample included 182 LHA's with housing projects specially designed for the elderly under their jurisdictions. The sample was stratified by size of community—ranging from the hamlets to the megalopolis—and was limited to projects occupied before 1970. Out of 182 LHA's reporting on 31,607 tenants, 82 had given consideration to building congregate housing.

Many respondents added comments to their replies illustrating they felt need for congregate housing with support services and their frustration over the lack of available funds to provide them, and this is what they said about it:

Every year, a large number of our tenants must leave our elderly housing projects and go into nursing homes. I am convinced that if we had a congregate housing project under management, that we could extend the number of years of independent living for our elderly tenants—population 72,500.

Congregate housing could be well used to provide the next step from fully independent living. The same supportive services are desperately needed in all senior citizen buildings—population 704,316.

We could use congregate housing, but since funds for more units have been unavailable, nothing concrete has been done. However, I feel this kind of housing helps to improve the health of many, thus keeping them out of nursing homes. If we could have congregate housing, it would make more units in our present project available for some who are on our long waiting list and desperately need housing—population 4,887.

The need for congregate housing has been recognized for the past several years. On numerous occasions the city social service department has had to place tenants in nursing homes because there is no facility in our community that gives adequate supportive services for everyday activities of living that would enable them to remain independent. We will explore building when the availability of financing is more apparent—population 88,282.

Three years ago, the authority began an investigation into the possibility of constructing congregate housing . . . ; however, because of the moratorium and cut-back of construction funds, we were unable to proceed with the program. We would like to proceed with our original proposal to provide congregate housing because we find that in our present four high-rise buildings, we have many people who technically are unqualified to live there but are not yet in a position where they need to move into a nursing home. Congregate housing would certainly be a benefit to them and the community. We could probably fill 100 units with very little problem, not only from among our tenants, but from our existing waiting list and others in the community—population 108,349.

There was a constant comment on the frustration of the lack of funds.

The LHA's expressed a strong preference—71 percent of the 182—for mixed populations in a project of fully, and semi, independent tenants. They supported their preference with such comments as the following:

Mixed occupancy would lend itself to a much healthier living environment. Having to reside and associate with only semi-independent residents for the remainder of one's life would, in our opinion, tend to be very discouraging.

Our preference is for a mixed population to avoid a "nursing home" connotation.

We prefer a mixed tenant group—the fully independent residents could help the less mobile by carrying food, helping with housework, et cetera, and be paid a small fee for it.

ESTIMATES OF ASSISTANCE NEEDS

To the extent that public housing projects now house tenants who need more service than is available to them, indicates that, in part, they are serving in a congregate housing capacity without an appropriate service package. This misuse of the project is not from a lack of appreciation that needs are being unfulfilled. The dilemma is well stated by one respondent:

There seems to be no program available to our authority . . . but there is certainly need for a congregate facility. One of our biggest problems is how to make arrangements for those needing services we cannot provide.

Another said:

We feel the added dimension of congregate housing is much desired and needed by our own elderly. Many who are otherwise capable of self-care suffer due to self-denial or lack of understanding of adequate nutrition. Other services are also much needed—population 301,598.

In estimating the number of tenants needing more services, the opinion of those LHA's that have given serious consideration to building congregate housing is probably more reliable than that of those who have not gone through the exercise of determining the need. The proportion reported as needing more assistance than available was 12.3 percent, or 1,926 out of a tenant population of 15,685. As of May 1975, according to statistics supplied to us by HUD, there were 279,635 elderly living in elderly housing projects; 12.3 percent of this number would indicate that some 34,395 are in need of more service. As will be mentioned later on, approximately 80 percent of these—27,516—could continue to manage independently if the supportive services were to be made available.

THE SERVICE PACKAGE AND ITS ADEQUACY

Ninety-two percent of the housing sites studied provide some services to their tenants. The packages range from one to seven services and include: one meal per day, transportation, light housekeeping, health, personal hygiene, laundry, heavy housekeeping, two or three meals per day. The most frequently offered services are transportation and one meal per day. The average number of services provided is 3.4.

Although on the surface these service packages may appear to provide the tenants with the assistance needed to maintain independent living, in reality the extent and availability of services provided in each site is limited. For example, although 80 percent of the projects reported having a transportation service, most pointed out that the service is generally no more than occasionally available and is not provided by the project itself. The meal service is generally limited to one meal 3 to 5 days a week provided on and off the housing site through a title VII Older Americans Act Nutrition program. The housekeeping service is often only available to tenants on SSI while other tenants, equally in need but whose incomes are derived from a different source, are not eligible for the service and few projects provide the service themselves.

It should be pointed out that LHA's appear to be making a determined effort to bring the services provided by outside agencies to their tenants. On this I think they should be greatly complimented.

However, it is not enough since most still have tenants who need more services than can be provided in this rather hit-and-miss manner. In fact, 68 percent of the housing projects studied reported that, in their judgment, additional services are necessary to meet the existing needs of their tenant population. In a study by M. Powell Lawton of 104 public housing sites for older people, he found that 49 percent of the public housing managers felt that additional services were needed by their tenants. In this same study, I might point out, there was a major need felt among tenants not now receiving any assistance for help with the common personal chores of daily living, a desire for a meal service, and increased accessibility to health and shopping facilities.

I might point out this was an overwhelming percentage wanting to help with the activities of daily living.

This information clearly points to the need for the provision of a minimal level of services within congregate housing, and the need for the service package to be designed in terms of the functional capabilities of the tenants.

FUNCTIONAL STATUS OF TENANTS

In an attempt to gather information about the kind of impairments experienced by this special population group, our study asked the LHA's to indicate the proportion of tenants having specified impairments of the tenants judged to be in need of additional assistance. Limited mobility was listed as the impairment exhibited by the largest number of tenants, followed by frailty, chronic disease, crippling arthritis, visual impairment, and mental confusion.

The LHA's were also asked to indicate what proportion of the impaired tenant group they would suggest could be housed in congregate housing and what proportion should be considered for a nursing home placement. Of those impaired persons who were judged to be in need of additional assistance, congregate housing was considered to be appropriate for 80 percent and only 20 percent were judged to require a medical care facility such as a nursing home. The fact that 80 percent were judged to require a congregate housing facility is solid evidence of the need for a form of housing combined with an appropriate service package that would provide a supportive, noninstitutional living environment.

This suggests that the Congress should provide not only for the construction of such projects but also for the inclusion of a subsidy to insure that a full service package can be provided by the project or purchased from the community. The provision of such a subsidized service package would be far less expensive than maintaining the individual in an institution. It would combine the resources of existing service programs, and thus would not require excessive new moneys.

CONCLUSIONS

I would like to make a few conclusions.

First, congregate housing with the service components required to assist functionally impaired or socially deprived elderly persons maintain an independent lifestyle is urgently needed to fill the long-existing gap in the housing continuum.

Second, the provision of this type of housing will relieve the anxieties of older people who fear too early unnecessary institutionalization in a medical care facility, and the distress of their families when institutionalization is required only because there is no appropriate housing with services available to meet the common needs of everyday living.

Third, assisting older persons to care for their own needs is less costly than to overservice them in medical care facilities—thus congregate housing with services can be considered a cost-effective measure.

Fourth, the service package now available in public housing sites is scarcely adequate for those tenants who are able to live fully independently and should be augmented not only for the impaired but for

all tenants. The result would be that anxiety and fear of having to move into a nursing home or similar facility would be greatly reduced for all residents. No more than 20 percent of current residents are considered to be so severely impaired as to need nursing home care.

And fifth, an estimate of the need for congregate housing based on the findings of our survey would indicate that:

Out of the 446,000 elderly persons reported by HUD now living in all public housing sites, 54,850—12.3 percent—need more assistance than is currently available to them; of this number, 43,880 could live in congregate housing offering an adequate service package; the other 11,270 would be better cared for in a nursing home or similar facility.

Extending these estimates to the national population, better than 3 million persons can be considered to need assisted living; of these 2,400,000 are candidates for residential congregate housing with services. If the services are not provided, the entire 3 million may be forced to resort to nursing homes, 80 percent of them unnecessarily.

Mr. Chairman, I hope I leave little doubt in your mind about the magnitude of the need, the nature of the problem, and a potential solution. That is, first, by making possible, through some service program, including coordination of already existing programs, a service package for existing public housing projects which will provide more adequately for those elderly now residing in them. And second, by passing legislation which will again make possible the construction of low-income congregate facilities providing services for that special group of elderly tenants who, with supportive services, can continue to care for themselves.

This will give opportunity for far more older people to meet their responsibility of caring for their own needs and thus not imposing unnecessarily upon society.

Senator WILLIAMS. Thank you very much, Dr. Donahue. You certainly left no doubt of the magnitude of the need and the nature of the problem and the potential solution, it is a compelling statement in all ways, and we see that, while we all heard the President last night being highly critical of new Government program efforts in the area of social needs, he did say that we should eliminate those programs that do not work.

Now, in this area we have no problem with the philosophy of the President, because all of our efforts go toward supporting better lives for the older people. These are efforts that do work, and they do include supplemental services, so that housing is not just shelter, but an opportunity for full- or semi-independent life.

I think the testimony will suggest later this morning that assisted housing is more than just a potential, that it is already working.

[Subsequent to the hearing, additional questions were submitted to Dr. Donahue. The questions and answers follow:]

QUESTIONS SUBMITTED BY SENATOR WILLIAMS TO DR. DONAHUE

Question. Can you tell us why your survey of local housing authorities (LHA's) was limited to projects occupied before 1970? I realize that is the year that congregate housing was authorized under the housing act passed at that time, and I suspect that you wished to survey those housing projects that did not have kitchens built as part of the original construction plan.

Answer. The decision to limit the survey of local housing authorities to those projects occupied by 1970 was based on the expectation that their tenants would on an average, be older than a tenant body more recently moving in elderly housing. Thus, it was anticipated that there would be a larger proportion of tenants who would have become impaired to the point that they would be better served in a residential setting with services. The age of the developments for which

reports were received ranged from 5 to 12 years, but there were no larger proportions of tenants considered to need more services than available on the older facilities than in the younger ones. The respondents supplied the reasons when they repeatedly mentioned that when the residents could no longer live without some additional service, they were moved to a nursing home or families were asked to take over.

Question. On page 9 you suggest that Congress provide for "a subsidy to ensure that a full service package can be provided by the project or purchased from the community." This seems to suggest that impaired tenants in public housing need more services than they are likely to receive from the local area plan ongoing under the Older Americans Act. Is that a correct assumption?

Answer. In asking that a subsidy program be established to insure that a full service package can be provided by the housing project or purchased from the community, I did not intend to imply that it is impossible for the local area plan to include a service package appropriate for a congregate housing population. But it must be remembered that a local area plan is subject to annual changes and is based on changing decisions regarding priorities. It is, therefore, subject to being somewhat capricious when measured against the continuing need for an assured service package year in and year out. For example, the residents of congregate housing who need these meals-a-day this year will still need the same service next year, the year after, and so on. I believe, therefore, that the local housing authority must determine what basic services are required to support the level of independence the impaired population will require to maintain that level and then, working with the area agencies (established under the Older Americans Act), identify sources of funding for services programs which can be combined, as required, with a direct service subsidy administered by the LHA. In short, the ongoing need for a continuous service program is so basic to the success of congregate housing for the impaired but not ill elderly that we would recommend legislation establishing a stronger congregate housing program including services to be enacted and funded.

Question. I'm impressed by the range in size of the cities in your study which indicated a need for congregate housing. Will the congregate concept work in rural areas as well as urban areas?

Answer. Our sample included 23 communities with populations under 5,000. The smallest was 1,336; the largest, 4,875. These 23 communities were all providing some services. The pattern of services was not different from their larger prototype although the average number of services by the projects was slightly less than at the larger sites. From these facts, I see no reason to assume that the congregate housing concept cannot be made to work in the rural small communities of this country. It is in these communities where the proportion of old people in the community is considerably higher than in the average large city. And, as I have observed firsthand, these are people whose independence is so precious to them, and for whom the only resource if impairment sets in is the nursing home, that they remain at home trying to make it alone, long after they are able and far too long after it is safe for them to do so. If priorities are to be considered, I would suggest that the small community's first priority should be congregate housing rather than development for the fully independent. The housing need of the former is far greater than the latter.

Senator WILLIAMS. I would like to hear as many as we can before we get to our questions. We are greatly pleased that Senator Durkin has joined the committee, and we know he will be very effective and very helpful, and I would like to ask if Senator Stafford will be with us, and if it is all right, we will now go to Dr. Thompson, who is known so well, and respected so much, who is a good friend of all of us, a former Commissioner of Public Housing Administration, and who is now a housing specialist of the International Center for Social Gerontology.

STATEMENT OF DR. MARIE MCGUIRE THOMPSON, HOUSING CONSULTANT, INTERNATIONAL CENTER FOR SOCIAL GERONTOLOGY

Dr. THOMPSON. I am Marie McGuire Thompson working with Dr. Donahue in the International Center for Social Gerontology and participating in the studies of congregate housing, its location, design,

and management. For 12 years prior to retirement, I was Commissioner of the Public Housing Administration and from 1967 until 1973 HUD adviser on problems of the elderly and handicapped. From 1949 to 1961, I was executive director of the San Antonio, Tex., Housing Authority where I undertook studies of the special design and administrative characteristics of housing for the elderly and built an experimental project that helped set standards of design and administration of housing for the elderly.

I do not believe we have as yet in this country developed a firm and continuing housing policy for the increasing number of older persons in our population. Despite the recommendations of national conferences, the urgings of national organizations dedicated to the well-being of older persons, despite the clear results of research—much of it paid for by the Federal Government directly or indirectly—indicating the need for and importance of the living environment and arrangement in the later years, despite the success of housing programs for the elderly that have been built with Federal assistance, housing programs for older persons have been subject to the same economic and political considerations that affect unrelated housing production and financing concerns. This housing need has not been seen by HUD as determining the way of life in the later years, which it does, but simply another shelter program. The Farmers Home Administration programs for the rural elderly also has been very limited and casual despite the proven low incomes and the tragically poor housing conditions of the rural elderly.

In the past, Federal financial help has ranged from simple mortgage insurance of private loans to develop rental projects, to purchase or rehabilitation loans, construction loans, combined with subsidy, direct loans, rental supplementation and below market interest rates. This variety of aids has all but disappeared.

In contrast, Congress long has recognized the need for cost differentials to pay for special designs, including spaces for community centers to provide opportunity for socialization and to accommodate services essential in the living environment. It also perceived the need and acted to assure safety for persons in the buildings and in the neighborhoods for the well elderly. At the other end of the health scale, programs were enacted to provide mortgage insurance for intermediate and nursing home care for the ill or severely impaired.

The largest single Federal investment has been housekeeping units under public housing providing for the most drastic need of standard housing within the paying ability of the low income. Today 40 percent of public housing is occupied by the elderly, both in specially designed and in family housing developments. These are for independent living and therefore for the hale and hearty older person.

Within our elderly population, however, there exists a significant segment of persons who, because of increasing age, infirmity, and functional limitations, are incapable of performing all the personal and household functions required for totally independent living. Although perhaps frail or burdened with one or more impairments, most such persons are not ill and nursing home placement for them is inappropriate. For many, however, medically oriented institutions have been the only resource in most communities even when that level of care is not needed.

For these thousands, deprivation of the right to continue to live in a community is due solely to the need to provide in a residential setting those services that will support the individual in a more normal, desirable, and fulfilling living environment. The basic services are: A full meal service, assistance with heavy housekeeping, and individual personal services as needed. The latter might include assistance with bathing, help with some aspects of dressing such as doing the back zipper, or tying the shoe laces for the arthritic.

1970: LEGISLATIVE BREAKTHROUGH

In 1970, the Congress evidenced its understanding of this need and took another step to increase the array of living arrangements that related specifically to the realities of the aging process. Senator Harrison Williams, of New Jersey, then chairman of the Senate Special Committee on Aging, chairman of its housing subcommittee, and member of the Senate Banking and Currency Committee, included in the 1970 Housing Act two programs for congregate housing, one to be developed for the low-income elderly under public housing and the second to provide opportunity for private developers also to be involved using the then FHA sections 221 and 236. Since today we are exploring primarily the need of congregate housing for low income older persons, following is the public housing section 207—50 Stat. 895, 42 U.S.C. 1415—entitled "Congregate Housing for the Displaced, Elderly and Handicapped":

Section 15 of the United States Housing Act of 1937 is amended by adding at the end thereof a new paragraph as follows:

"(12) The Secretary shall encourage public housing agencies, in providing housing predominantly for displaced, elderly, or handicapped families, to design, develop, or otherwise acquire such housing to meet the special needs of the occupants and, wherever practicable, for use in whole or in part as congregate housing: Provided, that not more than 10 per centum of the total amount of contracts for annual contributions entered into in any fiscal year pursuant to the new authority granted under section 202 of the Housing and Urban Development Act of 1970 or under any law subsequently enacted shall be entered into with respect to units in congregate housing. As used in this paragraph, the term 'congregate housing' means low-rent housing (A) in which some or all of the dwelling units do not have kitchen facilities, and (B) connected with which there is a central dining facility to provide wholesome and economical meals for elderly families under terms and conditions prescribed by the public housing agency to permit a generally self-supporting operation. Expenditures incurred by a public agency in the operation of a central dining facility in connection with congregate housing (other than the cost of providing food and service) shall be considered one of the costs of administration of the project."

Although the Congress stated that the Secretary of HUD should encourage congregate housing, little encouragement was given and little congregate housing has resulted. Thus we have lost valuable time and progress in our search for alternates to institutionalization even though it is quite apparent that community-based housing programed with a specific and basic service element, is undoubtedly one solution. The congregate housing concept is to provide support that maintains independence, not a care facility to create dependence. In addition, the massive Federal and State efforts to deinstitutionalize is deprived of a companion program uniquely suited to the housing needs of persons returning to their communities from institutions.

Let us briefly examine some of the reasons why housing authorities have not sought to build congregate housing since many of them daily must see the need among their tenants and there is statutory authority to design and build it.

THREE BARRIERS TO ACTION

The first and primary reason, I believe, is the possible gap between the cost of food and other services, as well as rent, and the paying ability of very low-income older persons. Specifically, a justifiable fear of deficit operation. The Housing Act permits as an admissible expense the construction cost of a central kitchen and dining room and the necessary equipment, but the rent, food, and service cost must be paid by the tenant. LHA's can plainly see the result of this gap. It means that they could only select for residence those elderly persons who could defray total costs.

This is an unwelcome departure from the traditional and more humane tenant selection process of selecting by need, and the more minimal the income, the greater the need. We can readily understand the resistance to departure from this concept and automatically ruling out the poorest among the elderly and the impact of such a philosophy in the local community. The services cost gap has been a most effective barrier to the development of congregate housing by local housing authorities.

A second barrier to the development of congregate housing is unfamiliarity with a tenant selection policy that requires a judgment of the capability of the applicant to perform the usual activities of daily living such as dressing, eating, mobility, personal hygiene, et cetera. Heretofore, tenant selection has been limited to age and income eligibility which is a far simpler intake process. Yet it is quite plain to see that the capability of the resident to maintain himself in quasi-independence must determine the appropriateness of congregate housing as a successful residential living arrangement. No guidelines to provide easily applied measurements of capability have been provided. Since confusion is rampant on the probable span of characteristics of residents of congregate housing, this has indeed been a barrier to undertaking it.

The third significant barrier, and perhaps the most important, is that operational feasibility of congregate housing is dependent upon the service element. Housing authorities do not have service resources within their program capability. Service availability and reasonable assurance of continuity must be provided by other agencies in the community. Without the service component, congregate housing cannot be operable. If services can be paid for by tenants, there is of course no problem. But for persons of low income the service elements must be at minimal or no cost. It is safe to say that no lender, whether Government or banker, would risk an investment in a product when the major component cannot be reasonably assured. The operating sponsor would have a similar reluctance not only on the availability of the service on project completion, but assurance of its continuity.

Despite the barriers to production of congregate housing, Dr. Donahue has shown that there is a growing awareness by LHA's who operate thousands of units of housing for the well elderly, in

large and small communities, that there is an increasing need for housing with a service component that will delay or for some make unnecessary, removal of residents to medical facilities as they age, a sad reality today. A similar need for congregate housing exists of course among older persons not living in housing developments. Some of those now in nursing homes or other institutions who do not need that level of care, also would prefer and benefit from residential living with supportive services.

To launch such a housing program for the low-income elderly, LHA's need guidance and training in design, specialized staff for a new type of tenant selection, intimate knowledge of service resources a new management emphasis, as well of course as a way to cover the gap between congregate housing costs and tenant paying ability. This kind of in-depth information, has not been forthcoming and the limited material developed tended, I think, to cause rather than allay fears of operational feasibility.

GAPS IN COORDINATION

It is somewhat ironic that the very services that would support congregate public housing and assure its feasibility, all have been enacted by the Congress and appropriated for through the Department of Health, Education, and Welfare, and the programs of the Administration on Aging and title XX of the Social Security Act. The problem, simply stated, is how to marry housing and the services program into one housing-with-services program. Coordination at the Federal level however well-meaning, will not bring either the planning or funding schedules together, nor is there yet developed a way to assure services funding consonant with the completion of the congregate housing project, to say nothing of long-range commitments. Since housing sponsors cannot commandeer the service elements, and since congregate housing cannot succeed without them, the program has lagged. The consequence is, that thousands of older people now and in the foreseeable future, particularly those of low income, are and will continue to be deprived of this living environment within their communities. We can be quite sure that these citizens suffer personal defeat when they must prematurely give up residential living and retreat to an unnatural and unwanted life of dependency until death in a medical atmosphere amidst the sick and dying.

All the components for a housing-services program are known and available, at least to some extent; housing sponsors interest is at an alltime high, and if the expansive rhetoric and efforts on deinstitutionalization in many departments of the Federal Government mean anything, we certainly should be able to work out the methodology to accomplish the end result in this one viable solution to unnecessary institutionalization at high economic and social costs.

THREE ALTERNATIVES

To achieve this goal, there appears to be at least three alternative possibilities.

First, earmark a certain proportion of service funds flowing to HEW and its State and local counterparts to be used exclusively to support the services component in planned congregate housing.

The difficulty in this recommendation is one of scheduling in the light of annual appropriations. As a minimum, it requires about 18 months to acquire land, design and construct housing. While service agencies may make a moral commitment for the services component, they would not be able to guarantee either the availability of funds in a second year of appropriations, nor could they guarantee their continuation. If congregate housing is for those who can pay all services costs, this may not be critical since services could be obtained from other sources. But in congregate housing for the poor or near poor, with static and fixed incomes, all of whom cannot pay the full cost, there is little likelihood that the housing sponsor will take the risk. Therefore, a second and more feasible recommendation is: The Congress should enact a congregate housing program and provide appropriations for the service elements and their cost.

Without question, the second solution would be more effective and therefore, more desirable. It would result in quicker action, would remove fear of funding a housing program where the services were only assured on a year-to-year basis, and would permit the planning and design specifically to accommodate the service programs. Under such a plan, housing sponsors might contract for the services from knowledgeable and established service agencies, or they might reasonably be able to staff up to perform all services as part of the management program. The amount of subsidy needed to help defray costs would be related to the incomes of the residents, use being made of only that amount needed for tenants with very limited incomes. This could be determined on a sliding scale and the probability is that only a minor number of tenants would need full costs paid. Subsidy commitment might be further controlled by requiring that to the degree possible, and for as long as possible, those services that exist in the community for which any low income elderly person is eligible, should first be called upon on behalf of the tenants of congregate housing.

Realizing the difficulties of enacting legislation and providing appropriations, particularly subsidies, for programs that cut across the function and responsibility of different executive departments—and emanating as well from different congressional committees—the Congress may consider, as a first step, the provision of a shallow subsidy for the meal cost to the degree needed by the very poor. As previously stated, the cost of central dining and kitchen space and the cost of equipment already can be included in the housing authority budget for congregate housing. The AOA nutrition program for the elderly, while reaching many thousands of older persons with one nutritious meal a day, 5 days a week, even when located in a housing project, cannot provide the full service needed to underwrite development of congregate housing. It could be used however, when regularly available to decrease the total cost of the meal service. It might well be possible for most low-income elderly to then afford the cost, or a large portion of it, for breakfast and lunch. That would thus leave only the cost of housekeeping and personal services. There is evidence that not all tenants in congregate housing need or want a full housekeeping service. Some heavy work such as window washing, floor waxing, et cetera, could be done by maintenance staff.

Housekeeping aid is now possible for social security recipients, although not for neighbors with the same income but from another source. We can assume that many of the personal services can be made available at little or no cost, some of them performed by tenants for tenants. The food cost is the essential item. Realistically, however, it should be recognized that as time goes on, more and not less services probably will be needed.

Some studies have been made of assisted residential living. Additional studies are underway and social scientists are exploring the potentials and variables in a residential environment without medical supervision. Later this fall, the International Center for Social Gerontology will hold the first national conference on congregate housing. Much of its program will evolve from competent research including delineation of the characteristics of the population to be served in congregate housing.

50-PERCENT INCREASE IN 75-PLUS POPULATION

It is estimated that by 1990 there will be 28 million Americans over age 65. It also is anticipated that there will be 11 million Americans over age 75, an increase of 50 percent from the 1970 census figure. It is not too early to attempt to solve the congressional jurisdictional problem, and the split interagency responsibilities in behalf of a sensible and economically and socially desirable housing program. Nor is it too early to encourage HUD to provide knowledgeable staff on the social aspects of housing and give the level of emphasis now accorded property standards and finance. If we can fill this glaring gap in our housing continuum, we then will be closer to a national housing policy for the elderly that in fact responds to the realities of the human aging process.

Finally, no matter what this Government's policy is, no matter how desperate the need brought about by the phenomenon of longevity and the social changes in its wake, no matter how firm our commitment to social progress and to economy, we will not have a housing program that produces living environments of quality and in numbers commensurate with need, unless we go back to or reformulate understandable and easily achievable housing programs responsive to different types of sponsors. The chaotic situation that has existed in the past few years, the nonapplication of social research findings, the loss of time and energy, and the complete stoppage of the housing wheels, is being felt and will continue to be felt for many years to come. We have witnessed the diminution of social progress rather than its continuation or acceleration. Even when cost-effectiveness is at stake, we have failed to pursue programs that have promise of cost reduction. Sadly, the real losers are the older citizens seeking good and prideful lives in their late years, a search we have proved competent to satisfy given reasonable financial support and a level of concern and understanding in the executive branch that at least matches that of the legislative branch of Government. It is this division of purposes that reflects a lack of firm governmental policy related to older citizens and their housing needs, as they grow older.

Thank you.

Senator WILLIAMS. Thank you very much, Dr. Thompson.

While you are not in an official Government position at this time, you certainly have a magnificent impact on the governmental processes.

I would like to start a draft Dr. Thompson for Assistant Secretary.

Dr. THOMPSON. I accept.

[Subsequent to the hearing, additional questions were submitted to Dr. Thompson. The questions and answers follow:]

QUESTIONS SUBMITTED BY SENATOR WILLIAMS TO DR. THOMPSON

Question. You have been one of the pioneers in making public housing responsive to human needs of individual persons. I'd like to ask you now what you see as the future of public housing. The Pruitt-Igoes and the crime-infested high-rises get headlines, but success stories often go unnoticed. How do we make communities more aware of what public housing can do?

Answer. Overall, public housing has been a tremendous success despite a few failures like Pruitt-Igoe. It is and has always been unreasonable to expect a housing program to take on and solve all the social ills of the poor of this Nation without the financial resources to do so. Public housing generally has worked too much in isolation from the community and from public attention. Yet it has not only provided housing, but has brought community services to the developments and opened the door to opportunity for many who otherwise would be totally unaware of what the community offered. Public housing has fought a long and bitter fight against the private real estate interests who, until the past 10 years or so, have been determined to do away with it, despite the fact that this program is the only one that bespeaks our concern for the living environments of the poor or near poor and attempts to reach families and individuals in our population that the private operators neither want nor attract.

Question. A speaker at last week's meeting in Annapolis, in talking about a proposed sheltered housing program for Maryland, asked "Why buy a cow when all you really need is a bottle of milk?" By this he meant, why should local housing authorities develop their own service networks for elderly tenants when—in theory at least—there are existing sources of programs: the Older Americans Act, title XX, and so on. Judging from your recommendations, you wonder whether the bottle of milk may be forthcoming, unless special efforts are made to deliver it. Do I interpret your remarks correctly?

Answer. Yes. The simple fact is that sheltered housing should not be built unless or until the services needed are assured. Our goal is to provide a housing program with those services that support older persons and relate to the capability of the more frail or impaired older person. It makes no social or economic sense to continue to relegate older persons to nursing homes when all they need is a food service and help with housekeeping and some personal services to remain in their communities and enjoy at least quasi-independence as they grow older.

Question. You say in your final paragraph that "the complete stoppage of the housing wheels is being felt and will continue to be felt for many years to come." This is a reference to the moratorium on housing programs ordered in 1972. Can you give examples of the damage this freeze has caused?

Answer. It takes from 1½ to 3 years to develop a housing project. Dr. Donahue in her testimony gave many examples of the meaning of the stoppage caused by the housing moratorium. It is ironic that when the need is so great and growing, when the programs for the elderly have been universally successful and accepted, when sponsor interest is so high, that we remove the soldiers from the battle just when gains are being made.

Question. On page 2 of your statement, you include the language from the section 207 of the Housing Act which provides that not more than 10 percent of the total amount of contracts entered into under section 202 will be for congregate housing. Is a limit of 10 percent an adequate ratio between assisted living and independent living situations for the elderly?

Answer. It is not unusual to put a limitation of fund use on programs that are new and untried: I believe that was acceptable in 1970. Since congregate housing is in such short supply and since the need for an alternate to institutions is so grave, I do not think the limitation should be on today. If there is a limitation, it should be at a 25 percent level rather than 10 percent.

Question. I like your comment that the "congregate housing concept is to provide support that maintains independence, not a care facility to create dependence," and I would like to encourage persons to retain that independence. From

your personal observation, is it possible to offer a wide range of services, and have persons select only those they need, and continue to provide for themselves those services of which they are capable?

Answer. This is quite possible. Admittedly, it is more difficult to work out an economical food service if all tenants may select only those meals they wish to partake of. However, it can be done. The problem is that you must provide a kitchen and dining room capable of accommodating the total resident body and it seems to me there is some waste involved if only a handful of persons avail themselves of the service. We must assume that all need and want it in congregate housing. In projects that mix the hale and hearty and the frail and impaired, however, I would most certainly give the well elderly a choice. Not all congregate tenants will need a full housekeeping service, and I think it should be available as needed, particularly the heavy chores. Again, it is easier to develop a management plan if the quantity of service is known and costed out, but it also is very important not to deprive even the frail of performing those duties for themselves that they can manage. To do otherwise may cause dependence rather than reinforce independence.

[Additional material submitted by Dr. Thompson follows:]

CONGREGATE HOUSING EXPERIMENTS

Following President Kennedy's 1962 message to the Congress on housing needs of the elderly and his concept of group residences or congregate housing, the Public Housing Administration undertook five experiments to test possible solutions under the low rent program. These experiments were in Toledo and Columbus, Ohio; Burwell, Nebraska; Alma, Georgia; and the Pineridge Indian Reservation, South Dakota.

The Public Housing Administration required food service contracts over the amortization period of the projects. In each case the food service provider was a local hospital.

In Burwell and Alma, some dwellings were for fully independent living with individual kitchens and a lesser number were for congregate living without kitchens. In the latter case, the individual kitchen spaces were costed out but put together to provide for the central dining room and kitchen, which at that time was not eligible as a development cost. In Alma, the congregate tenant could prepare his breakfast on portable equipment. In Burwell, the congregate units are built as part of the community center with easy access to its central kitchen and dining room.

The number of congregate tenants in each case is less than the number of hale and hearty residents in housekeeping units and the result has been that the more able resident provides assistance to the more frail.

The two Ohio experiments had another dimension. The local housing authorities and the Public Housing Administration signed contracts with the State of Ohio through its Department of Corrections and Mental Health, providing that the State would be responsible for the food and all other services in the two developments over the life of the project. In addition, the State covered the cost of the central dining rooms and kitchens which were in addition to full kitchens in all units. In exchange, the housing authorities agreed that one-third of the occupants would be well or cured elderly patients from the nearby mental hospitals, selected by medical staff as quite capable of adjusting to a normal living arrangement. The service package included meals, housekeeping aid, personal services, and recreation and cultural activities for all residents. In Toledo, residents are not required to take any specific number of meals. In the Columbus experiment, however, all tenants must take the full meal service.

These experiments are still operating as planned and are highly successful, socially and economically. Local Authority directors state that if congregate housing with services had not been available, the tenants using them or transferring to them from the independent housing developments would have no other choice than resort to a nursing home.

Senator WILLIAMS. Unless my colleagues have anything at this time, we will now turn to another great friend of all of us here in this subcommittee, Mr. Louis Danzig, executive secretary, New Jersey Association of Housing and Redevelopment Authorities.

Mr. Danzig has had an honored period of service in many capacities in housing.

STATEMENT OF LOUIS DANZIG, EXECUTIVE SECRETARY, NEW JERSEY ASSOCIATION OF HOUSING AND REDEVELOPMENT AUTHORITIES

Mr. DANZIG. Thank you, Mr. Chairman.

I welcome this opportunity to be of service to your committee especially because of the untiring efforts you, Senator Williams, have made in behalf of senior citizens, not only on the housing front but in every area affecting our twilight years. I salute you.

Housing and the need for support services have reached a critical stage for New Jersey elderly. Whereas the population at large is barely keeping up with the increased cost of living, the aged find it increasingly difficult to survive. While the cost of housing alone went up in the last 3 years by an average of 27 percent in New Jersey, the amount set aside for housing within the income of the elderly went up by only 8 percent. Increasingly, the elderly are forced to seek housing of lesser cost, thus lesser quality, and increasingly their income for subsistence is being proportionately reduced.

In the State of New Jersey there are about 1 million elderly persons or 12½ percent of the population as against a national average of 10 percent, of whom over 30 percent are below the national poverty level of \$3,410 for a family of two.

In the State of New Jersey there are only 17,079 units of public housing designed especially for the elderly. Public housing, clearly we know is the most viable alternative for the senior citizens of low income. Yet, the fifth largest housing authority in the Nation—Newark—has only 2,760 especially-built elderly units.

This problem was dealt with in the most logical way that the last chief executive knew how, and I would like to quote from a statement by him on the general problem of housing, including housing for the elderly: "The problem is not housing, but that people do not have the money to buy or rent housing." The author is Richard Milhous Nixon.

Then came section 23—rent subsidies—which didn't work and now section 8 which hasn't worked.

Section 202 is unproductive and section 8, they say, is too costly: "Let the States finance these programs."

Section 235 and 236 disgracefully went to the green-glove and suede-shoe boys. All we have is a set of numbers and gamesmanship in HUD.

The new Secretary says: "The syndrome of public housing must stop." They Brooke'd it all right—the Brooke amendment.

The games began with "increased production through decentralization." We have area offices that did not produce, and then operating subsidies for public housing including the elderly followed by forward funding, energy subsidies, and now performance funding. More words, more numbers, and more games, which I refer to as promises, more promises, while costs of operation and energy went out of sight.

THE LUBAR MEMORANDUM

You heard these great ladies talk today about including service in public housing for our senior citizens, but you cannot have services without the housing, and so the pipeline which we always live by for elderly public housing was effectively blocked by the Lubar

memorandum which is dealt with extensively in the statements of Mr. Thomas W. Zito,* executive director of the Bayonne, N.J., Housing Authority, and Mr. John Sudia, executive director of the Carteret, N.J., Housing Authority, already submitted to this committee.

Briefly, both these authorities applied to HUD for 252 and 50 units of conventional public housing for the elderly. After surveys, studies, site acquisition, demolition, architects, and engineering estimates are submitted and approved, an estimated annual contributions contract is executed between HUD and the local authority.

Since 1937 this contract has always been amended to reflect the total final costs. These costs can only be final when the project is completed. Every cost incurred is monitored along the way and must be approved by HUD.

In both these communities after more than \$1 million were spent, the Lubar memorandum was issued, freezing the annual contributions contract at the earlier estimated cost. Although Mr. Lubar is no longer with HUD, the policy still prevails.

HUD POLICY DENIES UNITS

Both authorities are ready to award contracts for construction but cannot do so because of this HUD policy; 302 dwelling units are thus denied to our elderly in only these communities.

The courts have held freezes and impoundments by the executive branch to be illegal and unconstitutional.

Your committee is particularly concerned with services for the elderly. Everyone agrees that the physical facilities provided by the public housing program are quite adequate but are lacking in services.

We are being double teamed, gentlemen, because if we by any chance, by your good graces, and the graces of the Lord above, do manage to get by the Secretary of HUD, we still have to get by Mr. Lynn's Bureau of the Budget, and he too was opposed to these programs as is the present Secretary, and I should like to remind everybody here that the present Chief Executive is no more for these programs than was his predecessor, and that we did not elect him; you did.

Everyone also agrees that effective social services for elderly persons demonstrably prolong their ambulatory years thus significantly reducing the cost of institutionalization.

Mr. Robert Notte, executive director of Newark Redevelopment and Housing Authority whose statement you have, addresses the issue of supportive services so vital for the good of elderly persons living in public housing.

Mr. Notte, Mr. Sudia, and Mr. Zito are present and will be happy to engage in the roundtable discussion suggested in your invitation.

Now, I have deliberately cut my presentation short, generally, because we have here Mr. Sudia and Mr. Notte, especially, I want to say that Mr. Notte, who is the executive director of the Newark Redevelopment and Housing Authority, whose statement you also have, addresses the issue of supportive services so vital for the good of

*See appendix 1, item 6, p. 946.

elderly persons living in public housing, and I would be very delighted, and it would benefit your committee, if you heard from Mr. Notte, who is here, and who has a statement. On page 2 he refers to exhibit 2, which you do not have, because it is a great big document and with your permission, gentlemen, I would like Mr. Notte to replace me here for just a brief moment. It would be most enlightening, and with that, I would like to conclude my statement with my thanks.

Senator STAFFORD. Mr. Chairman, before Mr. Danzig leaves—

Mr. DANZIG. I am not leaving, sir.

Senator STAFFORD. Whether you leave or not, let me commend you on the brevity of your statement, and I ran into a new term on page 2 of your statement, I have heard of suede shoe boys, but will you expand on the term, "green glove and suede shoe boys," whatever that is?

Mr. DANZIG. Those are the fellows that made off with the loot, Senator.

They did some rehabilitation that was not done, and a lot of the money got lost, and there have been investigative committees on that subject, and the results are quite obvious. These programs have not worked. They have not done the job they were set out to do.

One is an interest subsidy for home ownership, and the other is an interest subsidy that runs with the rehabilitation and rehabilitation in these United States, under these programs, is nothing short of what I refer to them as, and those are the guys who made off with the money, and the people wound up with little or nothing.

Senator STAFFORD. Thank you, Mr. Danzig.

In the future, if I run into somebody wearing green gloves and suede shoes, I will be very careful.

Mr. DANZIG. The combination is most unusual, and when you find that out, you better latch up your pockets.

Senator WILLIAMS. That is a common expression, the suede shoe boys, but you coined the green glove, did you not?

Mr. DANZIG. We had many years ago, when I was young in the political arena, we heard about a neighboring community, it must never be your own, it has to be a neighboring community. In this neighboring community the high police officer known as the green glove artist, he sent this suit to a tailor, and the tailor found \$10,000 cash in his pockets—so from that comes that saying.

Senator WILLIAMS. This is across some river, but I am not saying which river.

Mr. DANZIG. Please give Mr. Notte a minute, because there was an agreement for social services entered into by contract with these two agencies to provide services in public housing, and it was a very interesting subject, and Mr. Notte will present the exhibit that you do not have.

Senator WILLIAMS. We welcome you, Mr. Notte.

STATEMENT OF ROBERT NOTTE, EXECUTIVE DIRECTOR, NEWARK REDEVELOPMENT AND HOUSING AUTHORITY

Mr. NOTTE. Thank you, Senator.

As Lou Danzig pointed out, the Newark Housing Authority has been working for approximately 3½ years in the State of New Jersey, in an attempt to provide for social services within our public housing project.

In the city of Newark, there are approximately 4,700 elderly families living in public housing.

We have been attempting for the past 3½ years to provide for the kind of services that Dr. Thompson and Dr. Donahue spoke of this morning, regarding the necessity to institutionalize some of the elderly.

In a program of approximately \$5 million, with an additional \$2 million that would have been provided in matching kind by the authority, for a total of about \$7.4 million, there was approximately \$2 million that would have been allocated for social services for the senior citizens in our projects, these programs were primarily designed to prevent unnecessary institutionalization, to alleviate social isolation, to provide health, education, screening, diagnostic counseling, as well as to provide a program of balanced nutrition, and nutrition counsel, designed to meet the needs of older people; to provide program participants with the knowledge and ability to run their household efficiently, and with a minimum of exertion, and to provide group interaction, and a sense of community in a variety of recreational and social activities.

Senator, to this day, not \$1 has been allocated to the city of Newark, or to the Public Housing Authority.

We have spent many millions of dollars in building the structures to house elderly residents and we have provided for congregate living.

We have facilities available for congregate dining; we have medical clinic facilities available in the public housing project that were built and completed since 1968, and we have yet to receive any dollars for these kinds of programs.

EFFORT AT HUD-HEW TEAMWORK

This particular program that Mr. Danzig referred to, the Department of Health, Education, and Welfare in combination with the Department of Housing and Urban Development, which is now listed under title XX, social services programs, those programs we are talking about, and which we would very much like to see brought into a city like Newark. Not only do we have a major problem of not having construction dollars available, but since 1968, in a city that requires decent housing units for 2,500 elderly families, we have one project that is just being completed, for 206 units, and for a city that has 10 percent of its population who are elderly, and has approximately 25 percent of its public housing residents who are elderly, we have not been able to secure any dollars for the kinds of supportive services that are necessary, and we are very disturbed by this.

This particular document, by the way, Senator, which we have here I only have one copy with me, this is something that the authority recognized 3 years ago, prepared and submitted to the State in October 1974, and we are still awaiting \$1 of commitment.

We have been told informally, that there may be something like one-half million dollars that will be available, and those are across the board services, not devoted specifically to the elderly.

Senator WILLIAMS. You submitted this to the State? I must have missed something here.

Mr. NOTTE. Yes; because, Senator, the HUD programs for social services, the dollars are funneled from the Federal Government to the State of New Jersey, which in turn would provide the funds for

the kind of social service programs the local municipality, housing authorities, and so forth would carry out.

Senator WILLIAMS. Now, where was the blockage here?

Mr. DANZIG. In the State House, and that gentleman is no longer with us, that was the last Governor of the State of New Jersey, and this follows a whole pattern, where you good people legislate, and they freeze, impound, and so on.

Senator WILLIAMS. Was the money stopped at the source—the Federal source?

Mr. NOTTE. The State. If I may, I will give you a very short résumé of what occurred.

This money that HUD agreed to spend for senior citizens and other families in need in public housing, by agreement between these two agencies, is to go through the State. The State took the money, and they used it for their own institutions and agencies, and they never routed it down like the State of New York did, and the State of Pennsylvania did. We could not get it, because we had an administration in the State House that responded directly to the White House.

Senator WILLIAMS. Is this spelled out in this document?

Mr. DANZIG. Senator, in that document are programs to be provided for family and elderly units.

This submission spells out the great multitude of programs that the authority needs to provide to its residents, and again, as we have pointed out, that we rely presently at this time on those outside service agencies to provide some basic services, and they are extremely minimum.

We still wish to have these kinds of programs implemented. There is a very recognized need.

Senator WILLIAMS. Thank you very much.

Mr. DANZIG. I want to share my time, and, you know, Senator, I want to continue to be of assistance, and I shall not be able to do so unless you give me a chance to put John Sudia up here for a couple of minutes.

Senator WILLIAMS. I think maybe Senator Stafford wants to amend something he said earlier.

Mr. DANZIG. I am still not going to leave.

Senator WILLIAMS. I will tell you, Senator Stafford, I obviously know the witnesses from New Jersey so well, and I have just the highest respect and appreciation for their total dedication to the lives of the people they serve, that I would like to hear from them. Believe me, they do some kind of a job.

Mr. Notte, your prepared statement will be inserted in the record at this point.

[The prepared statement of Mr. Notte follows:]

PREPARED STATEMENT OF ROBERT NOTTE

In Newark, a city with massive problems and urgent concerns, one of the most pressing is the housing need of its people, especially the elderly poor.

There are about 32,000 elderly people living in Newark; of these, less than 5,000 live with relatives. The average annual income of the elderly family of about 1.5 persons in Newark is \$4,200; but 30 percent or 9,000 of all elderly in Newark have an annual income of less than \$2,000, which is below the poverty level. We estimate that approximately 20,000 are eligible for public housing.

There are at present 4,700 elderly families living in public housing in Newark; their average annual income is \$3,000 and their monthly rent is \$52 or 20 percent of income. (See Exhibit I.) In Newark at large where the average annual income

is \$4,200, the monthly rent is \$135 or 36 percent of total income. More than 2,500 elderly families are on Newark Public Housing waiting list. Clearly, although neither the public housing residents nor the city at large residents live well, the city residents are much worse off. Whereas in public housing, residents are at least assured of a fairly decent apartment with heat, water, and electricity, those living in the city often are forced to endure the most oppressive surroundings. It is estimated that a third of all elderly poor in the city now live in units without even the basic plumbing facilities.

By 1968 the Newark Redevelopment and Housing Authority built 2,760 units specially designed for the elderly. Since then the authority was only able to obtain funding for an additional 206 units, which are still under construction. Recognizing the need of the elderly to socialize in a community setting, each of the new elderly complexes were provided with clinic facilities, congregate rooms on each floor and community rooms with kitchens and dining areas in each building. As of this writing, of 8 clinic facilities, only one is staffed for diagnostic service on a 6 hours per week basis. Of 36 community rooms, three provide a total of 375 meals per day. Of the 196 congregate rooms most are locked for lack of supervisory and maintenance staff.

Senior citizens are certain to grow in numbers in the years ahead. We now know the prohibitive costs of institutional care. We are all too familiar with the fear and dread elderly people have of institutionalization.

Congress passed legislation which we felt was adequate and resulted in an agreement between HUD and HEW for special services to tenants in public housing, including the elderly. Public housers throughout the nation know full well that housing with proper amenities and specialized services will prolong the ambulatory years and thereby shorten the institutional care required by senior citizens.

Thus, certainly for public housing residents in Newark, such programs as daily hot meals in a congregate environment, a strengthened and upgraded home health program, an expanded nutritional counseling and aid program, transportation to and from shopping, socializing and entertainment and vastly expanded social services programs, would be most effective in keeping the elderly from being institutionalized.

Clearly, the authority's vision and planning for the fulfillment of the needs of the elderly is not shared by Washington.

EXHIBIT I

Elderly family comparative data, October 1, 1975

Elderly persons:	
Newark.....	31, 645
NRHA.....	6, 787
Living with relatives: Newark.....	4, 723
Average family size (persons).....	1. 7
Total elderly families:	
Newark.....	18, 414
NRHA.....	4, 692
Concentration:	
Newark.....	(1)
NRHA.....	(2)
Average apartment size:	
Newark (bedroom apartment).....	1
NRHA (bedroom apartment).....	1
Average annual income:	
Newark.....	\$4, 200
NRHA.....	\$3, 067
Average gross rent:	
Newark.....	³ \$115
NRHA.....	\$52
Percent of income for rent:	
Newark (percent).....	36
NRHA (percent).....	20

¹ Dispersed.

² Dispersed in 11,693 units, 2,746 of which were designed exclusively for elderly.

³ The large percentage of elderly families in the NRHA brings the citywide average rent down considerably.

Senator WILLIAMS. Our next witness is Mr. John J. Sudia, executive director, Housing Authority of the Borough of Carteret, N.J.

STATEMENT OF JOHN J. SUDIA, EXECUTIVE DIRECTOR, HOUSING AUTHORITY OF THE BOROUGH OF CARTERET, N.J.

Mr. SUDIA. Thank you, Senator, It is my pleasure to be here. I will be very, very brief.

Whenever I am in Washington, I am looking for somebody to sign a check, or provide for a signature on a check so I can provide some services or housing.

At this time it is my pleasure to gripe about the infamous Lubar memo that cut out increases in annual contributions contracts in my particular authority and other housing authorities in America.

I am the director of an authority that has been supplying services such as have been described here today, not only to the senior citizens of my authority, but also to residents of the entire community, and, we provide those services from wherever we can. I am complaining about the Lubar memo, that required me to cut a community room out of my latest elderly development, which consisted, at one time of 50 units, and now is down to 40 units. After I receive my bids tomorrow, I might end up with 25 units.

I am concerned with this Lubar memo. I believe that this committee, as well as other congressional committees, should attempt to discover why such a memo was issued. I would like to have this committee, and others like it, ascertain whether the memo means that this administration is no longer concerned with conventional housing programs. I would like to know whether or not Mr. Cook, the new Under Secretary, or Assistant Secretary for Housing Production, might lift this ban on funding and perhaps use some of the \$50 million that has been set aside for conventional housing programs, to let us proceed in a proper fashion with the construction of our public housing units for senior citizens.

I understand the new appropriation bill provides for some millions of dollars for section 202 new construction.

Senator WILLIAMS. \$315 million.

"ADMINISTERED TO DEATH?"

Mr. SUDIA. Will they be administered to death? Will developers run into an administrative snag with HUD decisions on the central office level?

This has been our problem over the last few years.

We have Dr. Thompson here with us, who had been a very knowledgeable public housing Commissioner. She came to us through the ranks, and we had a fantastically successful housing program.

We had the proper program administration at the proper time, Senator, we cannot afford the luxury of any more trainees in top administrative positions and we cannot afford the luxury of further delays in housing production.

Many of the senior citizens on my waiting list will die before they get an apartment.

Thank you for the opportunity to address this committee.

Senator WILLIAMS. Thank you very much.

Mr. DANZIG. Please bear in mind that these people are today dependent upon HUD for continuation of subsidies and operating programs, and if for any reason, they are punished because they told you the truth, will we be back to report the same to this committee.

Senator WILLIAMS. Thank you very much. We will insert the statement of Mr. Sudia at this point in the record.

[The prepared statement of Mr. John J. Sudia follows:]

PREPARED STATEMENT OF JOHN J. SUDIA

I have been privileged to enjoy a one to one relationship with our senior citizen tenants and I have learned from them that talk without action does not help our senior citizens—action without compassion does less. The Lubar memo is action without compassion. The Senate Committee on Aging has been extremely effective in the past by developing legislation to provide some of the services required by our senior citizens, however, the most important need that is required before any other service can be effectively provided has been totally ignored by the administration. That need is senior citizen housing.

We in the public housing program have been frustrated in our attempts to provide such housing due to illegal impoundments, disorganized reorganizations, administrative freezes, and other such tactics that seem to be designed to completely eliminate planning and production of new housing units or negate the completion of units in the conventional public housing pipeline.

I refer specifically to the administrative determination by HUD that absolutely denied additional funding for conventional public housing programs (commonly known as annual contribution contract amendments). We in housing refer to this administrative decision as the "Lubar freeze", whereby no conventional housing program would be considered for increased funding under any circumstances and our alternative was to eliminate the community room service building, and proportionately reduce the amount of units to be constructed in order to remain within the original "estimated" construction cost.

The Carteret Housing Authority was not looking for increased funding for frills and over design but only to meet the ever rising cost of construction.

I can assure you that within a 25-mile radius of Carteret, N.J. there are at least 750 senior citizen housing units that have been plugged up in the pipeline by this infamous Lubar memo.

Our senior citizens need, more than anything else, a place to live in order to retain their dignity and independence. Only after this service is provided will all other necessary service programs fall into place.

I respectfully submit that the time is here and now for the Congress to compel the executive branch of our Government to honor the legislation adopted for the benefit of our citizens, and that decisive action be taken to restrain them from thwarting the will of the Congress.

Senator WILLIAMS. We will now hear from Mrs. Kallia Bokser, coordinator of services, New York City Public Housing Authority.

STATEMENT OF KALLIA H. BOKSER, COORDINATOR, NEW YORK CITY PUBLIC HOUSING AUTHORITY

Mrs. BOKSER. Thank you, Mr. Chairman.

Senator Williams, and members of the committee, my name is Kallia Bokser and I serve as coordinator of the Office for the Aging in the Department of Social and Community Services of the New York City Housing Authority. On behalf of the New York City Housing Authority, I wish to thank you for selecting us to present testimony at this hearing.

Although the major thrust of this hearing is on the adequacy of the Federal response to the service needs of elderly residents in public housing, I cannot permit the opportunity to pass without registering our deep dismay at the complete moratorium on public housing

construction. It is tragic that at this time of economic stress when the elderly, caught between poverty and mere subsistence, can no longer aspire to public housing as the promise of a better life. I wish the esteemed officials in Washington had visited existing projects for the elderly, and had interviewed the thousands on waiting lists before coming to the determination to phase out the conventional public housing program.

Although my responsibilities do not include tenant selection, each day I am besieged by older persons for apartments. And each case is more worthy and pathetic than the previous one. But saddened, I can give no encouragement to those making such inquiries. Inasmuch as the focus of discussion today is on supportive service to help sustain the elderly at home, I brought with me a memorandum from the coordinator of a home health care pilot project funded by department of social services to test the viability of this concept. Of the 14 requests for my assistance, 9 appeal for my intervention to relocate clients into public housing. Their present housing conditions are so deplorable that they exacerbate the health problems. What positive effects can the home-health program have for Mr. Jones who is 102 years old and lives in a decrepit rooming house where the bathroom is at the far end of a long corridor? Will satisfying the medical concerns of Mrs. Gaintt make her life meaningful? She is wheelchair bound, diabetic, and virtually trapped in a fourth floor apartment of a tenement walkup. Such cases can be multiplied by the hundreds in New York City. I am certain that in a varying degree, similar conditions exist throughout the Nation.

FRUSTRATIONS OF TENANT PLACEMENT

How can any LHA have a rational approach to tenant selection? One can only be overcome with a feeling of frustration when the destinies of such persons are placed in anybody's hands and there is no way to redress their conditions. Even the wisdom of Solomon would not suffice to make the right choices.

If, indeed, the provision of psychosocial and health services to the elderly is to be the underpinning for maintaining them in their homes, does not that presuppose their living in decent, safe, and appropriate housing? Unless the housing stock for the elderly at rents they can afford is significantly increased, the best efforts in the delivery of services cannot resolve the larger problem.

And now let us consider the primary question to which we are addressing ourselves today. How do the elderly fare when they are the chosen few to obtain a dwelling unit in public housing? What is the experience of the New York City Housing Authority in dealing with the service aspect of its elderly tenant population?

From the very beginning of our program, more than 40 years ago, this agency has regarded the provision of safe and decent housing as only the first step in a valid housing program for older persons. The traditional concept of our role in providing services was essentially to be that of the enabler; that is, to be the cooperative host to various public and private social agencies implementing programs in our projects. We extend to them the necessary facility space rent free and other forms of support.

In some instances we make direct allocations to augment staff salaries and related costs of such services.

In addition, through the department of social and community services, we act as direct service givers. Our self-limitations in this approach have been necessitated by the failure of HUD to embrace as its fundamental responsibility the social planning and service component of housing. While affirming the desirability of providing supportive services toward achieving the goal of "a decent home and appropriate living environment," HUD has considered LHA's primarily as the agency for housing in its narrower connotation, and no adequate budgetary allocations have been authorized to enable the authorities to implement the broader concept. Although more recently HUD has adopted a much stronger social approach to management, it continues to act on the assumption that the responsibility for the delivery of services remains out there some place with other government and private agencies on the local and State levels.

LHA'S IN "CONSTANT DEFICIT"

The problem of the authority to provide effective services with minimal resources has been aggravated greatly by the economic pressures of our day. With the inflationary rise in costs, principally in fuel and utilities, housing authorities find themselves in a constant deficit. Each year, the Federal subsidies prove increasingly less adequate to cover basic operational expenses. Under the present fiscal circumstances, the authority has been forced to curtail some of its services.

At the same time, the other public as well as voluntary agencies which formerly played a significant role in the service aspects are faced with their own budgetary difficulties. In this vicious circle, the victims have been the older persons who are so dependent on these services to sustain themselves independently in their homes.

A fundamental change in the delivery of supportive services must take place if we are to be responsive to the unmet needs of the elderly, and help them to continue to live safely and in dignity in their own homes. There will be no satisfactory answer to this problem until the role of HUD will shift from that of a somewhat remote negotiator and adviser to that of an active participant, a guarantor of the quality of life of its elderly resident population. When the first spadeful of earth is dug up to prepare a site for public housing, it must symbolize a much deeper involvement and commitment by HUD to meet all the needs of the future tenants.

TWO POSITIVE INITIATIVES

To accomplish this objective, HUD can take two positive initiatives. Supplementary subsidies earmarked for supportive service purposes are an indispensable means for realizing the goals which HUD acknowledges and urges upon local authorities. Such appropriations should be approved annually.

Should HUD assume that some of the funding for these services are to come from other appropriate Federal agencies, then HUD must enter into explicit arrangements, spelled out in terms of funding

set-asides, for public housing elderly residents. Otherwise HUD directives to LHA's based on agreements of understanding such as the one between HUD and the AOA for title VII, or the one with the Department of Labor to promote services, will remain fervent hopes without possibilities of implementation. The linking of federally funded programs in such a manner would prove very efficacious and of high cost benefit to the elderly and the agencies. The LHA's have the administrative setup and machinery to operate all types of programs. Perhaps this point can be elaborated upon in our subsequent discussion.

The remarkable results achieved by the authority in enhancing the quality of life of its elderly, despite the austerity of its budgetary resources, is an indication of the great potential that can be anticipated were the Federal response commensurate with the real need. Allow me to touch only briefly on a few creative programs pertinent to today's theme which have been introduced in our housing developments.

The Queensbridge Health Maintenance Clinic, a cooperative effort of the department of health, the New York hospital, and the authority, was the first preventive and early detection service for ambulant elderly. Although this pioneering experiment has been observed and lauded by eminent medical professionals, it remains unique and singular.

Recently, we established two primary-care miniclinics where nurse-practitioners and paramedical workers screen tenants and dispatch routine care in accessible unforeboding settings. Several universities with nursing training units expressed great interest in this model and sought the possibility of creating similar units in every public housing project. It is tragic that rather than expanding these services, we may be compelled to reduce even the modest efforts we have made heretofore.

SENIOR RESIDENT ADVISORY SERVICE

Another innovative program easy to replicate is the senior resident advisory service operating in two housing sites. With HUD's cooperation we were able to offer rent free apartments to the advisers who live in the buildings and are available to the elderly at all times for help, advice, and counseling. The minimal salaries paid are underwritten by a grant from a foundation. Prospects to receive more philanthropy money to expand or even continue the service are slim. The sense of security afforded both to the elderly as well as to management has been attested by all staff involved in the program. How simple it would be to expedite the duplication of this service, if HUD would consider the small stipend paid to the advisers as part of operational expenses.

Four months ago the completion of a new housing project exclusively for the aging gave the authority a rare opportunity to initiate a unique concept to help a number of frail elderly who no longer could sustain themselves independently. With the help of Lenox Hill senior community outreach program (SCOPE) six elderly persons are living in three 2-bedroom apartments. A senior resident counselor lives in an adjacent efficiency apartment to coordinate all the home care services needed by the group, and to be on call to the other tenants in the building for emergencies. Special nursing and medical services have been arranged.

Thus far the pilot program has opened up a new way of congregate living for persons who were on the brink of entering nursing homes. Pairing roommates and their adjustments to each other were not simple tasks. But at my last visit I was gratified to notice this group of vital elderly persons interacting with the building's other tenants. How different from the vapid staring faces one looks at in our institutions.

We hope and trust that the sponsor continues to be funded. There is no way through the present public housing program to appropriate moneys for the salary and services of the senior counselor. Although this program holds much promise for solving the growing problems of the frail elderly in public housing, we are inhibited by lack of funds to duplicate it.

NEW YORK NOT ALONE

The gravity of the problems of the aging residents facing the housing authority is not distinctive to New York City. The number of older persons living alone and becoming enfeebled is rapidly rising. The recent scandals of the nursing homes are constant reminders of how costly both in human terms and taxpayers resources that solution can be.

The very attention the problem is receiving by this honorable committee is a source of encouragement to all of us. It augers well for a continued and positive confrontation of one of the pressing challenges facing our country.

Senator WILLIAMS. Thank you very much. I am sure we will be calling on you as we try to implement the best we can.

Mrs. BOKSER. If I can have another moment, I would like to make note of HUD's recent expression of interest in congregate housing. A few weeks ago, I received a call from a research associate working with a HUD-funded special program to evaluate management procedures in congregate housing. He wanted to know how many congregate housing facilities, under the auspices of the New York City Housing Authority, were in existence and could I help him with data regarding the management effectiveness. I could not be but amused by his question. When I told him there were no congregate housing facilities in the public housing program, he was very much surprised.

I do not know whether he will find congregate housing under the auspices of other local housing authorities, but it was strange that as a representative of HUD he was inquiring as to management effectiveness when we had never received money for construction of congregate housing.

Senator WILLIAMS. Thank you.

Mrs. BOKSER. Thank you.

Senator WILLIAMS. We will now hear from Mr. Arthur Patterson, resident, Anthony Spallino Towers, Niagara Falls, N. Y.

STATEMENT OF ARTHUR H. PATTERSON, RESIDENT, ANTHONY SPALLINO TOWERS, NIAGARA FALLS, N. Y.

Mr. PATTERSON. Mr. Chairman, I feel highly privileged to be a part of this testimony this morning.

My residence is in the city of Niagara Falls, N. Y., a city with a population of 85,600 with a figure of 9,000 citizens 60 years or over.

It has within its environs two high rise structures housing 520 of the elderly. The housing authority serves an additional 55 of the older citizens scattered in other smaller units. As I live in the Spallino Towers, one of the housing high rises mentioned, I wish to keep my observations and comments focused on the high rise circumstances.

To begin with, I wish to relate an experience of last May. I was part of a group of 15 tenants from the two high rises in Niagara Falls who traveled to Richmond, Va., under the benefit of the vacation residential exchange program, and occupied tenant quarters in the high rise called 1202 in Richmond. There I witnessed the performance of two services in a high level of efficiency.

Residential medical students—Two student doctors, one graduated in June 1975, available 24 hours a day, to the needs of the tenants. The skilled surveillance of one of these student doctors was instrumental in the quick hospitalization of one of our visiting members and averted serious, even possible fatal, circumstances.

They have a housekeeping unit, a supervisor, four girls and one young man, to aid the elderly in minor, yet needed, services. I witnessed one girl with bed linens on her arm, who told me she was going to an apartment where a woman had just returned from the hospital. She was to change her bed, help her in attending to personal needs and cook a meal for her.

I witness so many instances where both of these services are so badly needed in our own housing project.

May I suggest that you request from Mr. Frederic A. Fay, executive director, Richmond Redevelopment and Housing Authority, P.O. Box 26887, Richmond, Va. 23261, to supply you with a complete and detailed résumé* of the development and deployment of these services, with the objective, if feasible, of universally adopting these measures to all high rises, where such services do not exist. I have no knowledge as to whether such a report exists or must be compiled.

A TENANT VIEWING NEEDS

Gentlemen, I pause at this time to stress a point. I am, as a tenant viewing needs—expanded needs for the most part—fully aware that services such as I am describing require a complex supporting and funding action, and fully aware that witnessing services functioning in one area, and the absence of them in another, can in no way be described or considered negligence. I have not been prompted or counseled in any way by the staff of the housing authority in our locality or elsewhere. I pretend in no way to be knowledgeable or critical of management or its responsibilities. My clear intention is to bear witness to needs as I see them daily.

In our building, I see many people who show the subtle but constant evidence of physical decline. Perhaps often a form of malnutrition. Quick evaluation might conclude that proper food and diet regulation is all that is needed to correct the situation. I disagree.

The depressing and sickening circumstance of day in and day out eating alone is the true deterioration factor. In my humble opinion a glass of milk and a biscuit consumed in the happy and loving companionship of others, could be a more healthful benefit than meals-on-

*See appendix in "Adequacy of Federal Response to Housing Needs of Older Americans," part 14.

wheels, where one must still eat alone, or the funded nutritional program, which posts a bulletin in our lobby each week, offering aid in a 5-day noontime lunch service. The distances of the two church locations, mentioned in the lobby poster, create a task for those who are handicapped, or find mobility difficult. Bad weather magnifies this condition. Transportation service that is offered is limited because of sporadic schedule. The services are in every sense too limited to be satisfying.

If we are to correct any of these situations, it can be done at the housing project. Dining facilities can be set up to satisfy this need. First the physical pattern is all important. Coziness and a close image of family table should be created. Tables and chairs carefully arranged so that it is virtually impossible for anyone to eat alone. No counters and stools please. Food served cafeteria or buffet style, no matter how limited the menu, the freedom of choice must remain. One meal a day, preferably noon, could be the start. Much education is needed to popularize and create an interest in the tenant for such services. Education for the elderly cannot employ lecture or literature; example in experimental workshops in numerous locations can be the successful means.

Finally, a vista of an ultimate. I witness daily, tenants standing and sitting around the lobby, the halls, the grounds—nothing to do, who become obsessed with critical appraisal, and lose the joy of appreciation and the measure of happiness this environment was planned to include.

INTEGRATING TENANTS WITH SERVICES

Perhaps the answer to the problem could be the gradual integration of the tenant into the services, that is, kitchen and dining service, housekeeping units, and minor maintenance duties. I suggest, a limited allocation of 20 hours per month for each tenant so involved could be considered.

There are many needs to be considered, but I have chosen to present these as priorities. I respectfully submit these comments to record and further consideration.

Senator WILLIAMS. Thank you very much, Mr. Patterson. I think we are going to have tomorrow some people from Richmond. We are very pleased to know you were there to observe them personally. That is very, very helpful to us, your statement.

Senator DURKIN. Mr. Chairman, I would like to apologize. One of the requirements is that I be Instant George. I have to go somewhere else now.

Senator WILLIAMS. If you have to go, we do understand that. Is there anything you would like to raise now?

Senator DURKIN. I would like to make two points.

To Mr. Danzig; I did not have a part of the encumbent or his predecessor.

No. 2, I would like to apologize to our next witness, Mr. Robert McCann, who comes from the State of New Hampshire.

I am sorry I cannot stay, but being the rookie, I have to preside more often than others, and I am on from 12 to 1.

Senator WILLIAMS. We appreciate your being here and a part of this committee. I should have recognized you, or asked you whether you had to leave, because our next witness is Robert McCann, the executive director of the Manchester Housing Authority.

**STATEMENT OF ROBERT H. McCANN, EXECUTIVE DIRECTOR,
MANCHESTER HOUSING AUTHORITY, MANCHESTER, N.H.**

Mr. McCANN. Thank you, Mr. Chairman.

I should also like to go on record thanking you for the opportunity to be here and to present this testimony.

Manchester is New Hampshire's largest city with a population of nearly 100,000. The Manchester Housing Authority has been active in public housing for low-income people since 1949, and currently houses over 3,000 people in 1,357 units that it owns or leases. We have over 991 units scattered over 27 sites in 108 buildings; 366 units are currently leased in locations throughout the city. In all, we have 441 units for families and 916 units available for the elderly. Our elderly program ranges from garden-type apartments on scattered sites throughout the city, to multistory elevator type structures in, or close to, our downtown.

The city of Manchester has been an active participant throughout the years in the federally aided housing programs, but we still have an unmet need for additional housing for low- and moderate-income family and elderly. Our current waiting list is 853 for elderly housing and 186 for family housing.

While I realize the focus of this hearing is the adequacy of the Federal response to service needs of the elderly residents in public housing projects, there are several points that I would like to make before I address that subject directly. Although we have had excellent cooperation and assistance from Mr. Creeley Buchanan, HUD area office director, and his staff, some of the policies of the HUD central office present us with problems.

Our basic objective as a housing authority is the provision of shelter for low-income families and elderly people in Manchester. To do this, we cannot rely exclusively upon utilization of existing housing, particularly in the case of the elderly. With the new section 8 program replacing all other subsidized housing, I am concerned with the limitations that this particular program imposes on financing new construction.

PROBLEMS WITH SECTION 8

In order for us to commence meeting the demand, after a long moratorium, I believe that a mechanism must be found, soon, to overcome some of the financing problems associated with the section 8 program. In fact, the conventional public housing program, prior to section 8, was working quite well in our community; particularly in the area of providing housing for the elderly. In any case, some action does need to be taken to stimulate the construction of new housing in those communities which have indicated a desire to do so in their housing assistance plan.

Once having produced the housing, the local housing authority must be assured of adequate funding for its proper maintenance and operation. In recent years, this has not been the case. HUD is making an effort to correct this problem by implementation of its new performance funding system. I hope that if implementation of this system indicates a need for greater subsidies, that HUD will follow through and request the additional amounts indicated, and that Congress will

appropriate those amounts. This is particularly important when one considers the growing need for the provision of social services in connection with our housing program. In our program in Manchester, although we have not had sufficient funds within our own budgets, we have been able to develop a comprehensive program of services to our tenants by utilizing funds made available under title IV-A of the Social Security Act. Typical services for the elderly include recreation, socialization, arts and crafts, onsite health clinics, counseling, meals-on-wheels, light housekeeping, transportation, and others. We have utilized title IV-A funds to provide services not currently available to our tenants from outside agencies or through HUD, or to assure that our tenants avail themselves of those services that are provided by outside agencies with the intent of avoiding duplication of effort. Our social service program is currently being evaluated by a firm hired by the New Hampshire Department of Health and Welfare, and the preliminary results indicate a high degree of participation by our tenants.

PROBLEMS WITH TITLE XX

Title IV-A is phasing out and is being replaced by title XX of the Social Security Act, and we are revising our programs accordingly. As a result, we will have to change from our comprehensive program to one which provides only specific services of a more limited nature. This change illustrates one of the problems that we have at the local level in trying to administer programs that are constantly changing. We spent the past few years developing what we consider to be an effective and efficient delivery system, only to find that we must change it and reduce it to comply with a new program. Now that our tenants are becoming accustomed to utilizing these services, they are being cut. I believe that public housing budgets must provide for an acceptable level of social services, not in competition with other agencies or ongoing organizations, but in cooperation with them, so that we will avoid the constant change in emphasis which, I am sure, from a tenant's point of view, is very chaotic.

Finally, I would like to discuss the need for congregate housing in Manchester. Of 12,000 elderly people in the city, we now house 1,185. We have an additional 853 on our waiting list, and I am certain there are numerous others who would apply but believe that the waiting period is so long that it would be useless to do so. We have in our projects at least 50 persons that probably should, now or in the near future, move into congregate housing. We estimate that approximately 25 elderly, per annum, move from our program into nursing homes. Even the nursing homes have waiting lists, and cost, at \$500 per month, is a major factor. Unless the elderly applicant has assets, he or she is not even considered for a bed. Many of the people that we deal with need accommodations between what we provide in our housing for the elderly program and the typical nursing home. Some time ago the authority determined that there was a need for at least 200 units of congregate housing in the city, and at that time we held informal discussions with a local hospital which was planning a major expansion of its facilities. We had in mind working out a joint venture with the hospital, involving some sharing of facilities, particularly in the area of meals for tenants. We thought this might provide us with the opportunity, not only to obtain well-balanced meals at a reasonable cost, but also to provide meals for people with special dietary problems.

Both the authority and the hospital were interested, but this was during the time when there was a moratorium on the construction of new subsidized housing. In October 1974, we did file applications with HUD for 450 units of housing under section 23, of which 200 were intended to be congregate housing. In January 1975, we were advised that no additional units of section 23 housing were to be allocated as they were all going to be coming under the new section 8 program. So that brings us back to section 8 and the need for new construction under the program.

ADULT DAY CARE PROPOSAL

One of the proposals that we are submitting to the State of New Hampshire for consideration under title XX is called adult day care, and its purpose is to assist older persons within the authority and the surrounding community to live independent, meaningful lives with emphasis on reduction on isolation and the prevention of unnecessary institutionalization. We propose, as a pilot program for 20 to 30 elderly, to provide services on an 8-hour day, 5-day-a-week basis, at a community center in one of our high-rise buildings. The services will provide home bound elderly with a comfortable and safe environment, leisure activities, and a sound nutrition program to meet their health needs. We would also hope to be able to continue recreation and socialization activities of all the elderly, although not to the extent that we presently provide such services. Through this proposal, we are actually trying to patch together the social service aspect of the program with our existing housing facilities; but this will not take the place of congregate housing, designed and built with those needs in mind. In congregate housing, the authority, working with other agencies, can provide the services needed to allow the elderly people another choice, short of confinement in a nursing home.

In conclusion, I believe that while Manchester has had an active program, we still have an unmet need, and one area of need is congregate housing. We do need, I believe, to define a way to make the section 8 program more effective in producing new housing, and we do need to be sure that the housing that we have now, and the housing that is produced, is adequately funded for maintenance and operation, and for the provision of social services that will allow activities, such as congregate housing, to succeed and achieve their intended purpose.

Senator WILLIAMS. Thank you very much, Mr. McCann. We thank you for being here. There will be time to come back and get further help from you, and from all of you.

Mr. McCANN. Thank you.

Senator WILLIAMS. We will now stay with our opening statement, and go to Dr. Matthew Tayback, Sc. D., director, Office on Aging, State of Maryland.

STATEMENT OF DR. MATTHEW TAYBACK, Sc. D., DIRECTOR, OFFICE ON AGING, STATE OF MARYLAND

Dr. TAYBACK. Thank you, Mr. Chairman.

Differing from your speakers this morning, who are eminent authorities in the housing area, and associated with public housing, I represent a fairly new trend in the course of State government, and

a trend for which your special committee has been responsible, in part, and that is the establishment of State agencies on aging.

I come from a background in medical and health work, previously having served as the assistant secretary of health in the State of Maryland. The Maryland State Office on Aging derives from the efforts of your committee in connection with the Older Americans Act, and is also a product of a past history in the State of Maryland, duplicated through every State of the Union, namely, a fundamental concern with the care of large numbers of our elderly people who fall within the classification of being impaired or disabled.

A number of basic facts spell out our interest in what has been called this morning congregate housing, and which we have designated sheltered housing.

The two concepts are similar. To face the facts about our older people, the biology of aging today is of such a nature that 21 percent of our people 65 years of age and older have one or more significant disabilities in their capacity for daily activities of living.

This is a fact. Hopefully in years to come, we may be able to change this biology; my own impression is that we are not going to change it too much. We will delay the onset of disability. However, a basic characteristic of life is that as you move toward the later years, whatever they may be, there will be the pattern of 20 to 21 percent of older people who will have significant disabilities.

The elderly who are impaired, or disabled, have been thoroughly studied. An authoritative investigation of their characteristics has been done in Massachusetts, and a thorough investigation of those characteristics has also been accomplished in Rochester, N.Y. I am convinced the findings of these studies are fairly universal. These studies indicate that the disabilities that you find in 20 to 21 percent of our older people are of such a nature that 5 to 6 percent of all older people require sheltered housing or congregate housing, in order to avoid institutionalization, and to reach the maximum in their capacity for independent living.

Another factor to be kept in mind, in consideration of the cost effectiveness of the issue of sheltered housing, or congregate housing, is that among those senior citizens who are institutionalized, constituting 5 percent of our senior citizens, approximately 20 to 40 percent do not require the restriction of institutionalization.

To the extent that 20 to 40 percent of our older people who are institutionalized do not require that form of restricted environment, the Nation is making an unnecessary investment and this high investment is now producing the wrong product for large numbers of infirm aged.

The solution, in part, is sheltered housing.

This is a solution, in part. It is not the only solution. Home care, day care, meals-on-wheels, are a part of the strategy.

Another part of the strategy is the straightening out of the many governmental agencies, Federal and State, who are involved in the problem of long-term care. Along these lines, it is my hope that Congress will address itself to the establishment of a system of long-term care, in connection with its consideration of the next move as we progress toward national health insurance.

EVIDENCE ON COST EFFECTIVENESS

The body of evidence relating to the cost effectiveness and the cost efficiency of sheltered housing, and the appropriateness of this modality, is without dispute. The problem is how to generate a significant volume of this particular modality, as a partial solution of the long-term care problems of our senior citizens. First of all, a few words on the structure of this concept. The structure is essentially a living situation, affording a basic opportunity for privacy to the individual, and this includes such a mundane thing as the privacy of toilet facilities.

The provision of adequate nutrition is a necessity if you are dealing with significant disability. One should provide three meals a day, 7 days a week, because I am talking about individuals who have significant incapacity, and who in the absence of sheltered housing are at the highest risk of institutionalization.

In the State of Maryland, the State office on aging has taken the responsibility to promote the development of this modality for dealing with a significant segment of our senior citizen population, who have a capacity to remain in their communities, and to pursue a considerable form of independent living.

Now, what exactly are we doing about it? We have heard from housing authorities of the difficulties they are having, with the constant parade of different solutions advanced by HUD, for the construction of housing for the elderly.

Public housing, 202, 236, 221, section 8, section 23, and so forth—I have heard of them all.

I propose that a pragmatic attitude is to deal with what is in being, namely, section 8. This appears to be the major means for the construction of new housing for the aged in a cost-effective way for our older people.

We have advanced the idea of sheltered housing, and we have to define it. We have a conceptual paper in this regard. It can be made available to your committee.

We have secured the approval of our Governor and our legislature for this concept. We, the Maryland Office on Aging, have advanced the idea that if section 8 is the means for the capitalization of sheltered housing, it is not the means for meeting the costs of the software, namely, the supporting services.

THREE HUNDRED UNITS ANTICIPATED

HUD is not providing that. We have incorporated into our budget, and it is now approved, funds for 300 units of sheltered housing. We call these funds piggyback. Why do we call it piggyback? These funds will be a subsidy on top of the Federal subsidy for the hardware, for the housing itself.

We are combining, then, the section 8 concept, which will take care of the capitalization of this housing, with the piggyback subsidy, State funds, which will take care of the software.

We have held a statewide conference. We have had the benefit of Drs. Donahue and Thompson in the conduct of the statewide conference. Your chief staff director, Mr. William Oriol, was present at the conference held last week and he had enormous enthusiasm and interest for the idea of sheltered housing.

We have established a working arrangement with our State housing authority which is vested in our department of economic and community development. They have what is known as setasides of section 8 allotments for certain parts of the State. We reached an agreement with them that, of these setasides for section 8, no less than 300 are to be reserved for sheltered housing.

We have been in touch with the area offices of HUD, the Baltimore office, and the Washington office. The Baltimore office controlling section 8 allotments for the Baltimore metropolitan area, and the Washington office controlling section 8 for the Washington area, that part in Maryland. We have received from them agreement that when they go out for bid, for section 8 housing for the aged, there shall be specifically stated the interest, if not the necessity, for incorporating the concept of congregate or sheltered housing.

Finally, we have, with one of the members of your committee, Senator Beall, worked more fundamentally on the interdigitation of the funding of medicare and long-term care, emphasizing that funds shall be devoted to supporting services for the infirm aged, while they are in the community.

Dr. Thompson said that the sheltered housing program has gone no place.

I would want to tell her not to be that pessimistic. She herself, in advancing the idea of congregate housing, has been a pillar of support to us, both conceptually and operationally, and we are attempting in the way I have indicated to you to advance this particular idea.

To turn now to the public housing situation, it is unbelievable, but with no fault to local housing authorities in New York City, that there are no sheltered housing units in public housing in the metropolitan area of New York City.

You have heard from a representative of that authority of all of the difficulties that they have in this regard. There is no equity afforded to our older infirm people if they are denied housing within the community. Such housing is denied because of an absence of the necessary supporting services.

There is a vast need for sheltered housing. To create such housing, I would affirm what has been stated to you by the housing authorities, you must have a subsidy for the supporting services.

You could advance in the following way. The mere creation of a small number of sheltered housing units, widely distributed, will give confidence to the managers of currently standing public housing on the practicability of this particular modality for dealing with the infirm aged.

A PROPOSAL FOR NATIONAL ACTION

By demonstration grants, in every State, you could provide a sufficient amount of money to create sheltered housing nationwide if every State under public housing came under it.

How could it work? Forty sheltered housing units would be a minimum, and that is what the subsidy, or the demonstration grant, would cover. A program of 40 sheltered housing units would require a subsidy of \$2,400 per year, or \$200 a month. This is about \$100,000 per demonstration project. Multiply this times 50, and you have an estimate of \$5 million.

This sum is peanuts compared to the billions of dollars being invested in unnecessary institutionalization.

At this stage of the game, the sheltered housing program has gone no place. There are no units in a city of 8 million population. We should proceed now to establish, by demonstration, small sheltered housing units in every State of the Union, a minimum appropriation for which would be \$5 million.

There is every reason to be optimistic about this. But obviously we will look for leadership from Congress in this regard. This is a problem of general concern and interest in the field of aging, and entirely appropriate for the interests and action of the Special Committee on Aging. Thank you.

Senator WILLIAMS. Thank you very much, Dr. Tayback. Your prepared statement will be made a part of the record at this point.

[The prepared statement of Dr. Tayback follows:]

PREPARED STATEMENT OF DR. MATTHEW TAYBACK *

Based on innumerable surveys, studies, and reports, the State of Maryland Office on Aging is convinced that for the aged a need exists for a level of housing midway between residential quarters designed for completely independent living and institutional environments, such as nursing homes. This conviction rests on the consistent finding that 20 percent of the elderly have one or more significant impairments which need not, in most instances, require institutionalization. We have concluded further that approximately 30 percent of all dwelling units in a new publicly subsidized elderly housing complex should be designated as sheltered-congregate housing. Any new complex should, therefore, include a community dining room with a full commercial-type kitchen to enable the serving of three meals a day for residents eligible for sheltered-congregate housing and one meal for residents able to live independently.

Nearly all existing public housing projects were designed without congregate dining facilities primarily because of a predevelopment provision requiring an entity other than HUD to guarantee the food operation for 40 years. Community facilities in the larger projects are very often extensive and may include multi-purpose rooms with a serving kitchen. The serving kitchens are used primarily for pot-luck dinners and for the preparation of light refreshments at special functions. Quite conceivably many could be converted to commercial or warming kitchens which could serve prepared or catered meals 1 to 3 times daily on a regularly scheduled basis. We suggest that a survey be made of public housing elderly projects to determine the feasibility and average cost of converting existing community facilities to a permanent food operation.

Space is also provided in many projects for health clinics. The clinics usually are operated under a contractual arrangement by official public or private agencies.

No provision is made in elderly public housing operating budgets, all of which are subject to HUD approval, for staff employees able to assist individuals with personal hygiene or housekeeping services. These services are provided in some cases by visiting nurses and homemaker aides, although usually on a very limited basis.

HUD encourages the location of elderly public housing in downtown areas convenient to shopping, medical, and recreational facilities. Transportation still remains a problem for the residents of many projects, but the provision of transportation is completely dependent on programs made available within the region or community, either public or private, with or without local, State or Federal subsidy.

The appropriate service needs for sheltered housing could be made available to residents of public housing elderly projects if appropriate funding were available. Many 202 projects provide a minimum of one meal per day in a community dining room—some offer a second optional meal. Clinics and minibus service may or may not be provided. Few, if any, 202's provide assistance with personal hygiene or housekeeping service, but probably could be offered as regular services, as required, with no substantial increase in the basic rent structure.

*See appendix 2, p. 959, for additional material provided by Dr. Tayback.

Any new elderly project should be structured to include all of the above service needs. The development design program should delineate the type and size of community facilities necessary to enable management to provide the service need efficiently and at the lowest possible cost. Operating budgets should be designed to include salaries for permanent staff employees to supervise and maintain needed services. Staffing requirements should be realistic, but remain flexible to allow the maximum possible use of volunteers or the sharing of costs with related agencies providing similar services.

An additional service which is highly desirable would be a central switchboard manned 24 hours a day. Any resident would feel secure in knowing that by lifting the receiver any type of emergency could be handled with dispatch.

The long-range goal would be the integration of elderly housing with congregate housing, where feasible, with regional or local senior centers. Many services could be more efficiently provided for tenants, day-care patients, and neighborhood residents if combined in the same building complex. Taking the concept one step further, a campus-type setting might also include a nursing home, small shopping center, professional offices, and extensive outdoor recreational facilities.

Senator WILLIAMS. I think we have all earned an opportunity for 5 minutes of stretching. Without objection, we will stand in recess for a short time.

[Whereupon, the committee was in short recess.]

ROUNDTABLE DISCUSSION

Senator WILLIAMS. The subcommittee will reconvene.

I was going to start this discussion with the question of what your opinions are in response to what should be the future of public housing for the elderly. Now, I have suggested a pause here on that, and we must think of the fact that we have, certainly, housing programs in place.

This section 8 is basic, but in addition to section 8, we do have conventional public housing, don't we, still in construction?

Ms. BOKSER. Some of it.

Senator WILLIAMS. Very little, but some, and it is still a program?

Mr. DANZIG. It has ground to a halt, and we tried to tell you, with the moratorium—

Senator WILLIAMS. But they are still working with applications. I know they are in New Jersey.

Mr. SUDIA. They are working with applications, but as I understand it, the new applications are not being given consideration.

LHA's are being urged to take part in the section 8 program and to stay with the section 8 program specifically. It seems that the section 8 program is the only game in town.

The 202 is not being mentioned, and conventional housing set-asides are not being mentioned for new construction.

Senator WILLIAMS. Well, this 202 is going to come back, so we can work with that as a future real possibility, I believe.

Mrs. BOKSER. The housing authorities cannot be a part of it.

Senator WILLIAMS. That is correct.

QUESTIONS ABOUT SECTION 8

I am just getting broad range, so let us—as John Sudia said, the game in town is section 8. Now, this is basically a rent supplement program?

Mrs. BOKSER. Yes.

Senator WILLIAMS. How does that interdigitate? I learned that from you.

Dr. TAYBACK. I do not know whether it is in the dictionary or not.

Senator WILLIAMS. At any rate, how does section 8 mesh with the local housing authorities? How do you proceed?

Mr. DANZIG. The set-asides that the gentleman referred to are set aside for the States. We had a meeting with the State of New Jersey and they have 4,000 set-asides. They set aside those for local housing authorities, 750 to 1,000 for local housing authorities, and they have already let us know in no uncertain terms that preference will be granted to those local housing authorities who build family housing.

In other words, senior citizen housing is taboo. Now, I quoted the lady, the Secretary of HUD, as saying: "We must stop the syndrome of public housing," so to all intents and purposes, public housing applications, whether they are conventional or section 8, are not going to be processed as rapidly, if at all. So I think, Senator, we have almost a million public housing units in the United States of America, of which a substantial number are occupied by senior citizens. Whether those units are with amenities or not, it would be a very simple thing to appropriate just a few dollars, representing a small percentage—call it modernization, if you please—and address one's self to incorporating into the existing units this congregate living.

Senator WILLIAMS. All right. That is a good beginning.

Mr. DANZIG. And to demonstrate this is feasible.

Senator WILLIAMS. This works with your idea.

Dr. TAYBACK. Yes; I presented the twofold concept; first, section 8. To move forward with that, I propose to use section 8 with non-profit sponsors and church groups to create elderly housing. But on the public housing side, I would agree that you have got to start with 400,000 units, I believe, as Dr. Donohue or Dr. Thompson stated.

One can move into those 400,000 units and, as the gentleman from New Jersey indicated, one can, with some money, then undertake the necessary changes on the physical side. Then you are going to have to face the issue of the cost of food, the cost of housekeeping assistance, and the cost of general supervision. By and large, we have estimated that package at \$150 to \$200 per month.

Mr. DANZIG. Bob Notte has now undertaken some modernization of existing high-rise public housing, is reducing some of them into smaller units for senior citizens, and he is contemplating—would you say what you are contemplating? This is a forerunner of what could be.

Mr. NOTTE. Senator, we have a project in the city of Newark right now that encompasses approximately 1,500 units of family high-rise structures.

There are eight buildings. We have taken two of the structures—two complete buildings—and we are utilizing modernization moneys under the Federal program now for physical rehabilitation. We are going to convert two buildings specifically for use of senior citizens.

The intent was twofold; one, to use the Federal dollars for the physical rehabilitation and, two, as the documents you have before you indicate, to combine that with the social service dollars to provide the kind of services the senior citizens would need in those particular buildings.

CONVERSION TO SENIOR UNITS

We have already received some preliminary approval on converting one of the buildings, and the cost of both of these buildings will be spread out over the period of several years. It would be our intent to convert approximately 250 units into approximately 40 units of seniors, simply because their requirements are much smaller in size—they do not need two-, three-, four-, five-bedroom units as you now have. This program has already begun, but, again, it becomes meaningless unless you have the other ingredients built into it.

Dr. DONAHUE. Including changing the structure to include dining room?

Mr. NOTTE. Yes, very much so.

Senator WILLIAMS. Where does the money come from? What defined program releases money for this?

Mr. NOTTE. The physical rehabilitation money comes through the Department of HUD, under its modernization program.

The social service component is the combination of the HUD-HEW social service dollars, really title XX now, where we would try to derive the dollars for the services.

Senator WILLIAMS. How is this number of units, with no tenants and no occupants, made available for this change of emphasis?

Mr. NOTTE. You know, in Newark there was a very prolonged rent strike that lasted approximately 4 years, so it happened there was a great number of move-outs when the authority began to take action against a number of nonpaying tenants.

In addition to that, that particular project was undergoing deterioration simply because the dollars were not flowing for the normal maintenance and services, let alone the rent-strike problem. So what we did was to take advantage of a deteriorating situation, and rather than see a situation as happened in St. Louis with the destruction of units, we turned around and said how about if we take some modernization dollars to convert these buildings to senior citizen housing, for which HUD had given preliminary approval. So we are beginning to move in that direction.

Mrs. BOKSER. In New York City, where the housing authority has over 100,000 persons on waiting lists and no vacancies, we could never contemplate a similar project for elderly housing.

At various times, we have had proposals to develop some form of congregate housing by converting existing underutilized hotels, but the catch has always been the delivery of the service package. Recently, the authority has been offered a motor inn for conversion to a congregate housing facility for the elderly. Our staff has evaluated the feasibility of this proposal under the section 8 program.

The physical facility is more than adequate for the residential part and the community activities. Our authority believes that the conversion is both desirable and a viable project. However, the crucial question directed to me by our director of planning and development is: Where will we get the commitment in advance for the necessary comprehensive service program? Here is a project ready to go and if this committee could be helpful in arranging for the service aspect of the facility, there is no doubt we would have a successful congregate housing project in New York City.

Mr. NOTTE. I might also point out—I did not wish to have you presume, it is only in existing structures of family units. Because of our particular problem, we have, as I pointed out, units specifically designed for the elderly, as well as a new building. It is at just about 200 units.

In each and every one of those structures, it is already built in the facility for handling the medical services, and all we need are the dollars to implement the programs.

Senator WILLIAMS. Anybody else in that situation where, if the services that we associate with congregate housing could—the money could be made available for those services. Are you in a situation physically to accept them?

How about Niagara Falls?

Mr. PATTERSON. Yes.

Mr. McCANN. We have facilities available to us, and we have been providing services under title IV(A). But because of the changes taking place in that particular funding, we are right now in the process of making very substantial cutbacks in this particular program.

In our facilities, we do not have the dining halls, but in all of our multistory buildings, we do have community space where we have been providing very substantial amounts of services, so the provision of the services on a continual basis is something we are looking for.

PUTTING THE PACKAGE TOGETHER

The difficulty seems to be that you have to look to annual funding from outside programs in putting together the package of services, and from my own point of view, it seems that once we are making substantial progress, the rules of the game change, and we have to start under another program to try to put it together again.

So if we had assurance of continuity, and despite the fact it may sound like a duplication—and I do not believe it is if the program is run properly—I think that the public housing funding mechanism is a way to provide services on a continual basis.

Mrs. BOKSER. I would like to say that if we had the assurance of funding, there are very many possibilities in our older buildings where the elderly now live where, with modernization funds, the physical structure could be modified to allow for congregate housing. In congregate housing, the key factor is not how large the apartment is, but the package of services to prolong the span of self-sufficiency—correspondingly eliminating, or at least postponing, the need for institutionalization.

Dr. THOMPSON. Senator, could I inject here one example? It is in the report* which you have received, of what happened in about 1963. The State of Ohio was very anxious to remove from its mental institutions those elderly people who had no psychosis and who did not need hospitalization—who were simply there because there was no alternative. So we contracted with the State of Ohio to build two projects, one in Toledo and one in Columbus. The purpose was for the majority of the tenants to be older people from the community;

*See Senate Special Committee on Aging report, *Congregate Housing for Older Adults*, October 1975. See also appendix 4, p. 972, of this publication.

that is, normal public housing for the elderly—all housekeeping units—but one-third of the residents would come from the mental hospitals in Toledo and Columbus. There would be no identification so that when they came in, they were not thought to be an ex-patient, or anything of that sort.

We did not have the congregate legislation at that time, so the only basis on which we could do it was to require from the State of Ohio a 40-year contract to assure that the State of Ohio, and not the local housing authority, would be totally responsible for the services. Now, those services included the food service, housekeeping service, and certain medical services.

The State accepted this, and over the 40-year period of those two projects, the State of Ohio, wherever they get their money—they get it through the Administration on Aging, they get it through the mental health programs, they get it through the correctional programs—whatever the source of State funds, the housing authority does not have to worry about it. It is not their responsibility.

The State not only provides and pays for the food services, but they provide the staff and they operate within the facilities of the two cities. It has worked very successfully. I have a feeling that the wave of the future is for the State, which gets the direct linkages with the HEW services, whatever they may be—that the State is the one that should be responsible for these services and make this program work. HUD has to work directly with the housing sponsor and there is no linkage at all with the service components.

A STATE BASE FOR FUTURE ACTION?

I might suggest this as another recommendation. Dr. Tayback, first, as head of a State agency, has HEW service funds. You could develop a mechanism that you could use to see that when you are planning congregate housing, that you could see to it that a certain amount of funds are funneled into the housing to support and underwrite your planning and development of congregate housing. I think this is the way it must be in the future.

Dr. TAYBACK. We have already indicated that the food package and the other supporting service package are now budgeted for in the budget of the State office on aging.

You might ask what the rationale is for the State to assume this new obligation. I would say, aside from general considerations of being the right thing to do for our senior citizens, a major definite consideration is the offset gained in leveling off and minimizing payments in medicaid for nursing home care.

Senator WILLIAMS. Or institutional living too.

Dr. TAYBACK. You are talking about mental hospitals, et cetera—no question about it.

Senator WILLIAMS. That is what the experience was in Ohio; there is release from an institution to housing.

Dr. TAYBACK. Exactly.

Mr. DANZIG. It is not often I disagree with the great lady on my left, Dr. Thompson, but I am utterly opposed to funding money to local housing authorities through the State for services.

Senator WILLIAMS. You have been burned, Lou.

Mr. DANZIG. This is history. All over it is the same. The State gets it, and uses it for its own institutions.

Dr. THOMPSON. We have contracts—

Senator WILLIAMS. You were burned in a situation where there was latitude in the State, because it was under the broad umbrella of revenue sharing. That is the way you described it.

Mr. DANZIG. Partly that, and partly when HUD and HEW made the agreement, they took the money and used it for their institutions and agencies. We in public housing went without.

Senator WILLIAMS. You described this as revenue-sharing money, Federal to State, and they had latitude.

Now, you knew when you started that revenue sharing—you were going to get into what you experienced, but sometimes there is a momentum that you cannot deny, and revenue sharing had that momentum.

Now, if that money was—and now we have not heard the word “categorical” around here for a long time—categorically directed, you would not object to Dr. Thompson’s viewpoint of the operation that happened in Ohio.

Mr. DANZIG. I would not object to it if she [Dr. Thompson] were in charge of it. You see, there we go again.

Dr. THOMPSON. I think the difference is how we made firm contracts with the Governors’ signature, and we did not ask them where they got the money and where they were going to get the services, but it was their total responsibility, including their expatients in residence, for whom they had continuing responsibility.

Dr. DONAHUE. Please explain about those people that lived in the housing that were not expatients.

Dr. THOMPSON. It served them very well indeed, because these vital services of food, housekeeping, et cetera, were part of the agreement. The other residents who did not come from the institution, had to be able to get the same services, and with the same State responsibility, as those who did come from the institutions.

Mrs. BOKSER. Senator, if I recall, Vista La Manor was one of the projects in Toledo. There was a special situation in Ohio at that time involving the mental health funds and the Governor. This housing arrangement was the way he was able to explicate himself from the particular situation.

You have to know all of the factors of that case to understand how this project could work. However, I think it was a singular situation that could not be duplicated in other States. It is not a program that one can propose for large authorities in urban areas.

DIFFICULTIES WITH STATE BASE

Second, the HEW moneys that come to the States, like those from the title XX Social Security Act, although they are given to the State administrative bodies, are for the local communities and municipalities. As Mr. Danzig said, it is the local department of social services, that is, the Human Resources Administration of New York City, that is going to decide what to do with the moneys that come from the State to New York City. And considering all of the various needs and their priorities, unless we have earmarked moneys for public housing tenants in title XX, or any other of the federally funded programs cited in my

testimony, this money will not trickle down to public housing authorities. The general citywide need is very great and there are political pressures. Unless the funding formula comes from Washington and we have contracts with dollar signs attached, the interdepartmental agreements are merely lipservice and are not significant.

LIMITED USE OF BLOCK GRANTS

Senator WILLIAMS. Maybe as proof of what you are saying, let me ask this question. How many communities do you know of that have applied community development funds to the rehabilitation of public housing for congregate services? Anybody know of any?

Mr. DANZIG. No.

Senator WILLIAMS. Did anybody try to get a community to take its community public funds and try to apply them to this purpose?

Mr. McCANN. I want to make a comment on that. I do not know of any either. My recollection is, at the time that the cities were being sold the community development program, public housing modernization was not one of the things that was going to be pulled together and funded that way.

Mr. DANZIG. Public housing money—the mayors are looking for public housing to pay more taxes, so we are in a different ballgame.

They act as though these people are Indians on a reservation, whether they are elderly or nonelderly, black or white.

Senator WILLIAMS. It is unrealistic to think the community, those that direct the community development funds, would ever direct them here; is that what you are saying?

Dr. TAYBACK. The fact is that in two counties in the State of Maryland, community development funds have been allocated by the county executives to the establishment of senior citizens centers. They have been rather generous in these two counties, although not necessarily in other counties. But in the two counties they have awarded money for the establishment of senior citizen centers.

Senator WILLIAMS. Were those metropolitan counties?

Dr. TAYBACK. Hartford County and Anne Arundel County, which includes Annapolis; Hartford includes Aberdeen. They are metropolitan areas.

Mr. NOTTE. There is another thing. In cities like Newark, the allocation is something like \$20 million. Under the categorical grant program, the city of Newark was deriving about \$40 million a year, so how can you spread the money even further? That is really the basic reason why you cannot put the dollars to those kinds of uses.

Senator WILLIAMS. You have greater local involvement, but you had substantially less money to be involved with.

Mr. DANZIG. Right.

Mr. SUDIA. A point I would like to make on community development grant funds is that many communities have been lacking the tax dollars, and have been hesitant to tax their residents for necessary community services and capital improvements. The community development dollars are now being used for the capital improvements that the towns had to forego, the same as we in public housing had to forego many of our programs and services. This is why, Senator, my interest for my community is focused on the \$5 billion public works

development bill that I understand is coming up before the joint conference committees. This bill would assist the communities now and community development funds could then be used for the necessary social programs.

Senator WILLIAMS. I get you; Yes.

Mr. DANZIG. Unless the funds are earmarked, we do not get them.

Senator WILLIAMS. Whereas, really, that should be public works program money; that is what you are saying?

Mr. SUDIA. Yes; for firehouses, sewers, et cetera.

Senator WILLIAMS. That is not to say there were not some beautiful firehouses built in our State.

Mr. DANZIG. Senator, there must be some valid reason why there is a deterioration in the central cities of America.

NEED FOR CATEGORICAL GRANTS

It is because they have been denied these categorical grants with which to refurbish themselves. Now the money is coming in for things that were never intended for assistance by the Federal Government, to local municipalities. This is where we are at in our society today, and there is not much time to turn it around. I must say to you that in all of the things I have said today, and in other days before various committees, it would seem as though I was always a Democrat, and I want to make a confession here and now, that I once voted for a Republican, and I am sorry.

Senator WILLIAMS. Mr. Danzig, thank you for that.

Mr. PATTERSON. Senator, I am the Indian among the chiefs today. My interests are of the tenant, and I suggested something that seemed to be far out, but I listen to you people, and I see one area in which the tenant can help.

ENLISTING THE TENANTS

You people with the authority in housing all over the country might enlist the aid of people like myself who want to do something more than just live in the tenement, who would like to help educate the local community so they would support you, and there are many that would like to.

In my last years I would like to contribute something more than just living in a housing facility, and you people who have this responsibility—we could aid and help you in many forms of education and in many forms of popularizing the needs that you are trying to promote.

Please engage us in your activities.

Senator WILLIAMS. I think we might end right there. We agree with you. I will say this, I think there is just total agreement on goals here, and it was beautifully described.

We have our work cut out for us, in finding the best way—I cannot say “most realistic,” because we did that right now.

Mr. DANZIG. Please say “pragmatic.”

Senator WILLIAMS. There are a lot of people thinking in this area, with the help of the Pattersons, and can we count on you?

Mrs. BOKSER. Yes.

Mr. DANZIG. I have one regret; that is, there are not more like you, Senator.

Senator WILLIAMS. Thank you very much.

We will adjourn at this time.

[Whereupon, the subcommittee recessed at 1 p.m.]

APPENDIXES

Appendix 1

LETTERS AND STATEMENTS FROM INDIVIDUALS AND ORGANIZATIONS

ITEM 1. LETTER WITH ENCLOSURE FROM WILFRED B. SMITH, EXECUTIVE DIRECTOR, BOARD OF COMMISSIONERS, HOUSING AUTHORITY OF THE CITY OF ALMA, GA.; TO SENATOR HARRISON A. WILLIAMS, JR., DATED SEPTEMBER 24, 1975

DEAR SENATOR WILLIAMS: Without any doubt, Senator, this is the most urgent of all public housing needs. Our authority had the honor of serving as a pilot project for congregate housing and have operated since April 1, 1967, a most successful "congregate housing." We were awarded the Gold Medal Housing Award in 1969 by the National Association of Housing and Redevelopment Officials.

I am enclosing for your information one of our brochures. We have operated 100 percent occupied with the most appreciative tenants. Also, we are solvent, We hope you are successful in meeting this dire need for the low-income elderly.

Sincerely,

WILFRED B. SMITH.

[Enclosure.]

SUN CITY COURTS AND ALMA, GA., INFORMATION BULLETIN

ALMA SETS RECORD IN LOW RENT HOUSING PROJECT

Alma set a record for the southeast when its local housing authority opened 52 units of low-rent housing for the elderly April 1, 1967.

Forty of these units are termed "congregate" housing and they represent the first such project in the entire Southeast approved by the housing assistance office, region III, in Atlanta.

Under the "congregate" housing setup, those living in the 40 units are furnished meals each day for \$45 a month under an agreement with the Bacon County Hospital. The meals are served in a central dining area located in a combination community-office-service building on the project.

The remaining 12 units include kitchen facilities for the elderly occupants, who provide their own meal service.

In announcing the need for application for occupancy of the low rent units for the elderly (62 years or older), it is pointed out that the main factor governing eligibility for admission for both an individual elderly person or an elderly couple is annual income.

Maximum income for elderly in Alma set by the local housing authority is \$5,125.00 annually for an individual and \$5,875.00 annually for a couple. Minimum rents (which are based on income) are set at \$20 for the congregate units and \$28 for the regular elderly unit, which includes kitchen facilities. Both rents include the cost of utilities (not including telephone).

It is said low-rent housing often are erroneously referred to as "Government projects." The U.S. Government does not own the projects, does not manage them, does not operate them nor does it select the tenants for them. The projects are owned by the Alma Housing Authority, which has title to them. They are managed and operated by the authority, which also selects the tenants to occupy

them. The authority is a separate corporate entity which operates as a nonprofit body for the public good, and was created under the laws of the State of Georgia. The authority is composed of five commissioners, all of them prominent citizens. They serve staggered terms of from one to five years and are appointed by the mayor. They serve without pay as a public service in much the same manner as they serve on church or civic club committees.

The projects were financed in their entirety by loans from the U.S. Government through the Housing Assistance Administration, to the Alma Housing Authority. They were built without cost to the city and no financial liability is assumed by the city. The Alma Housing Authority has issued bonds for refinancing of the projects. The bonds, which are tax free, were sold on competitive bids to private investors, such as banks and insurance companies. The loans from the Housing Assistance Administration will be repaid in full with interest. The bonds extend for a period of 40 years and are not a lien against the city.

The integrity of the bonds is supported by the Housing Assistance Administration's pledge of "annual contributions" to the authority. The pledge, in effect, says, the Housing Assistance Administration will make up any difference necessary to meet annual bond amortization requirements if rental receipts are not sufficient to cover operating and administration costs. This is the "subsidy" feature of the low-rent program which thus far is the only means found to provide decent, safe, and sanitary housing for low-income families.

HERE'S WHAT SOME OPINIONS ARE ABOUT SUN CITY

Mrs. J. M. Deen says: "I've been here about 4 months and this place is the best thing that's ever been made available for the elderly. I am really satisfied—it's clean and nice and I wouldn't want to be anywhere else."

Mrs. N. E. Harrell says: "I enjoy Sun City and enjoy participating in the little church services we have down here. It's a congenial group here and it's one of the finest places to live I know of."

Mrs. Lula Rowe says: "This place is worth a million dollars to this community and to everybody—I enjoy being here and all the visitors and the social and church activities here. I heartily recommend it to everyone."

Leroy Williams says: "I really like this place and am well satisfied. I gained 5 pounds in the first four days I was here and they sure feed us good. I always enjoy my old friends coming in to visit with me."

ALMA-BACON COUNTY LAUNCHES SENIOR CITIZEN CENTER

A project of national significance, financed through title III, Older Americans Act funds and local support, was approved and funded by the Commission on Aging and is now in operation. The center is the only community-based low rent congregate housing project in the nation, and is located in Alma, Ga. It is actually a demonstration of a new way of meeting older persons' needs in a congregate living setting, through the combined resources of public housing and health, welfare, recreation, and other resources.

Another unique feature is that the project applicants are Mayor C. S. Crosby, representing the Alma City Council, and Wesley Johnson, chairman, Bacon County commissioners. The 3-year project is designed to provide a program of coordinated services for and by the residents of the housing facility and will be made available to all older residents of Alma and Bacon County.

Mrs. Lois P. Miles has been employed as project director. She will be assisted by a part-time secretary and volunteer helpers. A five-member advisory committee of outstanding citizens will work with the director and the applicants.

The total estimated cost for the 3-year project is \$44,040, of which amount \$26,000 would be identified as title III funds. Budget for the first year totals \$14,680—\$9,810 requested of the Commission on Aging and \$4,870 through local matching funds and inkind support, primarily Alma Housing Authority.

QUESTIONS AND ANSWERS

Q. Who is eligible?

A. A person who is 62 years or older, or physically handicapped. An applicant must be ambulatory and of sound mind and be able to care for self.

Q. What is the highest income a family may have and still be eligible to move into the project?

A. For an individual elderly person \$5125.00 per year, and for an elderly couple, \$5875.00 per year.

- Q. May I cancel my lease and stop paying rent whenever I choose?*
 A. You may cancel your lease and stop paying rent any time by giving 15 days' prior written notice.
- Q. What size are the apartments?*
 A. From one to two bedrooms; all have living rooms, bath, and closet.
- Q. Where are meals served?*
 A. Meals are served in a central dining room in the Community Building which is located in the center of the Courts.
- Q. Are meals served free?*
 A. No. There will be a charge of \$45.00 per month per person for three hot meals a day.
- Q. Can my relatives and friends visit me?*
 A. Yes, for a reasonable visit.
- Q. Is it true that lights must be out and tenants at home by midnight?*
 A. No. You are free to come and go and do as you please just as you would in any privately owned home. This does not mean, however, that late or noisy parties that bother your neighbors will be permitted.
- Q. Are apartments screened?*
 A. Yes.
- Q. Are window shades furnished?*
 A. Yes.
- Q. Is new furniture necessary or demanded?*
 A. No.
- Q. Will the management supply me with furniture I do not have?*
 A. No. The homes will be equipped with wall heaters, automatic hot water heater, shades, bath, and screens.
- Q. May pictures be hung?*
 A. Yes, if you use self-sticking wall hangers.
- Q. Are radios and television permissible?*
 A. Yes. Tuned low.
- Q. Are telephones furnished?*
 A. No. You may have your telephone installed as you would in any other home.
- Q. Is washing allowed in the apartments?*
 A. No. However, there is an air conditioned laundry-lounge building approximately 50 ft. from each apartment equipped with automatic washer, automatic dryer, and built-in ironing board, at no extra charges.
- Q. Is the entrance to an apartment a private entrance or shared with other tenants?*
 A. Each apartment has a private entrance.
- Q. Are pets allowed?*
 A. No.
- Q. Will each tenant be required to maintain his own lawn area?*
 A. No.
- Q. How are incomes or earnings figured?*
 A. On the average for 12 months or one year.
- Q. How often will I have to pay rent?*
 A. Monthly in advance at Project Office.
- Q. Is it permissible to park on grass?*
 A. No, but parking area is provided.
- Q. Are you required to turn over everything you possess?*
 A. No. An applicant must pay his own way. All other resources are his to dispose of as he desires.

OLD FOLKS AT HOME

You don't have to go down on the Suwanee River to see the "Old Folks At Home" as the song goes. Some of our right elderly are right at home here in Alma, down at Sun City, which is a mighty good place to be.

This week, they're having quite a party down there too. It's a senior social, where all the county's elderly men and women, age 62 and over, can gather for some fun and fellowship.

We attended two of these affairs here, and we hope to attend this one. The cumulative ages of those present will astound you. It will represent a heap of living in time gone by.

Nobody should picture our elderly as aged and decrepit and senile. Not so: You'll find some real personalities, bright minds, and alert ideas and opinions among this group. They've come far enough along life's road to attain much wisdom and forethought, and we can sometimes learn a lot by listening to them.

Sun City is one of the "alivest" places around our town. It is by no means a burial ground for the aged, or a waystop on the road to the hereafter. It is a terminal point of rest for the weary who have seen and lived better days. It is a place of voluntary retirement and comfort.

People should not regard the aged as dispensable. They are a vital part of family and community life. Age cannot detract from their value as good citizens and good parents.

We respect age very highly. Age is something that comes quite naturally, even though some may think "This will never happen to me."

From the very day a baby draws his or her first breath, they are aging!
This applies to everybody—Even you.

ITEM 2. LETTER FROM MATTHEW TAYBACK, DIRECTOR, STATE OF MARYLAND OFFICE ON AGING; TO SENATOR HARRISON A. WILLIAMS, JR., DATED OCTOBER 27, 1975

DEAR SENATOR WILLIAMS: Under separate cover I have sent my corrected testimony at the October 7 hearing.

Herewith is included additional remarks which you requested in your letter to me of October 9.

(1) *Funding of Sheltered Housing.*—The State of Maryland has appropriated a sum of \$200,000 for the financing of the support services associated with sheltered housing—namely, meals, housekeeping assistance, and supervision of activities. It is expected that maximum payments per individual requiring assistance will be at the rate of \$60 per month or \$720 per year. The amount of assistance per individual will be in accordance with their capacity to pay and it is expected that all individuals supported by State funds will also have the benefit of section 8 Federal subsidies for the basic rental of the sheltered housing unit. The State funds will be allocated to the sponsoring organization of sheltered housing projects, by letter of agreement and for a specified number of units.

(2) *Basis of Estimate for Sheltered Housing.*—Numerous authoritative studies indicate that 20 to 21 percent of individuals, 65+ are significantly impaired in their capacity for basic activities of daily living. Among these 20 to 21 percent, it is further estimated that 5 to 6 percent require sheltered housing in order, successfully, to avoid institutionalization. This estimate is based upon the careful studies undertaken in Rochester, N. Y., in 1963-64. Using, then, the estimate of 5 to 6 percent of the total aged as requiring sheltered housing, we reach the estimate for the State of Maryland of 20,000 units.

(3) *Future Sheltered Housing Needs in Maryland.*—We do not anticipate any substantial change in the index of need for sheltered housing of 5 to 6 percent of the elderly. In view of the fact that the population of individuals 65+ is anticipated to increase at the rate of 2 percent per year and that the elderly population will, in fact, also be aging, we now estimate that over and above the basic need of 20,000 units, the increment of need in this resource will be 400 units per year.

I trust that this information will meet the requirements of your letter of October 9 and will arrive in sufficient time so that it can be included in the published proceedings of the October 7-8 hearings.

Sincerely yours,

MATTHEW TAYBACK, Sc. D.

ITEM 3. LETTER FROM PATRICK J. FEENEY, DIRECTOR, COLUMBUS, OHIO, METROPOLITAN HOUSING AUTHORITY; TO SENATOR HARRISON A. WILLIAMS, JR., DATED OCTOBER 27, 1975

DEAR SENATOR WILLIAMS: Thank you for the opportunity to submit comments for the record on the hearings "Adequacy of Federal Response to Housing Needs of Older Americans: Service Needs in Public Housing."

I believe that congregate services which include meals, housekeeping, transportation, and other services are essential for the total well-being of the residents.

It seems that the total needs of the elderly are met more adequately when we realize individual differences and particular needs of each resident. Some of the elderly reside in public housing from a purely financial point of view and require little or no services; others require congregate services and some require a completely supervised setting.

I would suggest that the response to housing needs of senior citizens be established within the local housing authorities on three different levels of living arrangements as follows:

Level 1: A metropolitan housing authority unit to house the elderly who are self-sufficient and live independently. They are capable of doing their own chores, shopping, cooking, and cleaning, and require only occasional assistance on a short-term basis. Their primary need for low-income housing is to reduce the cost of housing if they were to rent on the private market.

Level 2: A housing authority unit to house older citizens who can manage semi-independently and need some help in cooking, cleaning, shopping, and chores. This unit should have built in services, such as homemaker, clinic, congregate meals, laundry facilities, barber and beauty shops. These services should be available for the entire complex.

Level 3: A housing authority unit to provide for the elderly who need constant help. This development should have a nursing staff available with services provided as needed. All the meals should be prepared and served within the development and special diets adhered to. Check cashing and rent payment should be available services within the development. Thus unit should house elderly who cannot manage alone, but do not need to be in a nursing home. These units should be available for residents unable to manage in levels 1 and 2.

Sometimes elderly persons move into a public housing unit and are able to manage adequately. With the passage of time, they may deteriorate physically and mentally, and are no longer able to care for themselves independently. These handicapped elderly are currently being placed into nursing homes. Having to leave their homes and move into a strange environment they become depressed, this adds to the problem. If the suggested system was in operation the person could simply be transferred from a self-sufficient development into another development where their needs could be met without being moved into a nursing home.

Each applicant for public housing should be processed through a social service staff and the evaluation and determination of placement, with consent of the applicant, be made in accordance with their particular needs. Relatives or friends should be encouraged to become a part of the placement process. During the waiting period for placement, a home visit should be made to see the present living arrangements and, if necessary, the local services of the community could help assist the applicant at his current residence.

The social service work staff should be expanded to give aid to the residents on an individual basis in areas such as food stamps, medicare and medicaid, insurance, and other problems which require contact with the different agencies. The services of the community should also be made available on a regular basis at the elderly developments. There should be a close working relationship with the health, mental health and welfare departments, and HUD and HEW should work together to maximize the effort of the service delivery plan. The social staff at the development would coordinate all the services to cut down on duplication and direct needed services where they are needed.

This total approach to the housing needs of the elderly would not only upgrade the quality of life for those capable of managing independently, but would benefit in a significant way those elderly who need the services most.

The elderly are greatly concerned about security. It would be a help to relieve anxiety and serve as a deterrent for the potential intruder if security guards could be located at the various developments.

Thank you for the opportunity to express my comments on the matter of housing for the elderly.

Very truly yours,

PATRICK J. FEENEY.

ITEM 4. STATEMENT OF THE HOUSING AUTHORITY OF PRINCE GEORGES COUNTY, MD.

The Housing Authority of Prince George's County has 500 units of senior citizen housing in operation. The oldest site (of 123 units) is 5 years old.

Three years ago, the authority personnel noticed that a large number of health problems were surfacing at that site. A survey was conducted and it was found that approximately 20 percent of all residents had chronic health problems (progressive eye disease, diabetes, cardiovascular and respiratory disease, and degenerative diseases of the musculo-skeletal system). During the past 18 months,

the other 377 units were brought into operation. Surveys indicate that the 20 percent chronically ill figure will pertain to these sites also when they are 2 years in operation. Meanwhile, the oldest site now has approximately 30 to 35 percent chronically ill (with one suicide and two possible suicides related to drug abuse or misuse in the past 2 years).

While it has always been obvious the aging process does not cease until a person is deceased, there has been no provision in the housing programs, past or present, to plan for a system of levels of care to allow the elderly the widest possibilities in living arrangements. As it now stands, conventional senior citizen housing, hospital care, nor extended care facilities answer the need for a system presenting a full system of alternatives.

The experience of this housing authority would indicate the necessity of developing congregate care facilities with a heavy linkage with national, State, and local health programs.

Many individuals speak of the necessity of maintaining the dignity of the elderly and of keeping the elderly active in their environment and out of institutions. The realities of the situation, however, indicate that there is no dignity in lying in one's own feces for several days, of being incontinent and unable to clean up after oneself, or suffering malnutrition from being unable to prepare one's own meals—all because there was no one to check on them on a daily basis. Neither can one maintain that elusive dignity if one is unable to remember when to take what medication, thereby overdosing, sometimes fatally. Rather, the realities of the situation call for a facility intermediate between one for independent living and hospital or nursing home care.

The recommendation, therefore, is for a facility with:

- (1) Nursing care an integral part of the management;
- (2) Meals taken at a central location three times a day;
- (3) Tenancy limited to those able to get about by themselves;
- (4) Central area for activities (multipurpose rooms);
- (5) Examination and clinical facilities on site;
- (6) Development of a new kind of tenancy for very limited terms (weekly, renewable tenancy);
- (7) Provision of tenancy for a particular purpose—constructive coercion if the person is alcoholic or only marginally responsible (in the face of recent Supreme Court decisions on institutionalization which will speed the return of many such persons to the localities);
- (8) Central nursing stations to provide for controlled dosages of medication from that location.

Without the provision of such housing in the immediate future, this problem of the disabled and abandoned adult will reach the national proportions that the nursing home scandals reached a few years ago.

Some proposals which this housing authority has reviewed have tried to link ambulatory type care with conventional senior citizen housing through the section 8 program. These proposals suggest that the 15 to 20 percent infirm could be helped by the 80 to 85 percent healthy. Again, the realities of the situation is that the healthy will not remain so if they attempt to care for a seriously ailing neighbor. Experience indicates that when this system is attempted, the ailing individual does not respond well, and those who have been assisting, because of anxiety, lack of proper rest and self care, soon find themselves in the same circumstances as their ailing neighbor. Instead of one ailing person, the facility may find it has two or three more; true self-sacrifice, but uncalled for.

Rather than build with the 20-to-80 mix as an objective, the logic of the situation should be examined as to what will happen when the population continues to age and become infirm, to the time when that ratio of infirm to healthy will be reversed. Again, experience would indicate the necessity to build specialized facilities from the outset, as conversion to such facilities later will easily surpass the primary construction costs if the facility were built for that specific (ambulatory care) purpose originally.

The missing linkage is the ambulatory or domiciliary type facility which could act as an intermediate facility between conventional type facilities and hospital or extended care facilities. The flow would be in both directions, allowing the elderly to participate in the affairs of their community, in dignity and safety, while maintaining themselves in a healthier state of being than is now available under present programs and linkages.

ITEM 5. STATEMENT OF GILBERT WATERS, SARASOTA, FLA., COMMUNITY PLANNER AND DEVELOPER OF GERIATRIC-ORIENTED HOUSING

Senator Williams, honorable ladies and gentlemen of the Senate Subcommittee on Housing for the Elderly, it is a rare privilege to be able to make this presentation to this distinguished body. It is even more of a privilege for me because I have considered the problems of housing for older "middle Americans" for 20 years.

Middle Americans can be defined as "everybody who isn't poor enough to qualify for urban public housing or who isn't oriented to enjoy high-density, innercity, rental-type geriatric programs."

If you consider the large numbers of Americans—your neighbors and constituents—who have owned their own property, in a nonurban setting with trees and grass around them, you will get some feeling about the atmosphere that should be encouraged in retirement housing for middle Americans: ownership, nature, lower density, open space.

You may say that the present thrust of Federal concern is for those who cannot take care of themselves; that "middle Americans" have the means to be independent of Federal subsidy. This is true, but it is equally true that middle Americans have historically contributed more in taxes than they have ever received. It may be that it is past time to structure a program that will benefit them too—especially if it will not be a subsidy and will help the economy also.

I call upon this committee in its study of new programs for housing for senior Americans to encourage what I would like to call the retirement village.

A retirement village is a low-density (villa or garden apartment) community with a program that permits condominium ownership. It would have within itself shopping accessible by walking or cycle paths, without driving. It would have a small health security center with an around-the-clock security nurse, and an emergency communication system from the residences to the nurse. It would have a senior day care center, as well as recreational amenities.

Thus, a retirement village for middle Americans would permit ownership the American way. It would reduce the need for driving to shop or to get to recreational activities. It would discourage insecurity and provide a basic measure of supervision, without which many persons who are alone must be prematurely hospitalized or placed in nursing homes. Every day spent in a retirement village will reduce the number of days of possible hospitalization or nursing home residence—cutting Federal medicare costs and freeing expensive hospital and convalescent home beds.

This concept will be physically more appealing to middle Americans, most of whom really want to own their own property. You can see this phenomenon in the constant desire for single-family residences that spilled over into the instant success of the condominium dwelling, when the cost of choice locations became exorbitant for single-family occupancy—and construction and maintenance costs passed the ability of Americans to support individually.

The retirement village I am describing would essentially be a condominium structure so rising operating, maintenance, and health security costs could be pooled in an economical fashion. But this doesn't mean that everyone is forced to purchase in order to live there. I invite this committee to consider legislation providing financing for senior citizens similar to FHA-VA.

Then, for those persons who do not care to own, the condominium structure permits the sale of blocks of units to investors who, in turn, would rent them. This requires legislation continuing rapid depreciation benefits for their investments.

Some favorable tax consideration is needed to encourage cycle paths, day care centers, health security facilities, and so forth.

I spoke of partnership in achieving a class of retirement village developments throughout the United States. This three-way partnership would necessarily involve professional developers, the Federal Government, and a third element—the membership organization which would become a sponsor.

The roles of the partners are: the developer acquires suitable property, undertakes planning and construction; the Federal Government provides the ground rules and the incentives for the geriatric features like health security, cycle paths, day care centers, an optional driving; the membership group assists in planning for its members, accelerates purchase or rental occupancy to reduce overhead, and provides concerned continuing supervision of the retirement village after the developer is finished.

The Government would, as part of its function, establish maximum limited-profit regulations. The limited-profit concept should be acceptable to private entrepreneurs because the entire system offers rapid sales potential and attractive cost reductions (selling and finance costs, particularly, should be lower than in a conventional project).

Now is certainly the time to increase productivity. This program will enable our economy to benefit from the rare circumstances of having private enterprise, Government leadership, and fraternal organizations being encouraged to do what they can do best. I sincerely hope you will take a leading role in making this plan a reality through encouraging legislation.

To summarize: The foremost requirements are the availability of moderate cost mortgage money for retirees and federally aided onsite health security programs.

Neither will cost the taxpayers anything; in fact, FHA and VA loan guarantee programs are common and successful self-sustaining Federal programs. Senior citizens need an FHA-VA type program.

Having an onsite health security nurse and senior day care center within a retirement village will save medicare costs, reduce hospitalization, and reduce the patient load on nursing homes—thereby cutting Federal medicare and some Medicaid expenditures.

I also call for continuance of accelerated depreciation writeoffs for owners of apartment or villa condominiums rented for senior occupancy, and tax credit for cycle or walking paths and internal shopping.

With these simple assists, private enterprise can structure limited-profit retirement villages that will truly meet the needs of middle Americans.

ITEM 6. STATEMENT AND ATTACHMENTS OF THOMAS W. ZITO, EXECUTIVE DIRECTOR, BAYONNE HOUSING AUTHORITY, BAYONNE, N.J.; PROVIDED IN CONJUNCTION WITH TESTIMONY OF LOUIS DANZIG*

Congress has recently authorized additional funds for conventional public housing. These funds are specifically for housing now in the pipeline. The Bayonne Housing Authority senior citizen project NJ-12-10 has been stalled because of the Lubar memorandum freezing annual contributions contract.

On October 18, 1972, HUD and the BHA executed a contract to construct 252 units of senior citizen housing at an estimated cost of \$5,110,041. The Lubar memorandum became effective on April 1, 1974.

The cost of the 252 unit senior citizen project today is \$7,084,836. This cost is based on a low bid of \$5,590,000, received on May 21st, 1975, as well as cost for land, architectural and engineering fees, interest charges, water sprinkler system and energy saving concepts.

In addition to the conventional housing contract the BHA has a contract with HUD to construct leased housing. A recent government bulletin directs local housing authorities to convert leased units to section 8 housing (1975 legislation).

Faced with the freeze as a result of the Lubar memorandum (freezes have been held to be illegal), the Bayonne Housing Authority developed a novel financial approach to save this much-needed senior citizen project by combining conventional and leased housing in the same structure. This approach has received the approval of both the area and regional offices of HUD. A lending institution has given the authority a commitment for the additional \$2 million needed for the leased housing portion of the project. The BHA would prefer an additional \$2 million added to its ACC to construct the project as a conventional senior citizen project, but if this is not possible then a combined project should be authorized.

By this combined program, 252 units of senior citizen housing can be built for \$28,000 per dwelling unit, whereas to build them separately will cost \$40,000 per dwelling unit.

In view of the need for jobs in the construction industry and in view of the economy of construction by this arrangement, this project should be approved forthwith.

We have attached additional data concerning this project.

*See p. 908.

[Attachments]

BAYONNE HOUSING AUTHORITY, BAYONNE, N.J., SENIOR CITIZEN HOUSING
PROJECT NJ-12-10—252 UNITS

CHRONOLOGY

October 18, 1972—Executed annual contributions contract for approximately 252 units in the estimated amount of \$5,110,041. (See attached Exhibit I.)

January 9, 1973—Approval from Newark Area Office, HUD, to purchase site for Project NJ-12-10.

July 25, 1973—Preliminary drawings approved by HUD. (Exhibit II.)

October 16, 1973—Demolition specifications approved by NAO representatives at meeting held on September 17, 1973.

November 13, 1973—Bids received for demolition.

February 26, 1974—Demolition contract approved by NAO, HUD. (Exhibit III.)

April 1, 1974—Memorandum from Sheldon B. Lubar, Washington, D.C., amending public housing annual contributions contract lists; requiring that a project be modified to meet ACC amount. (Exhibit IV.)

April 11, 1974—Letter from NAO, HUD, advising local housing authorities in preconstruction stage that HUD will not authorize increases in annual contributions contracts amounts. (Exhibit V.)

April 15, 1974—Executed contract with demolition contractor.

May 23, 1974—Advised NAO, HUD, that local authority viewed Lubar's memo as violation of ACC calling for 252 units. (Exhibit VI.)

June 4, 1974—Letter from Maurice Wolff, architect, indicated that during a recent meeting with HUD, formal approval of drawings would not be forthcoming until the issue of funding by HUD had been resolved.

June 28, 1974—Advised Regional Administrator, New York Regional Office, HUD, that mayor and members of the municipal council, expressed deep concern for the construction of a 252-unit senior citizen project that was ready for public bidding. Explained that two buildings would be identical, except for energy-saving concepts—opportunity to compare, etc. (Exhibit VII.)

July 15, 1974—Letter from NAO, HUD, authorizing advertisement for bids for conventional public housing 252 units senior citizen project—subject to final approval contract documents by NAO, HUD. (Exhibit VIII.)

September 26, 1974—NAO, HUD, approved plans and specifications—advise documents outlined in construction guide must be approved before advertising for bids. (Exhibit IX.)

November 27, 1974—NAO, HUD, request submission of documents as outlined in September 26, 1974, letter. (Exhibit X.)

January 7, 1975—NAO, HUD, approved additional architectural fees for design of sprinkler system. (Exhibit XI.)

February 13, 1975—Submitted to NAO, HUD, documents as requested in September 26, 1974, and November 27, 1974, letters.

March 21, 1975—Comments from NAO, HUD, on February 13, 1975, submission. (Exhibit XII.)

April 2, 1975—Meeting held at NAO, HUD—Mr. Schroeder, Washington, D.C., was called via phone for a legal opinion re: conventional and unused section 23—meeting terminated on the note that BHA and South Shore Village II, Leased Housing Corp. (nonprofit corporation) enter into joint venture.

April 4, 1975—Verbal authorization from Messrs. William Green and James Sweeney to proceed as above.

April 9, 1975—Submitted to NAO, HUD, all data as requested in March 21, 1975 letter.

April 15, 1975—Letter from Maurice Wolff advising Mr. Snead, HUD, verbally approved final plans and specifications. (Exhibit XIII.)

May 21, 1975—Received construction bids.

July 15, 1975—Thomas J. Verdon (NAO, HUD) letter outlining procedures to be followed. (Exhibit XIV.)

August 8, 1975—Local authority response to HUD letter dated July 15, 1975. (Exhibit XV.)

EXHIBIT I

AREA OFFICE OF
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,

Newark, N.J., October 18, 1972.

Subject: Project No. N.J. 12-10, Amendment No. 11.

Mr. THOMAS W. ZITO, *executive director,*
Housing Authority of the City of Bayonne,
Bayonne, N.J.

DEAR MR. ZITO: We are pleased to enclose a fully executed counterpart of Amendatory Agreement No. 11 to annual contributions contract covering the captioned project.

Sincerely,

JAMES P. SWEENEY,
Area Director.

[Enclosure]

AMENDMENT TO CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT

This Amendatory Agreement entered into as of the 18th day of October, 1972 by and between the United States of America (herein sometimes called the "Department of Housing and Urban Development" and the "Government," "Housing Assistance Administration," "HAA," and "PHA") pursuant to the United States Housing Act of 1937, (42 U.S.C. 1401, et seq; which act as amended to the date of this amendatory agreement, is herein called the "Act") and the Department of Housing and Urban Development Act (P.L. 89-174), and the Housing Authority of the City of Bayonne (herein called the "Local Authority"), a body corporate and politic organized and existing under the laws of the State of New Jersey, and a "public housing agency" as defined in the Act; witnesseth:

Whereas, the parties have entered into a consolidated annual contributions contract as of the 23d day of June, 1959, as amended (herein called the "Contract"), pursuant to which the local authority agreed to develop and operate certain low-rent housing projects and the PHA agreed to provide financial assistance in developing and maintaining the low-rent character of such housing; and

Whereas, the purpose of this amendment is to further revise the contract to include an additional project and other modifications.

NOW THEREFORE, in consideration of the mutual promises herein set forth, the parties hereto agree that the contract, as amended, shall be further amended as follows:

1. Add Project No. NJ-12-10 and the words and figures pertaining thereto to the respective Sections appearing in part 1 of the contract, as follows:

Sections modified

Sec. 2(C)	Estimated number of dwelling units.....	252.
Sec. 3(D)	Estimated total development cost.....	\$5,110,041.
Sec. 4(B)	Date of start of construction.....	180 days from date.
Sec. 5	Governing body of.....	Bayonne.
	Date of agreement.....	Feb. 25, 1970.
Sec. 9(B)	Minimum PHA loan interest rate.....	5.375.
Sec. 9(D)	Maximum contributions percentage.....	6.131.
	Maximum number of contributions.....	40.
	Maximum contribution period.....	(Not determined.)
Sec. 9(E)	HAA list No.....	N.Y. 72-129.

2. *Performance of Conditions Precedent to Validity of this Contract:* The local authority certifies that all conditions precedent to the valid execution and delivery of this contract on its part have been complied with, that all things necessary to constitute this contract its valid, binding, and legal agreement on the terms and conditions and for the purposes herein set forth have been done and have occurred, and that the execution and delivery of this contract on its part have been and are in all respects duly authorized in accordance with law. The PHA similarly certified with reference to its own execution and delivery of this contract.

In witness whereof, the Local Authority and the Government have caused this contract to be executed and the Local Authority has caused its seal to be hereunto affixed and attested all as of the Date of This Contract first above written.

[SEAL]

HOUSING AUTHORITY OF THE
CITY OF BAYONNE—LOCAL
AUTHORITY

By Morris Rosenblum
MORRIS ROSENBLUM,

Chairman.

Attest:

THOMAS W. ZITO,
Secretary

UNITED STATES OF AMERICA,
SECRETARY OF HOUSING AND
URBAN DEVELOPMENT

By James P. Sweeney,
JAMES P. SWEENEY,

Area Director.

EXHIBIT II

NEWARK AREA OFFICE,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
Newark, N.J., July 25, 1973.

Subject: Project No. NJ 12-10, Bayonne, N.J.

Mr. THOMAS W. ZITO,
*Executive Director,
Housing Authority of the City of Bayonne,
Bayonne, N.J.*

DEAR MR. ZITO: This is to advise you that the preliminary drawings for the captioned project have been approved.

Final working drawings must be submitted for approval prior to advertising for bid.

Sincerely,

THOMAS J. VERDON,
Director, Operations Division.

EXHIBIT III

NEWARK AREA OFFICE,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
Newark, N.J., February 26, 1974.

Subject: Project No. 12-10, Bayonne, N.J.

Mr. THOMAS W. ZITO,
*Executive Director, Bayonne Housing Authority,
Bayonne, N.J.*

DEAR MR. ZITO: This is in reference to our letter of January 25, 1974, concerning the demolition contract for the captioned project. Representatives of this office met with Mr. George E. O'Connor, low bidder for the demolition work, and believe he can meet his contract obligations. Therefore, we rescind the statement that there be no limitation as to the dollar amount of coverage. Coverage in the contract amount is acceptable.

Sincerely,

THOMAS J. VERDON,
Director, Operations Division.

EXHIBIT IV

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
FEDERAL HOUSING ADMINISTRATION,
Washington, D.C., April 1, 1974.

Subject: Amendments to public housing ACC lists.

Memorandum for:

All Regional Administrators,
All Assistant Regional Administrators for HPMC,
All Area Directors,

All Operations Division Directors.

It has been departmental policy, since January 1973, that "in general, it will be required that the project be modified to meet the ACC amount." Notwithstanding this policy, we are receiving many requests for central office approval of ACC list amendments that would increase the ACC amounts already approved.

You are directed to immediately advise all local housing authorities with non-leased projects in the preconstruction stage of development for which ACC lists have been approved that HUD will not authorize increases in the ACC amounts and that it may be necessary to reduce the number of units approved in order to complete development within the already approved ACC amounts. For conventional bid projects, it may be necessary for the LHA architects to redesign. Turnkey projects, for which developers have been selected but contracts of sale have not been executed, may require either negotiation with selected developers or readvertising. Where a contract of sale has been executed, the developer will, of course, be held to that contract.

For section 23 projects, you are directed to comply with the October 9, 1973, joint HM-HPMC Book Memorandum, subject: "Assignment of Subsidies for Operations Leased Housing Programs," and my February 6, 1974, memorandum. LHA's should be advised that, in general, they must operate financially solvent leasing programs within the already approved ACC amounts. Requests for increases in ACC for leasing projects should not be submitted to central office for ACC List amendment without documentation that:

1. The LHA cannot increase its tenant rental income or reduce its operating expenses.
2. Short-term leases are limited to units actually occupied and any units not under lease are being eliminated.
3. Long-term lease contractual relations between LHA and owner clearly warrant increased payments to owners.

Requests to amend ACC Lists for leasing projects may, if necessary, be calculated on the basis of a 100 percent income/expense ratio—rather than 90 percent as required by Circular HPMC-FHA 7430.3A.

SHELDON B. LUBAR.

EXHIBIT V

NEWARK AREA OFFICE,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
Newark, N.J., April 11, 1974.

Subject: NJ 12-10—Bayonne, N.J.

Mr. THOMAS W. ZITO,
Executive Director, Bayonne Housing Authority,
Bayonne, N.J.

DEAR MR. ZITO: We have been directed by HUD's central office to advise all local housing authorities in the preconstruction stage of development that HUD will not authorize increases in ACC amounts. The directive further states that it may be necessary to reduce the number of units approved in order to complete development within the already approved ACC amounts and that it may be necessary for the Housing Authority's architect to redesign.

Sincerely,

THOMAS J. VERDON,
Director, Operations Division.

EXHIBIT VI

MAY 23, 1974.

Re: NJ-12-10.

Mr. JAMES P. SWEENEY,
Director, Newark Area Office, HUD
Newark, N.J.

DEAR SIR: The Bayonne Housing Authority has been advised by members of your staff that in view of the memorandum issued by Sheldon B. Lubar on April 1, 1974, that it may be necessary for the Housing Authority to reduce the number of units so as to eliminate the need for the possibility of additional funds under the annual contributions contract. At this late date, we find this suggestion in violation of our contract and are filing this as a formal protest of such action.

The development program was submitted in 1971 and the ACC was signed in 1972, containing an estimated 252 units and an estimated total final cost of \$5,110,041. The Housing Authority has acquired the land, demolished the buildings, and is ready to advertise for bids. It is obvious that costs will not be ascertained until receipt of bids. The costs expended to date in furtherance of our contract total \$462,738.

This authority is opposed to a change of design and it may well be that the cost of revision might be as much as any savings realized by a reduction in units. May we further point out that at no time during the entire period this project has been in planning were we advised of any need to consider a reduction in units.

The Bayonne Housing Authority has an active waiting list of 800 eligible applicants for this senior citizen building. These people are in dire need of this type of housing and the Housing Authority's obligation is to provide housing for as many of its citizens as it can. It should further be noted that this building, with your office approval, is to be of an energy-efficient design and since this building will be an exact twin to a building that is not energy-efficient, it would provide invaluable prototype information concerning the energy problems now facing this country.

Finally, our attorney has referred us to the amendment to our annual contributions contract, dated October 18, 1972, signed on behalf of the Department of Housing and Urban Development, and further advises that this is a valid and binding contract. That amendment, as you know, designates the number of dwelling units at 252.

As outlined above, this authority has already made many commitments on the strength of relying on the validity of this contract and we are completely unable to understand how a contract as valid as this one can be unilaterally and drastically altered or modified.

This authority has and fully intends to comply with all of the provisions of this contract and expects the Department of HUD to comply.

Sincerely yours,

THOMAS W. ZITO,
Executive Director.

EXHIBIT VII

JUNE 28, 1974.

Re: Project NJ-12-10.

S. WILLIAM GREEN,
*Regional Administrator, New York Regional Office, HUD,
New York, N.Y.*

DEAR MR. GREEN: I have been authorized by the mayor, members of the municipal council, and commissioners of the Bayonne Housing Authority to express to you our deep concern for the construction of a 252-unit senior citizen project. This project is ready for public bidding.

The point at issue is the so-called, "Lubar memorandum." The BHA Commissioners, as well as the mayor and members of the municipal council, feel that HUD has the opportunity, in cooperation with the BHA, to perform a vitally needed national function. This project will be identical to our existing Project NJ-12-8 in all respects, except that it will embody many energy-saving concepts, and by preserving the original architectural plan we will have an excellent opportunity for the assessment of the value of these energy-saving concepts. Accordingly, therefore, we are enclosing a copy of the most recent letter from the Bayonne Housing Authority to the Newark Area Office, HUD.

Project NJ-12-10 has incorporated within it electrical-saving ideas which were developed in cooperation with the technical staff of the NAO-HUD, as a means of comparing the use of electrical energy in two identical buildings. The data that we collect in the comparison of both buildings will enable your office, as well as ours, to pass on to appropriate officials in the United States methods of saving electrical energy. Project NJ-12-10 has incorporated within it such ideas as the cutting off of electric heat when a balcony door is opened; the cutting off of all heat when any window is opened; the operation of exhaust fans only when an electrical range is engaged; the operation of exhaust fans only when toilet lights are turned on; the opening of electrical light circuits in halls and stairwells only when the amount of light reaches the point where automatic sensors will

turn on switches, and a recirculation of exhaust air from hallways to conserve heat loss. These energy-saving ideas, along with others, have been incorporated into our new building.

If we reduce the number of units in our new senior citizen project, we will not be able to compare on an exact basis one existing electric project with the other. It is anticipated by our electrical engineer that these energy-saving concepts will save 25 percent of the cost of energy for this project. This item alone in management should offset the additional cost of these energy-saving concepts. But this item alone is essential in our national effort to conserve energy.

It would appear to us in the city of Bayonne that if for no other reason the Federal Government should permit NJ-12-10 as a demonstration project so that the results of energy-saving concepts which have been incorporated in the specifications may be passed on to others as a guide to the conservation of energy.

Although we do not wish to belabor the point, any further delays or alterations in design in the light of current escalating, inflationary costs, will understandably cause a dilemma, created by the Lubar memorandum.

We respectfully request that all further delays be withheld until bids are properly received by the Housing Authority, at which time the entire situation should be reviewed.

Sincerely yours,

THOMAS W. ZITO,
Executive Director.

EXHIBIT VIII

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
FEDERAL HOUSING ADMINISTRATION,
July 15, 1974.

Subject: Project No. NJ 12-10, Bayonne, N.J.

MR. THOMAS W. ZITO,
*Executive Director, Housing Authority of the city of Bayonne
Bayonne, N.J.*

DEAR MR. ZITO: Pursuant to our telephone conversation of July 10, 1974, this is to advise you that your authority may advertise for bids for the conventional public housing program of 252 dwelling units for the elderly, subject to final approval of the contract documents by this office. Although it appears that the total development cost stipulated in the ACC of \$5,110,041 is insufficient to cover the development of the subject project, we feel that in testing the construction market by competitive bidding you will be in a better position to determine the extent to which the project may have to be reduced.

Before final approval can be given to the contract documents, the following must be submitted for our review:

1. A complete set of working drawings and specifications including drawings from the mechanical engineer.
2. The summary sheet of construction estimates.
3. Form HUD-52396—Analysis of proposed main construction contract.

Please submit these items as soon as possible so that we may authorize the advertisement for bid.

Sincerely,

THOMAS J. VERDON,
Director, Operations Division.

EXHIBIT IX

NEWARK AREA OFFICE,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
Newark, N.J., September 26, 1974.

Subject: Project No. NJ 12-10, Bayonne, N.J.

MR. THOMAS W. ZITO
*Executive Director, Bayonne Housing Authority,
Bayonne, N.J.*

DEAR MR. ZITO: This is to advise you that the plans and specifications for the captioned project have been approved by this office.

Please be reminded that all documents outlined in Paragraph 1-9(a), of the Low-Rent Public Housing Construction Guide (HPMC-FHA G 7415.1 revised) must be submitted to this office before going to bid. The cost breakdown (prebid

estimate) referred to in this paragraph is HUD 52396 analysis of proposed main construction contract. This should be made out for each contract of phase of work as well as a summary sheet listing the total of all contracts.

In addition, a revised summary sheet for the project construction cost estimate should be submitted. The figures that have been agreed to are the following:

1450.....	\$422, 700
1460.....	4, 125, 450
1465.....	12, 600
1470.....	254, 400
Total.....	4, 815, 150

Finally, in addition to the architect's certification mentioned in the construction guide, an additional certification concerning the energy saving devices should be submitted by both the architect, Maurice Wolff, and the design mechanical engineer, Ed Zohorak. This certification should read as follows:

I, _____ do hereby certify that the energy conservation devices designed for Project No. NJ 12-10 in Bayonne, N.J., will perform as per plans, specifications, all schedules, and data as submitted to and approved by Bayonne Housing Authority and/or HUD.

(Signed-Seal)

If we can be of any assistance, please telephone Mr. Roger Garelik of this office at 645-3877.

Sincerely,

THOMAS J. VERDON,
Director, Operations Division.

EXHIBIT X

NEWARK AREA OFFICE,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
Newark, N.J., November 27, 1974.

Subject: Project No. 12-10, Bayonne, N.J.

Mr. THOMAS W. ZITO,
Executive Director, Bayonne Housing Authority
Bayonne, N.J.

DEAR MR. ZITO: Our letter of September 26, 1974, enumerated several items which had to be submitted to this office before the Housing Authority went to bid on the subject project.

This is to advise you that we have not received the items outlined in the above mentioned letter and to remind you that these items are a prerequisite to going to bid.

If you have any questions please contact us.

Sincerely,

THOMAS J. VERDON,
Director, Operations Division.

EXHIBIT XI

NEWARK AREA OFFICE,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
Newark, N.J., January 7, 1975.

Subject: Additional architects fees for project N.J. 12-10.

Mr. THOMAS ZITO,
Executive Director,
Housing Authority of the City of Bayonne,
Bayonne, N.J.

DEAR MR. ZITO: The additional fees for the architect and engineer, for the design of a sprinkler system for Project N.J. 12-10 in the amount of \$13,486 are approved. We believe this is a reasonable charge for this work. We would, however, appreciate a detailed estimate for the installation of the sprinkler system.

Sincerely,

BIAGIO BONAVENTURA,
Assistant Director, Technical Services Branch.

EXHIBIT XII

NEWARK AREA OFFICE,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
Newark, N.J., March 21, 1975.

Subject: Project N.J. 12-10, Bayonne, N.J.

Mr. THOMAS W. ZITO,
Executive Director,
Housing Authority of the City of Bayonne,
Bayonne, N.J.

DEAR MR. ZITO: This is to confirm items discussed during the telephone conversation with Mr. Sheridan of my staff on March 19, 1975.

We have reviewed your letter of February 13, 1975, and attached exhibits and determined the following:

1. HUD forms 52396 (Analysis of Proposed Main Construction Contract) have not been submitted. A separate HUD 52396 must be submitted for each of the following:

- General construction;
- Structural steel;
- Plumbing;
- Heating and ventilation;
- Electrical;
- Elevator; and
- Landscaping.

In addition, a summary HUD form 52396 of all contracts is required.

2. Each HUD form 52396 must have the amounts allocated to the proper accounts: Site improvement, dwelling structure, dwelling equipment, nondwelling structures, nondwelling equipment.

3. Working drawings and specifications are to accompany the submission of the prebid estimate.

4. The detailed estimate for sprinklers submitted by the architect listed an item for furring at \$5 per lineal foot. We believe that your architect means to "box in" the sprinkler pipe. However, a detailed drawing should be submitted to clarify the intent concerning this item.

5. The architect's projected cost is 13.6% over prototype cost with a 2% contingency.

6. The architect's Dwelling Construction and Equipment Cost does not include any part of the projected Energy Conservation Cost of \$602,620.

Please contact us if we may be of any assistance.

Sincerely,

BIAGIO BONAVENTURA,
Chief, Multifamily Branch.

EXHIBIT XIII

WOLFF & KARGAN ARCHITECTS, PC,
April 15, 1975.

Re Senior citizens building project N.J. 12-10.

BAYONNE HOUSING AUTHORITY,
Bayonne, N.J.

(Attention Mr. Thomas Zito, Executive Director:)

DEAR SIR: This letter will serve to verify my telephone call to Ann Finnerty on April 11, establishing that Mr. Sneed of HUD has verbally approved the final drawings and specifications, with minor notations, for the above project.

Very truly yours,

MAURICE WOLFF, AIA.

EXHIBIT XIV

NEWARK AREA OFFICE,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
Newark, N.J., July 15, 1975.

Subject: Project NJ 12-10 Bayonne, N.J.

Mr. THOMAS ZITO,
Executive Director,
Housing Authority of the City of Bayonne,
Bayonne, N.J.

DEAR MR. ZITO: Recent conversations with members of my staff evidence your desire to utilize section 8 units in conjunction with the conventional method of public housing in order to complete your total 252 unit housing project for senior citizens. Accordingly, we offer the following advice which outlines those steps which your Authority must take as we attempt to assist your Authority in bringing this senior citizen project to fruition:

1. Ask the low bidder to extend the bidding expiration date at the same amount.

2. Request that 70 units (42-0 bedrooms and 28-1 bedrooms) from your outstanding section 23 annual contributions contract (NJ 12-11) be converted to section 8 in order to make up the difference between the number of units that can be constructed within the existing annual contributions contract amount of \$5,110,041 on Project NJ 12-10 and the amount needed to construct a 252 unit project which you indicate will have a total development cost of \$7,050,346.

3. At the same time as you are preparing the conversion request in step 1, it is suggested that some consideration be given to converting other section 23 units to section 8, and advise us of the number of section 23 units to be retained under section 23 by bedroom size and structure type (elevator or nonelevator), and the number of section 23 units to be converted to section 8 by bedroom size and structure type during the first half of the Housing Authority's fiscal year (at a minimum, this total must reflect the total number of units which the Housing Authority determines must be included under section 8 in order to construct the full 252 unit project which you desire), and the number of section 23 units to be converted to section 8 by bedroom size and structure type during the second half of the Housing Authority's fiscal year. We urge you to refer to enclosed notice HPMC-FHA 75-20 dated June 10, 1975, concerning field office processing instructions for converting section 23 projects to the section 8 housing assistance payments program.

4. Prepare and submit an official budget (HUD 52152) for the total 252 unit project, a contract award budget for the 182 units which can be supported by the current annual contributions contract amount of \$5,110,041, and another budget for the remaining 70 units which will be built under financing obtained pursuant to a prospective section 8 commitment.

5. Prepare specific assurances on how sufficient funds to support the total development cost for the 252 unit project, beyond the funds already expended and remaining in the current annual contributions contract, will be available. This should take the form of a financial commitment from a bank.

6. Legal descriptions of how the physical property and common areas and facilities, etc., will be delineated between the two programs (conventional public housing and section 8).

7. Prepare an agreement which will specify how management services and expenses will be shared on a proportionate basis between the conventional project and the section 8 units.

8. Submit an FHA 2530 (previous participation form) on proposed nonprofit corporation.

9. If and when, this approach is sanctioned by our regional and central offices your outstanding annual contributions contract under the section 23 program will be reduced and a new annual contributions contract under the section 8 housing assistance payments program will be prepared. At this time you will be authorized to advertise for private owner/PHA proposals subject to our approval of the advertisement and the developer's packet. You will be required to select a proposal and submit that proposal to our office for review and approval. At that time we will review the proposed rentals based upon projected costs and operating expenses in order to determine what the approved contract rents under the section 8 program will be.

10. It is suggested that you prepare a developer's packet pursuant to revised section 23 requirements in advance of Regional and central office determinations in the interest of time. Please contact this office for assistance in preparing this developer's packet.

11. It is important to understand that any approval of rents under the prospective section 8 program will be subject to this department's review and approval of initial costs and reasonable projections of operating expenses.

This listing of steps is not necessarily all inclusive because of the novelty of the idea and the newness of the section 8 program. In addition, the above mentioned steps are not to be construed as a commitment by this Department that section 8 funds will be available to complete the senior citizen project. This Department cannot at this time make a commitment that the needed section 8 funds will be made available to complete the 252 unit senior citizen project. However, we wish to assure you that we are working closely with our regional office in an effort to make the needed section 8 units available to your authority.

In summary, this letter does not assure you of the availability of section 8 funds. Rather it informs you of the steps which your authority should take, and what actions this office must take in an effort to complete your senior citizen project.

Sincerely,

THOMAS J. VERDON,
Acting Area Office Director.

EXHIBIT XV

AUGUST 8, 1975.

Mr. THOMAS J. VERDON,
Acting Area Office Director, Newark Area Office, HUD,
Newark, N.J.

DEAR SIR: We thank you for your assistance in bringing our senior citizen Project NJ-12-10 to fruition. Pursuant to your directions we have already accomplished the following:

1. Completed.
 2. Attached is HUD Form Exhibit I, public housing agency conversion schedule, section 23 to section 8 existing housing, indicating that 70 units be converted as you requested.
 3. For the first 6 months of our fiscal year July 1 to December 31, 1975, we are requesting conversion of 70 units as indicated in No. 2 above. The balance of the units will be converted during the second half of our fiscal year January 1, 1976, to June 30, 1976.
 4. Attached are the three budgets for 252 units; 182 units and 70 units as requested.
 5. Attached is a letter from Arthur Abba Goldberg of Matthews & Wright, Inc. This is the firm that has already provided a bond issue for South Shore Village II, Leased Housing Corp., a nonprofit corporation, and they are now ready to provide the additional \$2,000,000.
 6. Mr. Gerard Giordano, Jr., of Reed, McCarthy & Giordano, has called your office on a number of occasions and has indicated to me that he is ready with a legal description, but would like to talk to you about the form of opinion. I would be most appreciative if you would arrange to discuss this matter with him. His telephone number is 212-422-1931.
 7. The BHA feels that the 70 units of Section 8 will be operated on a pro-rata basis within the project as we now operate the 260 units at South Shore Village. We think this can best be done by indicating on the Management Budget submitted by this Authority each year the percentage basis upon which costs will be allocated for the 70 units.
 8. Our Attorney has indicated to us that Form FHA 2530 does not apply because we are not seeking a FHA commitment. Attached to this letter however, for your information, is a list of the officers and members of the Board of Trustees of South Shore Village II, Leased Housing Corporation.
- SSV II, Leased Housing Corporation was incorporated in the State of New Jersey on April 9, 1973. A copy of that Certificate is attached hereto. This Corporation has already issued \$1,725,000 in bonds on May 1, 1973, and now operates 153 units of leased housing in the City of Bayonne. The Corporation has met all of its obligations and will sponsor the 70 units of Section 8 Housing in cooperation with the Bayonne Housing Authority for the construction of Post Road Gardens, Project NJ-12-10.

9. In view of the advertisement by the BHA for the construction of the 252 units and in view of the extremely favorable bid received by this authority, we feel item No. 9 should be waived because we anticipate our contract rents will be much lower than the fair market rental.

10. It is our understanding that this item does not apply to this project in view of the nature of the financial arrangement.

11. We are in agreement with this item.

Sincerely yours,

THOMAS W. ZITO,
Executive Director.

Appendix 2

INTERIM GUIDELINES FOR SHELTERED HOUSING FROM THE MARYLAND STATE OFFICE ON AGING; PROVIDED IN CONJUNCTION WITH TESTIMONY OF DR. MATTHEW TAYBACK*

SHELTERED HOUSING—AN UNMET NEED

The Maryland Office on Aging recognizes serious deficiencies in the Nation's policy of social service and health support for the impaired elderly.

One category of immediate need is sheltered noninstitutional housing for the elderly who require assistance in their activities of daily living.

Most people are forced to enter nursing homes when they are not able to manage completely for themselves in their own homes. In many cases these individuals could be supported at home at far less cost than in a nursing home. There is a wide consensus that when this is possible the quality of life is enhanced.

As part of a strategy to reduce unnecessary pressure for nursing home beds, the Office on Aging encourages the development of community resources, so that only those individuals who need the intensity of health care obtainable in a nursing home find their way there. One of these community resources is sheltered housing which while supporting the individual will strongly encourage the greatest degree of independence attainable.

Some description will be needed to help those developers-sponsors who are interested in sheltered housing projects and wish to use the resources obtainable through the Office on Aging.

The term "sheltered housing" implies a level of residence located between regular housing for the elderly and nursing homes. It is to be considered as a residential environment connoting normalization, rather than a form of institutionalization. It is expected that those individuals applying for residency in sheltered housing will have some difficulty in one or more areas of activities of daily living but will be able to attain a satisfactory level of ADL with some assistance.

DEFINITIONS

.01 *Sheltered Housing Project*: Any complex which admits impaired aged, maintains a range of services and provides a residential environment to persons who need assistance in one or more of the six areas of activities of daily living (ADL).

.02 *Aged*: Any persons 62 years of age or older.

.03 *Physical Impairment*: Any static or slowly progressive physical condition which inhibits or presents difficulty with one or more of the activities of daily living. This would include, but is not limited to:

(a) Functional disabilities which limit the ability to adequately provide nourishment and a limited amount of housekeeping.

(b) Muscular skeletal disorders such as arthritis, fractured hip, amputation.

(c) Cardiac disorders such as cardio-vascular decompensation, mild chronic congestive heart failure, cardio-vascular, and/or respiratory distress on exertion.

(d) The blind, deaf, or aphasic.

.04 *Mental Impairment*: Any state of mental confusion either permanent or recurrent which causes the individual to require assistance with one or more of the functions of ADL.

*See p. 924.

.05 *Sheltered Housing*: Shall include (but is not limited to) a residential environment with a range of services to include the following minimal elements:

- (a) Shelter.
- (b) Individual housekeeping services at a minimum of once a week.
- (c) Communal meal service—3 times a day, 7 days a week.
- (d) Personal service, such as:
 - (1) Meals served in one's room for a short time, if necessary.
 - (2) Assistance in one or more of the six areas of ADL.
 - (3) A full and ongoing recreational activities program.
 - (4) A canteen run for and by the residents.

.06 *Resident*: Shall mean any individual 62 years of age or older and may include their spouse, child, sibling, or any relation who is residing in a sheltered residential environment for the purpose of receiving the services described in paragraph .05.

.07 *Activities of Daily Living (ADL)*: The minimal requirements in the six areas of ADL are:

- (a) *Eating*: May need assistance with (1) cutting food, (2) serving food, (3) preparation of food, but must be able to feed self.
- (b) *Bathing*: May need assistance with getting in and out of showers or tub, but must be able to wash self.
- (c) *Grooming*: May need assistance with washing hair, but must be able to take care of personal appearance.
- (d) *Dressing*: Must be able to dress self.
- (e) *Toileting*: Must be able to handle incontinency if it exists.
- (f) *Transferring*: Must be mobile.

PLANNING STANDARDS AND CRITERIA

Site Selection

The site selected must comply with the Maryland State Department of Economic and Community Development site selection standards and be consistent with local housing criteria and planning. In addition, it is extremely important that the site be located in the proximity of readily accessible public transportation systems. It is also very advantageous if it is located close to shopping areas, churches and health care facilities.

One off-street parking space shall be provided for 15 percent of the total dwelling units. (It may be necessary in some instances to obtain a variance from local planning requirements.) Parking areas shall be well illuminated and as nearly level as possible. All spaces shall be wider than normal standards.

The site should be large enough to accommodate outdoor sitting areas and limited recreation. The grounds shall be well landscaped and all walkways shall be ramped and wide enough for wheel chairs to pass.

Architectural Design

The architectural design should take into consideration the special needs and conditions dictated by the future residents and must conform with State and local codes and requirements. Design should be residential in character avoiding all semblance of an institutional building. The scale and selection of materials should blend as much as possible with the surrounding neighborhood. Orientation of buildings should provide some sunlight during a portion of the day to each living unit. Full advantage should be taken of any outstanding views and window sills should be low enough (lower than 30 inches) so as not to obstruct a view from a sitting position inside a dwelling unit.

Building Space Requirements

A. Community Space:

(1) *Lounge area*: A lounge area should be provided adjacent to the main entrance and the administrator's office. Lounge areas should contain a total of approximately 20 square feet per resident.

(2) *Recreation areas*: A meeting room for lectures, educational and cultural programs shall be provided adjacent to the dining area and/or the main lounge area. It is recommended that a Hobby Room be provided large enough for ceramics, weaving, painting, etc. (A single hobby room allows a chance for residents to socialize while working on their individual activity.) Where possible, a separate library or reading room should be provided. A total of 20 square feet per resident should be provided for recreation.

(3) *Central dining area:* The congregate dining area should be large enough to seat all residents at one sitting at tables for 4 to 6 persons. It may be possible to combine the dining area with the meeting room by usage of folding doors. The dining area should be attractive, conducive to conversation and should present a home-family type of environment for residents. Since individual kitchens probably will not be provided in living units, residents who demonstrate a satisfaction or identify a personal need for cooking or other type kitchen work should be encouraged to volunteer services in the main kitchen or main dining area.

(4) *Canteen (tea room):* A small kitchen should be provided near the lounge area or adjacent to sitting areas on each floor where residents may prepare tea, coffee, or hot soup at any time of the day. A refrigerator, sink, small stove, and individual lockers should be provided.

(5) *Gift shop:* Depending on the size of the facility it would be desirable to provide a small shop where residents could buy candy, small gifts, or perhaps even sell their own handicrafts.

(6) *Rest rooms:* Mens and womens rest rooms should be located near the lounge area.

(7) *Laundry room:* Coin operated washers and dryers. Provision should be made for some hand laundry. A small sewing room could be located adjacent to the laundry.

(8) *Tenant storage:* Approximately 50 square feet should be provided for each resident.

B. Administration: Requirements will probably vary depending on the services to be provided by management. The following should be considered:

- (1) Administrator's office adjacent to lounge area.
- (2) Bookkeeping office.
- (3) Program director's office.
- (4) Employees locker room and restrooms.
- (5) Maintenance shop, supply and equipment storage area.
- (6) It may be desirable to provide an apartment for a resident manager to allow 24 hour assistance. If provided it should be located adjacent to the main office and switchboard and connected with the emergency alarm system.

C. Food Preparation Areas:

- (1) Kitchen.
- (2) Walk in cooler and freezer.
- (3) Food and supply store rooms.
- (4) Can wash room.
- (5) Trash compactor-container.
- (6) Food service director's office.
- (7) Employee dining room.

Restaurant supply houses can usually provide expert assistance in the planning and layout of food preparation areas.

D. Common Areas: All common areas should be bright, cheerful, color-coded, and well lighted. There should be no architectural barriers (no steps). Carpets may be used as floor coverings but they may become a long-term maintenance problem. However, any floor covering must be of nonskid type. The main entrance to the building should be well covered for protection from wind, rain, and snow, and entrance doors should be easy to operate. (It may be desirable to provide heated sidewalks at the main entrance in areas where snow and ice frequently occurs.)

- (1) *Hallways:* Wide enough for two wheelchairs to pass (6 feet).
- (2) *Doors:* All doors should be wide enough to accommodate a wheelchair.
- (3) *Ramps:* To accommodate wheelchairs with a nonskid surface.
- (4) *Handrails:* Continuous easy to grip handrails on both sides of all corridors.
- (5) *Seating:* Built-in seats or chairs should be provided for residents who need rest areas in their travels throughout the building.
- (6) *Elevators:* For all buildings over one floor, one elevator must be provided. (Two elevators are desirable in case one is out of order.) Alarm systems and preferably a telephone should be provided. A seat is desirable. Handrails must be provided. Call buttons should be low enough to be operated by persons in wheelchairs. One elevator should be large enough to accommodate a stretcher.

(7) *Exits:* All exits must be marked to comply with State regulations for the blind and disabled.

(8) *Phones:* Public phones should be strategically located throughout the building and appropriately installed for use by residents in wheelchairs.

- (9) *Trash*: A trash room should be provided on each floor.
- (10) *Common tub room*: For every 25 residents, who do not have a private bathtub.

E. *Living Accommodations*: There shall be private living quarters to accommodate single occupants. Single occupant quarters shall not be less than 250 square feet and include the following:

- (1) Private bathroom not less than 40 and preferably 60 square feet with:
 - (a) Sink, medicine cabinet and mirror (well lighted). (Some living units should have lower sinks and tilted mirrors for persons in wheelchairs.)
 - (b) Toilet, preferably facing a wall with grab-bars opposite and wall mounted.
 - (c) Shower, with seat, no curb, grab-bars, and thermostatically controlled fixtures.
 - (d) Shelves for linen with space for dirty linen container.
 - (2) Convenience outlets located 30 inches above floor.
 - (3) Wardrobe or closet.
 - (4) Hardware should be lever type.
 - (5) Emergency alarm buttons by bed and in bathroom. The alarm system should be connected to the main office or central switchboard and resident manager's office. An intercom system may be provided in lieu of an emergency alarm system.
 - (6) Telephone and TV outlets should be provided in each living unit.
 - (7) If a small kitchen is not provided on each floor, space should be provided in each living unit for a small refrigerator.
 - (8) It is desirable that beds be accessible from three sides.
 - (9) There should be easy access from bed to the toilet.
- A percentage of living units should be for double occupancy and large enough to accommodate twin beds. Other requirements are the same as above.

OPERATIONS

There will be further guidelines and standards issued by the Office on Aging. A few recommendations for prior planning and structuring should be assured.

- (1) Sponsors should understand the actual operating costs related to and allowed by DECD for shelter costs.
- (2) Separate costs clearly established for the collective or individual supervision or maintenance should be budgeted and planned.
- (3) Careful consideration should be given to:
 - (a) 24-hour supervision or surveillance.
 - (b) Adequate and appropriate staff personnel to insure proper supervision and surveillance.
 - (c) A "buddy system" to be subscribed to by all incoming residents. The "buddy system" would check on any resident if he or she missed a meal.
 - (d) Individual residents will be responsible for the taking and securing of their own medication.

LINKAGES

It is of extreme importance during planning to provide for a well defined program that will envision health support and social services brought into or linked with sheltered housing for the elderly. These linkages should include transfer agreements with nearby general hospitals, health clinics, nursing homes, and private physicians to insure adequate health care.

Useful opportunities should be offered to the residents of sheltered housing to serve the community in which the project is located. Senior citizens activities, social programs, day care, etc., could be easily centered in sheltered housing but should at least be linked by scheduled programing.

SUGGESTED MANAGEMENT POLICY

- (1) Some residents may not be able to make their own beds. They should be encouraged to take pride in their appearance and the orderliness of their room, but there should be a policy of flexibility in these areas so long as cleanliness and personal hygiene are maintained.

(2) Residents will be expected to provide their own furniture for their individual rooms.

(3) Rentals will be on a month to month basis and private pay tenants will be required to make the monthly payment in advance.

(4) Lease will be for 1 year.

(5) In case of termination of lease, the balance of the month will be prorated and refunded to paid up tenants. Subsidized tenants would only be billed for actual time unit was occupied (as long as tenants furniture remains in the room it is considered occupied).

(6) Tenant may terminate the lease at any time by giving 30 days notice.

(7) Management may terminate lease for:

(a) Immoral, indecent, or dishonest behavior.

(b) Alcoholism.

(c) Constantly disturbing other tenants.

(d) Change in physical or mental condition to the extent that supervision or care is required that is beyond management's ability to render.

(8) Prior to the signing of the lease, the prospective tenant must be interviewed and approved by the tenant selection committee.

(9) Prior to the signing of a lease, the prospective tenant must have a physical examination and a letter from a physician designated by the tenant selection committee stating that the individual meets the required minimum standards for sheltered housing and is not in immediate need of daily nursing care. He further must state that he will be available to care for the individual in case of illness or emergency.

(10) Incoming residents should, as a provision of their leases:

(a) Name a locally available person with power of attorney to manage the affairs of the residents in case of illness or incapacity.

(b) Name a locally available physician, or accept the home physician.

(11) A tenant profile card must be completed. It will require the following information:

(a) Tenant's name, former address, age, date of birth, Social Security number, MAA number (if any), Blue Cross, Blue Shield number and type of coverage.

(b) Physician's name, address, and phone number; religion and name and address of spiritual advisor; name, address, and phone number of next of kin, responsible party, attorney and/or individual having power of attorney.

(c) Medical profile.

(12) The facility will not be open to the general public. It will be regarded as the "home" of its residents and as such will restrict visitation to those individuals who have been invited by the management or the residents.

(13) Salesmen or solicitors will not be admitted without express approval of the individual they desire to visit.

(14) It is desirable that the resident "sign out" when he or she leaves the building so that management will not be unduly alarmed by his or her absence.

(15) The only activity that will be mandatory will be participation in the fire drill which will be held quarterly.

(16) A self-service tea room will be open 24 hours a day; coffee, tea, and cookies and/or crackers will be available.

(17) There will be a coin operated launderette available for personal laundry.

(18) The building will be under surveillance 24 hours a day. Visitors will be admitted into the facility only after the tenant has been notified and approves. No solicitations will be permitted. During the night, all exits will be secured and periodically checked.

(19) A lending library on the premises should be arranged with the county library service.

(20) A sheltered workshop is planned and all profits in excess of salaries will go towards activity programs.

(21) Profits from vending machines and launderette will also go toward activity programs.

(22) Arrangements will be made with pharmacists to pick up prescriptions and delivery medication to the residents on a daily basis.

MARYLAND CONFERENCE ON SHELTERED HOUSING FOR OLDER PEOPLE

The Annapolis Hilton Inn, October 2, 1975

(Sponsored by Maryland State Office on Aging and Maryland State Commission on Aging)

CONFERENCE OBJECTIVES

- To provide an orientation to sheltered housing* as an alternative to institutionalization.
- To give practical guidance to those who will sponsor, finance, design, build, manage, and provide service to sheltered housing.
- To stimulate the development of sheltered housing facilities for older people within the State of Maryland.

Sheltered housing—

... is a level of residence between housing designed specifically for the elderly able to maintain fully independent living and facilities which offer nursing and medical care, such as nursing homes. Sheltered housing is to be considered a residential environment connoting normality, rather than as a form of institutionalization. Individuals qualifying for sheltered housing, although otherwise able to maintain independence, will, because of physical limitations, have some need for services to support one or more of the activities of daily living. Services to be provided include: (1) Communal meal service, (2) housekeeping service, and (3) occasional assistance with grooming.

AN UNMET NEED

A good deal of housing has been developed for older persons who can sustain fully independent living. When, in the course of the aging process complete independence is no longer possible, the alternative for most has been reliance on medical or other care institutions with accompanying over dependency and loss of privacy. Yet many of these older persons could, with minimum help, continue a life style in a residential setting and thus could remain in the community rather than being forced prematurely into institutional environments.

Sheltered housing is designed to meet this need for a supportive housing environment. The fact that only a limited amount of sheltered housing currently exists to meet the need of a significant number of older people indicates a gap in the housing continuum.

Now, for the first time, there are resources and legislation that provide for the development of sheltered housing facilities for older people. The challenge is to bring together the resources that are available for housing and social services in a workable manner in order to develop a program of assisted residential living and to fill the gap in the housing continuum. It is this challenge that is the focus on the Maryland Conference on Sheltered Housing for Older People.

PROGRAM

8:30—Registration.

Opening session—"Sheltered Housing" (Chairwoman: The Honorable Margaret Schweinhaut).

9:15—Welcoming address and introductions (The Honorable Margaret Schweinhaut).

9:30—Definition (Matthew Tayback).

The framework for conference discussion will be provided in this first session by describing the concept of sheltered housing as an assisted living environment and its benefits as a program to prevent institutionalization.

10:15—Characteristics of Residents (Arthur H. Waldman).

The types of persons for whom sheltered housing is appropriate will be discussed, along with the implications of combining tenants of different health levels.

10:45—Break.

11:00—Design and Management (Marie McGuire Thompson).

The location, design elements, and operational policies that differentiate sheltered housing from housing for independent living and from institutional living will be described.

- 12:15—Luncheon session—"Coordinating Housing and Services" (Presiding: The Honorable John Apostle, Mayor of Annapolis).
Address: "The Administration on Aging and the Department of Housing and Urban Development Cooperate to Develop Supportive Housing Environments for Older People." (The Honorable Arthur S. Flemming U.S. Commissioner on Aging).
Afternoon session—"Financing Sheltered Housing" (Chairman: M. Shakman Katz).
- 2:00—Federal Resources (Morris Shroder and William Comings),
The versatility of section 8 of the Housing and Community Development Act of 1974, and its application for the development of sheltered housing will be explained.
State Financing Potential (The Honorable Joseph G. Anastasi).
Information will be presented on the potential for State involvement in the financing of sheltered housing, and the State's requirements for housing sponsorship.
The Private Developer's View (Melvyn Pugatch).
Practical application of State and Federal financing to produce sheltered housing will be outlined.
- 4:00—Conclusion of the Conference (Matthew Tayback).

FACT SHEET ON SHELTERED HOUSING

MARYLAND OFFICE ON AGING

Maryland elderly population 65+ as of July 1, 1975.....	334,000
Actual number of institutionalized elderly (1975).....	17,000
Significantly disabled elderly population 65+	67,000
Elderly requiring institutionalization.....	10,500
Elderly able to live in own home with assistance from service organizations (day care, home care, meals-on-wheels, etc.).....	22,500
Elderly able to live in own home without assistance from service organizations.....	14,000
Elderly who need sheltered housing (existing domiciliary care beds in Maryland presently number approximately 1,500).....	20,000

Appendix 3

EXCERPTS FROM THE NOAM BOOK; SUBMITTED BY
DR. WILMA T. DONAHUE*II. Homes for the Aged: Their Function
and Significance Within the Concept
of Assistance to Old People

THE TERMS "old" or "aged," in a statistical and legal sense, are generally applied to people who have passed their 65th year. There are some exceptions: in Norway the pensionable age is 70; in Iceland and Sweden, 67. The percentage of the population over age 65 in individual European countries varies considerably, ranging from 10% to 19%.¹

The vast majority of old people, many more than is usually assumed, live alone or are able to take care of themselves with some help from family members and others. A report on conditions in the Rhineland-Pfalz in the German Federal Republic has shown that 70% to 85% of them have no need for the available organized institutional facilities, either because they are sufficiently integrated into a normal social context or because, in most cases, they are unwilling to claim such assistance.² As a rule, only 15% to 30% of all old people make any sort of claim to the benefits of assistance programs for the aging, whether they are offered on a state, local, or voluntary welfare level.

In the past, social assistance to the aged and needy was mainly institutional in nature. The old were placed in large homes and shared sleeping quarters with others judged to be socially undesirable, chronically ill, or mentally deranged. Much has already been written about the Poor Law Homes in England and certain "Hospices" in France.³ Although today there is a trend to replace these primitive types of accommodation with more modern forms of care, Poor Law Homes and Hospices still exist in surprisingly large numbers.⁴

Even though these relics of an inglorious past have not yet been completely removed, both the theory and the practice of assistance to old people have undergone basic change in the past few decades. Fundamental to this change are two factors which are increasingly being recognized by society as significant in providing care for

the aged: (1) the independence and responsibility of the old must be respected and maintained as long as possible; and (2) the old should be placed in an institution only when all other possibilities have been exhausted or when they request entry.

As a result, social legislation in European countries now provides for the development of a large number of different types of non-institutional and semi-institutional assistance for the aged, allowing them to maintain a maximum of independence in life style as long as this is possible. The construction of new housing units designed for the elderly and the adaptation of existing accommodations to meet their needs are major parts of this development, but equally important is the creation of social centers and clubs and a comprehensive system of non- and semi-institutional services listed in the chart on the following page.⁵ Statistics now available do not indicate the extent to which these types of services are already operative in various European countries or their exact costs, particularly in relation to the costs of institutional assistance to the aged.

Despite the increasing importance of types of care outside an institutional setting, institutional aid as provided in old people's homes, service flats for the elderly, and geriatric nursing homes will continue to exist and to fulfill a significant social role.

Service flats are the closest in approach to non-institutional services. They enable an elderly person to lead an independent life in a suitably adapted apartment. At the same time special arrangements, which vary according to individual circumstances, make available nursing care and communal day rooms. Thus personal liberty is respected and a complementary atmosphere of community and care is created. On the other hand, nursing homes fulfill the ever-increasing need to care for the chronically ill and infirm who cannot be treated and tended in hospitals or in old people's homes.

The homes for the elderly generally accept only those aged who, aside from minor complaints, are in good health but who no longer wish or are able to look after

* See statement, page 893.

SERVICES FOR OLDER PEOPLE

	NON-INSTITUTIONAL	SEMI-INSTITUTIONAL
COUNSELING	House-visits for general questions, housekeeping, furniture, equipment	Centers for general counseling, legal and food assistance
HEALTH AND SOCIAL SERVICES	Domestic medical care, home help Meals on wheels Mobile home services for: chiroprody bath help occupational therapy physiotherapy therapeutical gymnastics general rehabilitation	Agencies for local medical care and home services Meal service centers Permanent services for: chiroprody cleansing baths, bath help occupational therapy physiotherapy therapeutical gymnastics gymnastics, sports courses medical baths, massages Health counseling, including preventive and post-treatment checkups Day clinics with communal centers for prophylactic, therapeutic, and rehabilitative activities Convalescence care, facilities Convalescence care at home including homemaker aid Assistance facilities for the mentally disturbed
SERVICE AGENCIES	House-visits to examine need for non- or semi-institutional aid	Setting up of agencies to provide nursing, household help, and placement services, and leisure activities and work for the aged
ASSISTANCE IN MAINTAINING CONTACT, ENTERTAINMENT	Visiting services Radio, TV facilities Low cost transportation Transportation to doctors, clubs, churches	Facilities for social, communal events, entertainments, cultural and leisure time activities Educational seminars on aging Day centers, clubs, workshops Senior citizen associations Field trips, excursions
PERSONAL AND TECHNICAL ASSISTANCE	Reading Services Help with letter writing, completion of applications, etc. Spiritual care, pastoral visits Traveling library services Emergency call services Telephone Reassurance Help with shopping, laundry, and household repairs	Setting up of centers for: neighborhood assistance emergency call centers courses in household maintenance hire of invalid beds, lifters, wheel-chairs, etc.

themselves. These settings relieve the elderly of household burdens and protect them from loneliness and isolation. When they are ill, elderly residents receive a certain amount of care. Their intellectual and spiritual well-being is enhanced through various occupations and social and cultural events. In many cases an infirmary is incorporated into old people's homes, essentially for the treatment of acute illnesses, but also to enable residents to remain in the home even after they succumb to chronic illnesses or infirmity as they grow older.

The demand for places in these homes is generally high and new ones are constantly under construction. However, it is clear that, as a general rule, the need for places in service flats and nursing homes is noticeably greater than for places in the traditional old people's homes, and consequently, more of the former will be constructed in years to come. This, plus the continued

development of non-institutional services for the aged, will lengthen the period of their self-reliance and result in a later entry into homes for many, causing a higher average age among residents there.

The number of residents in institutions for old people is low in relation to that of the older population in general. In most countries it is only 2% to 4%; Holland, with 8.5%, is an exception, its high percentage caused by the limited number of places available in homes and the unwillingness of many elderly to enter such institutions.⁶ Despite these proportionately low figures it can be assumed, in the absence of overall statistics, that the total number of old people utilizing these various types of institutional assistance in Europe is well over one million and that the number of homes is considerably more than 10,000. These estimates are based on the following table (numbers in round figures):

COUNTRY	INSTITUTIONS	PLACES
German Federal Republic	5,000	290,000
German Democratic Republic (East Germany)		100,000
Denmark	1,200	32,500
England and Wales		128,000
France	4,000	355,000
The Netherlands	2,000	125,000
Sweden	1,300	52,000 (plus 40,000 nursing places)
Switzerland	900	40,000 (plus 7,000 nursing places)

III. Typology of Homes for the Aged

THE ROLE AND FUNCTION of institutions for the aged are generally identical with the motives of the elderly person desiring entry to them. There have been several investigations of these various motives and of the priorities among them. Despite some variations these studies generally agree that the desire to enter an institution is usually prompted by its economic advantages, unsatisfactory living conditions outside, prospects for a better way of life and more social contacts, the need for help and nursing care in cases of acute or long-term illness or debility, a desire to escape house-keeping burdens, and physical, psychic, and social rehabilitation.⁷

Institutions for the aged are intended to help them find the best possible solution to these needs which may occur singly or often cumulatively. The role of the state is to assist the institutions to carry out this task and to intervene if they fail to do so.

This chapter attempts to categorize various institutions for the aged according to their typical characteristics. As far as I know, no such formal typology exists as yet, but I consider it indispensable for the conduct of any social analysis. Similarly, the question of what constitutes the model of a good home can be answered only by having a clearly defined knowledge of the variety of present types of institutional settings for the aged. I am proposing that these institutions may be placed into the following categories:

1. Purpose or Function

Institutions classified by function include service flats for the elderly, old people's homes, geriatric nursing homes, and geriatric hospitals.

They may also be grouped into combined systems, such as old people's homes with infirmary; service flats with nursing homes; old people's homes with nursing homes; service flats, old people's home, and nursing home; old people's home and day home; old people's home and service center or senior club.

It appears that these combined systems will flourish in the future. Whereas some countries, e.g., the German Federal Republic, prefer a system combining service flats, old people's homes, and nursing homes (*Mehr-stufenheim*), it is gradually coming to be recognized, particularly in Scandinavian countries, that it is more practical to construct service flats equipped with nursing personnel in connection with nursing homes. As a rule, centers for the elderly are affiliated with these institutions.

2. Ownership or Operating Authority

In this category institutions are viewed as public, private, voluntary welfare, or cooperative, depending on how they are owned or under what auspices they are operated.

The home authority or owner, i.e., the proprietors or organizations responsible for the institution, varies among countries as evidenced by the following examples:

HOME AUTHORITY OR OWNERSHIP (percentage of the total number of homes)

COUNTRY	HOMES			PLACES IN HOMES		
	Public	Voluntary	Private	Public	Voluntary	Private
Denmark	[67]		33	—	—	—
German Federal Republic	20	61	19	26	66.5	7.5
German Democratic Republic	—	—	—	80	20	—
England	67	23	10.5	65	21	14
France	—	—	—	[74]		20
Holland	5	63	32	6	84	10

3. Number of Places Available in Individual Homes

Institutions may be rated as large (with more than 100 places), medium (from 30 to 100 places), and small (under 30 places).

As a rule public and voluntary welfare homes are larger than private ones. Service flats and geriatric hospitals often have more accommodations than old people's homes. Agreement has yet to be reached on the optimum size of institutions for the aged.

4. Internal Composition

In this category homes may be classified according to several factors: those which are aligned with a religious denomination or non-aligned; those with a socially and culturally homogeneous resident population or those of mixed composition; those whose residents are predominately self-supporting or beneficiaries of social welfare; those with a medium, relatively high, or low average age group; and those whose average age group requires a relatively large or small amount of care.

On these factors, to a large extent, hinge the possibilities for developing an adequate social, religious, and cultural life style in the home as well as the forms such activities will take.

5. Structure of the Facility

In this category there is a wide spectrum, ranging from the English Poor Law institutions built in the last century to the numerous modern buildings constructed in every European country since the end of World War II. A further subdivision in this classification could be made with respect to the physical plant, in particular, its date and type of construction.

6. Location

Homes may be divided between those in towns or cities and those in rural areas. Regarding those in urban settings, it is important to note if they are located in or near the urban center or in surrounding suburbs and what forms of public transportation are available.

Investigations have shown that old people generally prefer to live in or near the urban center, even though they then have less garden space at their disposal. A central location provides them with more opportunities to participate in outside activities and to exchange visits among friends.

7. Accessibility to Other Old People Living Nearby

Institutions for the aged may also be classified according to the degree to which they hold themselves responsible for placing their social and health facilities at the disposal of other elderly persons living nearby and serving them as a senior center.

Scandinavian countries are advanced in developing institutions which are accessible to older persons outside. The elderly from the surrounding community can pass the entire day in the home or in affiliated clubs, and they can utilize cultural activities, occupational therapy, and physiotherapy at these facilities. A dining room or restaurant is also at their disposal. This opening out onto the outside world also provides residents with new personal contacts and an interest in outside affairs.

8. Home Management

Institutions may be categorized according to the management principles by which they are administered, whether they are authoritarian or democratic, whether they encourage residents to express their opinions on administrative matters and to collaborate actively in home affairs, and whether they provide an authority to examine resident complaints objectively.

9. Facilities for Physiotherapy and Occupational Therapy

Homes may be classified according to the type and extent of facilities available for physical rehabilitation and occupational therapy. In recent years much progress has been made in developing and expanding these facilities in homes for the aged, but many institutions still remain backward in this respect.

IV. Reasons for State Control of Homes

RECENTLY IN MANY European countries old people's institutions have become a favorite target for criticism in literature and the mass media. This criticism has included condemnation of flagrant abuses uncovered from time to time and a critical review of such institutions in general. The two are fundamentally related. Without the condemnation of abuses, institutions for the aged and the lives of their residents would not awaken the necessary public interest which in itself is a prerequisite for state intervention.

Among the criticisms leveled by the press against home authorities, owners, and directors, these complaints stand out: outbreaks of fire, often causing death because of insufficient structural safeguards and security measures; food poisoning; financial dishonesty, including embezzlement, blackmail, inflated prices, and falsified accounts; insensitive attitudes toward residents, including physical maltreatment and punitive solitary confinement; and cases of deaths in mysterious circumstances, such as due to an overdose of sleeping tablets.

The second type of criticism about the way in which these institutions function is as important as the condemnation of abuses. It is often maintained that the conditions in many institutions, and not only in those motivated by profit, are an affront to human dignity and are in no way adapted to the purpose of ensuring a calm, peaceful old age to persons nearing the end of what has been in most cases a hard life. A torrent of complaints, so familiar that they need not be listed here, has been leveled against the life styles practiced in homes, the qualifications of personnel, and the type and quality of care that old people receive. Without doubt this criticism is in many instances unjust, because it tends to include many homes whose authorities, owners, directors, and

staff honestly endeavor to carry out their duties conscientiously and with affection toward the residents entrusted to their care.

However, in the issues at stake here, it is less a question of personal integrity and competence than it is one of whether the standards of institutional assistance to the elderly in general are in accord with current findings in medicine, social psychology, and gerontology. For only with such concurrence can these institutions properly fulfill their role.

It is my opinion that honest and objective examination must lead to the conclusion that these standards in many cases are not sufficient and that criticism of old people's institutions is frequently justified.

Thus it has become necessary for the state to control old people's institutions by licensing and standards supervision to prevent and punish abuses and to ensure adequate care for its aged citizens. This obligation is rooted in the Christian, humanistic, and socialist concepts of human dignity. But it must be acknowledged that a major reason for increasing state interest in the welfare of the aged is political in nature, in that the votes of the elderly can often decide elections.

Another factor which accounts for existing state supervision of homes, especially in socialist countries, is the inclusion of old people's assistance programs and their provisions for institutional care in overall national planning. For example, in Holland the planning element plays an important role in legislation affecting the aged. The purpose of this planning is to coordinate non-institutional and institutional assistance in such a way that extra-institutional aid is developed to the fullest, and only those elderly are accepted into institutions for whom no other possibilities of outside living exist.

Appendix 4

CONGREGATE HOUSING DEVELOPMENTS IN TOLEDO AND COLUMBUS, OHIO

The congregate housing developments in Toledo and Columbus, Ohio, have several experimental or exploratory aspects:

- To determine the need for and the utility of such developments for the elderly who need or want meals, housekeeping, and other services to maintain residence in a semi-independent "home" setting.
- To determine whether community-based public housing for the elderly is a viable alternative for elderly persons unnecessarily committed to the State's mental institutions or released after treatment and rehabilitation.
- To explore ways to coordinate Federal-State-local elements of a plan to provide shelter and services to elderly persons in the community and to elderly patients discharged from State mental institutions.

In all three aspects these developments have been and continue to be successful, both socially and financially.

The Ohio effort began with contractual agreements on financing between the Federal Government and the State of Ohio. The two public housing developments for the elderly (100 units in Toledo and 246 in Columbus, both furnished and unfurnished) were designed as efficiency and one-bedroom housekeeping units with kitchens. It was agreed that the allowable community space was insufficient to accommodate the supportive services, in particular, the central dining room and kitchen, as well as the usual space for recreation and leisure pursuits. The State of Ohio, therefore, contributed the land for both projects valued at \$376,000 in Columbus and a like amount in Toledo, both parcels in prime locations. The savings in land costs to the housing authority and the Federal Government were then applied to the cost of the additional needed space, primarily the central dining room and kitchen (for the provision of which there was no statutory authority in the mid-1960's when these developments were launched).

As a further contribution, the State accepted responsibility for providing all needed services under a 40-year contract guarantee for occupants in each project. Staff of State mental institutions screen elderly patients and select those whom they feel could adapt to community living and mix comfortably with non-institutionalized elderly tenants drawn from the community. (Hospital discharges comprise approximately one-third of the total tenant body.) The housing authority manages the properties in each project, but all services are provided by the State through the Hospital, the Commission on Aging, the Department of Public Welfare, or other State resources.

Rental income goes to the housing authority; the State receives payment for other services including food (two meals a day, 7 days a week, at \$45 a month for individuals and \$55 a month for a couple). Milk, bread, butter, and fruit may be taken from the dining room for snacks between meals. While all tenants at Worley Terrace in Columbus must pay for their meals whether taken or not, the Toledo plan does not require this (except for discharges from the hospital who are encouraged to take a full meals service at least during the first month of occupancy). The major food components are prepared at the hospital in each city and then delivered to the project. (Article B of this appendix outlines the additional services provided in the developments and by whom.)

The melding of resources for funding and services has represented an economy to the State and a more wholesome and acceptable living arrangement for older persons.

At the conclusion of a recent survey of these developments by the International Center for Social Gerontology, Washington, D.C., the interviewer summed up the findings as follows: While the frail elderly from the community benefited from these programs, the real focus is on providing an alternative to institutionalization for residents whose mental health requires a supportive environment to enable them to manage independent living. Both developments provide excellent

examples of the extensive array of services that can be mobilized from existing community service agencies which, supplemented with basic services, can create an assisted residential living environment that still manages to focus on independence to the maximum extent possible.

In Ohio it appears that sharing responsibility—with Federal support for congregate housing construction and State support for the provision of services—has offered a workable solution to problems encountered in offering congregate housing to older persons as an alternative to institutional living or as a preventive measure making institutionalization unnecessary. Similarly, in smaller towns, such as Alma and Burwell, the combined resources of the local housing authority and other agencies willing to underwrite services have helped to make this type of program a workable alternative to institutional living. The congregate concept in housing can also be applied to housing for some of the physically or mentally handicapped now living in institutions.

The Ohio developments, as well as others cited, are still operating successfully. They can serve as a valuable resource in future efforts to research and evaluate the benefits of congregate housing to low income elderly with some degree of physical or mental impairment and to those agencies that sponsor and support it as an additional community service.

Articles A and B that follow provide a more detailed description of one of the Ohio developments—Worley Terrace in Columbus—and of the range of services available to residents. Articles C and D present samples of contracts and lease agreements related to the Toledo project.

WORLEY TERRACE, COLUMBUS: "A PLACE WITH A PLAN FOR TOTAL LIVING" *

THE PLACE

Worley Terrace is a new approach in housing for the elderly. It is a demonstration project—a pioneer venture—in providing surroundings, activities, nutritional meals, services, and programs at a low cost to enrich the lives of older persons; to provide a life of dignity and self respect; to offer an opportunity to alleviate loneliness, and to provide privacy. These are normally available only to persons with much higher incomes.

It will serve as an example for the whole country showing what can be done to help keep residents well and happy by preventing physical and mental problems through suitable housing and availability of varied services.

The location

On a broad meadow in a park-like setting south of West Broad Street on the west side of South Central Avenue, Worley Terrace is within walking distance of a number of churches; public transportation and shops are a mere two blocks away in either direction—to the north of Broad and Central and to the south at Sullivant and Central.

The apartments

The beautifully designed efficiency and one-bedroom apartments, located in four one-story buildings and in a six-floor building, are owned and managed by the Columbus Metropolitan Housing Authority, and the services are provided through the State of Ohio, Department of Mental Hygiene and Correction. Lounges for the use of the residents are available in each building, and resident dining rooms for meals and facilities for laundering are conveniently located.

Each apartment has a kitchen with electric range and refrigerator, draperies in colors and patterns coordinated with the apartment color scheme, private bath, and ample closet and storage space. Utilities are furnished and on-site parking is available.

The community center

A center by location as well as by name, the community center is surrounded by the garden areas, pools, patios, and covered walkways that separate it from dwelling buildings. Here are the craft rooms, the auditorium, the clinics, the meeting rooms, all the facilities necessary for the provision of a total service program for the community.

*Excerpts from a brochure distributed by the Columbus, Ohio, Metropolitan Housing Authority.

THE PLAN

The community services are provided through the State of Ohio Department of Mental Hygiene and Correction. In this exciting concept for a total living plan, these services are provided:

- *Meals*, two nutritious meals a day, lunch and dinner, planned by a dietitian.
- *Health care* through a regular program of examinations and medication by physicians, psychiatrists, podiatrists, and dentists in the health clinic.
- *Barber and beauty shop* service.
- *Social and recreational programs* that provide a choice of leisure time activities covering everything from ART to a trip to the ZOO.
- *Furnished Apartments* (optional) including carpeting, plus almost everything else (soap, tissues, mop) needed for total living.

The cost

25 percent of income for rent.
 Plus \$45 per month for meals, \$90 per couple.
 Plus \$15 per month for furniture, \$25 per couple.

You are eligible if:

- You are 62 years of age or older.
- You are disabled.
- You are a resident of Franklin County.
- You receive a net annual income of not more than:
 \$4,700 for one person,
 \$5,500 for two persons.
- You have assets totaling less than \$12,500.
- You wish to take advantage of this brandnew plan for total living.

STATEMENT OF SERVICES PROVIDED TO WORLEY TERRACE RESIDENTS BY THE STATE OF OHIO, DEPARTMENT OF MENTAL HYGIENE AND CORRECTION, MAY 1, 1970

The Department of Mental Hygiene and Corrections provides personal care services, furniture and furnishings, and meals for occupants of the Worley Terrace, Golden Age Village, as follows:

PERSONAL CARE SERVICES

Personal care services are primarily for social orientation, to keep residents well, to give them a feeling of security and well-being, and to enable individuals to live independently longer than would otherwise be possible.

A. *Health services.* A registered nurse or licensed practical nurse is on duty 8 hours a day, 5 days a week, and will give (1) routine health assistance; (2) assistance to residents in procedures prescribed by the doctor; (3) make appointments with a physician or specialist for specific health needs when indicated; and (4) assist the doctor in the health clinic. Clinic service does not include nursing care services.

By appointment with the clinic nurse, the following health care will be provided at designated times; routine medical visits to the health clinic; routine dental, podiatry, including minor treatment; general physical examination once a year, if necessary or desired; immunizations as necessary and advisable throughout the year; emergency visits to units by nurses as indicated; therapy consultations as need indicates. Screening programs as deemed necessary.

The resident will be responsible for the fee for professional services covered by plan A and/or B of the medicare program and/or title 19 of the Social Security Act.

B. Assistance will be given the resident to help with individual problems, including welfare and social security.

C. *Recreation and leisure time activities.* Residents will be encouraged to participate in a variety of programs designed for their enjoyment and to alleviate loneliness, stimulate interest, improve mental and physical health and be of general benefit to them.

These will include instruction in arts and crafts, development of hobbies, dances, movies, and other recreation and educational pursuits. There will also be opportunities to help others through community services.

D. *Barber Shop and Beauty Parlor.* The beauty and barber shop will be open on specified days. Service will be by appointment with the beautician and barber in the community facilities building.

Under this agreement, men will receive one haircut every 2 weeks; women may have one hair wash and set every 2 weeks, one hair trim once a month, and two permanents a year. Any additional beauty or barber shop services will be made between the resident and operator and paid for by the resident.

FURNITURE AND FURNISHINGS

Furnished units will include adequate and appropriate furniture as well as furnishings such as: sheets, pillow cases, bath and hand towels, and wash cloths. In addition, a pillow, blankets and bedspread will be furnished. Soap, toilet tissue, and detergents for laundry will also be provided and issued on a scheduled basis.

MEALS

Two nutritious meals a day, planned by a dietitian, will be provided. Assistance in selection and substitution of foods will be given by the food service personnel to control special diets.

Appendix 5

CONGREGATE HOUSING, ALMA, GA.*

PROJECT DESCRIPTION

Sun City Courts in Alma is a pilot project of elderly congregate housing. The congregate facility consists of 40 apartments, each with a living room, bedroom, and bath. These apartments are arranged around open courts and connected to each other and to the community building by covered walkways. Also in the same project are 12 elderly units designed as a contiguous related element. The 12 elderly units are not connected to the congregate facility by covered walks. Each apartment in the elderly units includes a complete kitchen, as well as living room, bedroom, and bath.

The community building is centrally located and contains the administrative offices, the dining facilities for all congregate units, a large lounge, a library area, an activity room, and a kitchen. Mail is delivered to this building where each tenant has a private locked mail box. Also in the project are two laundry-lounge buildings that contain a room which can be used for family gatherings and special occasion parties. Each is equipped not only with washer, dryer, ironing board and drying yard, but also a lounge and a small kitchenette. The community building, as well as the laundry-lounge buildings, are air conditioned year round, and each dwelling unit and other facilities are connected to a central television antenna system. Color television is provided in the library-lounge.

The site for the development was chosen because it is in the block next to the hospital, county health facility, and a nursing home. The congregate development was arranged so that each occupant can maintain his individuality and privacy, but still be part of a closely ordered community.

The units are equipped with special features for elderly persons such as lever-handed hardware, no steps between porches and interior spaces, showers with seats and safety glass, individual heating units, and a signal light system on the exterior to be used if help is needed. Also, each congregate unit has a plastic topped counter in the bedroom on which a hot plate can be used for heating soups and beverages.

The community building has an office for the Sun City Courts Director (who lives in the development) and offices for the Executive Director of the Housing Authority of the City of Alma.

RANDOM OBSERVATIONS

Congregate units with no kitchens are equipped with small refrigerators and a snack unit, i.e., a counter (under which a small refrigerator can be placed) for toaster, coffee maker, etc. The maintenance department keeps all units sprayed for infestation control. The cost of this mandatory service is 50 cents a month. This amount is collected with the rent.

Residents in units with kitchens are not eligible for meals in congregate units unless they are ill and unless prior arrangements have been made. Residents in congregate units may have guests for meals if advance notice is given. The charge involved in this case is \$1 per person. Meals are served at 8 a.m., noon (the mean meal time), and 5 p.m. (on Sundays and major holidays this meal is a sack lunch with a sandwich, milk, and fruit).

The State department of health will not permit tenants to work in the kitchen unless they have a health certificate. Therefore, we have a contract with a qualified person to be responsible for the food preparation and planning of meals.

Residents seem to enjoy helping with fresh vegetables for the meals or freezer, such as shelling peas, snapping beans, shucking and grating corn, cutting okra or anything that can be done in the community building. Youth workers in the

*This appendix includes excerpts from materials submitted by Wilfred B. Smith, executive director, Alma Housing Authority, 801 12th Street, Alma, Ga. 31510.

CETA (Concentrated Employment and Training Act of 1974) program perform the garden work and gather vegetables. This is at no cost to us for 32 hours per week.

Applicants are advised that if they are on a special diet, the meals program cannot prepare special food for them; however, if they are selective in the cafeteria line, they can select food that will meet their requirements. We do not employ a dietitian, though we are careful about highly seasoned food and sweets. Meals vary from day to day. Each day of the week there are different meats (usually a choice of two), vegetables, and dessert. Offering a choice among foods has helped reduce complaints.

No housekeeping service is furnished except for heavy work, such as window washing and polishing floors. This is done by the maintenance department when needed. If a resident has a short-term illness, help is offered; only at this time would meals be sent to the bedside. If a tenant becomes ill during the night, an alarm system can be used to ring a warning in the adjacent apartment and to switch on a red light on the front porch. This is another aspect of the "buddy system"—neighbor helping neighbor. Each apartment also has a telephone in case a doctor or an ambulance must be summoned.

Applicants for congregate housing must be ambulatory and not on a special diet. In case of doubt, a doctor's certificate is requested. Otherwise, it would be left to the applicant to choose what type of unit he or she prefers.

When a tenant becomes ill or is otherwise unable to care for himself or herself, we contact a member of the family or a doctor. In most cases, he or she would be admitted to a nursing home. We will hold the apartment until the person's ability to return to congregate housing is determined by the doctor. However, the apartment rent and meal charges would have to be paid during this absence.

Combining the hale and hearty with the frail is one of the most pleasant features of the elderly program. Tenants seem most happy to help one another when needed. They enjoy the fellowship and programs together. Tenants in congregate housing are paying for meals and other services, therefore, we see no feeling of lesser status among them or on the part of other tenants.

In our opinion the occupants of congregate housing live a happy life after they become unable to prepare a well-balanced meal by taking advantage of congregate housing. Otherwise they would have to resort to a nursing home. The most difficult time is the adjustment period for an elderly person who has for many years lived with his or her family and now must adjust to our rules and regulations, meal schedule, and new neighbors.

The many programs for the elderly have been most helpful. The Older Americans Act was utilized for social services for the elderly as long as funding was available. We have continued this service under the model cities program and now under the financing of title VI programs of the Social Security Act (title VI has now been folded into provisions of title XX of the same act). We have two fulltime workers for social services and activities. SSI (the supplemental security income program) has helped tenants meet the need for cost of living increases in many areas, even though our meal cost has not increased. Rent adjustments have been made according to income. Rent has averaged \$40 per month, exclusive of food and services.

The incomes of the 56 tenants in residence are derived from a variety of sources: 7 received only social security (SS); 17, SSI only; 13, a combination of both; 6 received SS and income from interest; 4, SS and a VA pension; 1, SS and a private pension; 3 received railroad retirement; and 1 each received the following alone—an annuity, a government pension, a VA pension, SS and earnings, and income derived from sale of home.

The oldest resident was born in 1886 and the youngest in 1927. Ten of the original residents (1967) are still in the project.

COST SAMPLES, CONGREGATE MEALS FACILITY, HOUSING AUTHORITY OF THE CITY OF ALMA, ALMA, GA.

Charts on the following pages include:

- Balance Sheet at December 31, 1974.
- Statement of Operations for the Year, January 1, 1974–December 31, 1974.
- Reconciliation of Changes in Congregate Meals Trust Advances Held by the Housing Authority of the City of Alma, Year Ended December 31, 1974.

COST SAMPLES—CONGREGATE MEALS FACILITY, HOUSING AUTHORITY OF THE CITY OF ALMA, ALMA, GA.

Balance sheet at Dec. 31, 1974				Statement of operations for the year Jan. 1, 1974, to Dec. 31, 1974			
Assets		Trust advances by city and county		Income		Expense	
Advance to housing authority.	\$21,089.76	Total advances, Jan. 1, 1974.	\$21,552.20	Meals for tenants.	\$22,329	Management costs.	\$11,767.00
Inventory—food	801.43	Add: 1974 interest income.	1,076.29	Meals for others.	268	Food costs	11,057.28
Inventory—supplies.	237.06	Deduct: Deficit from feeding operation.	(500.24)	Total	22,597	Miscellaneous supplies.	263.74
Total assets	21,128.25	Total trust advances, Dec. 31, 1974.	22,128.25			Other costs	9.22
						Total	23,097.24
						Net deficit for year.	500.24

RECONCILIATION OF CHANGES IN CONGREGATE MEALS TRUST ADVANCES HELD BY THE HOUSING AUTHORITY OF THE CITY OF ALMA, YEAR ENDED DEC. 31, 1974

	Cash	Investments	Congregate feeding accounts payable	Net trust advances held
Balance Jan. 1, 1974	\$84.62	\$21,243.30	(\$847.97)	\$20,479.95
Transfer to investments, February 1974	(308.90)	308.90		
Interest income for year		1,076.29		1,076.29
Net deficit for year	(500.24)			(500.24)
Decrease in inventories	37.76			33.76
Decrease in feeding accounts payable	(11.23)		11.23	
Balance Dec. 31, 1974	(701.99)	22,628.49	(836.74)	21,089.76
Adjustment required: Transfer from investments	500.24	(500.24)		
Balances as adjusted	(201.75)	22,128.25	(836.74)	21,089.76

Appendix 6

PARK VIEW PLAZA,* BURWELL, NEBR.

PROJECT DESCRIPTION

This 50-unit housing project was financed and built by the Burwell (Nebraska) Housing Authority in cooperation with the Public Housing Administration. It was completed in March, 1967; partial occupancy was obtained earlier, and the first occupants moved in on January 12. There are 30 modern, attractive apartments, each with three rooms (living room, kitchen, and bedroom), plus a tiled bathroom and adequate storage. These are situated in five brick buildings located south of the city park and within walking distance of the business district. All apartments are furnished with drapes, electric stove, and a refrigerator:

The housing project also has the congregate living area, which houses an air-conditioned recreation room, community living room equipped with kitchen facilities for the use of all residents for social affairs, family gatherings, and entertainment, and the executive director's office. The congregate building also has 14 units, consisting of living-sleeping room combinations with private bath and adequate storage. There are six units with living room, bedroom, bath, and storage; persons living in these apartments are able to eat in a centralized dining room, where meals are brought in from the hospital and served family style. The daily cost of the meals is: breakfast, 90 cents; lunch, 85 cents; and dinner, 95 cents. All units are furnished with drapes. There is a master television antenna which is connected to each apartment.

Special features for the elderly include handle-type doorknobs, bathroom grab bars, and an emergency alarm switch in each unit.

ELIGIBILITY

To be eligible to rent an apartment, the applicant must meet the following requirements:

- (1) Age: One member of the family must be at least 62 years of age.
- (2) Income limits: Maximum income for one person is \$3,500 per year; for two persons, \$4,000 per year.
- (3) No asset limit.

RENTAL

The project consists of 10 modified one-bedroom units (smaller), 10 one-bedroom units (larger), and two 2-bedroom units.

Three factors determine the rent: (1) size of apartment; (2) number of persons in family; and (3) income. The rent, based on 25 percent of adjusted income, includes all utilities such as heat, electricity, water, garbage service, maintenance, and free laundry facilities, but does not include telephone. A maintenance man is hired by the housing authority for the care of the lawns, and to keep the walks and drives free from snow.

MANAGEMENT

The owner of the project is the housing authority of the city of Burwell. Commissioners are: B. W. Wagner, Sr., chairman; O. W. Johnson, secretary-treasurer; Leo F. Clinch, attorney; and William R. Beat, Floyd E. Demaree, and W. W. Bristol, directors. Frank Lindsey is maintenance man. The office is in the community building and is open Monday through Friday, 9 a.m. to 5 p.m.

RECREATION AND COMMUNITY PROGRAMS

Recreation centers around the large community room in the community building and in the new recreation building northeast of the apartments. The housing authority has received \$7,500 from the title III program to be used for an areawide recreation and craft program for all persons 60 years of age and older. Headquarters for this program is Park View Plaza.

*The description of Park View Plaza with combined congregate and housekeeping units for the elderly and random observations on its experience were contributed by Dorothy VanDiest, executive director of the Burwell (Nebraska) Housing Authority.

ABOUT BURWELL, NEBR.

Burwell, the county seat of Garfield County, has much in common with other midwestern county seat towns of similar size. It has a modern medicare-approved, 30-bed hospital, and two doctors who serve the area. A new 40-bed nursing home is under construction, joining the hospital on the north. This health unit is one and one-half blocks from the housing project. Burwell has a good public library, an efficient volunteer fire department, six churches, a modern swimming pool, a well-kept park and picnic facilities, and an active Wranglers Club. Burwell is the home of Nebraska's Big Rodeo.

RANDOM OBSERVATIONS

The incomes of tenants in the congregate living area range from \$1,117 to \$3,801 a year. Rents, based on 25 percent of adjusted income, range from \$21 to \$71.

Some tenants miss the kitchen but would not be able to cope with it or maintain a balanced diet. The community room has a refrigerator for the use of all congregate tenants. Some keep snacks in their rooms, but they are responsible for control of any insects these may attract.

Tenants in housekeeping units may dine in the congregate dining room by notifying the kitchen in advance. The kitchen, in turn, orders the amounts required from the hospital.

The hospital breaks even on the meals. As the costs of food and labor rise, so too does the price of meals. Special diets are provided if ordered by the doctor.

Tenants seem to enjoy the meals: they are varied and are served in a pleasant atmosphere on good china attractively arranged.

For those who are unable to do their own housekeeping but who can afford to pay to have it done, a housekeeping service is available. Payment is by the hour and is handled between the tenant and the housekeeper. For those who qualify (those with an annual income under \$1,500), a homemaker service is available through the welfare office.

All tenants have their own linens. The laundry is located in the building and tenants are responsible for it.

The homemaker helps bathe one tenant who is crippled by arthritis. Tenants help one another in fastening zippers when needed. This is one example of tenants aiding each other. They seem concerned about those who are frail or ill, and run errands for them and visit them.

None of the tenants need nursing service. Congregate tenants are not thought of as frail. They are seen as elderly persons needing a friendly hand.

When applications are accepted, the person states what type of apartment he or she prefers. Three tenants moved from housekeeping to congregate units when it became apparent that they could no longer cope with the demands of shopping and cooking, etc. Most go to the nursing home of their own accord. Some have had to stay there for an extended period, but if their rent is paid, the apartment is held for them. This has been the case with five tenants. When they are ill and must go to the hospital, most tenants worry about keeping their apartments until they are able to return.

If a tenant needs a doctor at night, he or she rings the alarm and another tenant telephones the doctor. The doctor, in turn, summons the emergency unit which operates free for all residents of Garfield County. This unit is equipped with short wave radio for contact with the doctor and the hospital and is staffed by volunteer firemen with first aid training. This type of alarm and alert system has been less expensive to operate than one requiring a "live-in" monitor. The emergency telephone number is posted on all telephones so that tenants can dial for help from their rooms to a radio dispatcher who can then contact the doctor, the fire department, and the emergency unit.

Outside organizations are also involved in the life of the facility. Ladies from the Methodist church bring homemade pies once a month for dinner in the congregate dining room. Other groups hold parties and bingo, and the schools and 4-H clubs provide programs. The Future Homemakers of America have adopted a tenant as a foster grandparent, a reverse on the usual notion of a grandparent adopting a child with special needs. Talking books are provided for those with visual impairments. A local volunteer provides transportation to the local doctor or beauty shop for any elderly person in the city limits. Church services and Bible study are held once a week. Movies are shown once a month. The projector was purchased in 1968 with funds provided under title III of the Older Americans Act. There is also a library in the congregate lobby. Books for it are exchanged with the county library by the same volunteer who provides transportation to the doctor, and so forth.

ADEQUACY OF FEDERAL RESPONSE TO HOUSING NEEDS OF OLDER AMERICANS

HEARING
BEFORE THE
SUBCOMMITTEE ON
HOUSING FOR THE ELDERLY
OF THE
SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE
NINETY-FOURTH CONGRESS
FIRST SESSION
PART 14—WASHINGTON, D.C.

OCTOBER 8, 1975



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- Part 1. Washington, D.C., August 2, 1971.
- Part 2. Washington, D.C., August 3, 1971.
- Part 3. Washington, D.C., August 4, 1971.
- Part 4. Washington, D.C., October 28, 1971.
- Part 5. Washington, D.C., October 29, 1971.
- Part 6. Washington, D.C., July 31, 1972.
- Part 7. Washington, D.C., August 1, 1972.
- Part 8. Washington, D.C., August 2, 1972.
- Part 9. Boston, Mass., October 2, 1972.
- Part 10. Trenton, N.J., January 17, 1974.
- Part 11. Atlantic City, N.J., January 18, 1974.
- Part 12. East Orange, N.J., January 19, 1974.
- Part 13. Washington, D.C., October 7, 1975.
- Part 14. Washington, D.C., October 8, 1975.

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ADEQUACY OF FEDERAL RESPONSE TO HOUSING NEEDS OF OLDER AMERICANS

OCTOBER 8, 1975

U.S. SENATE,
SUBCOMMITTEE ON HOUSING FOR THE ELDERLY
OF THE SPECIAL COMMITTEE ON AGING,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m., in room 4232, Dirksen Office Building, Hon. Harrison A. Williams, Jr., chairman, presiding.

Present: Senators Williams and Clark.

Also present: William E. Oriol, staff director; Diana McIver, professional staff member; John Guy Miller, minority professional staff director; Margaret Fayé and Gerald Yee, minority professional staff members; Patricia Oriol, chief clerk; Eugene Cummings, printing assistant; and Donna Gluck, resource assistant.

OPENING STATEMENT BY SENATOR HARRISON A. WILLIAMS, JR., CHAIRMAN

Senator WILLIAMS. The Subcommittee on Housing for the Elderly for the Senate Special Committee on Aging will come to order.

This is the second day of hearings, and I would like to take just a few moments before the administration witnesses begin to comment about points made at yesterday's hearing.

We had a decidedly mixed group of witnesses, but they certainly agreed on one major point: The service needs of elderly persons in public housing are simply not being met.

The directors of local housing authorities know this and have reported it in a survey conducted by one of our witnesses, Dr. Wilma Donahue.

Dr. Donahue testified yesterday that some 34,395 persons of the elderly public housing tenants in this country are in need of more service, and that approximately 80 percent of these could continue to manage independently if supportive services were to be made available. The alternative, if services are not available, is institutionalization.

That estimate is just for people in public housing. Dr. Donahue—applying her estimates to the national population—said that better than 3 million persons can be considered to need assisted living.

Here is a very great challenge which goes beyond the scope of this immediate hearing, but which is very much on my mind.

To return directly to service needs in public housing, I hope that the HUD-HEW witnesses this morning will address themselves to one problem described by a witness from New York City yesterday. She

said her local housing authority is receiving all kinds of directives urging authority managers to place title VII nutrition programs in public housing projects, but she can find no one in the title VII program to talk to.

From New Jersey we had a witness who said that the Newark Housing Authority had nearly worked out an agreement to use what are now called social security title XX funds for service needs in 1974, only to have the rug pulled out from under that.

From Manchester, N.H., we had another housing authority director who said he had been doing well under the predecessor to title XX, but he now has all kinds of problems with title XX.

These are the kind of problems which must be worked out. I said yesterday that an unnoticed emergency is developing among elderly tenants of public housing in this Nation.

I look now, not only for assurance about what will be done in the future, but for evidence on what is now actually underway.

Senator Clark?

Senator CLARK. I have no opening statement, Mr. Chairman.

Senator WILLIAMS. Thank you.

We will move directly to Donald F. Reilly, Deputy Commissioner, Administration on Aging, and to Mr. Abner Silverman, Counselor to Assistant Secretary for Housing Management, Department of HUD.

Please proceed, Mr. Reilly.

STATEMENT OF DONALD F. REILLY, DEPUTY COMMISSIONER, ADMINISTRATION ON AGING

Mr. REILLY. Mr. Chairman, I appreciate the opportunity to appear before this subcommittee today to discuss a matter of concern to the Administration on Aging—the delivery of supportive services to elderly residents of public housing projects.

Some facts about older Americans will help put the need for such services into the proper perspective:

(1) As of September 1974, 42.5 percent of all public housing tenants were elderly persons—over 441,000 individuals.

(2) The National Health Survey has estimated that 40 percent of all persons aged 65 or over suffer from one or more chronic conditions. The vast majority that do have such conditions still manage by themselves despite the limitations imposed by chronic ailments, but for many such persons there comes a threshold beyond which one or more supportive services are needed in order to maintain independent living. The proportion of older persons which requires such services increases in each successive age bracket.

(3) The demographic projections of the elderly indicate that, at least to the end of this century, the very oldest, who suffer most from poor health, diminished functional capability, low income, and social isolation, will become an even larger proportion of the elderly, than exists today.

MORE THAN SIMPLE "SHELTER"

These facts clearly indicate that to be effective, housing for the elderly involves more than simple "shelter." A full range of health and social services should be available to older persons as they need them,

regardless of whether they reside in single or multifamily dwellings, and whether or not the housing is provided through public auspices. These services are helpful, and in many cases, vital to the ability of older persons to remain independent and in their own homes.

Community-based, comprehensive, coordinated service systems for older Americans are now in the very early stages of development under title III of the Older Americans Act, through the efforts of State and area agencies on aging. We believe that these systems can and should provide services to elderly residents of public housing and special housing for the elderly, as well as to older persons residing in single family dwellings in the community.

ADMINISTRATION ON AGING ACTIONS

AoA has developed 16 joint working agreements, statements of understanding, and joint issuances with other Federal departments and agencies in order that the aging network at the State and local level may have access to and understanding of, the full range of Federal resources and programs necessary for the achievement of coordinated, comprehensive service programs for older persons throughout the United States.

All of these agreements have, as their main focus, the expansion and improvement of services to older persons. Any one of the agreements—from the AoA-DOT agreement on transportation—to the recently signed agreement with SRS on the title XX adult services program—would be instrumental at the State or local level in helping to make services more available to older persons, including those who reside in public housing projects.

We now have under development a technical assistance memorandum that we will transmit to State and area agencies on aging outlining ways in which the resources referred to in several of these agreements—transportation, title XX, medicaid, HUD programs, titles III and VII of the Older Americans Act—can be pooled in order to better provide services to older residents of public housing.

This technical assistance memorandum will be specifically directed at bringing together currently scattered fragmented resources in trying to focus on meeting the needs of this particular operation in a coordinated fashion.

Two of the cooperative documents described above involve the Department of Housing and Urban Development: first, a joint issuance by HUD and AoA on the community development block grant program, and second, a statement of understanding between HUD and AoA to develop nutrition sites in public housing.

In June 1975, AoA and HUD transmitted a joint issuance to their respective counterparts at the State and local levels, on the community development program under title I of the Housing and Community Development Act of 1974.

The joint issuance includes a description of the community development program and accompanying guidance to State and area agencies on aging on ways in which community development funds can be used most effectively for older persons, with special emphasis on how these funds can be used for the development of senior centers. Senior centers have a high potential for providing services to the

residents of public housing and other congregate housing where the services cannot be provided in the housing itself.

In early 1975, Commissioner Flemming signed a statement of understanding with the Assistant Secretary for Housing Management, Department of Housing and Urban Development, for the purpose of exploring the possibilities of developing new meal sites under the title VII nutrition program, by making maximum use of resources—public housing—available through HUD local housing authorities.

Under the terms of the statement of understanding, in each State, local housing authorities and the management of other HUD-assisted housing for the elderly were alerted through HUD field offices to make contact with the State agency on aging.

They were also requested to identify the number of elderly residents reachable through the housing developments; to inform the State agency on aging about community space and facilities that could be made available; and to ascertain from the State agency on aging how and when participation may be brought about.

They were also instructed by HUD that modernization program funds can be utilized to accomplish alterations necessary in space to accommodate meal preparation and service.

Through the AoA regional offices, State agencies on aging were asked to contact local housing authorities and management of other HUD-assisted housing for the elderly to determine their capability for being primary contractors to administer a nutrition project serving the housing development residents, plus other elderly, and to determine usefulness of their facilities for meal service and possible attendant social services.

HUD area and insuring offices were to provide the State agencies on aging with lists of LHA's and other HUD-assisted housing developments for the elderly.

708 MEAL SITES IN PUBLIC HOUSING

Reports indicate that 708 title VII meal sites are located in public housing. This represents about 17 percent of the total sites in the nutrition program. I understand that 18 of these sites are in your own State of New Jersey.

These figures represent our most recent complete data; reports in 40 States as of this month indicate that there has been an increase in the number of nutrition projects and therefore there may also be an increase in the number of meal sites located in public housing.

Under the Housing and Community Development Act of 1974, an amendment to the section 202 program for housing for the elderly and handicapped directs the Secretary of Housing and Urban Development to—

. . . assure that housing and related facilities assisted by the 202 program are in support of and supported by applicable State and local plans responding to Federal requirements for provision of an assured range of services for occupants, including plans . . . pursuant to title III of the Older Americans Act of 1965, as amended.

Such services, the provision continues, may include, among others, health, continuing education, welfare, informational, recreational, homemaker, counseling and referral services, transportation where

necessary to facilitate access to social services and services designed to encourage and assist recipients to use the services and facilities available to them.

"CLEAR DIRECTION" ON 202

In other words, as we see it, written into 202 was a clear direction from the Congress to bring together social services from whatever source, and the housing programs, and we visualize the area agencies for aging as a tool for this kind of coordinated effort.

The regulations for the 202 program state that housing projects assisted under this program are to be designed to provide an assured range of services, emphasizing those services that are delineated in the law.

Thus, it is clear AoA and HUD must work together to assure that housing and supportive services are linked together to provide the necessary continuum of health, social, and recreational services to help older persons remain independent and a vital part of the community at large.

The Administration on Aging has begun negotiations with the Department of Housing and Urban Development toward the development of a joint working agreement which will focus on the linkage of services provided under title VII, as well as those that are made available under title III State and area plans on aging, and services under titles IX and XX of the Social Security Act, and the range of services available through other Federal programs, to housing projects assisted under the section 202 program, in addition to those assisted under the section 8 housing assistance payments program.

AoA-HUD ACTIONS ON TRAINING

In addition to these activities, AoA and HUD have jointly supported a program with the National Center for Housing Management to develop a short-term training program and appropriate materials for managers of housing for the elderly.

Also involved in this program are trainers from a variety of organizations specializing in housing management. These individuals will be expected to develop additional training under their respective organizations and thereby establish a national delivery capability for the program.

To date, 671 persons have completed the training; of this figure, 487 are managers and 184 persons have positions with related housing management duties. Some 17 trainers have completed their training and are now certified to conduct additional training under their organizations.

The Administration on Aging is also involved in a number of research and demonstration efforts related to housing for the elderly, the results of which will add to the state of the art in this important subject area.

We are also considering sponsorship of a national conference on congregate housing in order to move the state of the art forward in this area.

Federal cooperation is being developed by AoA and HUD and we are beginning to provide leadership to coordinate AoA and HUD activities and the tie-in to other agencies. As this develops, older residents of public housing projects will begin to enjoy the full range of services which can make the necessary difference in maintaining independent and purposeful living.

We are at the beginning of this rather than well along, and we do think it is important to pay very special attention to insuring progress in this area.

Mr. Chairman, this concludes my prepared remarks. I will be happy to answer any questions you may have at this time, or you could have the statement from Mr. Silverman.

Senator WILLIAMS. You have linked yourself in the memorandums of understanding between the two agencies and in your activities, and so we will have the opening statements of both of you before we get into discussion.

STATEMENT OF ABNER SILVERMAN, COUNSELOR TO HUD ASSISTANT SECRETARY FOR HOUSING MANAGEMENT H. R. CRAWFORD

Mr. SILVERMAN. Thank you, Mr. Chairman. Much of what I am to say will be duplicative of what Mr. Reilly has just said, but it is an unintentional overlapping of each other's subject matter.

The major role which the Department of Housing and Urban Development plays in meeting the needs of elderly citizens is in the provision of shelter for those elderly persons of low income.

It does this mainly through the low-rent housing program which subsidizes the provision and operation of low-rent public housing by local housing authorities.

As of December 1974 there were over 2,700 such local authorities operating over 9,100 projects, with 1,151,836 units—some 43.8 percent, or 504,504, of which were occupied by elderly tenants. Of these units, 273,270 were designed specifically for the needs of elderly residents. The characteristics of these elderly residents give some insight into their service needs.

The male heads of household have a median age of 69 years; the female heads of household, 72. They have a median annual income of \$2,624 and pay a median monthly gross rent of \$47.87. They are, in a large part, persons with difficulties in caring for themselves, and very limited income.

The HUD response in meeting the nonshelter needs of these elderly residents is essentially a catalytic one. That is, encouraging and aiding local housing authorities to identify, secure or develop community and tenant services from other sources, including Federal programs available through HEW, DOT, and Labor, State and local governmental agencies, and local civic institutions.

In this regard the responsibility for this effort rests in HUD with the Office of Management and Human Resources programs within the Office of Housing Management and, at the field operating level, with HUD Area Office Community Services advisers.

It is the job of these HUD staffers to advise and assist local housing authorities and sponsors of other HUD-assisted housing services and facilities for residents, and to seek and help develop necessary resources from Federal, State, and local agencies and organizations.

AGREEMENTS AT HUD HEADQUARTERS

At the headquarters level HUD has entered into important agreements with other Federal agencies to facilitate the provision of services.

In April HUD Assistant Secretary H. R. Crawford and Arthur S. Flemming, Commissioner of the Administration on Aging, entered an agreement for closer coordination to make more effective the nutrition program for older Americans.

Under the agreement, local housing authorities and the management of other HUD-assisted housing for the aged, working with appropriate State agencies, are determining the number of elderly residents within a housing project and in adjoining neighborhoods that could be served; the space and facilities that could be made available for the nutrition program within the housing projects; and the best way to serve the nutrition needs of the elderly. HUD has advised local housing authorities that low-rent public housing modernization funds may be used for necessary alterations in community space to accommodate meal preparation and services.

About 400 local housing authorities now participate in the AoA nutrition program serving one hot meal a day to the elderly.

In December 1974, HUD Assistant Secretary Crawford entered into an agreement with DOT officials to increase the availability of local transportation to elderly and handicapped residents of HUD-assisted housing.

Under this agreement, DOT's objective is stated as—

... to coordinate mass transportation services for the elderly and handicapped with existing transportation services, to make capital grants and loans to private nonprofit corporations and associations for the specific purpose of assisting them in meeting the special needs of elderly and handicapped persons for whom urban mass transportation services otherwise provided are unavailable, insufficient, or inappropriate.

ACTIONS ON TRANSPORTATION

HUD has, and is, encouraging local housing authorities and management of other HUD-assisted housing to establish and maintain communication with their local transit authority and to explore, jointly with resident councils, the following: reduced rates, at least during nonrush hours; rerouting of transit lines to better serve projects for the elderly and handicapped; adjusting schedules to accommodate special needs; and obtaining special services and facilities.

HUD has also advised local housing authorities and sponsors for the elderly of the provisions of section 16(b)(2) of the Urban Mass Transportation Assistance Act of 1964 which provides funds through States to private, nonprofit corporations and associations, up to 80 percent of net project cost, of acquiring mass transit equipment and facilities for the elderly and handicapped.

In 1971, HUD Housing Management and HEW Social and Rehabilitation Service entered into a memorandum of agreement on housing-welfare cooperation.

In that memorandum, HEW recognized a special responsibility to provide services to the neediest of the aged and to give leadership and direction to State welfare agencies for the development and strengthening of all types of social services to serve families, and elderly and handicapped persons.

As of March 1974 \$37 million had been placed under joint contracts. Some 61 LHA's had participated in the program.

Under title XX of the Social Security Act, signed into law on January 4, 1975, it is possible for local housing authorities to provide for chore services for elderly couples, transportation to senior citizen activities, and part-time care or guardianship of elderly persons in need of such oversight.

HUD field staff are encouraging local authorities to develop programs and to seek funding.

Under title X of the Public Works and Economic Development Act of 1965, as amended, which provides a job opportunities program, it is possible for elderly residents to be hired by local housing authorities for a number of jobs in service to the project.

HUD is also concerned with the needs of the elderly in other ways: In improving the physical security against bodily harm of elderly residents of public housing projects, and in professionalizing the management of housing for the elderly.

SECURITY NEEDS OF THE ELDERLY

For example, in HUD's housing management handbook, HM 7460.4, "Security Planning for HUD-assisted Multifamily Housing," one chapter is devoted to "Special Considerations Regarding Elderly Residents."

It deals with special problems, separation of the older and younger families, security for the exclusively elderly residents of family projects, and security off the premises.

Many programs have been instituted in public housing projects for the elderly, such as control of access, visual monitoring, lobby surveillance, emergency call buttons, and electronic alarm systems.

Included in the overall security programs is the participation by elderly residents themselves, including the commonly used buddy system. That is, people looking out for each other on a daily basis, as an alert for medical and accident emergencies and also as security for those living alone.

LEAA funds, in addition to public housing operating funds, are being used for security for the elderly. Several LHA's, including Dade County, Fla., and Philadelphia, through HUD's management improvement program, have experimented with and conducted research in security for the elderly.

Modernization funds are also being utilized in large part for security measures. With regard to the professionalization of housing management, the elderly are either participants in training for housing management or the beneficiaries of such training through several auspices.

30 WORKSHOPS ON TRAINING

The National Center for Housing Management, in cooperation with HEW and the Lilly endowment, has conducted 30 workshops in management of housing for the elderly, with almost 1,000 people attending.

Temple University has, through a HUD contract, conducted a workshop on the management of projects for the elderly.

The University of Florida has conducted training of housing managers for the elderly, as a spinoff of the NCHM program.

In addition, NAHRO—National Association of Housing and Redevelopment Officials—has, in the past, conducted five training programs for LHA employees in the management of housing projects for the elderly.

In summary, many local housing authorities and management of a number of other HUD-assisted projects serving the aged have diverse programs for the elderly covering a wide range of activities in nutrition, transportation, recreation, and homemaker services.

These are supported by a variety of resources from Federal, State, and local governmental agencies, as well as local private institutions.

Attached as an appendix to my statement is HUD handbook 7471.9* which sets forth the duties and responsibilities of HM community services advisers and an index to the key HUD issuances on community services; and that, Mr. Chairman, is my statement.

Senator WILLIAMS. Thank you very much, gentlemen.

You have attached an appendix?

Mr. SILVERMAN. That is correct. It has already been submitted to the committee. I have other copies if you need them.

Senator WILLIAMS. And the appendix is HUD handbook 7471.9. Does that mean that there have been almost 7,500 handbooks of this nature?

Mr. SILVERMAN. Actually it is the numbering system by subject matter.

Senator WILLIAMS. This sets forth the duties and responsibilities of HM community service advisers, and then an index to the key HUD issuances on community services. What does "issuances" mean?

Mr. SILVERMAN. The memorandums or directives sent to housing authorities telling them where services are located, what they should do, and how we can support them.

We have some 68 people involved in that activity in housing management, and that is our way of trying to get at the local level services, where they exist, focusing upon, or channeled into housing projects serving elderly families.

Senator WILLIAMS. Where are these people? Are they all in Washington?

Mr. SILVERMAN. No; there are 8 people in Washington, 10 in our regional offices—we have 10 regional offices—and 52 are in our 39 area offices in the field where housing authorities do business where the area offices are.

Our field establishment is where the work goes on. The central office sets policy and deals with other Federal agencies at the national level, and the regional offices monitor the activities of the area offices. We have a three-tier system of administration.

Senator WILLIAMS. Just let me pause a moment to look at this, how this appendix material is set up, to see if I can get an appreciation of what reaches the local housing authorities.

Mr. SILVERMAN. I think you will find it, Mr. Chairman, in back of that release, under appendix I. It is a bibliography of what has been issued and the dates.

*For excerpts, see appendix 1, p. 1015.

The framework—well, first of all, it seems to me that you work with an objective that pretty well defines the human need of older people who need a supporting, or a group of supporting services, and the services that you have addressed yourself to in your catalytic role are nutrition, transportation, recreation, and homemaker services.

Senator WILLIAMS. I wonder whether there is another there, in the activities that I would presume HEW would have on health services?

Mr. SILVERMAN. Mr. Chairman, we do not limit ourselves.

Senator WILLIAMS. This was not to be the exhaustive list of activities that you know are there?

Mr. SILVERMAN. We encourage the housing authority to be as active as they can be to get services that are available locally for the benefit of the elderly.

Senator WILLIAMS. Well, first of all, that is the first proposition. As I see it—as I hear it—you certainly have recognized what we are inquiring into here; that is the most effective way of matching a need with the service, and we certainly recognize the needs.

Our problem here is seeing how we are organized to deliver the services, and what gaps there are in organization, and what other gaps—funding, for example.

I appreciate full well your encouragement to the housing authorities to get out there and scrounge for the services and the funds, and you tell them where the agencies are, and then they go to these agencies, and you see, there are no funds.

“A LAND OF PAPER PROMISES”

They are living in a land of paper promises in a sense, and that is what these people in here yesterday were talking to us about.

We had two housing agencies from New Hampshire and New Jersey—Manchester, N.H., and Newark, N.J.—somewhat similar we got a recital of their total frustration in being in a position to deliver.

It appears Newark with community rooms, all set for the nutrition program, and somehow they never can get that title VII lined up with delivery, and Mrs. Bokser said this is where we are right now.

I hate to use these analogies to any other area, but it looks to me we have a diagram for the perfect football play, but it just is never getting over the goal line. Or maybe they are not equipped to deliver on their assignments because one of the missing ultimates is the money.

Now, you really go at it statistically on how effective we are by just looking at the statistics of the meals program, and how many agencies you have here, the number of local housing agencies that are part of the nutrition program. As I recall it, it is about 50 percent.

Mr. SILVERMAN. About 400 authorities have provided nutrition sites. Actually Mr. Reilly referred to a larger number of nutrition site programs, and that means, as I understand it, there may be several projects of a local housing authority providing nutrition services.

Mr. REILLY. I gave a figure of 708 nutrition sites, and those are actual places where hot meals are being provided within a public housing facility.

Mr. Silverman gave, apparently, a figure that relates to the housing authorities that are participating, so there are 400—some housing authorities that are operating some 700 sites.

Senator WILLIAMS. Now, this is dealing strictly with a nutrition program that centers—or runs out of the housing authority?

Mr. REILLY. That is correct.

Senator WILLIAMS. Or on your side, you have a lot more of these nutrition meal programs than the housing authority centers?

Mr. REILLY. There are currently 682 projects delivering hot meals through 4,900 sites.

Senator WILLIAMS. In judgment of evaluation, do you consider that one of your best efforts across the country?

Mr. REILLY. In terms of public housing, or nutrition in general?

Senator WILLIAMS. No, broadly.

Mr. REILLY. We feel it has been a major success.

Demand in terms of older people who come to the projects and are participating clearly shows that there is a real need there, which is being met by this program.

Senator WILLIAMS. Do you find it is a need that is more than a nutritious meal?

Mr. REILLY. Yes, the social benefits are quite important.

Senator WILLIAMS. It has its social benefits well beyond the nutrition that is offered?

SOCIAL BENEFITS FROM MEALS PROGRAMS

Mr. REILLY. Absolutely. The statements of people that participate tend to go in two directions: one is that the hot meal provides a necessary supplement to their actual nutrition level; the other kind of statement that people make goes to the social benefits in the program, statements such as "I had nobody to talk to until I came to this nutrition project, and now I have friends, where before I had not, since all my friends had died off." There is clearly a multiple benefit that comes out of these projects to brighten the lives of many older persons.

Senator WILLIAMS. Well, that is obviously what guided us in creating a lot of these programs, and it works. This is an area that does not fall under the Presidential criticism of social efforts, those he suggests are wasteful and wrong, and that we ought to cut them out. This is not one of those areas?

Mr. REILLY. We have not heard of that kind of statement in regard to programs for the elderly.

Senator WILLIAMS. We heard a statement about programs that do not work, and "let's get rid of them."

I wonder what programs he is talking about. Maybe he is talking about some of our efforts here in housing that are not working. In other words, we have an administrative plan but it is not reaching the target, and that is the thing that is troublesome, very troublesome, because we have to all agree, everything listed here as an objective is so essential.

Mr. SILVERMAN. That is correct.

BLOCKS AND STOPPAGES

Senator WILLIAMS. And I am wondering where the blocks and stoppages are along the way. Is there enough money there, first of all, for the food? Now, here take a housing authority, and now we are

going to come off the broad program of nutrition and back to specifically that that is generated out of the housing authority, and we have the housing authority, big city housing authority, and somewhere along the line, they had the wisdom, and the funds in planning their housing, to create, they call them community rooms, and I would imagine the kitchen is included in some of them and the dining room.

Mr. SILVERMAN. Almost universal.

Senator WILLIAMS. And there they are ready to deliver, and they have the ability, the ones I have talked to—I mean, they have the competence of knowing how to put it together, but there is a failure to deliver, and I wonder why that is.

Where is the money problem here? There must be a money problem somewhere.

Mr. SILVERMAN. Just to hazard a guess, the social service system of our Nation is a permissive system. It is a different system in practically every State. I do believe, and in every locality, and depending upon the resources in the locality—and you might say the conscience of the locality—the service output varies. That has been our experience.

In some places, they cannot do too much. One example for the elderly, is in San Antonio; they have several projects there as Dr. Marie McGuire Thompson testified yesterday. She is from Texas and she has done much in San Antonio to provide services.

In another State we may have a community room that is still closed, because they cannot find the help needed to keep it open.

We have this whole range of impact and results. There is one thing everybody seems to agree upon, and that is the need, and the desire to do something good for the elderly.

Everybody loves mama. It is a tremendous force, but the capacity to do something substantial about it varies from town to town. How to overcome that under a permissive system of welfare I just plain do not know.

Senator WILLIAMS. Our job, of course, is to make sure that with our opportunities we make it possible for a maximum utilization within the community, and I am just wondering where there is anything lacking in what we have done in a legislative way, and then of course, what may be lacking in an administrative way.

This is really what our inquiry is all about. We are talking about congregate housing, which means, as it was defined yesterday, the reaching of people with their full living needs. You described the whole range, pretty much of the needs, and it is just not happening. We want to find out why.

FURTHER DISCUSSION OF 202

Mr. REILLY. I have one comment on legislation. The provisions that the Congress put into section 202 requiring coordination with the service agencies, in terms of providing services within 202 supported housing, seem to me to be a very good idea. One of the operational problems, obviously, is that separate pieces of legislation often tend not to fit well together in terms of providing benefits to the same people from two different programs, with different legislative authorizations. The Congress can, in providing various funding

programs, mandate in those pieces of legislation, coordination with other funding programs. This would then facilitate the bringing together of the programs at every level of administration down the line, Federal, State, and local. It would also establish that the Congress really means that interprogram coordination is to become a reality.

There is a built-in human tendency, I think, in administering almost any program for people to tend to go their own way, unless there is a clear direction that that is not the intent.

Senator WILLIAMS. Of course, you are talking here—you mentioned 202 provisions of linking federally supportive houses with services that are, in part, supplied through other programs; and I will tell you where the blockage here is.

Really the snuffing out of 202 housing, administratively, it was all administratively, because the program has been there, and available, 202 housing has been available.

It has been available for 15 years or better, since 1959; are you familiar with 202 housing?

Mr. REILLY. Somewhat.

Senator WILLIAMS. Are you, Mr. Silverman?

Mr. SILVERMAN. Somewhat.

Senator WILLIAMS. You know what it is all about. You know what happened with 202.

Mr. SILVERMAN. Yes, I do.

Senator WILLIAMS. Yes. And I will tell you, Mr. Reilly, what happened with 202. It is a direct loan program, as it was started, and as it continued, this was all dollars that were lent, with immediately part of that year's budget, is that accurate?

Mr. SILVERMAN. That is correct.

Senator WILLIAMS. So we ran into big budget problems, and we were sensitive to that, so we changed it, and we did that 4 years ago, the budget change, when we went to treasury, it was 5 years ago, 6 years ago, we went over the budget, into treasury borrowing, took it out of the budget, and the authority was there, and it was never used.

I do not believe there was one 202; am I correct? After we changed it, were there any direct loans?

There was not. So what we have now, we kept it alive here in Congress, because it is a good program.

How many units, 40,000 units of 202, and there has been 1 failure out of a good program, but not a giant one, only 1 failure.

We kept it alive, and then we got killed another way—202 got killed another way—through regulation.

The regulations that came on over this past year, that limited the money to construction, alone for construction, not for permanent financing.

I will tell you this, in our most unsettled night of nightmares, we never thought of that one, that it would be taken off permanent financing, and put into construction, and so when that dark dawn broke, we went to work, and with the cooperation of a very sensitive Appropriations Committee, we said here is the money, and the money is to be used for permanent financing.

That is where we are now, we just passed the appropriation bill last week. Has it been signed?

Mr. SILVERMAN. Is it not still in conference?

Senator WILLIAMS. It is at the President's desk. Now you see how we have to close the doors. You kept talking about 202. There is, in effect, no ongoing 202 program.

We are trying to keep it alive, and we got the money in there this year, \$315 million, I think, and it will be for permanent financing, and the law is adequate, for the housing, for the services, but if there is no housing, there will not be any services generated out of a no-housing situation.

This is our problem, and I am just wondering whether there is not the same thing here that bothered us in other areas, let the locals tell them where programs are defined, go find it, go get the money, and there is nothing there to get, and this is true in good measure, am I right, Mr. Silverman?

Mr. SILVERMAN. There are many areas where there is a theoretical existence of service, but it is not funded, or the funds have been exhausted.

Senator WILLIAMS. This is what we will have to have, the outline, the appendix, the description of memorandum activity, excellent.

Now, we have got to get behind that, to see what is being delivered, and I think we will need another appendix, it is statistical, but then we will take the numbers that are served in the community, recreation, nutrition, transportation for the elderly, and this is an area where the communities are responding pretty good.

Mr. REILLY. On the expectation that there would be some activity of one kind or another under 202, we are engaged in negotiating agreements with HUD, around 202, to try to get the area agencies on aging involved with the prospective 202 sponsor at the early stages, so that it is not after construction is well along, or when the key is about to be put in the door to open the project, that they go looking for service providers to come in.

Senator WILLIAMS. I applaud that. You are ready to deliver, if there is anybody to deliver to, is that right?

Mr. REILLY. When you say "you are ready," I want to modify that a bit. Our activities are decentralized too. What we are trying to do is get the local sponsor, the housing side of it together with the area agency on aging, the coordinator of service providers in the area, so that they are planning together from the beginning. We cannot mandate that from here, but we can pave the way for such local planning and strongly encourage it.

Senator WILLIAMS. I understand. So when that day dawns, and I hope it will be this year, this coming year when we will start 202 housing, the church group, or whoever it is, will know that there is an AoA activity.

Mr. REILLY. We will work with them, in terms of not only providing funds that come through the Administration on Aging, such as title III purchase of service funds, and title VII nutrition funds, but we will also try to work with them in terms of tapping title XX social services, general revenue sharing, and whatever other funds may be around.

REVENUE-SHARING: HOW USEFUL?

Senator WILLIAMS. Now you hit a very, very sensitive area of concern, and that is the availability of general revenue-sharing funds.

I will tell you, that is really a potential, and these communities that have the general revenue money, first of all, the general revenue, under revenue sharing, is in a block, and when you take that block, and apply it to what they use to have under categories, it is a lot less money, and, therefore, what will reach some of these new areas is drip, drip, drip, if anything, because they are just trying to keep other things that have started, and underway alive, and they cannot reach new activities.

Mr. REILLY. The reason I mentioned it, Mr. Chairman, is that as area agencies on aging get established in their communities and develop their annual public hearings, some public pressure can be brought on community government to do some shifting from the bricks and mortar kind of projects to the social service kind of projects.

Senator WILLIAMS. I hope you are right, and that is to be encouraged, in my book.

I do not believe we are about ready to go back to categories, and the blocks for a while, maybe not forever, I don't know, but in the meantime, I hope you are right, but it has not arrived at that yet.

Mr. REILLY. No.

Senator WILLIAMS. You said something, Mr. Silverman, about the communities you serve, we are focusing here on services that can be delivered, and we know who the people are.

Under the Federal housing programs, a lot of people out there have these needs, there are not of course all of these people having their needs met with Federal housing, and you mentioned something about that, that group of people.

Mr. SILVERMAN. There are, Mr. Chairman, in spite of the best efforts of the housing authority, in spite of our community service advisers pointing the way, the results are not there to meet the needs that are known and recognized, and so you keep scrounging.

If it is not available here, then you go to another organization, to a philanthropic organization, and they are pretty hard put, and sometimes church groups, and there are a whole variety of services that come from the non-Federal agencies of the United States.

There are a great field of social welfare services, friendly visiting, all kinds of things that come to mind, but they sometimes vary in quality, and you cannot always count on them being there.

That is one of the problems, and I certainly subscribe to what Mr. Reilly just said, about knowing in advance, before you make a commitment to build, that you are going to have these programs, and they will be funded, and that you are going to proceed with a finished package, and you do not just rely on faith, hope, and charity.

Senator WILLIAMS. How many conventional housing projects are underway now for the elderly?

Mr. SILVERMAN. I will have to give you that figure for the record.

That is no longer part of our management responsibility. I know what exists. I do not know what is in the pipeline.

Of some I know, but when you said conventional, the original contribution contract, we will try to find out. There are some, but I cannot tell you. Would you like me to submit that to you?

Senator WILLIAMS. I would like to know that, and whether there are applications received now, and where they are, and whether there is pipeline money to grant new applications.

Mr. SILVERMAN. I will get you that.

[Subsequent to the hearing, the following letter was sent to Hon. H. R. Crawford, Assistant Secretary for Housing Management:]

OCTOBER 9, 1975.

H. R. CRAWFORD,
Assistant Secretary for Housing Management,
Department of Housing and Urban Development,
Washington, D.C.

DEAR SECRETARY CRAWFORD: It was very good of you to send Mr. Silverman as your representative to the October 8 hearing on service needs of the elderly in public housing. He was an able and informative witness, and I enjoyed his testimony.

As I informed Mr. Silverman, I had several questions in mind which I decided to forward in writing. They are enclosed. I would appreciate replies by October 20 to insure inclusion in the hearing record.

I'd also like to mention to you that Mr. Marschalk of your Senate liaison unit was particularly helpful in the arrangements for the hearing. Committee staff informs me that this is not unusual for Mr. Marschalk; they enjoy working with him.

With best wishes,
Sincerely,

HARRISON A. WILLIAMS, Jr.
Chairman, Subcommittee on
Housing for the Elderly.

[The Department submitted the following answers to Senator Williams' questions for the record:]

Question. It appears that you have made great strides during the past 6 months in providing sites for a more effective nutrition program under title VII. Could you provide me with figures on how many authorities actually prepare and provide the meals on the premises, how many are catered, and how many offer the participation in the program but at distant locations? In addition, how many authorities have used modernization funds to make the necessary alterations to accommodate meal services?

Answer. The nutrition program is the direct responsibility of the Administration on Aging of HEW. We do know that about 700 public housing sites are being utilized in the program but have none of the other information you requested.

Question. It has been almost a year since the agreement with DOT was reached. Could you share with the subcommittee your successes under this program, either now or for the hearing record?

Answer. We do not, at this time, have data on the degree of utilization of this program. However, as an initial step in the implementation of the HUD-DOT agreement, we have notified all housing authorities throughout the United States and all our field staffs—at all operating levels—about the agreement. The Department of Transportation has taken the same steps.

Question. I'm pleased to find out that HUD is still upholding their memorandum of agreement on housing-welfare cooperation. This has caused some problems in New Jersey which were described by a couple of our witnesses yesterday. In Newark, they are using modernization funds to rehabilitate 250,000 units of housing into 400,000 units for the elderly. Unfortunately, these facilities are meaningless without services. Also there are 206 new units which have congregate meal services and community rooms which remain unutilized because of the lack of staff.

The Newark Housing Authority presented a comprehensive proposal under the HUD-HEW agreement of 1971 which you describe, but were turned down. Can you comment on this please?

Answer. The Newark Housing Authority in October 1974 requested more than \$7 million from the New Jersey State Welfare Department for social services. Since most of the items on the list did not coincide with the State's social service priorities, this was disallowed. However, a new request has been submitted for about half a million dollars, and it is our understanding that this is more likely to be funded by the State. This should help provide certain social services for both the elderly and families in Newark Housing Authority projects.

Question. Please tell me how many elderly residents have been hired by LHA's under the Public Works and Economic Development Act of 1965?

Answer. At least 21 local public authorities have become involved in programs financed pursuant to the Public Works and Economic Development Act. The first reports on this program have not been received but are expected shortly.

Question. I see no mention at all of section 8 in your statement. What should be the role of section 8 in providing—or assisting in seeking the provision of—services to maintain semi-independent living of impaired elderly?

Answer. Both the section 8 new construction and substantial rehabilitation programs permit development of congregate housing for the disabled elderly. There are three methods by which an owner or developer can propose to develop a congregate facility under the section 8 program:

- (a) In response to an invitation for a preliminary proposal;
- (b) Under the section 202 program;
- (c) Application to a State housing finance or development agency.

An owner can respond to a HUD field office invitation for units for the elderly by proposing to build a congregate housing project. A sponsor who may have already received a reservation of funds under section 202, may submit a proposal to the field office for a congregate housing project for units for the elderly. Owners or developers may apply directly to a State housing and finance agency. Thirty States and the Commonwealth of Puerto Rico have State housing finance or development agencies. A project for congregate housing must comply with the applicable guidelines and standards.

Question. What funds are being provided for services to the elderly under your target projects program?

Answer. The target projects program is aimed at problem projects in the inner city and consequently tends to involve units for families with children. Some elderly persons may be served by the TPP but—since projects with large numbers of elderly tenants, usually present fewer problems than some others—the number would be small and scattered through many projects.

Question. Since 1970, when congregate housing was first authorized for public housing, how many projects have been built with special features for congregate services? How many modernizations for similar purposes have been made? What is your recommendation for dealing with the lack of funds to pay for food in congregate settings?

Answer. We do not maintain statistical reports on public housing projects containing congregate services.

As to modernization, there has been some conversion of family units to elderly units using modernization funds. Additionally modernization funds have been used to construct community facilities for the elderly. However we do not maintain separate statistics on the age levels served by modernization funds.

Question. I understand that HUD has recently awarded a grant for the study of congregate housing. Could you tell me the objectives of the HUD study? Will it include an analysis of the need for this type of housing as well as a cost effectiveness—and when do you expect to have the final report available?

Answer. In fiscal year 1974, the Administration on Aging began two studies of congregate housing. One is a comprehensive review of the literature, especially focusing upon the European experience. The other is for the development of a profile of the older person who prefers congregate living.

The Department of Housing and Urban Development entered into a contract with Urban Systems Research and Engineering, Inc., of Cambridge, Mass., on June 30, 1975, for a study of congregate housing for the elderly. This project will build onto the two earlier efforts by examining the housing and housing-related needs of elderly residents of congregate facilities and evaluating the effectiveness of the congregate environment in satisfying those needs. Both HUD- and non-HUD-assisted sites will be studied, and the project will attempt to determine what characteristics of existing facilities contribute to the success or failure of the projects in meeting these needs.

The study will attempt to describe the type of person who is in need of the congregate environment, but is not designed to make market projections of the need for numbers of units, for various projections such as Dr. Donahue's indicate that the need is vast. While the project will not be conducting a comparative analysis of the cost-effectiveness of congregate living, it is known, as Dr. Donahue points out, that many whose needs can be met in the congregate environment would otherwise be forced to live in nursing homes. The implications for costs of service provision by these two modes are obvious.

The final report on this research will be received by HUD June 30, 1976, and will be available following approval of this product by the Department.

Question. Dr. Donahue—in her testimony yesterday—said that more than 3 million persons can be considered to need assisted living, and that 2.4 million of them are candidates for residential congregate housing with services. Without such services, they probably would be forced to seek nursing home accommodations. Do you think that HUD has a responsibility to these people? Does HUD's interest extend only to those persons living in federally assisted housing, or does it have a fundamental responsibility for concern about the basic need for appropriate housing to all Americans?

Answer. HUD's fundamental responsibility is to provide decent housing and a suitable living environment principally for persons of low and moderate income. This would certainly include those elderly persons whose income level and physical condition combine to force upon them the choice of seeking either a congregate or institutional housing environment.

In recognition of this responsibility, the Department has expanded its congregate housing effort to the extent that such housing can now be developed under most rental housing programs.

Moreover, pursuant to section 209 of the Housing and Community Development Act of 1974, consultation between HUD and HEW is now taking place at the Assistant Secretary level in order to insure that elderly/handicapped projects authorized pursuant to the Housing Act of 1937 meet acceptable standards of design and provide quality services and management consistent with the needs of the occupants.

Question. When I asked the panel of witnesses on October 7 if any had applied for funds under the community development block grant program for rehabilitating public housing to equip it for the provision of services, I received a general response that these block grants were expected to deliver "too much" for "too many." Is HUD aware of the problems associated with using these funds for the above purpose? In addition, I have further, more complicated, questions regarding the interpretation of the community block grant regulations. They follow:

Can community development funds be used to fund a senior center if the sponsoring agency is a private nonprofit organization?

I have also heard that HUD discourages the use of housing rehabilitation loans for areas that may be unable to afford to repay such loans which to me indicates that these funds may not be reaching the neighborhoods for which they were intended. Could you clarify this interpretation for me?

[To facilitate its response, the Department has separated the questions and answers as follows:]

Question (1). Is HUD aware of the problems associated with using block grant funds for public housing rehabilitation?

Answer (1). CPD is not aware of the problems described. The planned use of block grant funds for clearance, demolition, and rehabilitation was recently examined in a provisional report prepared by the CPD Office of Evaluation. From the limited data available on planned rehabilitation expenditures, staff estimates that probably less than 1 percent of project funds are being spent for public housing rehabilitation. Evidently applicants have not chosen to use their entitlement funds for this purpose.

Question (2). Are block grants expected to deliver "too much" for "too many"?

Answer (2). The block grant program cannot be expected to deliver more than its component parts delivered in their former categorical program status. However, the whole is greater than the sum of its parts in this respect: block grant recipients may allocate their funds to program activities meeting their highest priorities rather than undertaking only those programs they were able to obtain through their grantsmanship skills. Thus program delivery can be more effective with a prudent use of Federal funds. A possible explanation of this question is that some citizen expectations have not been met as a result of competition with other local interest groups for the use of block grant money no longer designated for a particular categorical use. Competition weeds out many activity options.

Question (3). Can community development funds be used for a senior center if the sponsoring agency is a private nonprofit organization?

Answer (3). No, senior citizen centers must be publicly owned.

Question (4). Does HUD discourage the use of housing rehabilitation loans in poverty areas?

Answer (4). No criteria have been established, as yet, for rehabilitation loans under the block grant program. The question may refer to the section 312 loan program but these loans are targeted to Federal project areas like urban renewal and code enforcement areas which are poverty areas. Loans cannot be made out-

side their boundaries. Loans are made to individuals with the intent that they be repaid, as required by the authorizing legislation. Presumably they will not be made in poverty areas if the financial condition of the applicant precludes any possibility of repayment.

Question. Could you provide the committee with statistics on how many persons are being reached by the services provided through the various agreements (HUD-HEW, HUD-AoA, HUD-LABOR) which you mention in your testimony?

Answer. We do not maintain statistics on these interagency agreements.

PROBLEMS IN THE PIPELINE

Senator WILLIAMS. I will tell you one that has been in the pipeline. I will tell you, it has been stuck in that pipe a long time—Wildwood, N.J.

You would not believe the facts that have stopped Wildwood, and it is the most gruesome bureaucratic story I have ever been exposed to.

Mr. SILVERMAN. I have a vague recollection of it.

Senator WILLIAMS. It finally got held up for a long period of time on a watermeter—dividing the watermeter between the low rise and high rise.

It is a long story, and when the President goes after the bureaucracy, I think of Wildwood Public Housing, believe me.

I was talking to Wildwood, to the director there, the other day, and if we do not get the housing, I will quit my job, you quit yours, and we will go into some other business. It is absolutely wrong. It is holding 78 units ready for occupancy, because the other part is not completed.

If I could get some of it, I would like that, and any other statistical material on how many people are being reached, and with the other things that you have drafted into memoranda of understanding, we would appreciate it too. It will be helpful to us.

Mr. SILVERMAN. Mr. Chairman, as far as I know, we have no facility—we do not get data on the number of people being served. We get data on programs that are in effect, and it will be a monstrously difficult job to ask housing authorities to take attendance records to give you a population count, but if you want to know what programs are going on, that I think we can do.

Senator WILLIAMS. Maybe we better define exactly what we think will be realistic from your standpoint, and what will be helpful for us, so that there will be no ambiguity, and we will put this through to you.

Mr. SILVERMAN. We would appreciate that and a chance to respond.

Senator WILLIAMS. Here is one I was going to ask, maybe we better put these to you in writing. How many elderly residents have been hired by LHA's, local housing authorities under the Public Works and Economic Development Act of 1965?

I wonder if any computer button could release that number.

Mr. SILVERMAN. That number may be available, but we have to report on that.

Senator WILLIAMS. We will give you these questions.

SECTION 8: HOW FAR ALONG?

I will say, I forgot all about section 8 housing, does section 8 housing fall under your management at all?

Mr. SILVERMAN. With respect to new construction, when it is completed, we will have responsibility for its administration, but none have been completed yet.

Senator WILLIAMS. Say that again, that last statement.

Mr. SILVERMAN. But none have been completed yet to my knowledge.

Senator WILLIAMS. That is what we told the man a year and a half ago, that there would not be any, it would be unlikely any would be completed for a long time if ever.

It has not drawn forth that private entrepreneurship that Mr. Lynn expected 1½ or 2 years ago. It was 2 years ago that he thought that this was the end-all and the be-all of housing opportunity.

Mr. SILVERMAN. Mr. Chairman, in all fairness, the program was not available until this year.

Senator WILLIAMS. Then how many applications do you have?

Mr. SILVERMAN. The Secretary reported, I think to this committee, about 90,000 have been received about June 30 of this year. I think that figure is correct.

Senator WILLIAMS. I know that is not your department.

Mr. SILVERMAN. But it takes time to translate the application to a finished building. The lead time in public housing was never less than 1½ to 2 years from application to completion, and in some cases much longer.

Senator WILLIAMS. Section 8, there are no finished section 8 projects?

Mr. SILVERMAN. Not to my knowledge. I could be wrong.

Senator WILLIAMS. Do you have the whole design of the administrative mechanism which will go to work in this area of social service activity in section 8, if we ever have section 8?

Mr. SILVERMAN. The whole design, as you mentioned a while ago, it is there. It is the same design for section 8 as for 202, 236, or for public housing.

Senator WILLIAMS. Who will be the developers of section 8?

Mr. SILVERMAN. It could be either an entrepreneur, a sponsor, it could be a nonprofit corporation, it could actually be a housing authority.

Senator WILLIAMS. It could be?

Mr. SILVERMAN. It could be.

Senator WILLIAMS. I think it was designed to draw forth more of the entrepreneurs than the others. I could be wrong on that, but they were key to the thinking as section 8 came on as a program.

Mr. SILVERMAN. What is required, Mr. Chairman, you see, is that the section 8 project that is privately financed, or it could be through an FHA insured mortgage, but it is private financing rather than public financing, or public guarantee of local authority borrowing.

Senator WILLIAMS. And with the rent support, it was thought to be an attractive investment. It looked to those of us who worked and passed it through, we passed it through with great reservations, whether it would be that attractive, whether it would produce the housing, but again, it is not the kind of housing that meets, that strikes the response of the nonprofit, with the same force as 202 does, be that as it may.

When we talk about the social services, it seems to me if it is an entrepreneur thing, it will be a little less likely that there will be the same kind of incentive to work the services opportunities into the housing from the beginning.

Do you see what I mean?

Mr. SILVERMAN. Yes.

Senator WILLIAMS. The theory is not as sound as you have with a nonprofit, where housing is the service, and anything that helps the housing service will be part of the philosophy that created the housing, but that is not true if they are in for the points, so I would like to know just how many, and who, can you give this over to another part of your massive department, the number of applications, and by category, I would think it would be nonprofits.

Mr. SILVERMAN. Section 8 applications?

Senator WILLIAMS. Yes, and the progress report, this goes over to, who is the Assistant Secretary, and what area is this?

Mr. SILVERMAN. Mr. Cook, Assistant Secretary for Housing Production.

Senator WILLIAMS. Would this be David Cook's Department?

Mr. SILVERMAN. That is correct.

Senator WILLIAMS. Could we get that in our request for supplement to you, or directly to Mr. Cook?

Mr. SILVERMAN. I would suggest you send it directly to Mr. Cook.

Senator WILLIAMS. And I will tell him that this question arose at our hearings on housing for the elderly, that this is what we need.

Mr. SILVERMAN. In the meantime, I will alert some people it is on its way.

Senator WILLIAMS. We are not a legislative committee, as we sit here; you know that.

Mr. SILVERMAN. Yes.

Senator WILLIAMS. But we have a direct line to upstairs, and "upstairs" is the Housing Committee, which is right upstairs—the legislative committee.

Mr. SILVERMAN. I am familiar with the grand design of this building too.

Senator WILLIAMS. Now, I think that this has been an unusually informative exchange, and I believe that we are all in the common struggle here, we want to see something work, and the work is involved with something that is so essential to the lives of so many older people who need a partnership and support here, you are for it, I am for it, we are all for it, and we want to make sure it is done.

Well, we do thank you.

Mr. REILLY. Thank you.

Mr. SILVERMAN. Thank you.

[Subsequent to the hearing, the following information was received by the subcommittee:]

THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., October 16, 1975.

HON. HARRISON A. WILLIAMS, JR.,
Chairman, Subcommittee on Housing for the Elderly, Special Committee on Aging,
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: This is in response to your letter dated September 4, 1975, concerning housing for the elderly under the Section 8 Housing Assistance Payments program.

For Housing Finance and Development Agencies (HFDA), as of September 5, 1975, a total of 394 applications have been received, representing 48,002 units of which 26,670 units are designated for the elderly. Of the 394 applications, 327 represent new construction, or 39,903 units of which 25,088 units are designated for the elderly; 58 applications represent substantial rehabilitation, or 4,427

units of which 1,348 units are designated for the elderly; and 9 applications represent existing housing, or 3,672 units of which 234 units are designated for the elderly.

For non-HFDA activity, as of September 5, 1975, approximately 840 preliminary proposals have been received (799 new construction and 41 substantial rehabilitation). Since a preliminary proposal cannot be opened until the applicable bidding period expires, units are not tracked at this development stage. However, of the 840 preliminary proposals received, 25 have been approved, representing a total of 1,437 units of which 1,392 units are designated for the elderly. All 25 preliminary proposals are for new construction, except one for a substantial rehabilitation proposal that has 52 units all of which are designated for the elderly.

For non-HFDA existing housing, as of September 5, 1975, approximately 611 applications have been received, representing a total of 107,730 units of which 37,056 units are designated for the elderly.

In developing and implementing the procedures for collecting data for the automated Section 8 Management Information System (MIS), it was decided not to collect information concerning the profit or nonprofit status of a "sponsor" or owner. It was determined that it would be more important to ascertain whether a project is privately or publicly owned; this delineation will be available during October 1975. During the planned revision to the Section 8 MIS, scheduled for February 1976, we will consider collecting data on the profit or nonprofit status of private owners and "sponsors."

Sincerely,

CARLA A. HILLS.

Senator WILLIAMS. Now, our next witness is Mr. Frederic Fay, executive director, Richmond Housing Authority, and also Powell Lawton, Ph.D., director, Behavioral Research, Philadelphia Geriatric Center. Why not share the table, you are certainly in alliance.

We heard something that was very inspiring and exciting yesterday about the Richmond Housing Authority from Mr. Patterson, who was a visitor to the housing authority, from Niagara Falls, N. Y., and I will tell you, he described a service that was remarkable. Let's hear about it.

STATEMENT OF FREDERIC FAY, EXECUTIVE DIRECTOR, RICHMOND, VA., HOUSING AUTHORITY

Mr. FAY. Mr. Chairman, I am Frederic A. Fay, executive director of the Richmond Va., Redevelopment and Housing Authority and chairman of the Virginia Housing Development Authority, the housing finance agency for the Commonwealth of Virginia.

The Richmond Redevelopment and Housing Authority operates approximately 4,000 dwelling units of low-rent housing including accommodations for elderly and operates the urban redevelopment and rehabilitation activities being carried out in Richmond under the Community Development Act of 1974.

I am privileged to have an opportunity to participate in this hearing, and I greatly appreciate the efforts of the committee and staff in arranging the agenda to make my participation possible.

I am pleased as well to contribute my views as a participant on the local level—city, region, and State—to the question of the Federal response to service needs including meals, housekeeping services, health, personal hygiene, and transportation of elderly citizens in public housing.

Although that need is without question very great and probably the area most readily focused upon by Federal programs, it is but the tip of the iceberg, the small visible part of the need that is most easily

reached. Indeed, the magnitude of the problem of delivering essential supportive services to the vulnerable elderly is a staggering one.

Increasingly, social forces in our communities are realizing this unmet need and in concert with national programs of the Administration on Aging are attempting to develop volunteer resources through such activities as Operation Independence.

By focusing on unmet needs and sharing community resources through planning and coordination of effort, this is a most essential undertaking—essential because it is obvious that Federal financial assistance is so limited and in fact seems to be accomplishing less each year because of increasing and understanding greater needs which must compete for the same or less funding while suffering the eroding effects of inflation.

It is a shocking paradox that the dramatic advances made in health care, housing, and nutrition which have resulted in the increased longevity of our population are now difficult for most vulnerable and older adults to obtain. Indeed many elderly are barely able to exist, let alone in a satisfying way.

We can give grateful thanks for the foresight and wisdom of those great pioneers who have made decent housing for the low-income elderly a reality.

NO FEDERAL RESPONSE TO A BASIC NEED

You have had several of them involved in these hearings, but where is the Federal response to the basic need for shelter today?

There is none. The shadow of the "moratorium" of January 1973 still hangs over what was one of the most humane and necessary programs of our time and the present administration does not seem to be at all concerned about any volume of housing except what can be sold for \$40,000 or more per unit.

Those of us on the local level, city, region, and State, have done our best under these trying circumstances to maintain our incurable optimism and are still trying by any means to develop more housing for the elderly.

This is a painful process proceeding almost unit by unit, but hampered and pulled back at every step by the bureaucracy of the Department of Housing and Urban Development.

Mr. Chariman, I might say the experience at Wildwood is not unique or singular. It is repeated in many, many cases around the country.

In Richmond and in other cities in Virginia efforts are being made to find innovative means to capitalize on our meager supply of housing for the elderly and provide supportive services through a more extensive use of voluntary action.

CERTAIN BASIC SERVICES PROVIDED

The Richmond Redevelopment and Housing Authority, in its limited supply of housing for the elderly, provides certain basic services such as meals, through the citywide meals-on-wheels; a United Way program and public nutrition programs available through the capital area agency on aging; housekeeping assistance through the cooperation of the capital area agency on aging, a regional group work-

ing with the authority's counseling services; health care, including an innovative medical externship program carried out in cooperation with the Medical College of Virginia, and now in its second year.

I had intended to furnish you with a copy of an evaluation of that program,* but in the rush in getting away, I neglected to bring it along.

Senator WILLIAMS. This is what was discussed yesterday with Mr. Patterson. Did you meet him while you visited with him there? He is the image of Colonel Sanders, except for the white suit, everything else is the same.

If you could send it, that is fine.

Mr. FAY. In addition, we have extensive recreation programs for elderly through the city's department of recreation and parks.

This last spring we participated in a vacation exchange program with Niagara Falls, N. Y., sponsored by the International Center for Social Gerontology.

I am also submitting a copy of an account of that activity entitled "A Remembrance—A Home Away From Home,"** for the record.

Transportation is furnished by volunteers and through the cooperation of local supermarkets and grocery chains including Safeway Stores and others.

The result is a happy and rewarding experience for a limited number of persons; but for each one so blessed, there are literally thousands of others who are not able to enjoy the warmth and security of decent shelter, let alone any of the amenities.

For your records, I am also submitting a copy of the Authority's research publication "Housing the Low-Income Elderly."†

I should like, Mr. Chairman, to request that pages 30 through 33, dealing with "Congregate Housing" and the summary be included in the record.

Senator WILLIAMS. It certainly will be.

Mr. FAY. I would not have you believe that we have solved the matter of supportive services in Richmond. Far from it.

We are dealing only with limited programs and a Federal commitment is essential to provide a sound basis for developing such activities. Such a basis would be of an assurance, in addition to the basic shelter and even on a demonstration basis, of congregate or other assisted residential housing.

Our priority effort in Richmond, and in the region and State as well, is the development of an adequate housing supply. Since community development revenue sharing funds may not be used for the construction of housing, resources in this area are limited.

However, as a beginning, the Richmond Regional Planning District Commission has just completed "A Housing Plan for the Richmond Region" which, while it does not identify a specific elderly housing need, does point out the need for specific market analyses to focus on the housing needs of each entity in the region.

Such an analysis would need to include the need for housing for the elderly and the provision of essential supporting services.

I was privileged to have served as a member of the regional housing committee and as chairman of its monitoring committee which dealt with the consultants in the preparation of this report. ‡

*See appendix 2, item 4, p. 1039.

**Retained in committee files.

†See appendix 2, item 1, p. 1017.

‡Retained in committee files.

I am submitting a copy of it to you for your files and as evidence of a sincere effort of an attempt to meet this challenge.

The report is now before the various governmental entities in the region and frankly is meeting with some resistance being viewed by some as "the nose of the camel under the tent," since it calls attention to the need for a housing distribution plan.

The plan is only the first step, and much work is needed to assure even the beginning of its implementation. But there are some encouraging signs that this may develop.

On yet another level, the Virginia Housing Development Authority is deeply concerned over its legislative mandate to assist in the development of financing of housing for moderate income families of the Commonwealth.

Although it has been in existence only since July 1972, to date the authority has committed itself to make construction and mortgage loans for 863 single-family dwellings and for multifamily developments containing 2,690 dwelling units.

HOUSING FOR RETARDED ADULTS

Recently, in cooperation with the State Department of Mental Health and Retardation, the Virginia Housing Development Authority has announced a program for provision of housing for the adult mentally retarded, which will take full advantage of the Federal assistance available under the section 8 housing assistance payments program.

Developments under this program would be specially constructed or rehabilitated and operated as normal residences for group and apartment living with not more than 16 occupants per dwelling for congregate group homes and 20 to 25 occupants for apartments.

This innovative program, we hope, will attempt to meet the needs throughout the State which are increasing significantly on account of the return to their homes by the State of large numbers of mentally retarded adults of low or moderate income due to overcrowding of State facilities.

I am happy to be able to leave with you a copy of the program* description for that activity. Included are listings of the fair market rents and market studies prepared by the authority for the information of interested developers around the Commonwealth.

I have not included, because I am sure they are readily available to you, the regulations for part 883 of section 8 of the housing assistance payments program.

I might just expand on that for a moment, Mr. Chairman, because of the interest that has been indicated here earlier, of the possible use of section 8. The implementation of this program is scheduled to be in two phases, the demonstration phase, in which interested developers would be requested to submit proposals, and from those proposals, not more than three would actually be undertaken, as a part of the general participation phase.

The authority has set aside for this program under its "set-aside"—State agency set-aside—under section 8, a total of 140 units, and we are very much interested to see how it will work.

*See appendix 2, item 2, p. 1024.

Since this proposal was announced, and the publication material I will leave with you was prepared, we have been confronted with an extremely difficult financing situation, as are all municipal governmental agencies, and it may be because of necessary reductions that we will have to reduce this program to some extent.

However, we are not yet entirely certain of that point, but we have agreed that we will have to reduce our total program activity for the next year, probably by about 30 percent.

Senator WILLIAMS. You say the difficulty is municipal financing. This is a State agency, but that the problem of financing at the municipal level, has also had its adverse impact on State financing, the Virginia Housing Development Authority, that means in the municipal category of tax exemptions?

Mr. FAY. Yes.

NEW YORK CITY IMPACT ON BOND MARKET

Senator WILLIAMS. One of these people around here will say, ask him whether New York has anything to do with that problem.

Mr. FAY. Very much so. That has cast a great cloud over the whole bond market. Bonds are extremely difficult to sell and are going at high interest rates, notes which we used for bond anticipation purposes, and for construction loan purposes, are very difficult to sell, even at the highest ratings, and it is an extremely difficult problem.

We are in fact attempting to make our own obligations more interesting in the bond market to develop with the help of eight of the largest banks in Virginia, a bank line of credit, that would underlie the notes, and might, in fact, result in their upgrading and improve marketability.

I am also providing a copy for your records of "Statewide Housing Needs Analysis" * published this year by the Virginia Housing Development Authority, which cites housing needs for the elderly for all cities and counties of the Commonwealth; and for your general information, a copy of the authority's first annual report.**

Mr. Chairman, obviously I could extend my remarks considerably, but I know your time is limited, and I am grateful for your interest.

I will be pleased to answer any questions which any member of the committee may have. Thank you.

Senator WILLIAMS. I just a moment before that took some of the strictness out of my schedule, which would mean it will be tougher later on, but you are most helpful here, more than that.

I can see why you led the Nation as president of your professional organization, did you not?

Mr. FAY. Yes; some 10 years ago, nearly.

Senator WILLIAMS. Are you still active?

Mr. FAY. Oh, yes.

Senator WILLIAMS. We had Mr. Danzig here yesterday, Lou Danzig; do you know Lou?

Mr. FAY. Yes; I know him very well.

Senator WILLIAMS. He was memorable. He was very constructive, very forceful.

*Retained in committee files.

**See appendix 2, item 3, p. 1033.

Mr. FAY. He did a magnificent job under difficult circumstances.

Senator WILLIAMS. And now he is the executive director for the State Association of Housing and Redevelopment Authorities. He said, "Beware of the green glove and suede shoes," and none of us have ever heard of the green gloves as part of the suede shoes.

Now, you mentioned section 8 in connection with the Virginia Housing Development Authority, and its plan to meet a particular housing problem arising out of the institutional inability to take care of some in Virginia, section 8, you have applied, you are part of the set-aside?

Mr. FAY. Yes, sir.

Senator WILLIAMS. Section 8, is that how they organize section 8 funding, through States as set-asides?

Mr. FAY. Yes, sir, that is the way it was done.

A portion of that program, and I may need at this point to refer back to the section 8 materials that I presented to you, just for my own information, because that is the only copy I happen to have.

HUD itself reserved to its area offices a significant part of the total section 8 program, and other portions were set aside for the benefit of the State housing financing agencies.

Senator WILLIAMS. Now, how far have you progressed in this specific application of section 8; is it in application, is it downtown?

Mr. FAY. It was just announced, on September 19, and we are at present awaiting receipt of proposals from interested developers.

Senator WILLIAMS. In other words, at the State level, it was announced that this is what you were seeking to do, and then you go public to get developers?

Mr. FAY. We go public by announcement, by solicitation.

Senator WILLIAMS. Who would be the logical people who would respond to that kind of opportunity?

Mr. FAY. Well, there are some entrepreneurs in Virginia that I think might be expected to submit proposals. Some of them are active in the field of constructing and operating nursing homes at the present time.

I would be very much surprised frankly, if any local housing authorities were to attempt to get into this very specific and specialized area, but it might be that there would be nonprofit, or semipublic groups whose interest would be encouraged by the local service board setup under chapter X, and they would be in a position to, I think, help particularly with a spark of development that is contemplated at this time.

Senator WILLIAMS. When did you invite those who might be interested to come forward; how long ago?

Mr. FAY. September 19 of this year.

Senator WILLIAMS. It would be interesting if we could be kept advised of how that develops.

Mr. FAY. The deadline for receipt of proposals is October 20. Very soon now we should begin to know.

Senator WILLIAMS. Could we know about that?

Mr. FAY. Yes, sir.

Senator WILLIAMS. Somehow it just seems to me that the full range of potential developers are not excited by this section 8 program, and I am just wondering whether they would be.

Well, on page 3, you are talking about developing more housing for the elderly, as a unit-by-unit thing by the Department of Housing and Urban Development.

That is where you mentioned Wildwood is just one example I raised that has a national problem, and I wonder why that is, whether it is just a local inability to get a job done, or whether there are again overlays of don't spend any money.

Mr. FAY. I think that is probably it, sir. There seems not to be any real commitment to get anything done.

ROADBLOCKS ON SITE APPROVAL

I think the two kinds of difficulties that have been more harassing to us have been the matters of site approval, and we have had extreme difficulty in getting HUD to agree that sites within urban renewal areas, they have approved in urban renewal plans for residential use, can be used in fact for low-rent public housing.

They have approved those plans, some of them for 8 years, and now all of a sudden, they tell us this is an impacted area, they cannot approve it.

They say it does not meet the HUD criteria. The other problem has been the very difficult one of prototype costs, in which HUD has geared development costs of low-rent public housing to what used to be a development cost for the average FHA insured construction in the area, and we have found that those limited costs bear no resemblance to the facts of life in terms of building costs in our State. We have appealed this for several years—about 3 years, to my knowledge, to HUD.

HUD works up something and sends it to their central office, somewhere between Richmond and Washington nothing happens, and as a result, we own land that we have not been able to build upon yet, and we are frankly hoping we can build someday, but it is an extremely difficult and torturing process.

Senator WILLIAMS. Thank you very much, Mr. Fay, and we will use these materials, and include in our record those things you designated.

We would appreciate being advised from you of the information you get on where you are on October 20.

Mr. FAY. We would be happy to do that, Senator. Thank you.

Senator WILLIAMS. Our last witness is Dr. Powell Lawton, director, behavioral research, Philadelphia Geriatric Center.

STATEMENT OF DR. POWELL LAWTON, DIRECTOR, BEHAVIORAL RESEARCH, PHILADELPHIA GERIATRIC CENTER

Dr. LAWTON. Mr. Chairman, my name is Powell Lawton. I am a psychologist and director of behavioral research of the Philadelphia Geriatric Center, which is an internationally known center for treatment, research, and training related to the care of older people.

I have engaged in research in housing for the elderly for over 10 years, and have recently published some of the results of our studies in a book called "Planning and Managing Housing for the Elderly."

A major focus of much of this research has been congregate housing and the provision of services in public housing for the elderly. During this time, we have personally interviewed more than 5,000 older people living in federally assisted housing and have studied intensively about 175 such housing environments located all over the country.

I hope that some of what we have learned may be helpful to your committee.

Let me say first that there has been a temptation for me to become cynical about the ability of this Government to deliver what has been so clearly needed for years in terms of services in public housing beyond the mere provision of shelter.

It took about 14 years from the time that public housing designed for older people was first authorized until the idea that supportive and enriching services were appropriate to public housing tenants became legally accepted in the congregate housing portion of the 1970 Housing Act.

Another 5 years has passed since then, during which time the infamous housing moratorium of 1973 effectively set back the orderly implementation of the congregate housing provision by more years than the moratorium lasted.

We have relatively little today to show for this 5 years of authorization. However, the occasion this week of your committee's concern over implementing the congregate housing program provides the best possible antidote to creeping cynicism.

Slow though the implementation has been, I am very heartened by this positive move to see that we get on with the job of providing assistance for the large segment of the public housing population for whom additional services are necessary.

For how many older people are the provisions of congregate housing appropriate?

A number of facts are relevant in trying to answer this question. First, the public housing program for the elderly is now 19 years old, and many waves of tenants have grown older in this type of housing.

Most of them began as healthy, independent people who were provided for the first time with a physically decent place to live. However, people unfortunately change as they grow older, and the kind of environment that was originally appropriate may become less so, as it becomes more difficult for them to shop, to travel for medical care, to cook for themselves, and to do the housekeeping required in traditional housing.

ELDERLY ASSESS SERVICE NEEDS

The 2,000 public housing tenants who were interviewed for our research in 1971 told us a great deal about their needs for the kinds of services that are part and parcel of the congregate housing model.

Fully two-thirds of these tenants expressed the need for some security-giving on-site medical service.

They did not, of course, wish a full institutional-level array of medical services.

Rather, they saw an office-type dispensary service with regularly scheduled physician and nursing hours, plus guaranteed off-hour emergency service, as being the ideal form of medical assistance.

We also found a very high level of support for the availability of assistance with housekeeping and personal care. While the majority of tenants did not feel such a need for themselves at that time, they clearly would feel more secure knowing that it was available should they need it, and they also were wholly in favor of its being available to others who did require help.

About half of the tenants also expressed a desire that on-site meal services be available. While we know that this large a proportion would not regularly utilize such services in the usual voluntary programs that now operate in noncongregate housing, at the very least one can see that a substantial number are potential candidates for this type of support.

SERVICES FALL SHORT OF NEEDS

The number of such services being offered in public housing was far below the level of expressed need.

Since this research was done in 1971, there are probably some changes since then, which the earlier guests here I think enlarged on some.

Less than one-quarter of the public housing facilities had any form of on-site medical services. In the majority of the sites offering such a service the facilities were minimal, rarely offering the much-needed dispensary and dependable on-call emergency service.

Less than one-fifth offered any meal service. When provided, meal services were limited to one to five lunches per week. Almost none provided personal care assistance.

Comparing our data on expressed need with actual availability, we estimated that medical needs were 34 percent fulfilled, food-service needs 36 percent fulfilled, and personal-care needs almost totally unfulfilled.

What I have discussed thus far related only to people who had been relatively long-term tenants in traditional housing. A large number of older people are currently ineligible for public housing because of physical or mental limitations on their independence, yet are not ill enough to be candidates for nursing homes.

An increasing number of such people are being served in their current residences by the community service programs designed as alternatives to institutionalization.

Many other similar people are not so well served and have in addition major housing problems. These unfortunate people thus either remain extremely deprived or are forced into premature entry to institutions. Congregate housing is the best alternative for this segment of the population.

From estimates of the number of elderly with limited mobility provided by Dr. Ethel Shanas, estimates of the percentage of elderly with a housing problem, national income figures, and the assumption that about half of those in need are able to obtain satisfactory daily supportive services from their families or from community agencies, I estimate that the number of community-resident elderly who are potential candidates for congregate housing is at least half as many as the total number of older people now living in all elderly designated public housing units.

"MINUSCULE" NUMBER OF CONGREGATE UNITS

Thus, we have major unmet needs among both current public housing occupants and among a much larger group of semi-independent community residents. Only HUD, if we are lucky, knows how many congregate public housing units are now in operation, but it is clearly minuscule by comparison with this degree of need.

I wish that the solution to the problem thus far detailed were the simple one of going ahead with the building of enough new congregate units to begin to meet the need. Unfortunately unit production is only part of the problem. The authorizing legislation deals only with the bricks and mortar to build space for such things as surrogate management is still on its own to find the means for delivering the services, with the exception of a few specialized and limited HUD programs.

Some fortunate housing has been able to find a Federal nutrition program, a local homemaker service or a local hospital, home-health or municipal health department with both the resources and the motivation to donate the service to operate in the physical space built with Federal assistance.

I think Mr. Silverman's term "scrounging for services" is a much better way of describing this than I have, and to me it seems to be scrounging for services which is typical of the fragmentation of service that all of us have fought over the years. I prefer the term "scrounging" to refer to how this is typically done.

Most are not so fortunate. The actual need will not begin to be met until Federal, State, and local funds are made available for the really important human and material aspects of these services.

SERVICE FUNDS NEEDED IN HUD

I would add to this statement my conviction that the only way to reduce this fragmentation of services is by centering some service funds within HUD.

This would not only provide a more easily accessible source of funds for the conduct of certain services, but it would also provide a HUD source for the development of expertise, and the sensitization of their own managers to the problems of delivering services within housing.

I gathered from some of what we heard this morning, and I certainly know from personal experience, that it is extremely difficult for HUD to audit the array of services offered in its own housing environments, or the number of people receiving services, the way things are now.

Having to go to AoA or to many, many local agencies, to get the relevant information, they are dependent on research projects, such as I have reported, which are unsatisfactory indicators of the totality of the situation, and they also get out of date very easily.

I do hope that the results of our research, which has been sponsored by the National Institute of Mental Health and the Administration on Aging, have been of some help in your most important work.

In turn, I am very grateful for having had this opportunity to appear at this hearing.

Thank you.

Senator WILLIAMS. Doctor, on that last point, I know how helpful you have been to us over a long period of time, and certainly your book, "Planning and Managing Housing for the Elderly," it has been greatly valuable to us, and with your permission, I wonder, if we could include some pages in our hearing record which would go into the report perhaps, dealing with a range of services that are possible in public housing, and it would appear on pages 112 to 114 of our book.*

Dr. LAWTON. I would be happy to do that.

Senator WILLIAMS. If you were to get royalties on the publications that are requested out of here you would be rich because these publications from this committee are something else.

They are in great demand, because the staff puts together a document that is useful, and we are always over-sold.

Dr. LAWTON. I am very pleased to know that. A number of the points that I have made today, and the information related to them, will shortly be available, and in more extended form for the Conference on Congregate Housing that Dr. Donahue's center will hold next month, and I will be glad to make this available as soon as it is completed.

Senator WILLIAMS. The research you indicated, 2,000 public housing tenants were interviewed with that activity back in 1971, where were your researchers, what part of the country?

Dr. LAWTON. We deliberately chose a national sample of all federally assisted public housing for those, so we specifically worked in 14 large multi-State areas, rural and urban.

RURAL NEEDS, TOO

Senator WILLIAMS. You mentioned rural. You know, everything we talk about, we have talked about yesterday, we have talked about today, and for good logical reasons, is focused on existing centers that would be logically the place to organize the service delivery.

The rural people never get talked about in these hearings, and this, I will tell you we have got to think in terms of those who are hardest to reach.

Dr. LAWTON. That is absolutely correct. Twenty-nine percent of our tenants were from areas of less than 10,000 population and I am sure you could predict that when we looked at where services were located, there were almost none within these smaller communities.

Senator WILLIAMS. Again, we are organized here under public-supported housing, but that should not blind us to the fact that this is only part of the need, but now focusing down to where we are, and on the housing, you say, only HUD, if we are lucky, knows how many congregate public housing units are now in operation, but it is clearly minuscule by comparison with the degree of need.

You are absolutely right, but I wanted to see just what you mean when you say how many congregate public housing units are now in operation.

What do you mean in your terms, "congregate housing now in operation?"

*See appendix 3, p. 1042.

Dr. LAWTON. Well, actually at the time I wrote that, I was referring explicitly to housing that was built since the 1970 congregate housing provision, which did authorize the local housing authorities to install physical spaces and to furnish them in a way that would enable them to serve meals and to perform other services within the housing.

Now, it is very clear that congregate housing is difficult to define. Possibly one might consider congregate housing to be any housing that offers something beyond the basic shelter, and the usual activity program that goes on. Thus I consider our estimates, at least as of 1971, to be fairly good estimates of the services that are provided, but my point is that very few, if any, of these housing projects that do offer services were planned and built from the beginning, with the idea of marshaling and integrating the necessary services for a particular target population.

I read the 1970 act to suggest that this would be possible—that from the very beginning the planning would be done, that probably a somewhat less independent older population would be attracted, that there would be social spaces as well as functional spaces designed with this population in mind. However, I have never been able to find out whether any of these have been actually built under this plan and are now in operation.

BUILDING SERVICES INTO INITIAL DESIGN

Senator WILLIAMS. We are talking here initially about whether new construction is designed to make the delivery of services easier, or possible, really.

You cannot have congregate dining if you do not have a place, and the question you are dealing with is not whether there is money to buy the food, which Bill Oriol was mentioning, that comes in the second degree, whether you are equipped to deliver the food, if you have the money to buy the food.

Dr. LAWTON. That is right. I am less than completely enthusiastic about the use of HUD's modernization funds to provide these facilities because so much of the housing has been laid out in a way that would make this difficult. For example, it might be necessary to put up another building, which in itself would be a barrier to full utilization. I think that planning from the beginning is extremely important in order to integrate these services with the user population.

Senator WILLIAMS. This is a question we have been trying to get to, and we have been around it, but we have not put it exactly this way, and this will be another question that will go to Mr. Cook*: just what is the status of applications under section 8, and is there planning for the incorporation of services into the construction phase in any of these applications. I think that could be put in very precise terms.

Maybe the moratorium, as bad as it was, if out of that moratorium we did not get housing into a pipeline, and suddenly the dawn broke and the housing was better designed for these purposes, maybe it would be a blessing. But I do not think it is happening that way, and I think if any applications go into the Virginia Housing Authority for that section 8, it would be interesting to see if they incorporate it.

*See p. 1001.

My guess is that there will be a limited application of that principle into the application that might go under section 8 to the Virginia Housing Authority you just heard about.

Your neighborhood units near Philadelphia are very interesting.

How is that going?

Dr. LAWTON. Senator Williams, that is referring to community housing, which was developed by the Philadelphia Geriatric Center under the 236 program, which was relatively inexpensive houses in the facility, and those houses, as one would imagine, have been totally 100 percent occupied during the 3 or 4 years that they have been in existence now.

The waiting list is tremendous for that housing, and my colleague, Mrs. Elaine Brody, who evaluated the impact of such housing, has some recent information suggesting that nobody has moved out of that housing for any reason other than for health reasons, and that the experience with the death rate has been lower among the people who have lived in this housing than in a couple of other comparison groups that she has worked with, so this is very preliminary data that she has to offer right now, but it is certainly extremely encouraging, and I think the 100 percent occupancy attests best to the success of it.

Senator WILLIAMS. Thank you very much, Doctor.

We looked forward to this, it is all we expected and hoped for, and we hope you stay in communication.

You might have noticed that our staff here are quite compassionate with your cause; Bill Oriol, John Guy Miller, and the young staff person Diana McIver here is very new, and she has been helpful in preparation for this hearing. It has been 2 great days for us, and you are a good anchorman for it. Thank you.

We stand adjourned.

[Whereupon, the subcommittee was adjourned at 12 noon.]

APPENDICES

Appendix 1

EXCERPTS FROM A HUD HANDBOOK: COMMUNITY SERVICES FUNCTIONS IN THE AREA/INSURING OFFICES, DECEMBER 1974, SUBMITTED BY ABNER SILVERMAN*

OVERVIEW OF COMMUNITY SERVICES

Legislative Authorization: Specific statutory authority pertaining to the community services function is spelled out in the following legislation:

(a) Section 3(4) of the United States Housing Act of 1937, as amended:

"The term 'operation' means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a low-income housing project. The term also means the financing of tenant programs and services for families residing in low-income housing projects, particularly where there is maximum feasible participation of the tenants in the development and operation of such tenant programs and services. As used in this paragraph, the term 'tenant programs and services' includes the development and maintenance of tenant organizations which participate in the management of low-income housing projects; the training of tenants to manage and operate such projects and the utilization of their services in project management and operation; counseling on household management, housekeeping, budgeting, money management, child care, and similar matters; advice as to resources for job training and placement, education, welfare, health, and other community services; services which are directly related to meeting tenant needs and providing a wholesome living environment; and referral to appropriate agencies when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services."

(b) Section 106(a) of the Housing and Urban Development Act of 1968, as amended:

"(iii) counseling and advice to tenants and homeowners with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership; . . ."

Basic Purpose and Objectives: In light of the above legislative authorizations, HUD has expanded its shelter role to emphasize the need for a range of specialized services and activities geared to helping residents adapt to their particular housing environment and to broaden their social and economic horizons. To achieve this concern, the community services function has become an integral part of housing management in the field offices. The basic purpose of community services is to provide housing management staff of both the local housing authorities and of HUD-insured housing, with the tools and resources necessary for improving the quality of resident life. The overall objectives of this function are:

(a) To encourage management to work with resident leadership to achieve better and more coordinated services for project tenants.

(b) To increase training and employment of residents in project operations and in the general community.

(c) To expand participation of residents in project management affairs and programs designed to open up communication channels between management and residents.

*For statement, see p. 986.

(d) To utilize to the greatest possible extent those agencies and organizations in the community having the social and economic potential to assist residents.

(e) To encourage housing management to house a broader cross-section of low- and moderate-income households, so as to avoid concentration of the most economically and socially deprived households.

(f) To create an environment which the residents regard as their neighborhood, and the dwellings they occupy as their homes.

(g) To emphasize resident dignity, privacy, and personal safety, with attention given to the elimination of unnecessary rules and regulations.

DEFINITIONS

(a) *Tenant services.* Tenant services are those services provided by management directly, or through tenant organizations, which enable the individual tenant to meet his or her obligations as a tenant and as a member of the community and which enable management to establish and maintain good management/tenant relations. A viable tenant services program seeks to increase resources available to local management from other sources and to reduce operating costs associated with human frustration within housing.

(b) *Community services.* Community services are those services provided by community-based agencies and organizations for all residents of the community who are in need of, and eligible for, such services. Examples would include: health, welfare, education, recreation, job training and placement, and consumer services.

RELATIONSHIP BETWEEN COMMUNITY SERVICES AND TENANT SERVICES

Community services (*Obtained* from community agencies and organizations): Health; education; employment; welfare; recreation.

Tenant services (Provided by housing management, in addition to space, staff, and supplies): Orientation for occupancy; information/referral; support for tenant organizations; training for maintenance, security, etc; playgrounds, sponsorship of youth activities.

PROGRAMS AND SERVICES FOR THE ELDERLY

HM G 7460.1, July 12, 1972—Congregate Housing, HUD-Assisted Housing Management Guide. This guide provides guidance in the management of congregate housing facilities, both for local housing authorities and for sponsors, owners, and managers of insured housing.

HM 1170.8, Sept. 21, 1972—Functions of Regional Office Elderly and Handicapped Housing Specialist—Housing Management (HM). This circular formalizes the functions and responsibilities of HM in the regional office with regard to management of elderly and handicapped housing.

HM G 7460.3, Dec. 4, 1972—HUD-Assisted Housing Management Guide on Housing for the Elderly. This guide is a discussion of special problems and features which mark multifamily housing for the elderly and handicapped, both in insured housing and in low-rent public housing.

Notice HM 73-18 (LHA), Aug. 29, 1973—Foster Grandparent Program and Older Americans Community Service Programs. This notice deals with programs designed to provide opportunities for low-income persons aged 60 or over to render supportive person-to-person services to children in hospitals, in homes for dependent and neglected children, or in other establishments providing care for children with special needs.

Notice HM 73-20 (LHA), Sept. 12, 1973—Participation in Nutrition Programs for Elderly. This notice announces that the \$100 million grant program authorized by Congress in 1972 (Title VII of the Older Americans Act) for providing the Nation's elderly with hot meals 5 days a week has been funded. The program will be administered by State agencies on the aging, through locally designated nutrition projects.

Notice HM 73-23 (LHA), Oct. 3, 1973—Eligibility of Elderly Residents for Supplemental Security Income. This notice deals with the provisions of the Social Security Amendments of 1972 (P.L. 92-603) in which the Nation's elderly as well as the disabled and blind who have limited incomes and resources will be eligible for supplemental security income.

Appendix 2

MATERIAL PROVIDED FOR THE RECORD BY MR. FREDERIC FAY*

ITEM 1. EXCERPTS FROM "HOUSING THE LOW-INCOME ELDERLY," BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

INTRODUCTION

This report is concerned with the special housing needs of low-income elderly persons living in the city of Richmond. The housing needs of the elderly are severe and varied. Many of these needs reflect the high incidence of elderly poverty, which forces many to pay a disproportionate percentage of their income for housing, leaving too little to support other critical needs. The problem has been aggravated in recent years by the rapid rise in housing costs, while inflation has greatly eroded the fixed incomes on which most elderly subsist. According to national estimates, at least 30 percent of older Americans—6 million people—live in substandard housing.

The housing cycle for the normal family has been described as beginning with a newly married couple in an apartment; moving into larger quarters as the family expands, and finally buying a big home in the suburbs; then selling the big house and moving into an apartment when the children grow up and leave home; and finally the widow moving into the home of one of her children or into an independent housing arrangement of her own after her husband dies. Eventually the problem of taking care of oneself becomes more complicated, as the older person becomes more fragile, and the final housing solution is typically a nursing home or institution. Institutionalization, however, is a costly project, and few families of elderly people can absorb such a financial burden. If placement is made, not because the older person needs institutional care but because the assistance he needs in order to maintain an independent way of life does not exist, the human and financial cost is unjustifiable.

While there have always been older persons in every society, they present a special problem today for a number of reasons. One is greater life expectancy, resulting from scientific advances, with more people living well into their eighties and nineties. The 1970 census revealed that 1 out of every 10 Americans is 65 years of age or older, and that there has been an increase in the numbers and proportions in the older age ranges. The changing lifestyle of Americans also means that the role of the elderly is undergoing rapid transition. There are fewer third-generation families, and as this tradition passes, new modes of living create problems for the elderly. The days of the patriarchal homestead, with sons and their families living under the father's roof and eventually taking over the homestead and with it the responsibility for the aged parents, are rapidly vanishing. Children leave the home, and the older homeowner is faced by problems of escalating property taxes, housing code enforcement, and displacement by urban renewal. Fewer older persons are going to live with their children, since modern housing does not lend itself to taking in another adult. Moreover, older people themselves prefer to retain their independence.

While older people share housing needs with other low-income groups, certain common conditions of health and economic state give rise to the need for specialized housing, designed to meet unique needs. Often, housing designs are incompatible with the physical requirements of the elderly—high shelves, round door knobs, heavy glass doors, difficult to enter and exit bathtubs, steep stairs, and inadequate lighting. The elderly need specialized housing, and often require supportive services as well to compensate for failing mental and physical health. Thus, housing for the elderly must go beyond mere shelter considerations. The

*For statement, see p. 1002.

continued mental and physical well-being of the older person is tied in closely with the kind of atmosphere that is provided for his shelter. In order to provide the kinds of shelter elderly people need, it is necessary to learn something about the general aging process and changing mental attitudes. Through an understanding of the special needs and problems of the elderly, we can better plan for the kinds of housing that will enable them to maintain an independent and dignified way of life.

The Virginia Association of Redevelopment and Housing Authorities, in a presentation to the 93d congressional representatives from Virginia in March 1974, stated:

"The problem of sheltering older persons is fast becoming acute. It is a problem that knows no national boundaries. The growth of the aged population is a world-wide phenomenon. All countries face a growing number of older persons who have put their full-time work years behind them, and who face years of limited income. We do not have a national policy on housing the elderly to move us in the right direction."

In the absence of a national policy on housing the elderly, it may be that local communities will have to provide the impetus for developing ways and means of housing their low-income elderly citizens. In the case of public housing, we are limited and our planning is circumscribed by local, State and Federal regulations, but none of these restrictive factors can or should exclude imagination, originality and careful planning.

IRENE E. DUNNE, *Research Analyst.*

RICHMOND'S LOW-INCOME ELDERLY

In order to examine the housing needs of Richmond's elderly population, it is necessary to have some perspective on the nature of that population. Who are the elderly citizens of Richmond?

SOME STATISTICS ON THE ELDERLY POPULATION OF RICHMOND

There are 28,273 elderly persons living in the city of Richmond who are 65 years of age or older. The elderly population in the city has grown from 8 percent of the total population in 1950 to 12.9 percent of the total population in 1970. (These figures compare the population in the "old city," before annexation; in the annexed area, 4.5 percent of the total population are elderly.) (Table I)

64.6 percent of the elderly population in the total city, including the annexed area, are females. Only 28.5 percent of the elderly population are black—a surprising fact since 42 percent of the total population is black, and a fact which is probably explained by the generally shorter life expectancy of blacks (Table II).

24 percent of all elderly persons 65 years of age or older, or 6,785 persons, had income below the poverty level in 1970. A recent study of the Richmond Redevelopment and Housing Authority's elderly residents indicated that the median income level was between \$1,000 and \$2,000 annually. Most elderly residents subsist on social security, old-age pensions, old-age assistance, or other fixed income.

43 percent of the blind receiving welfare are elderly; 38 percent of the disabled receiving welfare are elderly. Yet many old people who are eligible for financial assistance do not receive it. 6,700 elderly citizens in Richmond are eligible for financial assistance, but only 2,200 are receiving old-age assistance, aid to the blind, or aid to the permanently or totally disabled. 5,600 elderly citizens are believed to be eligible for food stamps but are not receiving them. An estimated 4,500 elderly are believed to be eligible for Medicare but are not receiving these benefits. These statistics have led city agencies who are concerned with the needs of elderly citizens to the conclusion that the range of programs supported by public and private funds is not known to the potential recipients. Thus, the intent of the public programs is being thwarted by lack of information and even access to the programs approved by the City to help the elderly citizen.

TABLE I.—ELDERLY POPULATION OF RICHMOND (OVER 65)

	1950		1960		1970				1970 total	
	Total	Non-white	Total	Non-white	Old city		Annexed area		Total	Non-white
					Total	Non-white	Total	Non-white		
Total population.....	230,310	72,996	219,958	91,972	202,359	103,377	47,262	1,389	249,621	104,768
Over 65.....	18,467	3,829	23,751	6,116	26,145	7,998	2,128	155	28,273	8,053
Male.....	7,349	1,720	9,130	2,660	9,105	3,221	892	134	9,997	3,255
Female.....	11,118	2,109	14,621	3,456	17,040	4,777	1,236	121	18,276	4,798

¹ Census tracts with 400 or more population.

Source: 1950, 1960, 1970 Censuses of Population and Housing.

TABLE II.—ELDERLY POPULATION OF RICHMOND (OVER 65)

	1970		
	Total city	Old city	Annexed area
Total elderly population.....	28,273	26,145	2,128
Percent of total population.....	11.3	12.9	4.9
Percent of elderly who are—			
Male.....	35.4	34.8	41.9
Female.....	64.6	65.2	58.1
White.....	71.5	69.4	97.4
Nonwhite.....	28.5	30.6	2.6

Source: 1970 Census of Population and Housing.

DOCUMENTING HOUSING NEEDS

It is difficult to document the housing needs of the elderly poor with any degree of accuracy, for statistics concerning the number of people over the age of 65 who live in housing which is substandard, or which is unsuited to their needs, is not readily available. While it is possible to extract from 1970 census data the number of substandard housing units in the city, the data does not reveal the ages of the people who live in such housing. One indicator of the need for low-income or subsidized housing is the number of households who spend 35 percent or more of their income on housing, but again, while this data is available for the city, it is not broken down by age groups.

Knowing, however, that 12 percent of the city's total population is over 65 years of age; that 24 percent of the elderly population have incomes below the poverty level, and that elderly people, even when their incomes are above the poverty level, subsist mainly on fixed incomes; knowing that age brings problems of declining health which make living in conventional housing difficult if not impossible, one can safely assume that many of the city's elderly residents cannot afford standard housing, and additionally, have special needs which are not provided by standard housing.

The Richmond Redevelopment and Housing Authority is the only agency in Richmond which operates specialized low-rent housing for the elderly. The authority houses 842 low-income elderly persons, 315 of whom live in one or more of the three buildings which were designed to house only elderly. The remaining 527 live in the family projects. The waiting list for admission to public housing contains 390 elderly persons; the majority have been on the waiting list for 2 years, and some have been waiting as long as 5 and 6 years. Additionally, many elderly poor who live in unsatisfactory housing are believed to have not placed their names on the waiting list because of its length, while other elderly poor are not aware of the authority's housing.

THE DEPENDENT ELDERLY

As people grow older, different aspects of the aging process may interfere with the ability to take care of themselves. A minor physical handicap like a weak knee can prevent an otherwise able person from getting up and down stairs, going out to buy food and doing the laundry. The problem of taking care of oneself after 60 or 70 years is more complicated when one lives alone, as many elderly do. The typical solution for the elderly who cannot live alone is institutionalization. Institutional long-term care is of three kinds: homes for the aged, nursing homes and chronic disease hospitals.

According to the "Citizens' Community Study" of 1974, there are 11 philanthropic homes for the aged in the Richmond area (Richmond, Hanover, Henrico, and Chesterfield) with a total of 825 beds, ranging in size from a capacity of 15 to 260 (Hermitage Methodist Home). There are 32 proprietary homes for the aged, many of which are called rest homes. These tend to have a capacity of 10 to 18, with two accommodating around 50 persons. Residents of homes for the aged generally are required to be ambulatory and capable of self-care. The shortage of nursing home beds results in proprietary homes having residents who require help which may not be available to them.

There are eight skilled nursing care facilities in the Richmond region, with a total of 463 beds; all but one are located in the city of Richmond. The Richmond and Chesterfield County Nursing Homes are public facilities; the Beth Shalom Home is a nonprofit home. The remainder are proprietary. The Richmond Nursing Home is in need of new facilities and several nearby sites are under consideration. The Beth Shalom Home, which serves Jewish residents of the State, has as its future goals the building of facilities for more nursing home beds and extending its range of facilities to housing for the elderly.

There are 19 intermediate care facilities in the region, with a total of 1,211 beds. Many of the skilled care facilities also provide this level of care within their facilities. The State Department of Welfare is attempting to upgrade the homes for the aged and to do work with the State hospitals in relation to the unlicensed foster homes in which two or three persons may live. The smaller proprietary homes tend to be run by housewives, often older persons themselves, living in too big homes with too little income. Efforts are underway to work with Virginia Commonwealth University and the Volunteer Service Bureau to find ways to offer help to relate this important group of service providers to the larger service delivery system and to help them upgrade their services. The scarcity of nursing home facilities is another obstacle to local housing authorities. Without them, the low-rent housing development for the elderly itself may soon become a nursing home. In Richmond, all nursing home beds are filled and a waiting list exists. The development of additional nursing homes and chronic disease hospitals for the low-income elderly, federally and locally subsidized, should be a high priority to enable them to keep pace with housing.

PLANNING FOR THE FUTURE

"Old age has no fixed term, and one may fitly live in it so long as he can observe and discharge the duties of this station."—Cicero.

There is a market in every community for specially designed housing for self-sustaining aged people, as there is a market for sheltered care for those elderly people who are too fragile or ill to live independently. Both public housing for the elderly, and public and private nursing homes offering services to the elderly are filled and all have long waiting lists. No data are kept on the number of elderly turned away for reasons of space or economics so that no judgments can be made concerning unfulfilled need, but an accurate consensus is that there is a combined requirement for both kinds of facilities.

The struggle between groups of differing interests as to whether there should be any public housing or not is fortunately much milder where the elderly poor are concerned. Most individuals and institutions now recognize that there is a necessary place for the concern and activity of the public with regard to housing its elderly citizens. Private enterprise is not able to house this group, because by the very nature of things no one can make a profit from building and renting housing facilities for those who cannot pay their own way. The question, then, is not whether we need to build housing for low-income elderly people, but how we should build such housing. What have we done, and how can we use the knowledge we have gained toward providing better facilities in the future?

LOW-RENT HOUSING FOR THE ELDERLY IN RICHMOND

The elderly population of the Richmond Redevelopment and Housing Authority's public housing has grown from 432 persons, or 3.6 percent of the total resident population in 1969, to 842 persons, or 5.2 percent of the total resident population in 1973. Of these 842 persons, 315 live in one or more of the three buildings which were designed to house only the elderly, and the remaining 527 live in the conventional family developments (Table III).

TABLE III.—ELDERLY AND DISABLED POPULATION OF RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

	Total population	Elderly population	Percent of total
1969: All developments.....	11,786	432	3.6
1970: All developments.....	11,661	428	3.6
1971: All developments.....	12,198	465	3.8
1972:			
Elderly developments.....	317	317	-----
Other developments.....	15,427	442	4.8
1973:			
Elderly developments.....	315	315	-----
Other developments.....	15,466	527	5.2

Source: Annual Reexamination of Tenants, 1969-73.

In 1968 the authority, feeling that there was a need to provide housing for the elderly which would be separate from the family housing of the projects, bought and rehabilitated a 24-unit building at 2700 Idlewood Avenue. The building now contains 7 efficiency apartments and 16 one-bedroom apartments, and admission is restricted to elderly people 62 years of age or older who meet the guidelines for admission into public housing, or permanently and totally disabled or handicapped people. The building includes a laundry room and a community room; apartment doors have individual locks, and additionally the main entrance door is locked from the inside at all times, with each resident having a key to the main door. In April 1971 a new 24-unit building was opened for occupancy at 1200 Decatur Street, containing 15 efficiency apartments and 9 one-bedroom apartments. Then, in May 1971, a new high-rise building was opened for occupancy at 1202 North First Street, containing 120 efficiency apartments and 80 one-bedroom apartments.

The new buildings were the result of much planning and research into the needs of older people. It had been discovered that elderly people, unlike families who live in low-rent housing, do well in high rise buildings. It was also felt that the larger number of units in a high rise building would make the provision of special services possible, because it would be economically feasible to provide such services to the larger number of residents involved. The new buildings include such features as an emergency buzzer system located in each apartment, which alerts other residents by means of a buzzer and light located outside the apartment door; sit-down shower stalls with grab-bars; and an easily recognizable numbering system at elevator stops. Guard protection is afforded the high-rise building until 12 midnight. The building includes a large, well-equipped central kitchen for preparation of community meals and parties, a laundry room, a library and a crafts room. A staff member of the City Department of Recreation and Parks directs a program of arts and crafts for the residents once a week. A proposed funding grant from the Capital Area Agency on the Aging is expected to provide a full-time recreation personnel for this project.

Health services are provided by a clinic in nearby Calhoun Community Center, which is operated by the City Health Department, and "Homemaker" service, which is funded through the Capital Area Agency on the Aging, provides house-keeping and counseling service to the elderly residents. One of Richmond's leading food chains provides bus service twice monthly for the residents, and negotiations are under way to obtain a minibus to service the elderly residents throughout the Authority's low-rent housing developments. Many of the initial occupants of the building were elderly residents who had formerly lived in one of the conventional family projects, while others had been on the waiting list for some time. Their pleasure and satisfaction with their new surroundings was evident and gratifying.

Recognizing the need for this kind of specialized housing for the low-income elderly, the authority has under planning an additional 270 units of similar housing, at four different locations throughout the city, with construction on all four locations, expected to begin within the year. The buildings will be constructed along the lines of the building at 1202 North First Street and will incorporate the same safety features and services.

FINANCIAL PROBLEMS OF LOW-RENT ELDERLY HOUSING

Local housing authorities are established to house low-income persons. They can perform this function only because a Federal subsidy makes up the difference between operating costs (including debt service) and rent income. Elderly people represent a large percentage of the low-income population and because of their special needs account for more than their proportionate share of management expense when housed. Being tied by percentage to total development cost, subsidy is limited; therefore, local authorities must exercise caution in selecting elderly tenants. Income plus subsidy must cover operating costs, consequently the selection of tenants is concerned with primary considerations. The first is family need, the second is rent paying ability. When a project is planned for a special group, the majority of whom will pay only the minimum rent due to their exceptionally low income, the question of financial feasibility arises. In fact, a development specifically designed for the elderly will generally not be financially feasible owing to the low incomes of the elderly families. If such projects are to be built and operated, they must produce rent income comparable to that produced by other regular developments, otherwise they must find supplementary income from a source other than federal subsidy.

For this reason, the Richmond Redevelopment and Housing Authority's housing for the elderly is covered by the same annual contributions contract as all the other housing projects, so that the overall average income from the other units will offset the low average from the units reserved exclusively for the aged. In view of the upward trend in operational costs and the downward rent income trend, however, extreme care must be exercised to achieve and maintain a workable financial plan. The attention of local government as well as Congress needs to be called to the fact that financial feasibility too often will not permit housing authorities to provide the shelter so desperately needed by the low-income aging, and increasing subsidies for such developments should be suggested. Alternatively, the possibility of increasing income limits beyond those set for the two-person family may be explored; additional income thus raised may permit the housing of more lower-income tenants.

Where supplementary services such as geriatric clinics and senior centers are provided within the project, the authority and local health agencies may want to explore the possibility of their sharing construction costs. Under present arrangements, these agencies who operate Authority-built clinics (such as the geriatric clinic at Calhoun Center) also equip and staff them. While the Authority assumes maintenance and utilities expenses now, it does not appear unreasonable at some future time to shift these expenses to the agencies in question, inasmuch as their operating programs, too, are federally subsidized. The whole community space question demands reconsideration. Provision of community space is vitally necessary to a successful program of housing the aged. On the other hand, provision of community space and facilities can be so expensive as to halt a program before it begins.

CONGREGATE HOUSING

The Housing and Urban Development Act of 1970 encouraged development of "congregate housing" by local housing authorities for the displaced, elderly and handicapped, such housing to be limited to ten percent of total annual contributions contracts. Section 207 of the Act defines "congregate housing" as "low-rent housing in which some or all of the dwelling units do not have kitchen facilities and connected with which there is a central dining facility to provide wholesome and economical meals for elderly families under terms and conditions prescribed by the public housing agency to permit a generally self-supporting operation." The purpose of congregate housing is, according to the Department of Housing and Urban Development, "to provide a residential alternative to institutional care facilities and independent housekeeping apartment housing for the elderly, and to provide the necessary support services needed to enable the elderly to continue in an independent way of life." The provision of health services on site is recommended as well as a variety of recreational and social services.

The idea of congregate housing is not new. The San Antonio, Tex., Housing Authority's "Victoria Plaza" is a kind of congregate housing; although it does not have central dining facilities, it does offer other amenities which make for congregate living—health and welfare services, counseling and recreation. A recent resident survey indicated a desire for a central dining facility. There are "retirement homes" which were built with federal subsidies and which are operated on a nonprofit basis by church and other nonprofit groups; they offer central dining facilities, in which it is usually mandatory that residents take at least one meal a day; transportation for the residents and accessibility to health-care facilities. It is interesting that nearly all persons who have experience with housing the elderly stress the importance of providing a daily main meal in an attractive setting as part of the housing environment. Statistics have shown that this daily nourishment can prolong an elderly person's life by as much as 5 years. They also stress the importance of providing health care facilities, either on the premises or within easy access, and the additional need for a housing environment which is halfway between independent living and institutionalization, providing some custodial care while enabling old people to retain their independence and self-respect. It would seem that some type of congregate housing arrangement, offering sheltered care with provision of ancillary services, would meet this need.

The problem arises in trying to provide this kind of sheltered care to low-income persons, who cannot possibly pay their own way in this type of housing arrangement. Not only must the housing be subsidized, but the other services, such as nutrition, health care, counseling and recreation must also be subsidized. For this reason it is necessary to have close cooperation and a strong commitment to such an undertaking by all local agencies who are involved in the provision of services to the elderly. It is only through the cooperation and commitment of these agencies that a sheltered care facility for low-income elderly people can be made financially feasible.

The 1971 White House Conference on the Aging stated that ". . . the archaic practice of static custodial care in institutions where the elderly go to 'lie and die' is self-defeating, inhuman, and economically unsound." Obviously, an alternative is needed for those elderly people who do not require institutional care, but who are unable to manage completely independent lives. Yet millions of poor elderly live in such institutions for lack of housing alternatives. Millions more live in seriously deteriorated housing, in neighborhoods where the inaccessibility of services is particularly serious for those elderly who are limited in mobility because of chronic health conditions. Many are institutionalized prematurely simply for lack of health and nutrition services. There can be no question but that better alternatives can be developed.

SUMMARY

There are 20 million Americans today who are over the age of 65. One quarter of them live in poverty. Many were always poor; others grew poor as they grew old. They are the most malnourished segment of the population and they suffer from a variety of illnesses and physical limitations. Their children have grown and moved away, and many of their contemporaries have died. About 5 million older people live alone or with relatives; 1 million more live in institutions. About 2 million others are bedfast or otherwise unable to leave their home. In addition to losing their health, physical stamina and friends, older people lose their jobs; they must retire at age 65 or earlier. Once their productive years are over, their incomes are lowered and permanently limited, and they spend proportionately more of what income they have on food, housing, and medical care than younger people.

There is a national shortage of housing which affects all people, especially the low-income segment. The elderly have an additional disadvantage, since increasing age brings physical impairments which interfere with their ability to shop around for housing. Living on low, fixed incomes, the elderly must often settle for housing which is substandard and unsafe. Additionally, they frequently do not have access to services which they require in order to maintain their health and well-being. These include medical care, nutrition, income maintenance, transportation, and social services.

The design of housing for the elderly should, if it is to be effective, take into consideration the housing preferences of the potential residents. Studies of older people have shown an almost universal desire to retain independence in their living arrangements. They also express a desire to be within access of medical facilities, shops and recreational opportunities. They do not wish to be isolated, but neither do they wish to live amongst young families. Their increasing age and fragility

present special problems for them in coping with their environment; thus, those involved in planning housing for elderly would do well to acquaint themselves with the various dimensions of the aging process and how it affects the ability of the aged to cope with their surroundings.

The problems of the elderly are physical, psychological, sociological and economic, and they arrive at a time of life when people are least able to cope with them. In order to provide for the needs of the elderly, and especially the elderly poor, it is necessary to enlist the cooperation and resources of the community. Many of the old persons' problems would be alleviated if needed services such as medical care, nutrition and income maintenance were available to them. In order to provide these services as an adjunct to low-rent housing, it is necessary that those agencies who are capable of providing such services come together in a spirit of cooperation and commitment to increase resources, services and opportunities for older people.

In any discussion of housing for low-income elderly people, it is necessary to examine the problems of those for whom increasing age has made independent living difficult if not impossible. For some of these elderly, day care centers and day hospitals can alleviate many of their problems. Others require even more custodial care. There is a great need for the community to involve itself with the problem of elderly people who are too fragile or ill to care for themselves, and additionally do not have the financial resources to seek acceptable alternatives. The provision of housing alone cannot solve all of the problems of poverty and old age. The provision of housing will not get rid of the deeper problems of the elderly poor—chronic illness, senility, loneliness and poverty. One of the most serious problems of the elderly, according to the Honorable Arthur S. Fleming, Chairman of the 1971 White House Conference on Aging, is "a lack of commitment to action in the field of aging within all of our social, economic, religious, and political groups."

Society's attitudes toward older persons must change. Our work-oriented culture, which places a heavy value on production and consumption, tends to place a correspondingly low value on its elderly citizens. Far too often, society accords its old people an inferior position, turning its back on their needs and depriving them of the freedom to make their own decisions relative to their needs. Its answer to the problems of the fragile elderly has too often been to banish them to institutions, at a tragic expense to society both in human and financial terms. In order to develop better alternatives, it is necessary for all interested persons at differing levels of citizen participation and government agencies to join forces in order to provide such elderly citizens with the care and shelter they need and deserve. In the words of Rabbi Hillel:

"If not food, health, and shelter, how will I live? But if only food, health, and shelter, is life worth living? And if not now, when?"

ITEM 2. MATERIAL RELATED TO STUDY BY VIRGINIA HOUSING DEVELOPMENT AUTHORITY OF SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAM, HOUSING FOR ADULT MENTALLY RETARDED

Virginia Housing and the State Department of Mental Health and Mental Retardation have completed plans for a program for the provision of housing for the adult mentally retarded, which program will take full advantage of the Federal assistance available under the section 8 housing assistance payments program.

As the enclosed summary program description indicates, the program is intended to support the State's deinstitutionalization efforts and to provide increased opportunities for the retarded adult to function as normally as possible within the community setting.

Implementation of the program will be two-phased:

I. *Demonstration Phase.*—Because of inherent problems in attempting to mesh two Federal subsidy programs together with Virginia Housing's financing mechanism, the first efforts at implementing the planned program will be on a demonstration basis. Eligible sponsors, in close cooperation with community mental health and mental retardation services boards, will be given an opportunity to submit a proposal for participation in the demonstration phase. From those submitted, a small number (not more than three) will be selected by the interagency advisory council on housing for the adult mentally retarded for implementation on a pilot basis. Staff of both Virginia Housing and the Department will begin an intense and close working relationship with the selected sponsors to formulate a viable development proposal package.

II. General Participation Phase.—If the experience gained from the demonstration phase indicates probable success at full program implementation, invitations for general participation by interested sponsors will be issued. This implementation phase would begin during the first quarter of 1976 and would be preceded by an intensive workshop session for those desiring to participate.

Eligible sponsors in your community are invited to submit a program proposal for consideration by the council for inclusion in the demonstration program. Please read the accompanying materials very carefully prior to submitting your proposal, utilizing the format suggested. To be considered, proposals must be submitted by October 20, 1975, to R. Charles Shepherd, chief of program development, Virginia Housing Development Authority, 301 Imperial Building, Richmond, Va. 23219, (804) 649-7041.

Proposals not selected for the demonstration phase will be retained for further consideration during the general implementation stage.

We appreciate your interest in this program and look forward to your assistance in making it a success in Virginia.

KENNETH G. HANCE, Jr.,
Executive Director.

[Enclosures.]

NEW CONSTRUCTION AND SUBSTANTIALLY REHABILITATED HOUSING

Virginia Housing and the Department of Mental Health and Mental Retardation have completed plans for a viable joint program for the provision of housing for the adult mentally retarded. The purpose of the program is to provide a supportive living environment through community-based housing, together with additional appropriate home-related services for those mentally retarded adults who are capable of functioning in a relatively independent manner within a residential community. Emphasis of the program is directed toward:

(a) Providing residential options supportive of the commonwealth's deinstitutionalization efforts; and,

(b) Providing maximum opportunities for the adult mentally retarded individual to function as normally as possible within the community setting.

The need for a program such as this is severe. Under a 3-year prototype program designed to test deinstitutionalization procedures and opportunities in Virginia, of 320 mentally ill and mentally retarded clients who were reviewed, placement was recommended for two-thirds of them. Yet, only 7 percent of those in the mentally retarded category returned to the community due primarily to the nonavailability of suitable housing, including care and services, and lack of adequate incomes.

The Federal Housing Assistance Payments program (section 8) provides an opportunity to meet this need through provision of a subsidy over a 40-year period in the case of new construction or substantially rehabilitated housing, and over a 3-year period in the case of existing housing. Federal housing assistance payments may be made with respect to all or a portion of the dwelling units in developments designed for use primarily by elderly and developmentally or physically handicapped persons. The housing program for the adult mentally retarded, as proposed, is specifically centered around the section 8 program. The basic outline of the Housing Program for the adult mentally retarded is as follows:

1. *Section 8 resources.*—Virginia Housing, as part of its section 8 allocation plan approved by HUD, has reserved a total of 140 units for use in connection with housing for the adult mentally retarded. Thirty-five units are earmarked for northern Virginia and 105 for the remainder of the State. The Department will assist VHDA in allocating the section 8 assistance available based upon State priorities, relative need, and an assessment of local service delivery capabilities. Both the existing and new construction and substantially rehabilitated housing components of the section 8 program will be utilized.

2. *Sponsorship: New construction and substantially rehabilitated housing.*—Mortgagors for this program must be eligible not-for-profit or limited-profit sponsors of housing for the mentally retarded, excluding community mental health and mental retardation services boards ("chapter 10 boards") and the State Department of Mental Health and Mental Retardation. There must be demonstrated a reasonable guarantee of their stability and continued existence. Because the process involved in planning and constructing developments under the program requires extensive liaison with community groups, a sponsor must have roots in the community reflective of this involvement, particularly a working

relationship with the community mental health and mental retardation services board in the area.

Virginia Housing will work closely with the department and local chapter 10 boards to select and negotiate with sponsors for housing in those areas identified in the allocation plan for Section 8 Assisted Housing for the Adult Mentally Retarded.

Existing Housing.—Virginia Housing, as the PHA, will enter into an administrative agreement with a local agency, including a redevelopment and housing authority, to administer a section 8 existing housing program for the adult mentally retarded in an area. Owners under the program could be local nonprofit organizations, including community mental health and mental retardation services boards, who are capable of leasing residential structures suitable to congregate or group home living environments.

3. VHDA Role—New Construction and Substantial Rehabilitation:

(a) Virginia Housing will provide construction and permanent mortgage loan financing where feasible for the rehabilitation or construction of multiple occupancy rental housing developments designed and developed for the adult mentally retarded, and which are to be assisted through the section 8 program.

(b) VHDA will provide seed money loans to not-for-profit sponsors of housing under the program. The seed money loans will be utilized to defray allowable front-end costs, including organizational expenses, legal fees, housing consultant fees, architectural fees, engineering reports, land control costs, future land contract payments, title work, and VHDA application fees.

Seed money loans will be made from a revolving seed money loan fund to be established through earmarked portions of VHDA's retained earnings in the 1975-76 budget. The revolving seed money loan fund will be repaid at initial closing for advances paid out.

(c) VHDA will develop and provide at its own expense a special training program for individuals selected as resident managers of such developments. Individuals hired to act as managers of these developments must possess attitudes and qualifications suitable for working with the mentally retarded and must be capable of providing guidance, and an atmosphere conducive to the resident's effective use of the home. The special training program offered by VHDA will not deal specifically with those qualities, but will be designed to increase skills in property management by persons trained and experienced in the social services.

(d) Virginia Housing will utilize its normal procedures for processing and for testing feasibility of development proposals. Criteria and timetables will be altered to take into account the nature of the housing development, the residents to be housed, and the level of services to be provided.

Existing Housing. Virginia Housing will provide overall supervision of the activities of the delegate administrative agency, submit section 8 applications to HUD, and requisition annual contributions payments on behalf of recipients.

4. Department of Mental Health and Mental Retardation role:

(a) The department will provide assistance to VHDA in assessing the relative need for housing assistance for the mentally retarded throughout the State and in developing a plan for allocating Virginia Housing resources.

(b) The department will provide assistance to VHDA in evaluating the merits of particular housing development proposals for mentally retarded adults, including the assessment of the sufficiency of vocational, therapeutic, medical, and other services, review and critique of the site, design, and architectural characteristics, and an assessment of the potential for operational stability of the development.

(c) By virtue of an interagency agreement to be executed between VHDA and the department, the department will give priority consideration in its annual allocation of funds under its authority contained in chapter 10 of title 37.1, Code of Virginia (1950), to those community mental health and mental retardation services boards who are obligated through grant contracts to assist sponsors of housing financed by VHDA for the adult mentally retarded in the delivery of specified levels of therapeutic, vocational, medical, and other services, as well as to provide the personnel needed to adequately manage, operate, and maintain such developments.

5. *Housing types.* This particular housing program is intended to serve retarded adults of low or moderate incomes, 18 years of age or older, who are capable of a reasonable degree of self-care and independence, and whose basic needs include

the provision of a suitable place of residence in a normal living situation concurrently with employment, placement in a community program or sheltered work shop setting appropriate to their level of functioning.

Developments will be designed, constructed, or rehabilitated, and operated as normal residences for group or apartment living, the size not exceeding 16 occupants per house for congregate group homes, and 20 to 25 occupants for apartments. In the case of existing housing, the residence must meet HUD housing quality standards, as well as support the objectives of the program.

6. *Site and architecture.* The number of occupants for group homes will be from 6 to 16; for apartments, the number will be from 8 to 25. The buildings will be attractive, complementary to their settings in the community, and will be large enough to comfortably house the number of occupants involved, including adequate space for sleeping, cooking, dining and living. The developments are to reflect a home-like atmosphere without traces of institutionalization.

(a) The housing is to be located conveniently to employment, shopping and community services, transportation, and on sites that afford maximum integration into the community.

(b) Group residences must be geographically dispersed within the community so as to avoid a concentration of the mentally retarded in a particular area, thus negating opportunities for normalization.

(c) Residences must provide for privacy as well as group activity.

(d) Standards for these facilities are to be the same as those generally applied to group homes, apartments or boarding homes. All applicable local and State fire and safety codes, as well as zoning and sanitation standards, will be met.

(e) All housing financed under this program will provide adequate recreational facilities for the occupants, dependent upon their particular state of development.

(f) All developments financed under this program are to be attractively landscaped with provision in the budget for maintenance of landscaping over the term of the mortgage.

(g) Furnishings and decorations will be appropriate and adequate in quality and quantity to meet the needs of the occupants.

7. *Supportive services-New construction or substantially rehabilitated housing.* Prior to VHDA's agreeing to finance a housing development under this program, written agreements must be secured from appropriate public and private agencies in the area to provide for social, therapeutic, and vocational services to prospective qualified residents appropriate to their capabilities and needs.

8. *Costs and feasibility.* Virginia Housing and the department are analyzing data available in Virginia and other States to develop a cost model for use in determining feasibility of developments. Income of residents will be derived from welfare payments, disability payments (total or partial), individual earnings and savings, and family contributions. Services will be provided by the welfare department, the department of vocational rehabilitation, public health services, mental health clinics, public schools, the medicaid program, and the food stamp program.

Potentially, title 20 of the Social Security Amendments of 1974 will play a key role in providing services to residents to such developments. Final regulations governing the title 20 program, which is to be administered by HEW, are being developed.

9. *Interagency Advisory Council on Housing for the Adult Mentally Retarded.* VHDA and the department will establish an Interagency Advisory Council on Housing for the Adult Mentally Retarded. The purpose of the council is to provide administrative and planning liaison between the two agencies and the public concerning planning for and provision of housing for the adult mentally retarded throughout the State.

The council will be composed of seven members, two of whom will be from the department, two from VHDA, and three interested citizens selected jointly by the department and Virginia Housing. The chairman of the council will be selected from among the citizen members.

10. *Alternate uses.* Where possible, housing developed under this program will be designed for possible alternate uses, particularly for use by the elderly. This will provide additional protection for VHDA's investment should subsidy programs over the lifetime of the mortgage be altered so as to adversely affect feasibility.

DEMONSTRATION PROGRAM PROPOSAL

Directions to Eligible Sponsor: Please utilize the following format in submitting your program proposal, answering, and/or providing information for each subject item.

HOUSING ACCOMMODATIONS

1. Provide a description of the housing proposed to be utilized, its general location in the community, its size, the number of residents it will serve, and whether rehabilitated, newly constructed, or existing housing will be used.
2. Provide an estimate of the current and projected number of mentally retarded adults in the community and a description of their housing and service needs.
3. Describe how the housing being proposed meets the defined needs of the intended occupants. (Provide a clear statement of the program concept(s) surrounding the housing and how it will be utilized in implementing the overall program goals.)

SERVICES

Describe the vocational, therapeutic, educational, medical, recreational or other services that will be provided the intended occupants, indicating those that will be offered at the site and those that will be offered in the community. Indicate how each service will be provided and the source for its funding.

COMMUNITY RELATIONS AND RESOURCES

1. Indicate the names and roles of other groups in the community who will participate in the planning and/or operation of the housing, including the local redevelopment and housing authority, if applicable.
2. In relation to the community setting of the proposed structure, indicate the anticipated attitudes of or degree of acceptance of the housing by neighboring residents. If problems of acceptance are expected, indicate the approach proposed to overcome such problems and to gain community support.
3. Indicate the amount of funds donated annually by individuals and civic groups in the community in support of services and programs for the mentally retarded. Attach a copy of the chapter 10 board budget for the current biennium.
4. Identify and describe other activities in the community currently taking place or planned relating to the provision of services and programs for the mentally retarded, and the extent to which the proposed housing will impact upon them.

SPONSORSHIP/MANAGEMENT

1. Identify and provide specific information on the entity that will sponsor and serve as mortgagor for the development. Relate clearly all previous experience the sponsor may have had in housing and real estate fields.
2. Provide information on how the development will be managed on a day-to-day basis, how policies for the house will be developed, as well as the role of the sponsor and community in operations and in policy-setting.
3. Provide information on linkages between the sponsor and other groups in the community interested in the mentally retarded.

CONTACT PERSON

Provide the name, address, and phone number of an individual who may be readily contacted concerning the program proposal and its contents.

OTHER

Provide any additional information or materials which will be of assistance to the council in considering the merits of the program proposal and in judging the likelihood of its financial and programmatic success.

MEMORANDUM TO KENNETH G. HANCE AND ROBERT P. SANGSTER FROM R. CHARLES SHEPHERD; SEPTEMBER 11, 1975

The attached prototypical budget analysis of *new* congregate housing for the adult mentally retarded using the Section 8 Housing Assistance Payments program has been developed by program development with the assistance of various VHDA staff.

For tests of feasibility, the analysis assumes high construction and operating costs, which will be unwarranted in actual practice. In addition, tax abatement, waiver of certain fees, donation of services by lawyers and architects, are not assumed.

Assuming the very worst in terms of costs, a prototypical 16-unit congregate development is calculated to have an annual shelter cost of \$46,371, requiring a rent of \$241.50 per month. The rent is approximately 6 percent above the average fair market rent for such developments.

Nonshelter costs are estimated to be \$25,840 per year, or \$134.56 per unit per month. Except for food, which is the major cost item, these are for the most part "soft" costs in that they are likely to be provided by other agencies or through donations of time and services. These costs are the obligation of the sponsor, payment for which will be derived from charges to the resident or his family, grants from the State through chapter 10 boards, or other sources.

Rehabilitation proposals should indicate reduced development budgets, as compared to new construction proposals, although operating costs should generally be the same. This should result in a lower mortgage amount and reduced rents.

These data indicate that these developments are feasible, even under the most liberal cost assumptions, and should constitute a secure investment for VHDA.

[Attachments.]

PROTOTYPE BUDGET ANALYSIS OF SHELTER COSTS

The following materials represent analysis of a program for housing adult mentally retarded utilizing capital funds from the Virginia Housing Development Authority, Section 8 Housing Assistance Payments from HUD through VHDA, and income and income maintenance benefits from residents and Federal and State agencies under a nonprofit housing ownership program with appropriate supportive services contracted by the nonprofit entity with community mental health and mental retardation service boards and other appropriate agencies.

BUDGET ANALYSIS ASSUMPTIONS

1. A housing assistance payment per resident of 105 percent of the HUD-established fair market rent of \$214 per month, assuming for feasibility analysis only that the resident will be unable to contribute toward his housing;
2. Based on 16 residents and one house-parent/residential director or couple in the house, total of 18 residents;
3. Estimated annual salaries and benefits:

House-parent/residential director	\$12, 300
Administrative or clerical	8, 000
Operating personnel	5, 000

4. All furniture and appliances to the extent not built-in (and thus part of the mortgage) are paid for by the nonprofit sponsor or are donated to the house;
5. Tax abatement is not assumed. Real estate taxes are estimated at \$1.81 per \$100 of assessed value;
6. Debt service and reserve requirements are those employed by VHDA in its normal underwriting and feasibility analyses;
7. Residents are optimally selected to insure that at least 50 percent are working or are in a programed activity 40 hours per week;
8. If more than one project is sponsored by the nonprofit sponsor, the clustering of homes will provide economics of scale that could lead to a broadening of activities;
9. The sponsoring nonprofit entity can supply sufficient funds to support any staff and expenses additional to those described within the shelter cost budget;
10. The development is assumed to have a 2 percent vacancy;
11. Each development is assumed to consist of 16 one-bedroom, one-bath units with a small refrigerator (as required by HUD MPS), and a one bedroom-one bath apartment (minus kitchen facilities) for use by the house-parent couple (total of 17 units); and
12. Each development is assumed to consist of 6,500 square feet of structure on approximately 1 acre of land.

Estimated Development Cost and Mortgage Amount

Improvement costs:	
Land improvement:	
On-site land improvements.....	\$8,960
Landscaping.....	3,040
Subtotal.....	<u>12,000</u>
Structures:	
Walk-up (\$20×6,500 sq. ft.).....	130,000
Equipment, dwelling units (\$200 per dwelling unit (refrigerator) × 16 dwelling units).....	3,200
Equipment, community facility (maintenance equipment, com- munity facilities' equipment, etc. (laundry and recreational equipment).....	1,600
Other (kitchen).....	3,000
Subtotal.....	<u>137,800</u>
Other costs:	
Architectural fee, design (\$765 per unit).....	13,000
General requirements (2 percent of l. i. + structure).....	2,840
Builders overhead (4 percent of l. i. + g. reg. + st.) \$144,900....	5,796
Builders profit (10 percent of \$144,900).....	14,490
Bonding fee.....	2,000
Tap fees \$100/unit.....	1,600
Building permit.....	750
Subtotal.....	<u>39,476</u>
Carrying and financing charges:	
Interest during construction at 6¼ percent (estimated con- struction time: 6 months).....	2,958
Taxes during construction.....	235
Insurance.....	230
0.25 percent VHDA financing fee.....	5,727
Title and recording expense.....	819
Legal expense; organization and sponsorship; fees (nonprofit only).....	5,000
AMPO (nonprofit only).....	2,400
Subtotal.....	<u>17,369</u>
Total improvement costs.....	<u>206,645</u>
Total development cost:	
Total improvement cost.....	206,645
Value of land.....	17,000
Section 8 reserve deposit (3 percent of principal amount of mortgage loan, if applicable).....	6,913
Total development cost.....	<u>230,558</u>
Amount of mortgage loan (100 percent of total development cost)....	<u>230,558</u>
Total construction contract price:	
Total land improvement costs.....	12,000
Total structure cost.....	137,800
Other costs.....	26,476
Total construction contract price.....	<u>176,276</u>
Total estimated cash required for closing:	
Total development cost.....	230,558
Minus amount of mortgage loan.....	230,558
Total estimated cash required for closing.....	<u>-0-</u>

Analysis of operating expenses

Operating expenses:	
Real estate taxes	\$3, 000
Insurance	450
Administrative supplies	200
Audit expense	1, 200
Maintenance (janitorial supplies, repairs, painting and decorating, contract maintenance, exterminating, landscaping, plant materials, et cetera; does not include expenses of on-site personnel)	2, 000
Payroll (one position, management couple):	
Rental value of quarters *	265
Wages	12, 300
Payroll taxes (11.4 percent)	1, 402
Subtotal	13, 967
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Total	20, 817
Utilities (paid by owner):	
Electricity	3, 500
Water and sewage	1, 200
Solid waste removal	100
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Total	4, 800
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Total operating expenses	25, 617
Average expense/unit/year (item B divided by 17 units)	1, 507

Annual cash flow analysis

Mortgage amount	\$230, 558.
Estimated mortgage interest rate	8¼ percent.
Term	40 years.
Debt service factor	0.086114.
Total gross annual income:	
Residential income (100 percent)	\$47,808.
Minus vacancy and collection losses (2 percent of residential income)	—\$956.
Net residential income	\$46,852.
Equals total gross annual income (subtotal)	\$46,852.
Total gross annual expenses:	
Interest and amortization	\$19,854.
Operating expenses	\$25,617.
Reserves for replacements	\$900.
Gross annual expenses	\$46,371.
Effective gross net annual income (expense)	\$481.

PROTOTYPE BUDGET ANALYSIS

Nonshelter Costs

Operating personnel (cook, janitorial, et cetera)	\$7, 500
Professional staff	0
Food and supplies (\$2 per day per resident, assuming two meals per day)	13, 140
Transportation	3, 000
Equipment	1, 000
Recreation (parties, field trips)	600
Miscellaneous administrative expenses	600
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Total nonshelter costs	25, 840

*To be included to the extent unit is provided rent free (or partially rent free) to employee as part of compensation.

CONSOLIDATED BUDGET

	Total	Per client unit (16)	
		Month	Resident
Shelter costs ¹	\$46,371	\$3,864	\$241.50
Nonshelter costs ²	25,840	2,153	134.56
Total	72,211	6,017	376.06

¹ Shelter costs include debt service on the mortgage and operating costs of the development and thus are subject to subsidization under the sec. 8, housing assistance payments program.

² Nonshelter costs include service items not subject to subsidization under the sec. 8, housing assistance payments program. Sources of funding for these items include Chapter 10 Boards, residents themselves, medicaid, DUR, as well as SSI benefits and the food stamp program.

**ITEM 3. EXCERPTS FROM FIRST ANNUAL REPORT, DECEMBER 1974,
VIRGINIA HOUSING DEVELOPMENT AUTHORITY**

The Executive Director's Message

The responsibility for a fledgling agency with untested public acceptance presents a great challenge and one that is not without some apprehension. As I began to acquaint myself with Virginia, I also attempted to introduce to Virginia its Housing Development Authority. Although Virginia Housing is just emerging from its organizational stage, the volume of activity during this first year discloses that VHDA has become established as a viable and productive entity in the Commonwealth. In this first year, we have given attention to various housing needs throughout the State, in both rural and urban areas, and to specialized housing needs such as those of the elderly and handicapped.

The situation so urgently expressed in the Report of the Housing Study Commission strongly indicated the need for a public corporation able to assist in the development and financing of housing for low and moderate income citizens of the Commonwealth. It is clear that our ability to provide lower-cost mortgage financing is not sufficient to improve housing conditions for lower income families without additional assistance through federal programs. However, by taking full advantage of available federal assistance, we have the capacity to aid in providing improved housing opportunities for both lower income citizens and the increasing numbers of moderate income families who are effectively priced out of today's housing market.

The obstacles we have encountered in this first year are not confined to Virginia Housing or to this state. The federal housing assistance moratorium suspended virtually all programs that would assist in housing low and moderate income families. In addition, the volatile securities market has caused a decline in investment activity and an increase in our cost of money which, in turn, have necessitated extreme care in the scheduling of Note and Bond issues and innovation and creativity in the structuring of our financing programs. As the prime rate has continued to rise, the gap between housing costs and the ability to pay has resulted in an ever-increasing number of applicants for assistance from Virginia Housing. Despite the mora-

torium, we have been successful this year in obtaining a significant amount of federal subsidy funds for both homeownership and rental housing opportunities.



As of June 30, 1974, Virginia Housing had issued approximately \$100 million in Notes and Bonds, the proceeds of which have been committed to make construction and permanent loans for 800 single family homes and multi-family housing developments containing 4,000 dwelling units. I believe that our financing activities have provided a measure of assistance to the housing construction industry during this difficult economic year, and in turn to the many segments of Virginia's economy which are affected by conditions in the construction industry.

Virginia Housing expects to continue in its capacity of assisting moderate-income persons who are not eligible for federal assistance and yet who cannot afford decent housing in the current market. In addition, new federal housing assistance programs are expected to be available shortly through the new Housing and Community Development Act of 1974. We have devoted a great deal of time in evaluation of the provisions of this new legislation and we are prepared to implement the new programs to the benefit of all Virginia citizens and, particularly, to meet the critical needs of lower income families.

We intend to continue our efforts to establish effective working relationships with all segments of the housing construction industry, the private financial community, local government, regional instrumentalities and all others who are concerned with improving the housing conditions of Virginia's citizens. Our goal will always be to aid in delivering housing opportunities of the highest quality of design and construction to low and moderate income families, at the lowest possible cost to the consumer.

Our public purpose and function remain quite clear: Virginia Housing represents the commitment of the Commonwealth of Virginia to aid its citizens in obtaining safe and decent housing.

A handwritten signature in cursive script, reading "Kenneth S. Haney". The signature is written in dark ink and is positioned to the right of the main text block.

The Problem

Housing problems reached critical proportions in Virginia before positive measures were taken to remedy them. Current estimates are that at least 300,000 units must be constructed or rehabilitated in order to replace existing substandard housing. However, these estimates do not provide for future population growth or for the anticipated deterioration of existing housing that is now considered adequate. Based on projected population growth alone, an additional 250,000 new units will be required by 1980.

The need for mortgage financing at rates which low and moderate income families can afford is partially demonstrated by Virginia personal income distribution statistics. As of the most recent Census, 28% of the 1,395,000 households in Virginia had annual household incomes under \$5,000 and a total of 60% of Virginia households had annual incomes of less than \$10,000.

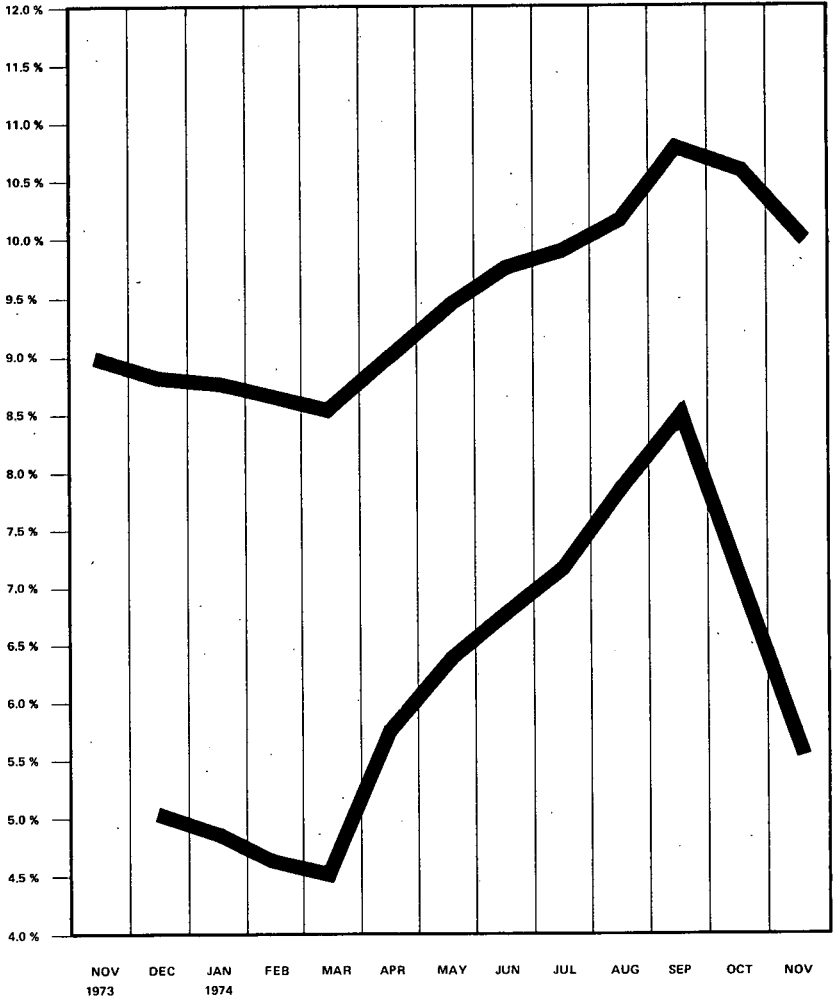
A number of inter-related factors contribute, directly or indirectly, to the housing problem. Rapidly rising interest rates and construction costs have placed new housing out of reach for the great majority of families. Middle-income families are deciding to remain in their current homes, with their lower interest-rate mortgages, instead of purchasing new houses. This trend has decreased both the amount of new housing being constructed and the supply of existing housing that otherwise would have become available to low and moderate income persons as a result of upward mobility of middle income families.

The rate of housing production is far below that of recent years; down 31% at the first half of this year from the first half of 1973. Good land is less available and more expensive, construction loans are very costly, environmental protection requirements, though in the long-term interest of the State, add to expenses, and many building materials are in short supply. The cost of construction materials alone rose 16.4% between June 1973 and June 1974. The result is that the national median sales price of new homes sold in May 1974 was \$35,800, a price level that excludes over *two-thirds* of all potential homebuying families from the market.

Although Virginia Housing has been successful in obtaining some Federal subsidy funds, a great need still exists for assistance sufficient to help hundreds of thousands of low and moderate income families. This mechanism alone cannot reduce interest rates sufficiently to assist families most in need. Since Federal subsidy assistance is essential to make this possible, Virginia Housing intends to utilize as fully as possible, all opportunities to be made available by the Housing and Community Development Act of 1974.

INTEREST RATE COMPARISON CHART
VHDA vs Commercial Lending Rates

- CONVENTIONAL LENDING RATES
- VHDA RATES (Bond Anticipation Notes and Construction Loan Notes)



The Response

Virginia Housing has encouraged the involvement of the private mortgage finance industry in its programs and has received a favorable response with respect to participation by the private financial sector in furtherance of the VHDA public purpose. Among VHDA programs implemented in connection with private financial institutions are the mortgage purchase and the construction loan participation programs. VHDA has also implemented a major direct loan program for providing construction and permanent mortgages for almost 350 "conventional" single-family homes. Through the same direct loan program, VHDA is financing the construction of more than 450 units of Federally-assisted (Section 235) single-family housing.

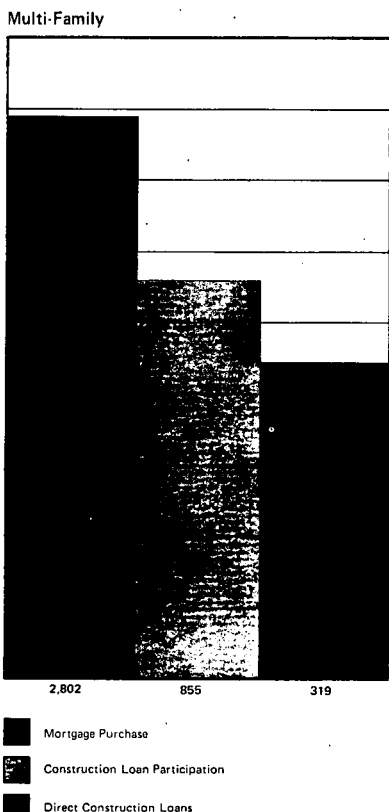
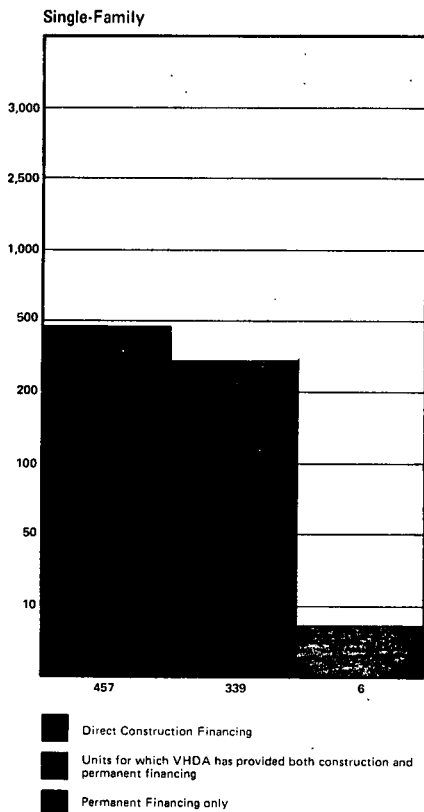
In coordination with private financial institutions, VHDA is providing the construction financing for seven multi-family developments containing 855 dwelling units, all of which are assisted under Federal housing subsidy programs. In addition, construction financing has been provided for a 319 unit multi-family development with 100 units receiving Federal subsidy assistance. An additional 10 developments containing approximately 1,300 dwelling units are expected to be under construction with direct VHDA financing within the next six months, of which approximately 840 units will receive Federal subsidy assistance. Finally, permanent financing for 22 multi-family developments (2,802 units) has been made available by purchasing mortgage loans from private financial institutions.

Thus, in its first year, Virginia Housing assisted in the construction and permanent financing of approximately 800 single-family homes and just under 4,000 multi-family housing units. Of these, 3,657 were financed through the VHDA multi-family mortgage purchase and construction loan participation programs, in partnership with the private mortgage finance industry.

In addition to the lending activities referred to above, Virginia Housing has a variety of potential programs under consideration. They include:

- A special emphasis on developing the ability to finance housing rehabilitation and construction in rural areas. When possible, VHDA programs would be coordinated with those of the Farmers' Home Administration.
- Creating innovative means of utilizing the highly developed industrialized housing industry of Virginia.
- Encouraging sound energy conservation practices with respect to housing (including financing for demonstration projects such as homes which incorporate solar heating and cooling).
- Utilizing "urban homesteading" as a means of restoring vacant, and often derelict, housing.
- In accordance with the proposed provisions of the Housing and Community Development Act of 1974, coordinating VHDA activities with community development activities of State and local jurisdictions.
- Developing a loan program for housing rehabilitation which, when combined with a broad plan of neighborhood preservation, can greatly diminish the need for far greater future expenditures and restore badly needed and basically sound structures to the housing stock.
- Using a "loans-to-lenders" program to increase the supply of mortgage funds available to private mortgage lending institutions and to improve the terms of the mortgage loans received by low and moderate income borrowers.
- Implementing a program for the purchase of eligible single-family mortgage loans. Lenders who sell loans to VHDA would then reinvest the proceeds in mortgages made to eligible low and moderate income borrowers. Participating

**BREAKDOWN BY UNITS OF
SINGLE-FAMILY AND MULTI-FAMILY ACTIVITY
(JULY 15, 1974)**



lenders would act as agents for Virginia Housing in the origination and servicing of such loans.

- Giving special attention to the needs of the elderly and the handicapped. VHDA has already financed housing carefully designed for the

elderly and the handicapped and receives advice from its own Advisory Committee on the Elderly and on the Handicapped and from the State Board of Housing's Citizens Advisory Committee on Architectural Barriers.

ITEM 4. MEDICAL EXTERNSHIP REPORT BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY AND VIRGINIA COMMONWEALTH UNIVERSITY, MEDICAL COLLEGE OF VIRGINIA, FEBRUARY 3 TO JULY 3, 1975

According to the initial contract signed in February 1975, the job description of the extern includes the following concepts:

(1) That the extern(s) be a medical student in the second, third, or fourth year of training at the Medical College of Virginia.

(2) That the extern reside at 1202 N. First Street and be available from 11 p.m. to 6 a.m. when not precluded by the necessity for medical services at MCV Hospital.

(3) That the extern respond to the request of the guard or any resident in the situation of a medical emergency; that the extern evaluate the medical problem and suggest a course of action.

(4) That a log book of medical transactions be recorded and made available to the appropriate authorities of the Richmond Housing and Redevelopment Authority.

The above guidelines have served well during the first 5 months of the externship. The concurrent communication between the extern and the housing manager and social service director has also been helpful and sufficient. At the initiation of the program, it was important to inform the residents of this addition to the medical services available to them. The publicity was forthright and effective. It was somewhat difficult however, for the residents to predict the ways an extern could be of assistance. A frequent misexpectation was that of the extern's ability to write prescriptions and dispense licensed medications. The extern is often summoned to intervene in medical situations which are not true emergencies.

Information collated from the log records shows that in 5 months, approximately 75 calls were answered. In the category of minor complaints and queries, there were 38 requests. This includes information about medications, blood pressure readings, minor nosebleeds, insomnia, and a variety of other problems. In the magnitude of major complaints there were 27 calls dealing with medical problems such as chest pain, abdominal pain, fainting episodes, injuries secondary to falls and cuts, skin infections, improper ingestion of medications, and severe depression and/or suicidal intent. Ten residents were advised to seek immediate attention at the MCV emergency room for difficulties including head wound, possible stroke, seizures, vomiting blood, intractable migraine headache, problems associated with diabetes, and severe infections and/or cellulitis. The crisis intervention center was consulted for one case of suicidal intent.

Following notification of the extern, all residents hospitalized at MCV were frequently visited and their medical course followed with progress notes made in the log book. This is a particularly beneficial aspect of the externship for the residents and RHRA staff; medical information is often poorly communicated and often misunderstood by persons unfamiliar with medical terminology and the hospital environment. Reports to the spouse or family of a hospitalized resident seemed to be much appreciated.

The medical management of a few cases was directly referred to the public health service nurse and the social service director. A housecall to the resident's apartment was necessary for most medical consultations. The residents should be further encouraged to phone the extern directly without the unnecessary intervention of the guard or a resident-counselor. It is always preferable to see a resident in his/her own apartment, both for the ease of the resident involved and the living privacy of the extern.

Evaluation of the time periods of highest demand shows that approximately 55 percent of the calls were received between 4 p.m. and 11 p.m., 30 percent between 11 p.m. and 6 a.m., and 15 percent in daytime hours between 6 a.m. and 4 p.m., primarily on weekends. However, of the 55 percent of consultations in the early evening, only approximately 25 percent could be classified as a major medical problem or one requiring hospitalization. During the "on call" hours (11 p.m. to 6 a.m.) 60 percent of the situations were considered serious or required hospital care.

This suggests that the extern's role in medical emergencies is fulfilled most consistently in the assigned hours, although emergency calls are by no means restricted to this time period. When the extern is available during the early evening, the majority of consultations are minor medical problems. Presently,

this service to the residents is not an overburdening one. Nevertheless, the extern's concern for serious and acute medical problems should be emphasized. Enactment of this principle enables each link of the available health service to function more effectively, i.e., the home visitation nurse, the public health nurse, the housing manager, the social service director, as well as the extern, has a specialized function with some unavoidable overlap. It is assumed that in a given situation the bureaucracy may be legitimately disrupted in order to meet the immediate needs of a resident.

The externship program offered by the RHRA in conjunction with the MCV School of Medicine is a viable one. Externs and residents derive benefits from the arrangements of living as neighbors. I submit that the program be continued with all members of the contract observing the tenets of honest communication and openness to modification.

DIANE J. SANSONETTI M-77,
Medical Extern.

JULY 7, 1975.

MEDICAL EXTERN EVALUATION

The Richmond medical extern program has proved to be beneficial to both residents and staff. Most of our residents have learned to call on the externs for emergencies only, and have found them to be quick to respond.

The medical log book is kept up to date by externs, RHRA counselor, public health nurse, and manager. We do need to find a better way to keep up with the book itself. Both staff and externs have forgotten to place it in the closet to be retrieved by the other party. Furthermore, the closet is going to be locked in the near future, so another site must be found.

Medical notes written by the students have provided the manager and counselor with information necessary for effective followup. This information is also valuable for recording the dates and other details of medical incidents for future reference and/or reports.

The externs also serve as medical resources for the staff and residents in seeking the proper care for medical problems and in identifying emergencies.

A necessary shift in hours that the externs are on duty has presented a problem. They often notify the staff, the residents' council, or the guard when they are on duty at the hospital and where they can be reached, but this does not provide their presence if it's needed. At times an extern will arrive in the day after a long shift and be just in time for an emergency at 1202. They are needed during the day as well as the evening and weekends.

The externs have provided a valuable service. However, the service is needed more regularly and more often than the present system can provide.

G. L. ROBERTS,
Housing Manager.

FIRST SIX MONTHS' EVALUATION OF THE MEDICAL EXTERN PROGRAM

(BY R. L. GUTHRIE)

The first 6 months of the medical extern program have proven it to be of ever increasing value to the residents it serves. The constant line of communication between the externs and the counselor has been extremely helpful in making the proper decision on cases we were especially concerned with.

Since its beginning, the program has taken on another dimension aside from its function of providing emergency medical assistance. Recently the externs have begun providing us with a daily progress report on residents who have been admitted to MCV; and in some cases have been helpful in suggesting the type of followup medical services the resident might need after returning home.

With the aid of the doctor and area nurse from the health department, we are usually able to get fairly prompt evaluation of daytime medical emergencies.

The response of the residents to the program has been favorable. To many of them, the extern program is one more outward sign that someone does care for their well being.

I feel the evening hours specified in the guidelines of the program are adequate because there are many resources available during the daytime which may be utilized by the staff in cases of emergency, which are not available at night. Therefore, the program as it now exists appears to be sufficient to meet the emergency medical needs of the residents.

ITEM 5. LETTER FROM FREDERIC A. FAY,* CHAIRMAN, VIRGINIA HOUSING DEVELOPMENT AUTHORITY; TO SENATOR HARRISON A. WILLIAMS, JR., DATED NOVEMBER 19, 1975

MY DEAR SENATOR WILLIAMS: You will recall that during my testimony before the subcommittee in Washington on October 8, I was requested to furnish information on the response to the program of the Virginia Housing Development Authority to provide up to 140 units of housing for the adult mentally retarded throughout the Commonwealth using a part of Virginia Housing's Section 8 allocation. Proposals were to be submitted by October 20, 1975.

I am pleased to be able to report to you that the response was most gratifying. Twelve proposals were received with loan applications covering the more populous areas of the State. Although five were immediately selected, there appear to be sufficient subsidy funds available for all twelve.

It is encouraging to note that the five initially selected are from agencies with established records of providing housing.

Virginia Housing has made staff assignments and it is expected that preliminary reports on the proposals will be complete by February.

It was good to have seen you again last week at the conference on congregate housing. With best wishes.

Sincerely,

FREDERIC A. FAY, *Chairman.*

*See statement, p. 1002.

Appendix 3

EXCERPT FROM "PLANNING AND MANAGING HOUSING FOR THE ELDERLY," BY M. POWELL LAWTON*

We shall suggest three levels of service that differ not only in price but also in the level of tenant independence to which they are best tailored.

1. *Bare minimum service level*—at a minimum cost—for the most independent tenants.

a. Activity program. With help from the administrator in starting the program and casual assistance thereafter, tenants should be able to conduct the activities satisfactorily and pay for them with "freebies" and minimum dues.

b. Medical office. Regularly scheduled weekly hours by physician, and more frequent hours by a nurse who would carry out minor procedures under the direction of the physician.

c. Transportation service. This must be tailor-made for the site in question and might consist of a service as modest as an on-call volunteer emergency driver or as much as a regular multi-stop bus or jitney route.

d. Social and personal counseling services. The administrator should have some training in giving such services for everyday minor problems, and in recognizing when a referral is needed. (See Chapter 12.)

2. *Moderate level of services*—at moderate cost—for marginally competent tenants.

a. Activity program. Direction of activities by a designated individual, whether paid by the sponsor or by a community organization separate from sponsor or authority.

b. Medical office. Daily scheduled clinic hours by a physician and 24-hour telephone access to a nurse employed by the housing project or a local group with specific commitment to the housing.

c. Transportation. Similar to the minimal-service level.

d. Social and personal counseling services. Part-time on-site social worker or other trained helping professional desirable, or a staff member from another local agency who is detailed for a specified amount of on-site time and responsibility.

e. Meal services. An optional hot-lunch program, preferably one whose work is partially the responsibility of tenants.

3. *Maximum services*—highest cost—relatively dependent tenants.

(a) Activity program. Directed by a professional with some training in designing activities for the handicapped.

(b) Medical service. In addition to daily physician and nursing hours, an infirmary for short-term treatment or a special care area for permanent semi-invalid treatment would be built on the site.

(c) Transportation. A more highly organized set of transportation options, offering special assistance to those whose ambulation is limited.

(d) Social and personal counseling services. A program similar to that suggested for moderate-service level, but in some cases a full-time counselor or ombudsman might be employed.

(e) Meal services. A large space explicitly designated as a dining room where one, two, or three meals per day are served, with tenants being required to subscribe for some minimum number of meals. Some individualized service in the tenant's dwelling unit might be necessary.

(f) Personal care. Assistance in housekeeping, personal grooming, or laundry would normally be required only by those who also need assistance with meals and proximity to medical care, though some lesser forms of personal service may be purchased simply for convenience.

*For statement, see p. 1008.

Obviously, the foregoing three levels are suggestive only and not to be taken as rigidly corresponding to any three particular tenant populations. Clearly, one level merges into other, and at a given time, any housing environment will undoubtedly have some tenants in need of each level. One of the major demands on the administrator is, within a given framework of standard services, to be able to find individualized ways of outfitting a less competent tenant with a form of service that does not require a complete reshuffling of the housing environment. He needs to know which community services can come to the assistance of the few least independent tenants, and when to call on the tenant's family for such help.

Appendix 4

LETTER AND ENCLOSURE FROM KALLIA BOKSER, COORDINATOR, DEPARTMENT OF SOCIAL AND COMMUNITY SERVICES, NEW YORK CITY HOUSING AUTHORITY; TO SENATOR WILLIAMS, DATED OCTOBER 31, 1975

DEAR SENATOR WILLIAMS: It was my privilege to present testimony at the recent hearings on the service aspect for the elderly in public housing. I am more than happy to join in any efforts to help in the realization of the objectives of the hearings.

I hope that the enclosed material will be of value in further clarifying the potential areas of service. Perhaps with the support of your committee we can look forward to converting feasible demonstrations to permanent and broad program services for the elderly. Thank you again.

Sincerely yours,

KALLIA BOKSER.

[Enclosure]

RESPONSE TO QUESTIONS

1. QUEENSBRIDGE HEALTH MAINTENANCE CLINIC

The Queensbridge Health Maintenance Service for the Elderly—was founded in 1961 in the public housing setting of Queensbridge Houses under the auspices of New York City's Department of Health in cooperation with a number of official and nonofficial agencies. It was designed to demonstrate the effectiveness of a comprehensive socio-medical approach to health maintenance for the ambulant elderly resident population of close to 1,200 persons. Pioneered by Dr. Nekita Kuo, director, Borough of Queens Health Services, more than 15 years ago, this unique program has now gained widespread acceptance as the direction programs should take to enhance the ability of elderly to maintain independent living and avert institutionalization.

The underlying concept of the program has been the provision of preventive medicine, team screening and early detection, prompt treatment and followup in clinic and at home, and continuing rehabilitation encompassing supportive social services. Particular emphasis was focused on the central premise that health care must be readily accessible as an integral component of the living environment of the client.

Originally, the program received a 3-year grant. Its notable record of success assured its survival for the past 14 years. When Robert Weaver was the Secretary of HUD, he acknowledged that the Queensbridge experiment was one of the most exciting developments he knew of in the public housing field. As a model for future development, it was applauded by both public and professional societies and agencies.

In the initial grant proposal, the question of evaluating the effectiveness of the program was included as one of the objectives. The research component was designed to answer the following:

- To what degree has the program enabled the elder persons to continue to live independently as an active member of the community?
- To what degree are the health needs met by the program?
- To what degree is the program acceptable to the elderly?
- What is the impact on the health attitude of the elderly?
- What proportion of the elderly persons in the housing project utilize the program?

At the tenth anniversary conference of the Queensbridge Health Maintenance Services, various members of the clinic team and supporting agencies attested to the validity of the concept and the positive impact it has on the lives of its clientele. Dr. George James, currently the dean of the Mt. Sinai Medical Center, particularly noted in his progress report how patients at Elmhurst Hospital referred by Queensbridge Clinic were able to shorten their hospital stay and return to live independently in their homes because of the early detection beforehand and high quality and continuum of care after discharge. As he expressed it, many would have ended up in nursing homes because that's the way our society functions rather than have a dignified existence in their own homes.

Dr. George Reader, director of community medicine, New York Hospital-Cornell University Medical Clinic, who serves as a consultant to Queensbridge Clinic, has attested that this clinic had shown how the best principles of health-care delivery for the elderly can be applied. He stated that on the basis of the experience, he had hoped that the city of New York would proceed to establish similar clinics in all the public housing developments. However, this has remained a dream.

A vast body of data indicating the effects of the various medical, social, environmental and behavioral services as they affect the health of the elderly has been accumulated at the Queensbridge Clinic. It became evident that the measure of the benefit of each of the individual services contributing to the overall significance of the program was greatly enhanced by each of the other elements. The program clearly points up the validity of the concept that a parallel care system to institutionalization can meaningfully and positively have implications for the quality of life of elderly persons.

Under separate cover, I am sending you a copy of the proceedings of the tenth anniversary conference of the Queensbridge Health Maintenance Service for the Elderly which expands greatly on the aspect of this program. It will be helpful in assessing the significance of this health-care system.

2. SCREENING OF OCCUPANTS

Project SCOPE—the Seniors' Community Outreach Program to the Elderly (SCOPE)—under the auspices of Lenox Hill Neighborhood Association serves the physically homebound, chronically ill and socially isolated elderly population in the neighborhood where the housing authority's special project for the elderly is located. In the course of carrying out their assignment, they have identified frail elderly who are in need of on-going supportive services and whose ability to continue to live alone is questionable. The demonstration "group residence" in the authority project was seen as an alternative to the recommendation of institutionalization.

The Director of SCOPE was given the responsibility for selection of the occupants who are referred by his case-aides and by other community agencies working with elderly in the area.

The selection process and pairing of apartment mates was quite involved. Eligibility criteria to facilitate adjustment were established. They included (a) previous locational factors, (b) previous experience of living with others—family, spouse, friends, (c) specific medical determination. Separate and joint interviews with the prospects were held. The pairing was a delicate matter and personality traits were taken into consideration; a dynamic person was placed with a passive one, a more physically active person with a relatively impaired person. The director has continued to meet regularly with the chosen residents and counselor to discuss problems and foster interaction among them.

During the short experience of the program, 5 months, there has been one change in occupancy due to a prolonged hospitalization. Although initially the acceptance of sharing an apartment may be difficult, the realization that this is the best option available, has engendered an increasing sense of satisfaction among the occupants. The particular setting of this experiment has an additional positive feature; a comprehensive senior center program in which the group residents can participate and take advantage of the meal program and other socialization experiences.

Although some tensions have been noted, the general feeling is that the program essentially has proven most successful. A key factor has been the continuing support of the director.

3. INEFFECTIVENESS OF "HANDHOLDING ARRANGEMENTS"

The recently circulated statement of understanding between HUD and AoA promoting a cooperative effort to implement the nutrition program expresses well-intentioned sentiments. There is an inherent weakness, however, in this type of agreement that stems from the omission of specific incentives from the LHA's to serve the interest of the title VII local administrative agencies. The dual nature of the demand for the nutrition program, reflected in pressures exerted on the local agency, and the competition for the limited public funds frequently preclude an equitable and rational process of site selection.

The guidelines of title VII encourage the establishment of meal sites in various public and private facilities, i.e., churches, synagogues, meeting halls, and provides the funds to upgrade these facilities to accommodate the program. Many of such voluntary institutions are currently underutilized and beset with financial problems. Consequently, the title VII program is an attractive means for such groups to augment their services and improve their facilities without expenditures from their budgets.

Although the HUD statement indicates that the LHA's may apply for modernization funds for the necessary alterations and nonexpendable equipment to adapt public housing space for the nutrition program, in light of the direct title VII funding for such purposes, this provision will not be a determining factor in site designation. It is also questionable whether in the present HUD formula for modernization funding requests the above purposes would be considered by the LHA's and HUD as priorities in their proposed budgets.

Furthermore, the restrictions of using the public housing space primarily for residents is often considered by the State and local administrations on aging as an unrealistic limitation on the nutrition program in their effort to service the community. We have found that the perception of public housing tenants as a privileged group is pervasive in many official circles and this adversely affects the choice of public housing sites. I recently spoke to the community services specialist of the housing authority of Seattle, Wash., who concurred on this observation. She indicated that their State office for the aging would not consider a public housing site suitable, although it probably encompasses one of the highest concentrations of the most needy elderly in that area.

Due to the past traditional role of LHA's to serve as enablers, other agencies still retain the misconception that the delivery of social and human services is outside the scope and capacity of the housing agency. My personal experience in attempting to change this image has been met with many difficulties, but slowly our local administration on aging is accepting the possibility of our being a grantee and having the capacity to operate programs.

Accordingly, I believe that the statement of agreement between HUD and AoA will only become effective when it incorporates specific commitments from both agencies. These could be in the form of a transfer of funds according to a set formula based on population ratio—the proportion of elderly in public housing to the total elderly population in that area, or on the basis of an additional and special authorization of title VII funds to meet and safeguard the needs of public housing residents. In relation to HUD's commitment, the funds for alterations should be separate and above the regular modernization budgets, with simplified procedures for their acquisition so that a prospective program can be initiated without the complicated reviews and approvals necessary for such budgets.

The same principles should be applied to any agreements that have implications for elderly residents in public housing. A recent memorandum from the HUD area office was received by our authority, alerting us to the Senior Community Service Employment Program authorized under title III of the Comprehensive Employment and Training Act of 1973 and title IX of the Older American Comprehensive Services Amendments of 1973. It urged us to avail ourselves of this program as a resource for assistance to elderly residents. After a great deal of investigation and my contacting the Regional Planner for Manpower, Department of Labor, I learned that the program is directly funded in Washington and has been restricted by an interagency agreement to a particular nationwide organization. This binding provision is written into the regulations and no other group can apply for awards. This information, of course, made the HUD memo meaningless.

Nevertheless, there is no reason why LHA's should be written out of this program and be subject to third party subcontractural agreements which complicate procedures and often waste administrative funds. HUD's Housing Program for the Elderly, implemented by the various LHA's has the built-in machinery and ready capacity to use such funding advantageously. A significant service program to help the economic status of older persons in housing, and at the same time assist the frail elderly residents to remain independent in their homes, could be created with the help of a senior community services project. An interagency agreement between HUD and the Department of Labor would assure an effective use of project funds.

To summarize—unless the procedures and commitments of AoA programs are made more explicit as they relate to residents of public housing, and a reordering of priorities for the allotment of funds is made, the benefits of these programs will not measure up to their potential for this target population.