



Metro Vision Idea Exchange: Senior Housing

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CHALLENGES IN SENIOR AND BOOMER HOUSING: DENVER METRO

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The Highland Group



- We are a resource for owners, developers, local governments, lenders and healthcare providers seeking market knowledge to effectively meet the housing and care needs of the aging population.
- Based in Boulder, since 2000; work exclusively in Colorado
- We provide customized market research and planning services: demographics, needs assessments, market studies, competitive analyses, site evaluations, and project and service design

MARKET WATCH

News and Trends in the Colorado Seniors Housing and Care Market

Free monthly e-newsletter reporting:

- Construction starts, openings, sales
- New development profiles
- Local industry trends and performance
- www.thehighandgroupinc.com



What's My Point?

- **Trends impacting current and future needs** - demographic, generational, socio-economic
- **Current and future supply:** what is our current supply and what is being developed?
- **Challenges and barriers:** what we need that is NOT being developed?
- **Needed actions and advocacy**



Demographic demand drivers: Denver Metro

7-County Denver Area: Number and Growth of 55+ Persons: 2015 to 2025

Year	Younger 55-70		Mid-Range 71-82		Oldest 83+	
2015	533,265	Growth	153,931	Growth	59,805	Growth
2025	630,070	96,805	281,425	127,494	82,529	22,724
Growth		18%		83%		38%

Source: Colorado State Demography website

Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson

- **Younger** - most fully active and functional, many still working
- **Mid-Range** - run the gamut - very healthy to completely disabled
- **Oldest** – ½ severe disability, almost ½ Alzheimer's, 1/3 need help

Other Trends Impacting Housing Needs

Generational Trends: Boomers diverse, but some themes:

Stay engaged, integrated into community

A little help from my friends

More renters

Mixed-use/downtown

No institutions

Green/sustainable

Economic and Household Trends:

- Families and households
- Health and technology
- Income, expenses, assets
- Economy and labor



Implications of Trends for Housing

- The **mix of available housing inventory** will increasingly be a mismatch with the age and income mix of the population:
- **Accessibility** via main floor bedrooms, elevator buildings, zero step
- **New and retooled home designs to support sustainability**
- **More housing choices that reduce need for cars/paid special transportation**
- **Ways to facilitate exchange of services and care, peer-peer, community to individual**
- **New affordable rental developments need to support self-employment and self-help** (Internet, meeting space, garage/shop space), gardens, wellness

Market Share: All Colorado, 2015

Type of Housing/Care Facility	Estimated Statewide Occupancy	Share of 65+ Households
All types mixed-age housing	384,902	82.8%
Age-restricted housing and care	79,764	17.2%
<i>Subsidized Senior Apartments</i>	19,079	4.1%
<i>Skilled Nursing (Beds)</i>	16,344	3.5%
<i>Assisted Living (non-memory) (Beds)</i>	16,317	3.5%
<i>For-Sale homes/Age-Restricted</i>	12,500	2.7%
<i>High-Service Independent Living</i>	10,004	2.2%
<i>Market-Rate 55+ Apartments</i>	2,797	0.6%
<i>Memory Care Assisted Living (Beds)</i>	2,723	0.6%

Of the nearly 80,000 total now in age-restricted, almost half are in subsidized apartments and in nursing homes or assisted living on Medicaid.

Where's the Development Action?

Type of Housing/Care Facility	Statewide Capacity	Total Planned and Under Construction	Units Under Development as Percent of Existing Supply
<i>Subsidized Senior Apartments</i>	19,079	1,184	6.2%
<i>Skilled Nursing (Beds)</i>	20,667	488	2.4%
<i>Assisted Living (non-memory) (Beds)</i>	19,197	1,434	7.5%
<i>For-Sale homes/Age-Restricted</i>	12,500	910	7.3%
<i>High-Service Independent Living</i>	10,757	750	7.0%
<i>Market-Rate 55+ Apartments</i>	2,883	890	30.9%
<i>Memory Care Assisted Living (Beds)</i>	3,203	754	23.5%

Statewide – but the vast majority in Denver metro

Barriers and Challenges: Age 55-75

- Never enough funding for affordable apartments- new and preserve existing
- Market-rate developers avoid lower-income communities
- Need more good rental options in walkable, mixed-use locations
- hard to find and expensive in-fill sites
- For-sale age-qualified attached – great demand but slow development re: construction defects
- Zoning and developer barriers to small scale, co-housing, cooperative housing, shared homes other affordable grass-roots options

Barriers and Challenges: Age 75-80+

- Market-rate retirement apartments, assisted living, and skilled nursing very expensive - rising faster than income and assets
- Inadequate reimbursement for Medicaid assisted living
- Not feasible to develop affordable memory care assisted living
- Lower-income communities are not attractive to market-rate assisted living and independent living developers
- Zoning changes and developers for small scale, co-housing, cooperative housing, shared homes, other affordable grass-roots options

Needed Action and Advocacy

- **State level advocacy**
- **Local land use and planning**
- **Funding: public and charitable**
- **Trust in self-help and mutual support**



<http://www.foalarimer.org/summit-on-aging-2015>

State Level Advocacy



- **Public funding for housing**
- **Fix construction defects law to encourage condo development**
- **Better Medicaid reimbursement for assisted living**
- **Internet service for rural and mountain areas**
- **Programs to increase long-term care workforce – nurse training!**
- **Changes in laws to allow more choice in death**

Local Land Use and Planning

- Adopt policies to **encourage location of new properties near transit, downtowns, mixed-use areas**, near friends
- Adopt policies to ensure **higher levels of accessibility in new housing** (e.g. zero step, universal design)
- Allow **more homes with an ancillary apartment** for family or caregiver
- **Engage citizens/neighborhoods in creative ways to increase zoning and planning opportunity for new forms of sustainable options**, while minimizing impact on existing neighborhoods: higher SFH occupancy limits for 55+, cohousing, cooperatives, accessory dwelling units, “multi-gen” houses
- **Preserve and protect mobile and manufactured home communities** for affordable home-ownership

Funding: Public and Charitable

FIRST - Find ways to contain costs of caring for and housing people as they age. THEN, also seek:

- Dollars to **preserve existing and build new affordable housing and care options**
- Dollars to help **pay for home renovations for accessibility, technology**
- Dollars for **pilot projects for new and retooled affordable options**
- **Waivers of fees and exemptions in fair trade-off for affordability**

Trust in Self-Help and Mutual Support

- Stop seeing aging Boomers as a needy group that will drain resources. **See people as assets, expect they want to be engaged, help solve problems, care for others**
- **Help people create new choices to spend less on housing now**, and save money for when needed later for care and services
- **Facilitate development of new options.** There is no “natural developer” and little financial incentive to build or retool these new, smaller, alternative housing and care options
- Get creative!!! **Have some dreaming/visioning sessions.** Let people design their ideal set of housing and care choices.