

Quiet Crisis:



*Age Wave Maxes Out Affordable Housing,
King County 2008–2025*

February 2009

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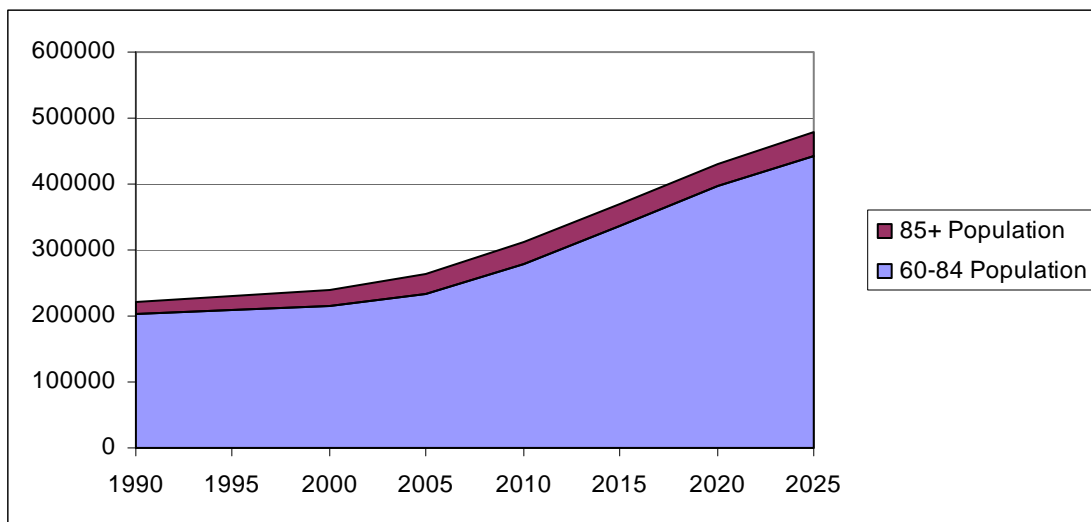
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Introduction

A demographic tidal wave is about to hit King County. As the post-World War II baby boom generationⁱ ages, the population of seniorsⁱⁱ here will grow dramatically. By 2025 their numbers will double to represent 23 percent of King County's total population.

Figure 1. Projected Growth in King County Senior Population, 1990 to 2025



Source: Aging and Disability Services, Area Plan on Aging, 2008-2011

Even now, the need for affordable housing greatly surpasses the supply. More than 6,700 low-income seniors are currently waiting to receive assistance from local housing authorities, and nearly 1,000 are homeless. The demographic changes King County will experience only compound this problem, forcing additional strain on an insufficient safety net.

The challenge for King County is great. An additional 936 subsidized units each year will need to be created until 2025 just to maintain the current ratio of affordable housing to poor seniors. Older adults are living longer, which means they are more likely to have disabilities, need additional services and require modified homes during their lifetimes. Increased medical costs, longer life spans, and limited savings mean that up to 90 percent of seniors will outlive their individual savings.

Working together, local governments, nonprofit agencies and housing authorities can lead community-wide efforts to prevent this crisis. Careful planning is needed now to develop policies that encourage healthy aging, provide services that enable seniors to stay in their homes, make strategic investments to expand the supply of affordable housing, and create senior-friendly neighborhoods.

Since 2000 the number of seniors in poverty has been rising and the demand for affordable housing has increased. It will continue on this path unless agencies and organizations in King County take bold, innovative action today.

This report examines the characteristics of King County's current seniors and those who will soon turn 65, in order to assess senior housing needs now and through 2025, and to inform action steps. The report addresses four key questions:

1. What do the demographic trends portend in terms of the need for affordable senior housing?
2. How will tomorrow's seniors differ from today's seniors in terms of their housing needs?
3. What types of senior housing and supportive services will be needed in the years ahead?
4. What actions can our community take to address the needs that are emerging?

Needs Today and Tomorrow

1. What do the demographic trends portend in terms of the need for affordable senior housing?

Today's needs. Hundreds of seniors are sleeping in shelters in King County each night. Nearly 1,000 of the 4,037 persons counted in the King County Homeless 2008 count were persons age 55 or older.ⁱⁱⁱ An additional 3,600 seniors over 55 years old have applied to receive a Section 8 voucher, and 3,100 have applied to live in public housing. **There is a dire need for affordable senior housing today.**

Approximately 82,000 senior households own their homes, and approximately 36,000 rent their homes. Currently almost one-third of seniors who are homeowners and over half of seniors who are renters in our county pay 30 percent or more of their income for housing costs. Without subsidized rents, this figure jumps to 79 percent of senior renters in King County. Seniors with very low incomes have the most difficulty securing housing they can afford. In the current market, seniors who rely solely on Social Security would need to pay 80 percent of their income to rent an average apartment.

Since the 1940s, the government has intervened to provide individuals in poverty—including seniors—with housing by building publicly supported housing and by providing rental subsidies. However, those efforts have been significantly reduced over the past 20 years, and are not fully meeting the needs of the population, as demonstrated by the large number of homeless families and individuals in King County and in cities all across America. Nevertheless, the current supply of public housing remains a critical safety net for low-income people, including seniors.

Future needs. One way of projecting the future need for housing for low-income seniors is to use government projections of the future senior population and poverty rates. It is important to note that the federal poverty level used by the Census Bureau is different from and lower than the eligibility criteria used for public housing and Section 8 vouchers.^{iv} Moreover, substantial research shows that the official poverty measures no longer reflect the true resources or needs of

older adults, and more live in poverty than the official measures indicate.^v Therefore, **while the demographic tidal wave will double the population of seniors** in King County by 2025, **the number living in poverty will more than double.**

At present, public housing, Section 8, Section 202, adult family homes and assisted living house an estimated 53 percent of seniors in King County with incomes up to 150 percent of poverty.¹ Seattle and King County Housing Authorities alone provide housing for 43 percent of seniors in poverty through the Section 8 and Public Housing programs. One way to illustrate the magnitude of the likely gap in the supply of affordable housing for low-income seniors in the future is to calculate the number of additional housing units that would be required to maintain the current ratio of publicly supported units to seniors in poverty.

Assuming the poverty rate will not change, the number of seniors with incomes up to 150 percent of poverty in King County will rise from an estimated 23,617 in 2008 to an estimated 31,819 by 2015. To provide publicly supported housing for an estimated 53 percent of these individuals (the current ratio provided) would require at minimum 4,267 additional housing units or Section 8 vouchers in 2015. By 2025, an estimated 53,793 seniors will be in poverty, which will require 15,913 more units or vouchers than today, as illustrated in Table 1 below.

Table 1. Units or Certificates to Maintain Ratio of Publicly Supported Units to Seniors in Poverty

Year	Total Senior Population ²	Senior Household Estimates	% Seniors 150% of Poverty	Senior Households 150% of Poverty	Current and Projected % of Population with Subsidized Housing ³	Current and Projected Publicly Supported Units for Seniors ⁴	Units Needed Over 2008 ⁵
2008	195,644	139,746	17%	23,617	53%	12,597	--
2015	263,591	188,279	17%	31,819	53%	16,864	4,267
2025	445,622	318,301	17%	53,793	53%	28,510	15,913

Sources: State of Washington Office of Financial Management (OFM) 2008; U.S. Census Bureau and 2005-2007 American Community Survey (ACS); King County Housing Authority; Seattle Housing Authority; City of Seattle Office of Housing

The table estimates assume that rates of poverty will not increase from now until 2025, which has proved unlikely since 2000. This projection illustrates the magnitude of the challenge in its simplest form: **more than 900 additional units per year will be needed until 2025.** The real challenge, however, is certain to be larger and far more complicated.

¹ This report uses federal poverty level as a convenient indicator of income status. However, the eligibility for public housing and Section 8 is keyed to a different and higher measure. See End Note iv.

² Estimates and projections from state Office of Financial Management.

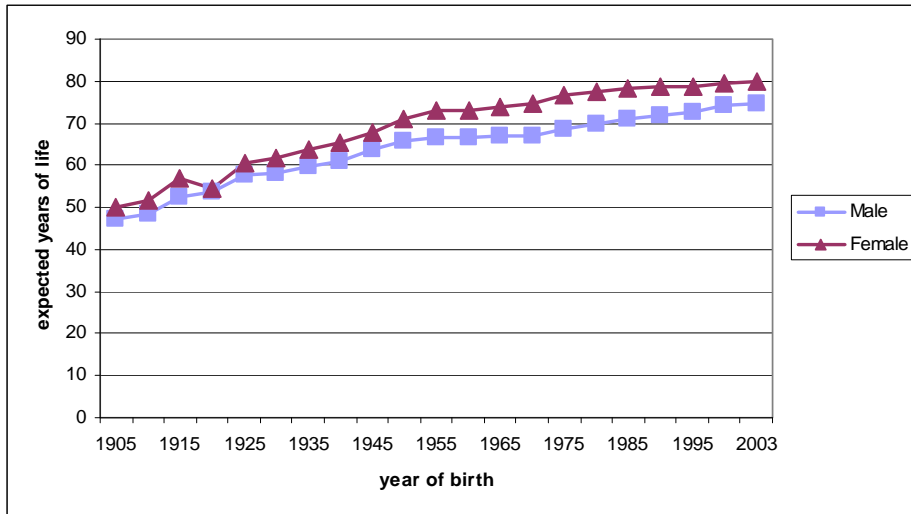
³ Level of housing need met for seniors with incomes up to 150 percent of poverty.

⁴ Seniors housed through Section 8 Vouchers, Public Housing and Project Rental Assistance Contract, Section 8 New Construction, Section 202 and Rural Housing Programs in King County, as well as King County Medicaid units. Does not include nursing home numbers.

⁵ For more on the methodology of this chart, see <http://www.agingkingcounty.org/housing.htm>

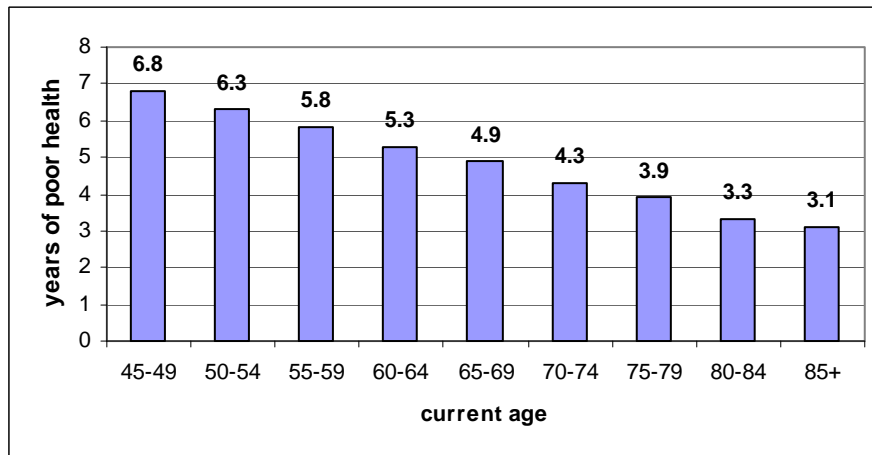
Longer life, poorer health. Adding to the challenge are the trends for longer life expectancy, accompanied by higher rates of disability. Americans have added more than 25 years of life expectancy through advances during the past century (see Figure 2). While this trend is favorable, most of the time gained comes with associated health problems. For example, one in eight persons age 65 and over has Alzheimer’s disease.^{vi} Figure 3 shows how the years of life in poor health will increase in King County.

Figure 2. U.S. Life Expectancy at Year of Birth, 1905 – 2003



Source: Washington State Housing Finance Commission, Housing Washington’s Seniors, 2006 (based on data from National Center for Health Statistics)

Figure 3. Expected Number of Years of Poor Health for King County Older Adults



Source: Public Health – Seattle and King County, Health of King County, 2006

Many studies show that poverty and disability rates increase dramatically among those age 75 and above. Since King County’s senior population will double by 2025, there will be a need not only for more housing, but also for new housing alternatives that include higher levels of supportive services.

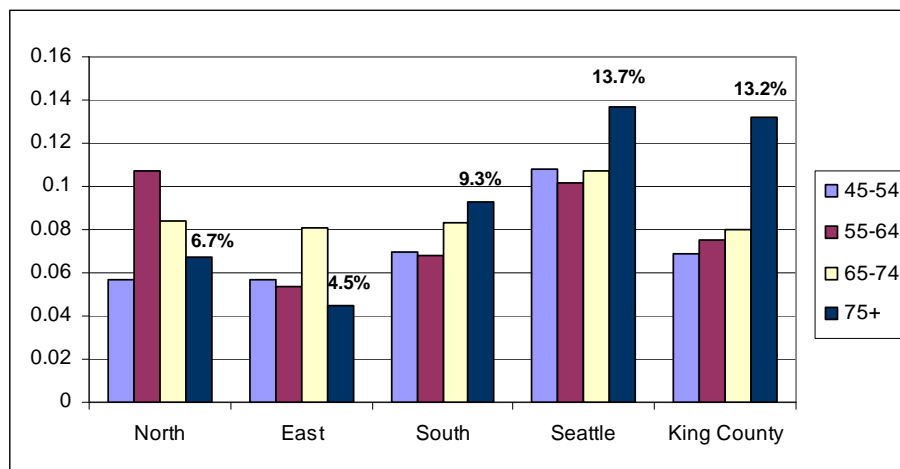
2. How will tomorrow’s seniors differ from today’s seniors in terms of their housing needs?

The need for senior housing will also be affected by important differences between the baby boom generation and those who are currently age 65 and over. While some of the differences—such as higher incomes and educational levels—are favorable, many others suggest that the coming generation of seniors may actually be less well-prepared than their predecessors to afford housing after retirement.

Retirement income. According to the Congressional Budget Office, only one-third to one-half of boomers are preparing well for retirement even with home equity in the equation and assuming stability in Social Security and Medicare.^{vii} Boomers are also less likely than prior generations to have retirement income from lifetime sources, such as pensions or annuities. Instead, they will rely more on lump-sum sources, such as 401(k) and savings plans, which require more attention and are less secure. This issue is the subject of several recent studies. Depending on the factors considered, studies estimate that 20 to 90 percent of boomers may outlive their savings.^{viii} All the studies sound a warning of the coming combined challenge of lump sum retirement savings, longer life expectancy in retirement and likely increased medical costs, which will put many boomers in danger of outliving their retirement funds.

Poverty rate. Another critical difference facing the coming generation of seniors is the reversal of fortune that has resulted from changes in the priorities of the federal government. From 1969 through 1999, the poverty rate for seniors dropped dramatically (from 23 percent to 7.5 percent in Washington state), following the expansion of Social Security and Medicare benefits and their adjustment inflation. But the poverty rate for seniors in King County has increased since 2000, from 7.3 percent in 2000 to 9 percent in 2006. Current percentages of baby boomers and seniors in poverty by King County region are illustrated in Figure 4 below. It is notable that there is a wide range not only by age but by region. For example, the poverty rate at ages 75 and up is 4.5 percent in East King County and 13.7 percent in Seattle.

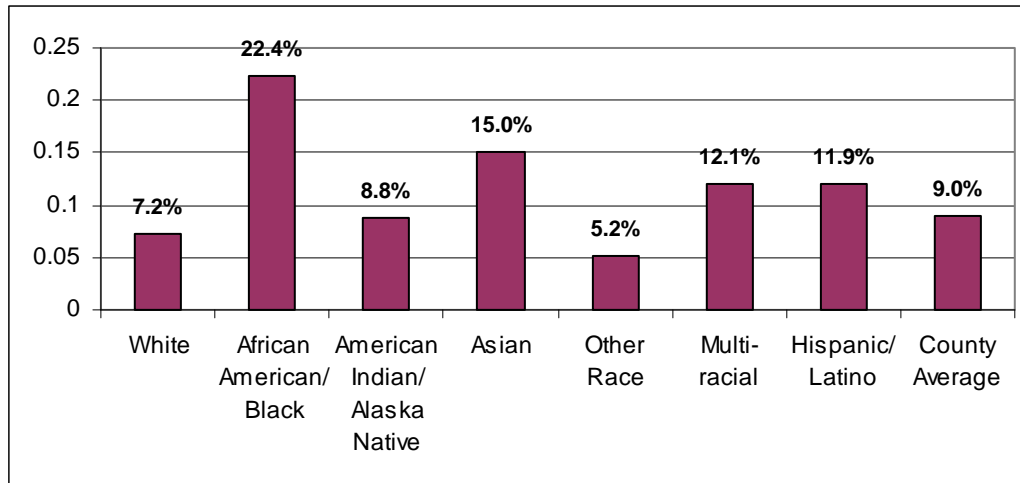
Figure 4. Estimated Poverty Rates by Age Group, County and Subregions, 2006^{ix}



Source: Census – American Community Survey 2006 (North, East, South are estimates)

Disparities by race/ethnicity. It is also important to note that these negative trends do not affect all groups of seniors equally. There are significant disparities in poverty rates among ethnic groups in King County, with more than 22 percent of African American seniors living in poverty, 15 percent of Asians, 12 percent of individuals from multiracial backgrounds, 12 percent of Hispanics, and just 7 percent of Caucasians.

Figure 5. Poverty Rates, Age 65+ by Race/Ethnicity, King County



Source: Census – American Community Survey 2006

A major trend in King County is the increase in racial and ethnic diversity. South King County has experienced the most dramatic increase in diversity, with some minority group populations doubling and tripling between 1990 and 2000. Future generations are projected to show even more diversity.

3. What types of senior housing and supportive services will be needed in the years ahead?

Aging in place. Fortunately, the vast majority of seniors in King County are currently reasonably well-housed, with the majority owning their own homes. Surveys of Washington seniors indicate that most would prefer to remain in their homes as long as possible. For example, in a November 2007 statewide survey of residents aged 50 to 65 by the Washington State Housing Finance Commission, a total of 77 percent said they intend to stay at home for retirement. To make it possible for seniors to remain in their homes, the community must remove barriers to aging in place, including high property taxes, physical barriers in homes and neighborhoods, and the lack of home-based supportive services.

There is also an urgent need to create new housing alternatives that incorporate supportive health services to match the needs of an aging population who have high levels of disability. The vast majority of senior housing units in Seattle and King County were created for relatively young and healthy seniors. As life expectancy has increased and that group has aged, the level of disability among seniors, including those in public and other housing, has also increased. The data indicate that this trend will accelerate in the years ahead.

Assisted living. While the private sector has begun to respond to this change by providing various forms of assisted living arrangements for affluent seniors, the costs of these facilities are out of reach for those with low to moderate incomes. Local housing authorities have begun to create assisted living facilities on a small scale, but the fragmentation of federal and state health and housing programs—and the lack of funding—have severely limited the number of these projects. Major changes in approach and increases in resources are necessary to create the number and range of supportive housing units that will be required in King County in the immediate future.

Mental health. In addition to services that help seniors who have physical disabilities, there will be an increasing need for mental health services. With seniors living longer, there is increased risk of such problems as dementia, which affects 14 percent of all people age 71 and older, and depression, which is the most common mental health concern for older adults.^x Mental health and substance abuse challenges among seniors often go unrecognized and untreated. Currently, Medicare does not fund evidence-based prevention and early intervention treatments. There is a dearth of mental health specialists for seniors, and the stigma of using such services is a serious barrier to treatment. These issues will need to be addressed for seniors in public housing and in other group settings, or in their own homes.

4. What actions can our community take to address the needs that have been identified?

Demographic changes of this magnitude will require systemic changes in terms of the societal commitment to housing production and supportive services, and in the way we design future housing, organize supportive services, and plan our neighborhoods. This needs assessment was created through the collaboration of five public agencies that comprise a solid core of the housing and human services agencies that will need to work together on the local level to overcome the challenges we have identified. The partners are committed to jointly proposing policies and programs that expand the supply of senior housing and support services, and adapt our communities to the realities of an aging population. The following section of this report provides the basic elements of a strategy to create these changes.

Strategies

PROACTIVE STEPS

STRATEGY I: Help King County residents prepare to succeed in retirement.

A. *Support public health initiatives that contribute to healthy aging.*

Health issues have a profound impact on the ability of seniors to remain in their homes, the proportion of income they must spend on health care and medications, and the level of public support they may need during their lifetime. Public Health – Seattle & King County and the Seattle Human Services Department’s Aging and Disability Services have a number of initiatives underway to encourage healthy aging. These should be supported.

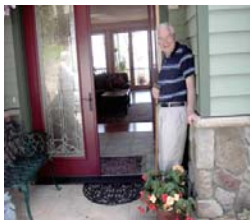
B. *Provide financial literacy training to equip individuals to manage their assets successfully before and during retirement.*

Studies quoted in the needs assessment reveal the shift that has taken place in our society from fixed benefit pensions and annuities to lump sum assets, such as IRAs, which require a higher level of skill and attention to manage. Studies suggests that as many as 20 percent of current seniors and 90 percent of boomers are at risk of “outliving their assets,” in part because of this issue. Finding creative ways to equip individuals to manage their assets may be a very cost effective investment to reduce the numbers who would otherwise find themselves without sufficient resources to afford housing.



One asset-building strategy for baby boomers with moderate incomes would be to increase the rates of their homeownership. Homeownership provides a financial buffer for people as they age. When illness or infirmity makes it necessary to move to assisted living or an extended care facility, the sale of the home can provide a source of funds to purchase the needed care and alternative housing. In contrast, most renters do not build their assets in a way that affords them with such protection. New state legislation^{xi} to promote financial literacy and education for homebuyers could help with this strategy.

C. *Adopt policies and create incentives to encourage sustainable, universal design features in new construction and remodeling projects.*



Sustainable design principles, also known as universal design, encourage those who build new housing or remodel existing units to create homes that are equally suited to the needs of children, persons with disabilities, and the elderly. These features help seniors to remain in their homes, prevent injuries, and promote active living. With additional funding, universal design features could be expanded more broadly in public housing, nonprofit housing development and retrofits. Local and state building

codes could be revised to include those aspects of universal design that prove to be effective. The redevelopment of Park Lake II and Yesler Terrace provide ideal opportunities to incorporate universal design principles into entire neighborhoods.

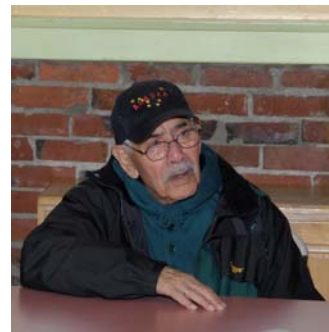
STRATEGY II: Develop policies and services to help seniors remain in their homes as they age.

A. Implement property tax relief strategies to protect seniors from being “taxed out” of their homes.

Local agencies should conduct targeted outreach to increase the percentage of eligible households who file for existing property tax exemptions. The exemption should be appropriately structured for changes in property values and incomes. Alternatively, statewide “circuit-breaker” legislation could be adopted to cap property tax at a certain proportion of income.

B. Bolster home repair, weatherization and modification programs, in the context of local sustainability initiatives.

Existing senior home repair and modification services do not have the capacity to meet the need, and local governments do not have sufficient funding to bring them to scale. However, it may be possible to expand these programs substantially by including them as part of a larger initiative to conserve energy in the context of climate change. Such an initiative could be designed to help seniors (and other low-income families and individuals) remain in their homes by cutting energy costs, removing physical barriers and preventing accidents. Utility companies have provided low-income weatherization assistance programs. Expanding the eligible uses of these funds, such as installing solar electric systems, would make them even more effective.



C. Protect and preserve existing affordable rental senior housing.

Public housing remains a critical government safety net for more than 1.2 million children, elderly and disabled households nationally. In King County, public housing currently provides homes to 4,458 seniors. Diminishing federal support for operating and capital needs threatens the long-term viability of these public assets. Many properties owned by the housing authorities are more than 30 years old and require significant capital re-investment. For example, the King County Housing Authority (KCHA) has identified more than \$66.5 million in capital improvements that will need to be made during the next 10 years in order to preserve the quality of housing it provides.

King County also has 29 Section 202 properties for seniors, which provide affordable homes for 843 households; more than 14 Section 8 New Construction properties serving 914 seniors; seven (7) Project Rental Assistance Contracts (PRAC) serving 410 senior households; and three (3) Rural Senior Housing sites serving 88 households. All these federally subsidized units must be preserved.

D. Preserve mobile home communities.

Mobile home parks are one of the last affordable homeownership options for many seniors. King County has 142 mobile home communities providing space for approximately 9,934 households. At least 19 mobile home communities in South King County alone are reserved exclusively for seniors. Many of these parks are at risk of converting to a more lucrative use. KCHA has preserved several mobile home parks for seniors, most recently the Wonderland Estates in Renton. There are limited state funds available to pay for relocation expenses for residents whose parks are sold, and many of those seniors cannot afford the cost of unsubsidized rentals. A manufactured home park acquisition program could be created to save affordable housing in the near-term and to land bank the sites for affordable housing development in the long-term.

E. Increase the availability and coordination of in-home health, nutritional and social services.



For more than two decades, state policies have supported community-based services as a way to reduce nursing home costs. These policies, coupled with the efforts of nonprofit home care providers and the unions Service Employees International Union (SEIU) and the Office and Professional Employees International Union (OPEIU), have vastly expanded the range and quality of home care services for low-income seniors during the past several years. In light of the state’s projected budget deficit and the demographic trends evident in this report, it may be extremely difficult to continue this progress in the years ahead unless creative methods can be found to increase the coordination and

productivity of these programs.

For example, a variety of home care agencies currently serves seniors within the same neighborhood, and even in the same public housing facility. Medicaid rules require freedom of choice of home care providers, but a waiver process may make it possible to contract with a single agency in a given building or neighborhood. This would be a better and more cost-effective method.

Another concept is to develop a “service cluster” model. In this model a senior housing facility that is equipped to provide congregate meals, exercise programs and preventive health services for residents of the building also opens its doors to seniors living in the surrounding neighborhood who may need these services, as well.

HOUSING AND SUPPORTIVE SERVICES

STRATEGY III: Create a wider range of choices for low-income seniors who must rely on subsidized housing and state-sponsored health care.

Even with the supportive policies and services described above, many seniors will eventually find it is no longer possible to live on their own. They may need to move into a setting where 24-hour care is available at some level. Many may move in with their children or other relatives; or a family caregiver or paid caregiver may move into the senior's home in order to provide the support as best they can. National surveys suggest that as much as 75 percent of the care of our nation's elderly may still be provided by family members or close friends. However, as more and more families have found it necessary to have both husband and wife in the labor force, these informal methods have proven more difficult to sustain.

To adjust to this change, many ethnic and faith communities have created their own long-term care facilities to fill the gap. While these skilled nursing facilities are an important resource for seniors with serious health challenges, seniors and their families and public officials have increasingly been seeking a wider range of choices. Among the alternatives are boarding homes, adult family homes and assisted living facilities.



These options and the shift to community-based care have enabled the state to reduce the number of nursing home beds sponsored by the Medicaid program from 18,000 (in 1995) to 12,000 (in 2008). Much of this progress has resulted from the increase in adult family homes, which now number more than 1,000 within King County. Many of these facilities are operated by immigrant families, and appear to be providing these caregivers with an entry into the economic mainstream, while filling an important niche in the supply of housing and health care for many seniors.

Assisted living facilities are primarily a private sector phenomenon, with less than one-third of those in King County accepting public funding as payment. Nevertheless, the assisted living concept holds great promise for meeting the needs of low-income seniors with disabilities, if financial and organizational challenges can be overcome. For models from around the nation of assisted living programs for low-income seniors, see the Appendix at: <http://www.agingkingcounty.org/housing.htm>

Here are actions that could be taken to expand the alternatives for seniors who must rely on subsidized housing and state-sponsored health care.

A. *Work with community-based providers, and state and federal agencies to create assisted living facilities for current and future residents of public and nonprofit housing.*

Most senior housing units within the existing public housing inventory were designed for able-bodied seniors, and not for those with severe disabilities and special needs. New and different configurations of housing, health care and other support services must be created, through new construction, reconfiguring existing facilities, or by using both methods.



Research on best practices suggests that the greatest challenge in creating affordable models for assisted living is bringing the housing and home care financing systems into alignment. One way to accomplish this goal is to create policies and resources that can work in concert to create affordable housing with supportive services for extremely low-income seniors.

Also, to increase the availability of Medicaid-funded assisted living units, new public policies should be explored that would require a percentage “set aside” of units to serve those residents who have spent down their assets in the facility.

B. *Expand initiatives to provide adequate treatment for persons with chronic disabilities, including mental illness and substance abuse.*

A substantial percentage of individuals in King County who are homeless or at risk of homelessness suffer from alcohol and/or substance abuse, or from severe mental illness. In addition, as noted above, seniors are more at risk for dementia and depression as they age. Initiatives to provide adequate treatment for these illnesses in order to keep people housed will have a direct impact on the amount of subsidized housing that must be provided in the future.

C. *Provide support for seniors living with relatives or in adult family homes.*

Strategy II, above, includes a tactic to expand minor home repair programs, weatherization and other conservation measures, and to fight climate change in a new initiative to help seniors remain in their homes. That initiative, and other public services or tax advantages, could be extended to families who are caring for their elders, and to adult family homes that agree to serve low-income seniors as a percentage of their residents.

D. *Employ the assets of ethnic and faith-based communities to create culturally-appropriate senior housing.*

Seniors with limited English-speaking proficiency are a population with specific needs and special opportunities. Ethnic seniors have special affinities with their own communities, languages and ethnic districts, which are critical to healthy aging. Alliances between these communities and affordable housing providers could meet needs beyond those that mainstream agencies alone could ever meet. Ethnic communities have already created several of the region’s best skilled nursing facilities, such as Keiro, Sea Mar, Kline Galland and Kin On, and culturally-appropriate congregate nutrition programs at many sites. These community-based programs should be viewed as important partners in the senior housing strategy, as well.

E. *Press for essential reforms during the coming debate about national health policy.*



The federal Medicaid and Medicare programs were designed in the early 1960s. Since then the demographics have changed, and life expectancies have increased along with rates of disability. To remain viable, Medicare must soon be transformed. King County has been a leader in creating solutions to health care challenges, and should try to play a role in reshaping Medicare and Medicaid as a more effective and seamless system of care. For example, Medicare should pay for evidence-based prevention and early intervention strategies, and incorporate adult family homes and assisted living facilities as part of a continuum of services that are eligible for reimbursement.

STRATEGY IV: Make strategic investments of local, state and federal public funding to expand the supply of affordable housing for seniors, and to encourage the creation of new types of supportive housing.

In 1981, Seattle became the first city in America to approve a local tax measure to increase the supply of affordable housing for seniors and disabled individuals. That \$50 million Senior Housing Bond Issue created 1,300 units of new low-income housing and has helped many thousands of seniors to live with dignity during their retirement. Since that time Seattle voters have passed three additional housing levies to support the production of affordable housing for low-income families and individuals, including units occupied by seniors.

A. *Seek ways to use limited local resources to address the growing need for affordable senior housing.*

Possible strategies to consider are to:

- Create a dedicated fund source to increase the supply of senior housing and upgrade or adapt existing housing;
- Explore/forgo new partnerships between public and private senior housing efforts to develop innovative ways to create deeper levels of affordability in a portion of private sector units;
- Provide 9 Percent Low-Income Housing Tax Credits (LIHTC) for housing seniors with extremely low incomes (0 to 30 percent AMI), and the necessary operating and maintenance funding;
- Encourage land acquisition for new Section 202 developments; and
- Consider creative ways to use more effectively the current housing resources (e.g., Seattle Housing Authority's Senior Housing Program units) to meet the changing needs of an aging resident population.

B. *Leverage state and federal resources to meet the senior housing challenge.*

Our community will not be able to rely solely upon local resources to create the additional housing resources to meet the challenge. Seattle, King County and other local jurisdictions must be active—along with the citizenry—in lobbying the state and federal government for dramatic

increases in their commitments to affordable housing through new production programs such as Section 202, increased funds for public housing, expansion of Section 8, and other initiatives.

POLICY CHANGES

STRATEGY V: Provide a framework of regulations and incentives to encourage the development of affordable housing for seniors.

A. Create development incentives for senior housing providers.

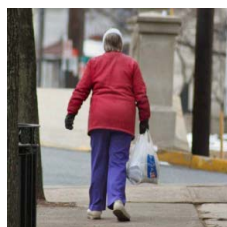
Incentives could include fee waivers (e.g., no school impact fees or road impact fees), expedited permitting, reduced or relaxed height and bulk requirements, reduction of parking requirements, and density bonuses.

B. Encourage the development of detached accessory dwelling units.

The creation of detached accessory dwelling units in more areas could increase the supply of affordable housing for seniors without dramatically altering the scale or character of existing residential neighborhoods.

STRATEGY VI: Create senior-friendly neighborhoods by targeting senior housing and infrastructure investments in the neighborhoods that best support healthy aging.

A. Create walking-friendly neighborhoods offering access to services and optimal ways to be socially and civically active.



Physical activity and social engagement correlate strongly with healthy aging. There are many characteristics that can be incorporated in our neighborhoods to encourage seniors to remain active and engaged. For example, an ideal walkable environment would include such features as benches, crossing lights timed at a slower pace, and sidewalks that accommodate walkers, wheelchairs and other mobility aids.

Currently, several suburban cities in King County are in the process of revitalizing their downtown cores. Affordable housing for seniors should be an integral part of those plans. Seniors need access to mass transit and convenient shopping that downtown cores provide. Likewise, downtown cores need the watchful presence that seniors provide to make neighborhoods safer for all.

B. Provide infrastructure incentives and promote transit-oriented development to nurture senior-friendly neighborhoods.

Local governments should identify areas within their jurisdiction that are especially well-suited for seniors, considering factors such as topography, access to transit, safety, and proximity to shopping and public services. Senior housing development incentives and additional infrastructure and transit investments could initially be targeted to areas well-suited for seniors.

Integration of affordable senior housing into policy guidelines for Metro and Sound Transit—Transit-Oriented Development—should be considered.

Some communities in King County have already created a special overlay zone for senior housing. The zone could allow for development of certain types of senior housing (e.g., assisted living facilities), allow for higher density than the underlying zoning allows, and/or require higher design and construction standards, as well as the provision of specific site and building amenities. Over time, infrastructure and transit investments, and housing incentives should be extended to additional areas to make them more accommodating for seniors, as well.

C. Incorporate sustainable design elements in the re-development of Yesler Terrace and Park Lake II.

The future redevelopment of Yesler Terrace and Park Lake II will provide an extraordinary opportunity to create neighborhoods that exemplify the best elements of this strategy. By incorporating the principles of universal design on a neighborhood scale, housing authorities could set a standard that will help the region—and the nation—to meet the needs of future generations.

Table 2. Summary of Findings and Recommendations

FINDINGS

A demographic tidal wave is about to hit King County. The population of seniors is estimated to double to 480,000 by 2025, becoming 23 percent of the county’s population. Affordable housing for seniors is currently in high demand, and the need will grow exponentially.

- The number of seniors in poverty has been rising since 2000, after 30 years of significant reductions.
- More than 6,700 seniors are currently waiting for rental assistance in King County.
- Nearly 1,000 of the 4,037 persons counted in the King County Homeless 2008 count were persons age 55 or older.
- One out of every three King County senior homeowners and more than half of King County senior renters are “shelter burdened,” paying more than 30 percent of their income for housing. In Seattle, more than 4,000 senior renters pay more than 50 percent of their income for housing.
- Seniors who rely on Social Security need to pay 80 percent of their income to rent an average apartment. Seniors in this situation may face even more hardship in the future as the cost of basic necessities, such as food and heating, continues to rise.

Surveys show that seniors want to stay in their homes as long as possible, but many will not be able to.

- Baby boomers have higher incomes and educational levels than prior generations of seniors but appear to be less prepared to afford housing in retirement. The shift from lifetime retirement income (pensions and annuities) to lump sum sources puts boomers at risk of outliving their assets and depending entirely on government benefits.
- Seniors are living longer, but longer life often means more years living with disabilities, complicating the challenges of finding and sustaining appropriate housing.
- Programs such as property tax abatement, minor home repair, weatherization and modification, in-home care, and nutrition services can help seniors “age in place” but have limited funding.
- Assisted living arrangements can help meet senior housing and support needs but are currently available mostly for affluent seniors. The fragmentation of federal and state health and housing programs, and a lack of funding have severely limited the number of affordable assisted living options.

More publicly assisted housing units for seniors will be needed.

- Just to maintain the current (and insufficient) ratio of housing to low-income seniors that King County Housing Authority, Seattle Housing Authority and nonprofit organizations currently provide would require an additional 4,267 units by 2015, or a total of 15,913 by 2025. **This is more than 900 additional units per year until 2025.**

RECOMMENDATIONS

PROACTIVE STEPS

Strategy I. Help King County residents prepare to succeed in retirement.

- A. Support public health initiatives that contribute to healthy aging.
- B. Provide financial literacy training to equip individuals to manage their assets successfully before and during retirement.
- C. Adopt policies and create incentives to encourage sustainable, universal design features in new construction and remodeling projects.

Strategy II. Develop policies and services to help seniors remain in their homes as they age.

- A. Implement property tax relief strategies to protect seniors from being “taxed out” of their homes.
- B. Bolster home repair, weatherization and modification programs, in the context of local sustainability initiatives.
- C. Protect and preserve existing affordable senior rental housing.
- D. Preserve mobile home communities.
- E. Increase the availability and coordination of in-home health, nutritional and social services.

HOUSING AND SUPPORTIVE SERVICES

Strategy III. Create a wider range of choices for low-income seniors who must rely on subsidized housing and state-sponsored health care.

- A. Work with community-based providers, and state and federal agencies to create assisted living facilities for current and future residents of public and nonprofit housing.
- B. Expand initiatives to provide adequate treatment for persons with chronic disabilities, including mental illness and substance abuse.
- C. Provide support for seniors living with relatives or in adult family homes.
- D. Employ the assets of ethnic and faith-based communities to create culturally-appropriate senior housing.
- E. Press for essential reforms during the coming debate about national health policy.

Strategy IV. Make strategic investments of local, state and federal public funding to expand the supply of affordable housing for seniors, and to encourage the creation of new types of supportive housing.

- A. Seek ways to use limited local resources to address the growing need for affordable senior housing.
- B. Leverage state and federal resources to meet the senior housing challenge.

POLICY CHANGES

Strategy V. Provide a framework of regulations and incentives to encourage the development of affordable housing for seniors.

- A. Create development incentives for senior housing providers.
- B. Encourage the development of detached accessory dwelling units.

Strategy VI. Create senior-friendly neighborhoods by targeting senior housing and infrastructure investments in the neighborhoods that best support healthy aging.

- A. Create walking-friendly neighborhoods offering access to services and optimal ways to be socially and civically active.
- B. Provide infrastructure incentives and promote transit-oriented development to nurture senior-friendly neighborhoods.
- C. Incorporate sustainable design elements in the re-development of Yesler Terrace and Park Lake II.

End Notes:

ⁱ “Baby boom generation,” as used in this report, includes persons born in 1946 through 1960, now ages 49 to 63.

ⁱⁱ “Seniors,” as used in this report, usually refers to persons who are 65 years of age and above. However, in some cases the data available are for age 60 and over. This difference in definition reflects the challenging fact that different programs have different age thresholds for eligibility.

ⁱⁱⁱ City of Seattle Human Services Department, King County Department of Community and Human Services, and United Way of King County, *Homeless in King County: Safe Harbors, January – December 2007*, 7. http://www.seattle.gov/humanservices/emergencyservices/report_safeharbors_2007.pdf

^{iv} The U.S.-Census Bureau follows an Office of Management and Budget policy directive as to the measurement of poverty. This measurement uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. A family whose total income is less than the threshold for that family size is considered to be in poverty. The official poverty thresholds do not vary geographically, but are updated for inflation using the Consumer Price Index. Because the cost of living varies widely in different communities, and is often higher in urban areas, many organizations use 200 percent of the federal poverty level as a measure of low-income status. The concept is that families making more than 200 percent should have sufficient income to cover their basic living expenses. The federal poverty level in 2006 for a two-person household was \$13,200, and 200 percent was \$26,400. Substantial research shows that the official poverty measure no longer reflects the true resources or needs of older adults. For instance, alternative poverty measures place true poverty estimates at up to 6 percent higher than the official, federal poverty rate for seniors.

However, public housing, Section 8 and tax credit housing are all provided to people based on their earnings relative to the area median income (AMI) established by the federal Department of Housing and Urban Development (HUD). For example, under the Seattle Housing Authority housing preferences criteria, public housing and Section 8 are for people at 30 percent or below of AMI, and by regulation, tax credit financed housing is for people at 50 percent or 60 percent of AMI. In 2006, the HUD-estimated area median income in the Seattle-Bellevue metropolitan area was \$74,300. In 2006, 30 percent of the HUD AMI for a two-person household was \$18,700. Note that this is more than \$5,000 higher per year than the federal poverty level for this household.

^v Urban Institute, “More Older Americans Poor than the Official Measure Suggests,” *Older Americans’ Economic Security*, 15: May 2008. http://www.urban.org/UploadedPDF/411670_older_americans.pdf

^{vi} Alzheimer’s Association, *2008 Alzheimer’s Disease Facts and Figures*.

^{vii} Congressional Budget Office, “The Retirement Prospects of the Baby Boomers,” Economic and Budget Issue Brief, March 18, 2004. <http://www.cbo.gov/ftpdocs/51xx/doc5195/03-18-BabyBoomers.pdf>

^{viii} Employee Benefit Research Institute, “How Are New Retirees Doing Financially in Retirement?” by Craig Copeland, Issue Brief No. 302, February 2007 http://www.ebri.org/publications/ib/index.cfm?fa=ibDisp&content_id=3781; “Report Has Dismal News for 401(k) Savers: 80 Percent Won’t Have Enough for Retirement,” *Workforce Management*, July 2, 2008 <http://www.workforce.com/section/00/article/25/63/23.html>; “Many of us likely to outlive savings,” *Seattle Times*, July 13, 2008. http://seattletimes.nwsourc.com/html/nationworld/2008048859_retirees13.html.

^{ix} In order to provide data more recent than the 2000 Census, this report uses Census data from the 2006 American Community Survey (ACS). The ACS uses a sampling technique, so does not provide data at the level of census tracts. Therefore, the ACS cannot directly provide 2006 data for county subregions other than Seattle. To approximate the other three subregions, this report uses two other breakdowns that the ACS provides. These are as follows: for North King County – Public Use Microdata Area (PUMA) 02001, which covers the area between Seattle and the King/Snohomish county line and east-west from the Sound to Woodinville; for East King County – the Lake Washington, Bellevue and Issaquah school districts; and for South King County – the Auburn, Federal Way, Kent and Renton school districts. What is omitted from these school districts and PUMA are the rural, easternmost parts of East and South King County.

^x Alzheimer’s Association, 2008; King County Area Plan on Aging, 2008-2011.

^{xi} SB 6272, “Expanding financial literacy through education and counseling to promote greater homeownership security,” enacted February 11, 2008.