

Strategic Action Planning Group on Aging

Transportation and Housing
December 7, 2015



Transportation and Older Adults

Community Conversations

Current AAA Services

Priority	Service	Votes
1	Transportation	298
2	In-Home Service	269
3	Home Repair/Chore Service	187
4	Nutrition Service	185
5	Information and Assistance	158
6	Caregiver Support	142
7	Material Aid	129
8	Care Management	122
9	Counseling/Mental Health	113
10	Outreach/ Public Information	107
11	Ombudsman/Elder Abuse Prevention	98
12	Health Promotion/Education	87
13	Screen and Evaluation	65



Mobility Challenges

- Current system is auto-dominated
- Nationally 21% of 65+ do not drive
- Limited public transportation options/cost of specialized transit
- Men outlive their driving years by 7 years, women by 10
- Neighborhood impact on older adults
- Walking as physical activity



Older Adults Means of Travel

Age 50 to 74



Age 75 and older

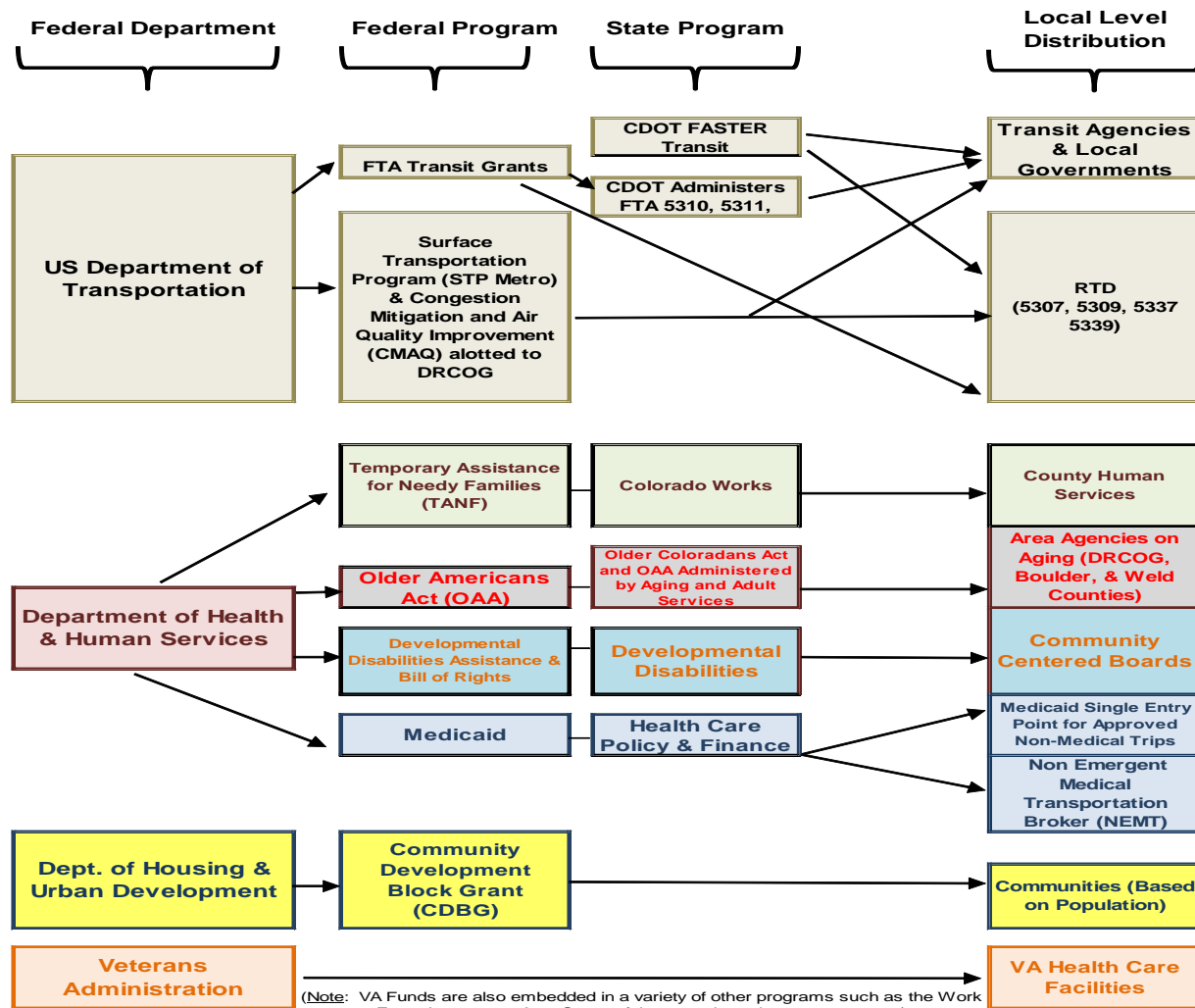


■ POV Driver ■ POV Passenger ■ Walking ■ All Other Modes



Transportation Funding Silos

Schematic of Federal & State Funding Sources, Distributors, and Recipients



(Note: VA Funds are also embedded in a variety of other programs such as the Work Force Investment Act. Some of these go through state programs.)

Transportation Service Challenges for Older Adult & Others with Mobility Challenges

- ◆ **Lack of funding**
- ◆ Gaps in service availability (geographic, service hours, frequency)
- ◆ Many trip requests are not fulfilled
- ◆ Expensive & inefficient service
- ◆ Paying for the trip (fixed incomes)



Strategies to Improve Transportation Service for Older Adults & Others with Mobility Challenges

◆ **Coordinate Transportation Services**

- ◆ Spend funding more efficiently
- ◆ Leverage multiple funding sources
- ◆ Coordinate trips across boundaries
- ◆ Implement technology that will make coordination easier
- ◆ Work with volunteer driver programs

◆ **Remove Barriers**

- ◆ Infrastructure improvements (sidewalks, bus stops)
- ◆ Provide training to ride fixed route
- ◆ Affordable fare programs
- ◆ Accessible & understandable information
- ◆ Increase service areas, frequency, & hours



Housing and Older Adults

Recent Headlines

THE DENVER POST **BUSINESS**

BUSINESS

Metro Denver rent gains racing at triple U.S. average in January

Denver metro home prices up 11.7 percent over past year

Lowest-priced houses see biggest gains with 17.8 percent jump in prices since October 2014

Metro Denver's condo crunch pushing prices up

A lack of supply and high demand have Denver condo inflation running second only to Dallas.



Current Housing Crisis

- ◆ Denver rent increases are tracking with San Francisco and San Jose
- ◆ New supply normally pushes down rents – new, higher-rent inventory has had the opposite effect
- ◆ Tightest submarkets aren't seeing significant additional inventory (e.g. Wheat Ridge, Castle Rock, Central/NE Aurora)

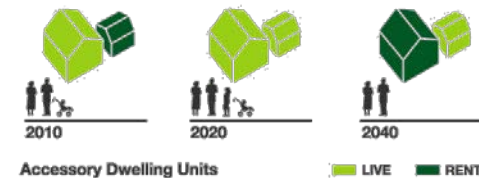
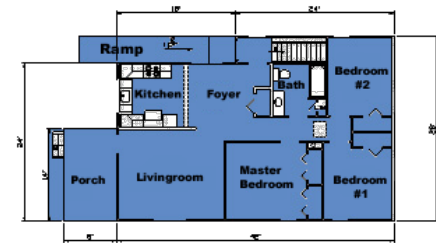


Current Housing Crisis

- ◆ Housing prices: Denver experienced the third fastest recovery from the effects of the Great Recession – outpaced by:
 - San Jose (paced by the tech industry and global capital)
 - Austin (fastest growing Metro area in country)
- ◆ Sellers on the sidelines: worry they won't be able to afford their next home

Housing Challenges

- Older adults prefer to remain in their homes and communities
- Lack of range of housing options in many communities
- Housing costs are increasing rapidly – seniors displaced every day
- Lack of affordable housing alternatives
 - Two-thirds of 65+ renters spend too much on housing



Developer Interviews

Recurring Themes (All “senior” products)

- Developers are behind – attention is on Millennial-driven market
- The market is not delivering needed products (something in-between SF and senior apartments)
 - Condos, pocket neighborhoods, etc.



Developer Interviews

Unique Development Types

- Senior housing with services
- Senior housing without services
 - Market-rate and affordable
- Creative senior housing and services



Senior With-Service Housing

- Nationally: 99% of assisted living is market-rate
- Typically a suburban product – high-end/market-rate developments
- Operations not real estate is the primary economic driver



Senior With-Service Housing

- Some concern about market saturation
- Attractive to institutional investors
- Difficult local review process (NIMBY-ism, parking)



Senior Non-Service Housing

- Site-oriented not product-oriented (leads to competition with other uses)
- More likely to utilize urban infill locations and include affordable
- Profitable: Will pay premium rents



Senior Non-Service Housing

- Smaller investor market (compared to with-service or market-rate MF)
- Investors not comfortable with “the idea that there will be demand and people will leave their single-family homes and pay premium rents”



Senior Non-Service Housing

- Despite demand and profitability less than 10 projects have been built in recent years
- Many will look to sell project after completion – unfamiliar with services needed as residents age



Senior Non-Service Housing

Barriers to Building Affordable

- Navigating the tax credit system
- EXTREMELY competitive (CO: \$11-12 million per year)
 - Most will apply in multiple rounds
 - Change to 1 round per year is problematic for most
 - Limited awards means smaller projects
 - Some expressed frustration of the addition of housing for the homeless to program (previously geared to low-income)

Senior Non-Service Housing

Barriers to Building Affordable

- Construction and land costs
- Other products are “easier” to development – requires creativity and commitment
- Permanence of age-restricted units
- Zoning and parking issues can “make or break” a project
- Uncertain profit
- Providing services introduces additional funding gap



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