



VERN JUVETANE

LIFESTYLE HOUSING

PATRICIA L. KIRK

Developers are trying to understand how to create housing projects for seniors today that will also be relevant for baby boomers ten to 15 years from now.

The Stafford, a new high-end, boutique community for seniors in the Portland, Oregon, area, has no daily schedule residents are required to follow. Nor does it require a long-term commitment: entry involves a membership fee, then rents are paid month to month.

WITH PEOPLE LIVING LONGER TODAY THAN EVER before, three generations are over 60 years old for the first time in history. The size of this group, projected to number 1.2 billion worldwide by 2025, presents both challenges and opportunities for the segment of the housing industry targeting seniors. But the prospect of housing this large number of seniors does not scare developers half as much as figuring out the housing preferences of the youngest of these three generations—the baby boomers, with their characteristic unpredictability.

Boomers perceive themselves to be ten to 15 years younger than their chronological age, and their preferences in home design, location, and lifestyle

reflect this perception. They see today's age 60 the way previous generations viewed 50 and contend that the threshold to old age is somewhere after age 70 or even 80. People in their 70s feel youthful, too, notes Len Fishman, president and chief executive of Hebrew SeniorLife, a nonprofit provider of housing for seniors in the Boston market. "They're somewhat surprised at their longevity, but expect to live another 20 years."

Longer life expectancy has made seniors more vocal about their preferences in housing and more demanding in terms of size variations and specific features, he adds. This has forced housing providers to scrap the one-size-fits-all model that prevailed



CALDWELL COMPANIES

expect before entering this type of property, because “it’s not for everyone,” she adds.

Hebrew SeniorLife, which serves 3,500 seniors in the Boston area, also operates under the premise that intergenerational exposure is good for the mind, body, and spirit. It located a kindergarten and elementary school on the campus of NewBridge on the Charles, a community for seniors in the Boston suburb of Dedham. “We want to avoid creating geriatric islands, where residents only see people their

A growing concept is to locate housing for seniors at multigenerational master-planned communities, such as Towne Lake (left) just north of Houston, where senior residents can experience intergenerational interaction and have neighbors their own age. At NewBridge on the Charles—a community for seniors in the Boston area that will include cottages, villas, and apartments—a community center (below) will accommodate intergenerational activities with schoolchildren who will attend the kindergarten and elementary school next door.

A similar project is underway in Palm Springs, and others are planned in Vancouver, British Columbia, and the San Francisco Bay Area, says Silver, who is serving as consultant to a developer in Spain who plans to build three similar projects there.

While the majority of housing communities for seniors are age restricted, many seniors are choosing to live in intergenerational environments, notes Victor Mahony, chief executive of southern California-based Cameo Homes, which develops both traditional and age-restricted communities in the California area. About 20 percent of homebuyers at the company’s multigenerational communities are age 55 or older. “Seniors are becoming more transparent in the community,” he suggests. “Some want to be around younger people because they believe it keeps them young.”

Jamboree Housing Corporation, a nonprofit company based in Orange County, California, is developing its first intergenerational community in Glenn County in northern California. “Intergenerational activities like tutoring children after school gives people who might otherwise disengage from their community an opportunity to interact with children and contribute to their community,” says Jamboree president Laura Archuleta. However, it is important for residents to understand what to



HEBREW SENIOR LIFE

own age,” says Fishman. “Having kids close to frail elderly is a tremendous benefit; there’s nothing they look forward to more than visits by grandchildren. Independent seniors love it, too, and volunteer to be substitute teachers and surrogate grandparents.” This arrangement provides the best of both worlds, he adds. “They get the kids in the daytime and adult-only activities in the evening.”

Projects in authentic environments like university campuses and central business districts represent a new trend in communities for seniors, allowing the developer to plug into locations with a rich array of existing amenities rather than having residents be limited to on-site facilities.

The Clare at Water Tower, a high rise to be located on the Loyola University Chicago Water Tower Campus, is one of four university-centered housing projects for seniors built or planned by the Franciscan Sisters of Chi-

FRANCISCAN SISTERS OF CHICAGO SERVICE CORPORATION



ago Service Corporation. A similar project is planned at St. Xavier University on Chicago’s South Side, and communities have been completed at Purdue and Notre Dame universities. These campus projects are targeted at university faculty and alumni at least 62 years old who want to come back and reconnect with the university community, explains Stephen Bardoczi, senior vice president of real estate planning for the Franciscan Sisters, the state’s largest provider of housing for seniors.

Baby boomers will be more likely to enter housing with authentic amenities than projects where amenities are manufactured, says Manny Gonzales, a principal at the Orange County, California, architectural firm KTGy, which recently designed a project for seniors at La Sierra University in Riverside, California. The keys to winning over boomers are authenticity and lifestyle, he says. These seniors will downsize to maintenance-free housing that they can lock and leave, and that is located in a lively urban district or unique setting. An example is Pacific City, an oceanside, mixed-use village being built in Huntington Beach, California; some of its residents are expected to be older than age 50, Gonzales says.

Developers will continue to seek locations where they do not have to create anything, but just take advantage of existing amenities, suggests Richard Gollis, principal at the Concord Group, a southern California strategic marketing firm. He emphasizes the need to create design strategies that integrate fitness, lifestyle, and education facilities with programming needs, as well as fulfill sustainability requirements.

Baby boomers are bringing their green values to bear on the market, demanding environmentally sensitive features, such as energy-efficient appliances, use of renewable energy technologies, and use of renewable, recyclable, and nontoxic materials. Expectations

Rising on a Loyola University campus in Chicago, the Clare at Water Tower is one of a new wave of seniors’ communities located on college campuses and targeting retired faculty and alumni. The location provides residents access to both university and community amenities, as well as an intergenerational living environment.



Building affordable housing projects in affluent communities like Newport Beach, California, requires special attention to details to avoid community opposition. Newport Beach struck a deal with the Irvine Company that resulted in a waterfront site for the Bayview Wind Senior Community affordable housing project (below).

for green features are highest on the West Coast and in Colorado, but awareness about sustainability is beginning to spread nationwide, says Doug Van Lerberghe a principal with Colorado-based Kephart Architects.

NewBridge on the Charles incorporated a number of green features to reduce its carbon footprint. The entire campus is heated and cooled with a geothermal system, for example, and graywater is used for irrigation. Meta Housing is pursuing basic certification under the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) program for its Long Beach Station and North Hollywood (NoHo) Senior Artists Colony projects, focusing on sustainable landscaping, waste recycling, use of recycled and renewable materials and products, and water conservation, notes Wolf.

Boston, Chicago, and upstate New York are not considered traditional locations for retirement communities, but they are seeing increased demand for high-quality housing for seniors. Fishman attributes this trend to a combination of seniors choosing to age in place, and seniors returning home from the Sunbelt to be closer to family as they grow older or lose a partner.

For example, to capture Houston's aging-in-place boomer market, local developer Caldwell Companies is developing a for-sale housing community for active adults 55 or older that is part of a larger 2,400-acre (970-ha) multigenerational master-planned community. More seniors are choosing to age in place because they want to be near their children, grandchildren, and friends rather than move to traditional retirement areas like Florida and Arizona, notes Peter Barnhart, vice president of development for Caldwell.

Based in Phoenix, Opus West Corporation's seniors' housing division is focusing on this market, too, but is locating communities for independent seniors in infill locations, allowing residents to remain in their own neighborhoods, close to friends, churches, doctors, and other familiar services. "This is a big built-in seniors' market," says John Boyd, Opus West senior director of real estate development. The firm has developed a design for a community that fits on just six acres (2.4 ha).

Baby boomers share some lifestyle and housing preferences with today's active senior retirees, but that does not guarantee that today's housing product for seniors will appeal to them. The boomer market is both

THOMAS COX ARCHITECTS



functionally and socially diverse, which presents unlimited opportunities for niche concepts, says Janis Ehlers, a Florida-based marketing consultant who specializes in residential projects for people 50 and older. Many baby boomers delayed having children and are still raising them, she notes, while others are single or living with elderly parents and want communities with care facilities for the elderly. In addition, about one-third of baby boomers plan to work into their 70s or 80s.

Across the board, the focus on lifestyle is the defining characteristic of today's active-adult housing market, but for baby boomers, access to community amenities is the all-important element, contends David Jensen, a Denver-based planning consultant specializing in such communities. This demographic group envisions engaging in activities like camping, hiking, backpacking, and bicycling, he says, and they are flexible regarding housing details if the community provides the lifestyle envisioned.

Boomers also have higher expectations than any previous group, says Ehlers. "Ultimately, they want housing that lives well, with all the bells and whistles they can afford based on their socioeconomic status," she says. Very affluent boomers are creating

demand for ultraluxury condominium projects that look and feel like five-star hotels, she adds.

Seniors also want flexibility built into home designs so spaces can be adapted to new technologies, as well as universal design, which allows a home to adapt to age-related limitations or disabilities, Van Lerberghe adds. Universal design involves enhancements, such as wider doorways and corridors to allow wheelchair access, elevated toilets in master bathrooms, and adjustable lighting for older eyes.

According to developer Del Webb's 2005 baby boomer survey, 45 percent of baby boomers plan to move somewhere else—a different city, state, or even country—rather than age in place, and are beginning to explore the possibilities now. Some boomers are investing inherited wealth in vacation homes in the United States and abroad with the idea of potentially retiring there. This is fueling growth in the second-home and fractional markets in resort destinations throughout North America, the Caribbean, and Latin America, notes David Collins, a principal at the southern California-based consulting firm Active Living International (ALI).

Mexico is experiencing a housing boom triggered by boomers and seniors buying second homes pos-

Aging baby boomers are moving to nontraditional places in the West and Southwest like Village at Five Parks (below), located northwest of Denver.



sibly for retirement, with high demand coming from the United States and Canada, as well as European buyers. About 22,000 units currently are in the pipeline. This increased foreign demand resulted from the entry by U.S. mortgage lenders and title companies into Mexican markets over the past year to provide American-style home loans and title insurance. This move not only made it easier for foreigners to buy property south of the border, but also signaled Mexico's status as a low-risk investment market, says Collins.

With its low-cost, high-quality housing, which costs about one-third less than comparable U.S. properties, Mexico is attracting both older adults seeking value and adventure, and those seeking an authentic foreign cultural experience, notes Collins. Other enticements include the government's recent change in visa policy—increasing visitor stays to 120 days from 90 and eliminating the need for many foreigners to apply for permanent resident status—and the country's increasingly Americanized health care services provided by U.S.-educated Mexican physicians.

Mexican markets within driving distance of U.S. cities—such as San Miguel de Allende near Guadalajara, and Rocky Point, San Carlos, and San Felipe on the Sea of Cortez—and cities throughout the Baja California peninsula are popular with U.S. and Canadian buyers. These markets have large expatriate communities, which are attractive to Americans who only speak English, says Collins; Europeans tend to choose Cancún and the Yucatán Peninsula.

Collins, who is a consultant for a new senior-oriented community in San Miguel de Allende, notes that Mexican developers targeting the 50-and-older market are now partnering with experienced U.S. developers of seniors' housing. These relationships are mutually beneficial, he says, with U.S. developers bringing financial, design, and marketing expertise to the table, and their Mexican partners focusing on entitlements and permits. The Mexican government also is encouraging alliances with U.S. developers experienced in sustainable development practices, which is a new concept south of the border, notes Collins.

"It's very difficult to think on a global scale due to cultural nuances and different government regulations," says Meredith Oppenheim, senior vice president for seniors' housing practice at Savills Granite (formerly Granite Partners), a global real estate

investment and advisory firm. The challenge for developers in Mexico, she says, is determining how to market product across borders—how to get Americans to invest in a country they do not know well or may have only visited once or twice.

American-style housing for seniors is also being built in faraway places, like India and the Philippines, notes Oppenheim. Developers in these countries are creating American-style active-adult communities, she says, and leveraging natural resources to entice immigrant retirees to return home from the United States and enjoy a lower cost of living, a mild climate, the proximity to water, and a reconnection with family and old friends.

The Philippines government, in fact, has launched the Philippine Retirement Authority to promote and develop the Philippines as a retirement haven for foreign nationals who want to return, and now master-planned retirement communities are rising in resort locations. For example, Pacific Shores, a 22-acre (9.3-ha) beachfront, lifestyle community in Talisay City, Negros Occidental, offers retirees "Southern California-inspired" amenities, including a clubhouse with pool tables, a putting park, a meditation garden, a pool, planned activities like dances and card games, and a full array of water sports.

Shashank Paranjape, an Indian real estate developer, is building age-restricted communities in five Indian cities, the first of which was completed in 2003. Athashri, a retirement community with 1,000 residents in Pune, looks like it was plucked out of Florida, right down to early-bird specials of lentils and rice. With homes having an entry price of \$75,000 to \$125,000, it is obvious the developer is not targeting locals, who culturally would not want live in a community exclusively for seniors anyway.

Oppenheim also notes that the United States is beginning to export best practices to nations around the world just beginning to create retirement communities and nursing facilities. Also, the active-adult retirement community concept is beginning to catch on, particularly in southern Europe, and developers are looking to exploit American expertise. ALLI, for instance, partnered with Spanish developer Grupo Suite to build Sensara Benalmádena, a community for people 55 and older that looks over the Mediterranean in the Costa del Sol region of Spain.



The question is whether projects based on baby boomer marketing surveys and built today will be as attractive to boomers tomorrow. Tom Cestarte, a partner at the southern California architectural firm WWCOT, contends that boomer-centric changes are already underway. For example, the big Del Webb communities, such as Sun City, Arizona, where 80 percent of the 40,000 residents are over age 65, are on the way out, he says, and that company is now building smaller communities, like its 1,500-home community in Richmond, Texas, about 30 minutes west of Houston. He also expects to see more ideas emerge for smaller, more intimate, peer-group housing, such as a communal concept where friends with common interests and values live together, share common areas, and take care of each other. "It's happening in Scandinavia, and it's coming here," says Cestarte.

All peer-group communities of the future will be intergenerational and integrated with a community's underlying infrastructure, he predicts, with younger residents helping serve the needs of seniors. Gollis concurs, suggesting that master-planned communities might have districts or villages of people grouped according to interests rather than age.

Cestarte believes that the mere size of the baby boomer generation, which will be followed by an equally large group of echo boomers, will trigger creation of a new economy based on products and services for society's more mature residents. He envisions seniors who are unwilling to retire starting up cottage industries to provide these products and services, which will relieve competition with younger people for jobs and resources.

While the Del Webb study indicates that about 45 percent of boomers plan to move to low-maintenance housing when their children leave home, only 21 percent plan to move to a retirement community in a new geographic location, according to a 2004 AARP report on how boomers envision their retirement. "Nothing is more frightening to our industry than to hear that," says Oppenheim, "so we need to give them something better [than they have now] that they can afford." **UL**

PATRICIA L. KIRK is a freelance writer based in Austin, Texas.

Overlooking the Mediterranean in the Costa del Sol region of Spain, Sensara Benalmádena, a project targeting both U.S. and European baby boomers 55 and older, is the result of a partnership of the U.S. firm Active Living International and Spanish developer Grupo Suite.