

## **Senior Housing in Orange County Bridging the Gap between Current and Future Senior Housing**

### **OVERVIEW**

Orange County's older adult population is expected to increase dramatically over the next 20 years. Many of us will struggle to stay in homes that are not designed to accommodate our changing needs. We will change in many ways, emotionally, physically, spiritually, and financially. Our relationships will change. Family members and friends will become more or less important and more or less available. We all want to live comfortably and safely in our homes, wherever they are or whatever they look like. We must anticipate and adapt to the changes associated with our aging.

As part of the Master Aging Plan, Orange County aims to offer an array of housing options that reflects the diverse preferences and abilities our older adult population portrays. We need to conceptualize a continuum of housing types to accommodate rapid growth in our senior population and then, invest in development of preferred housing models.

To accomplish this aim, the Department on Aging has 1) conducted an inventory of current models of senior housing, 2) engaged in research to understand the types, prevalence, costs, and availability of housing currently available in the County and 3) surveyed Orange County seniors to understand their housing preferences.

Through the year long speaker series entitled, Aging in Community: Planning for Our Future, middle-aged and older community members have been engaged in conversations about their preferences and hopes for how and where they want to live. In the report below, we define current senior housing trends and types, discuss the housing models that are now found in Orange County, and conclude with an overview of what County residents say they want in future housing models. We intend this document to serve as a launching point for stakeholder discussions and ultimately, recommendations about what housing models will best serve Orange County's rapidly growing population of older adults.

### **FRAMING UP: THE DEMOGRAPHICS OF SENIORS IN ORANGE COUNTY (2012 data)**

Total population of people living in Orange County (2012) = 138,330

Total population of people 60 years old or older living in Orange County = 22,123

**Thus, 16% of our population is 60 years old or older.**

Future projections suggest that by 2025, the population of people 60+ in Orange County will increase to 36,731...exceeding the number of people between 1 and 17 years old.

### **Important considerations:**

Six percent (6%) of Orange County seniors age 65+ live below 100% poverty level

Eighteen percent (18%) of Orange County seniors age 65+ live between 100-199% poverty level

**Four hundred and twelve (412) Grandparents (age 60+) are responsible for grandchildren less than 18 years old**

**Thirty eight percent (38%) of Orange County residents living in public housing are 62+ years old (336 out of 876 total).**

### **CURRENT MODELS OF SENIOR HOUSING**

Across the country, we find a continuum of formal senior housing options. These options range from senior homes and apartments for people over 55 years of age who are independent in their activities, to nursing homes that provide support for people who need assistance with basic activities of daily living. Generally speaking, senior housing is subject to a range of regulatory oversight. Homes and apartments without services are not highly regulated unless federal subsidies and discounted rents apply. Conversely, nursing homes are one of the most highly regulated industries in our country, second only to nuclear power plants. The continuum of formal senior housing options is defined below and elaborated in text.

### **55+ INDEPENDENT LIVING COMMUNITIES**

55+ communities are residential areas created for senior adults that want to rent or own a living space that requires minimal upkeep and provides a community feel. The aged-restricted communities have various housing types, such as single-family homes, duplexes, apartments and condos for rent, ownership or lease. Homes in these communities are usually built on one level and are smaller by today's norms (1500 to 2300 sq. ft.). 55+ communities generally offer recreational and social activities but not formal health services. The Continuing Care Retirement Community is a variation of senior-designated housing that offers units across the continuum of care from independent living to nursing home care and hospice.

### **INDEPENDENT LIVING COMMUNITIES IN ORANGE COUNTY:**

Reduced rent **Senior Apartments:** We have two venues for reduced rent senior housing, Eno Haven (76 units) and Carolina Spring (124 units) For both locations, residents must be 55 years or age or older. Both complexes provide

discounted rents and accept Section 8 housing vouchers but practically speaking, these vouchers are rarely available. Exclusive of Section 8 vouchers, Eno Haven offers a 30%-60% discount to eligible residents, based on an income-referenced sliding scale. Discounts are made possible through a tax credit program available to developers.

**HUD Subsidized Senior Apartments:** We have three venues for subsidized senior housing. First Baptist and Manley Estates (41 units), Covenant Place (42 units) and Adelaide Walters Apartments (24 units). All three of these venues are considered HUD 202 (serving people older than 62 years), Section 8 housing (serving people with low incomes). Rentals are priced at 30% of one's adjusted income and take social security, pensions, and personal assets into account.

Private pay **Continuing Care Retirement Community:** We have one Continuing Care Retirement Community – Carol Woods. Across the continuum of care, Carol Woods serves people in 150 apartments, 152 cottages, 10 townhomes, 65 assisted living units and 60 nursing home units. Carol Woods also has an early acceptance program. This program provides people with access to Carol Woods's services (dining, recreation, health) while they remain in their own home within the community. Admission to Carol Woods is selective, based on current health status and financial criteria. Once admitted, residents expect to live the rest of their lives at Carol Woods.

## **COOPERATIVE HOUSING**

**Cooperative housing**, sometimes called co-housing is a type of housing in which residents actively participate in the design and operation of their own neighborhoods. Elder co-housing is designed especially for active adults, 55 and above. In elder cohousing, residents can choose to grow older meaningfully, consciously and independently in a self-managed, close-knit community. Elder co-housing neighborhoods include the features that define co-housing in general, but beyond that, they are built with the future in mind.

- Using universal design, each living space can transition from a home for an active lifestyle to one that supports progressing needs for accessibility.
- Common areas, indoors and out, are designed to provide easy access, socialization, and recreation for all levels of physical ability.
- Studio residences can be included in a community's common house to provide living quarters to home health aides whose services may be shared by several residents, allowing members to remain at home for all but major medical emergencies.

Co-housing communities usually are comprised of 20-40 households. Houses are designed as attached or single-family homes along one or more

pedestrian streets or clustered around a courtyard. Because neighbors hold a commitment to a relationship with one another, almost all cohousing communities use some form of consensus as the basis for group decision-making.

**Variations on co-housing:** Co-housing is distinct from a regular neighborhood by having some degree of “intention” that is evident between the people who choose to live there. A **Pocket Neighborhood** focused on seniors might be considered a smaller version of elder co-housing with 8-12 homes configured around a central courtyard. Typically, a pocket neighborhood contains a common house where guestrooms, exercise facilities, a kitchen, or tool shed might be found. **Shared housing** is another co-housing option. Here, unrelated people choose to live together in one house, establishing norms and policies that guide aspects of living such as meal preparation, caregiving, and shared possessions. **Rental housing with an arts focus** is a model that we learned about in our Aging in Community Speaker Series. This model brings seniors together in rental housing around a common interest such as art, music, theater or dancing. Inherent within this model is the concept that seniors offer their talents to each other and to the community through galleries, music “jams”, performances, and participatory events.

## COOPERATIVE HOUSING OPTIONS IN ORANGE COUNTY

Orange County has two co-housing communities, Pacifica and Arcadia, but neither is specific to seniors. To our knowledge, we do not have any pocket neighborhoods. Shared housing is restricted in Orange County by ordinances that preclude more than 3 unrelated people from living in the same house. In Carrboro and Hillsborough, 5 unrelated people are permitted to live as a “family” in single-family dwellings. In Chapel Hill, 4 unrelated people are permitted to share a single-family home.

## ADULT CARE HOMES

**Adult Care Homes** represent a state-regulated housing option that serves people who need everyday assistance with personal care and health care but do not require skilled care such as that provided in a nursing home. For example, someone with moderate dementia who is mobile yet needs meals prepared and prompting to maintain wake/rest cycles might live in an adult care home. Adult Care Homes typically have a mixture of planned and unplanned activities. There are two types of adult care homes that are regulated by the same State and County processes. Assisted Living is group housing that serves more than six people. Family Care Homes (formerly known as Rest Homes) serve 6 or fewer residents.

## ADULT CARE HOMES IN ORANGE COUNTY

Orange County has five **assisted living** facilities. Carolina House has 54 units, including 8 units that are specifically designated for people with dementia who require specialized care. Carolina House serves residents who can pay privately or have long term care insurance. Nurses provide oversight to care processes but do not participate in hands on care. Certified Nursing Assistants and Med Tech's are the direct caregivers at Carolina House. The Stratford has 44 regular units and 33 memory care units that serve those with dementia. Medicaid is an accepted payer source for Stratford residents. To be eligible for admission to The Stratford, residents must be 55 y/or or older and able to stand without assistance. Carillon Assisted Living of Hillsborough has 96 units including 21 units dedicated for residents with dementia. Under the condition of prior approval for personal care services, this assisted living facility will accept people for whom Medicaid is the primary payer. Of note, Medicaid payment is not accepted for residents of the memory care unit. Villines, which has been operating in Hillsborough since 1962, has 17 units serving people from a diverse range of race-ethnicities and socio-economic strata. Villines does accept Medicaid payment. Crescent Green of Carrboro has 120 units, serves people 55 and older, and does accept Medicaid payment. Similar to the Villines, it does not have a separate memory unit.

All of our assisted living facilities are for-profit organizations. Three of them, Carolina House, The Stratford, and Carillon, are corporately owned while Villines and Crescent Green of Carrboro are family-owned and operated.

**Family Care Homes** represent a subset of Adult Care Homes that serves 6 or fewer older adults who need some assistance to remain independent but do not need nursing home level care. We have five family care homes in Orange County. The non-profit Charles House Association operates Yorktown Eldercare Home in Chapel Hill and Winmore Eldercare Home in Carrboro to provide quality personalized care to elders and respite for their caregiving families. LiveWell, a for-profit, family-owned home, serves residents with a variety of health issues and specializes in serving people with dementia. Cedar Grove is family-owned and operated with 2 separate residences in northern Orange County serving men with mental health issues. Orange Community Residence is a family care home that serves people living with HIV.

## NURSING HOMES

**Nursing Homes** are highly regulated organizations serving two populations of older adults, 1) short term residents who need rehabilitation after a hospital stay or 2) long stay residents for whom independent living is not possible. Long stay residents require assistance with three out of five activities of daily living. (Activities of Daily Living include: eating, dressing, bathing, toileting, and transferring from one place to another.) Nursing homes operate under a medical

model of care and are staffed by licensed professionals, including doctors, nurses, physical therapists, occupational therapists, speech therapists, dieticians, and social workers.

## NURSING HOMES IN ORANGE COUNTY

Orange County has four, for-profit nursing homes that all accept Medicare and Medicaid payment. Brookshire Nursing Center in Hillsborough is a family owned 5-star facility with 80 skilled care units. Brookshire also offers 20 independent and adult care homes. Pruitt-Carolina Pointe is a corporately owned 2-star nursing home with 138 units (plus 3 units classified as adult care home level of care). Signature HealthCARE of Chapel Hill (formerly known as Chapel Hill Rehabilitation and Healthcare Center) is a corporately owned nursing home with 108 units. Britthaven is a corporately owned nursing home with 130 skilled nursing units that include 29 units for people with dementia and 7 adult care home beds. Britthaven has been closed since 2012. (Carol Woods also has a nursing home on its campus but currently this home is not available for long stays to people unaffiliated with Carol Woods.)

## **COSTS** (as of March 2014)

In Orange County, the out of pocket costs associated with housing that is specifically for seniors is variable depending on the availability of subsidies (senior apartments), payer source (family care homes, assisted living, and nursing homes) and added amenities (private vs. semi-private room, cable, in-room telephone etc). As examples, the discounted rate for a one bedroom **senior apartment** at Carolina Spring is \$742/month and a two-bedroom apartment is \$870/month. At Eno Haven, a one-bedroom apartment at market rate is \$585/month and a two bedroom is \$700/month. At the 30% discount rate, a one-bedroom apartment would rent for \$409 and a two bedroom would rent for \$490. All rent costs at **HUD subsidized senior housing** are calculated at 30% adjusted income based on social security payments, pensions, and assets. At Carol Woods **Continuing Care Retirement Community**, a studio unit for one person costs \$2466/month after an entry fee of \$86,000 is paid. For a large cottage with double occupancy, the monthly fee is \$5865 after an entry fee of \$427,000 is paid. Monthly fees for **family care homes** such as Yorktown and LiveWell average \$5500. Monthly fees for **assisted living** facilities vary greatly. For example, a private room at The Stratford is \$2900/month while a private room in the dementia unit is \$4800/month. Semi-private room rates are \$1950/month and \$3800/month in the dementia unit. In contrast, the average cost for residents of Carolina House is \$5500/month, not including cable and telephone service or additional services people need after admission. **Nursing home** costs also vary widely, depending on whether the payer source is Medicare (short stay - rehabilitation), Medicaid (long stay), private pay (with or

without long term care insurance). Thus, it is difficult to pin point the out-of-pocket expenses for our nursing home residents. That said, according to a 2012 MetLife survey, the average annual cost for a private room in a nursing home is \$90,500.

## **AVAILABILITY**

In Orange County, vacancies within our pool of senior housing options are not abundant. Both our discounted rent senior apartment complexes report no vacancies as of December 2013. In the case of HUD funded senior housing people can expect wait lists to last well over 1 year. For example, Adelaide Walters currently has a 25-person waiting list. On average, 2 apartments become newly available each year. At Carol Woods, people can expect 1-4 year waits for studio and one-bedroom units. Wait lists for large cottages are typically 10 years. As of December 2013, Yorktown and LiveWell family care homes had no vacancies. Assisted Living facilities generally have openings for private pay residents but openings for residents whose stays are publically funded are scarce or non-existent. Nursing homes generally have openings for residents with Medicare funding that need short term rehab however may not have an opening for a resident who requires long term care with only Medicaid funding (particularly if they are known to have behavioral problems or need rehab services.) Most nursing homes do have openings for people who are able to pay privately. Rarely does a nursing home have 100% occupancy (except perhaps on the memory care units) because beds are kept available for people with particular payor sources.

In sum, to serve a county with 22,123 residents over 60 years of age Orange County has 1534 designated senior-specific housing units across the continuum of care. Further, it is most often the case that each type of housing option has few to no vacancies despite costs that would be out of reach for many people.

## **SUMMARY: Current Senior designated housing**

1. Tax Credited Senior Apartments also accepting Section 8 vouchers (200 units)
  - a. Eno Haven (76 units) - Hillsborough
  - b. Carolina Spring (124 units) - Carrboro
2. HUD Subsidized Senior Apartment Options – (107 units)
  - a. First Baptist and Manley Estates (41 units) – Chapel Hill
  - b. Covenant Place (42 units) - Chapel Hill
  - c. Adelaide Walters Apartments – (24 units) Chapel Hill
3. Private pay Continuing Care Retirement Community (513 units)
  - a. Carol Woods – Chapel Hill

4. Private pay and Medicaid funded Family Care Homes – (24 units)
  - a. LiveWell Assisted Living – (6 units) – Chapel Hill
  - b. Yorktown Eldercare Home – (6 units) – Chapel Hill
  - c. Cedar Grove 1 and Cedar Grove 2 - (12 units) – Cedar Grove (accepts Medicaid)
  - d. Winmore Eldercare Home – under construction
5. Private pay and Medicaid funded Assisted Living - (364 units)
  - a. Carolina House – (54 units) - Chapel Hill
  - b. Crescent Green of Carrboro – (120 units) (accepts Medicaid)
  - c. The Stratford – (77 units) - Chapel Hill (accepts Medicaid)
  - d. Carillon Assisted Living of Hillsborough – (96 units) (accepts Medicaid)
  - e. Villines Rest Home – (17 units) – Hillsborough (accepts Medicaid)
6. Private pay and Medicaid funded Nursing Homes - (326 units)
  - a. Brookshire Nursing Center – (80 units) - Hillsborough
  - b. Signature HealthCARE of Chapel Hill - (108 units) Chapel Hill (accepts Medicaid)
  - c. Pruitt-Carolina Pointe (138 units)– Durham (accepts Medicaid)
  - d. Britthaven – temporarily closed – (130 units) – Chapel Hill

## **FUTURE HOUSING MODELS – What Orange County Seniors Want**

Although Orange County currently has a variety of housing models that serve seniors with a range of care needs and low and high-income statuses, we have a paucity of high quality housing options for people of modest and middle-income means. For example, the continuing care retirement community model offers high quality care services but the long wait list, combined with the high fees required for admission, put such a model out of reach for all but a small minority of seniors. Further, the cost of care and the efficiency-focused routines found at many assisted living and skilled nursing facilities fall short of what most people want. Most people prefer to remain in their own homes and neighborhoods as they age and avoid age-segregated long-term care facilities.

In a report on creating environments for successful aging, Kochera (2005) found that 84% of those aged 50 years and older had a desire to remain in their current residence as long as possible, with even higher percentages in older age groups: 91% for the 65-74 age group and 95% for the 75 or older age group (1). However, as we grow older, the prevalence of those of us with a disability as well as those who need assistance with one or more of the basic activities of daily living grows, making fulfilling this desire to remain at home more challenging (2).

Many existing single-family homes, as well as new-home construction, do not take into account the likelihood of disability and decreased mobility that

comes with aging. As a result, older people living in housing with inadequate features, such as narrow doorways, stairs-only entry, and showers on first floor, may be more likely to suffer from social isolation and loneliness (3). The lack of adequate features such as grab bars, wheelchair accessibility, and entry ramps, can also place undue burden on caregivers, who often must assist loved ones with basic activities (4). Institutionalization in nursing homes and assisted living facilities imposes many costs beyond the obvious public and private financial ones, including increased stress, deteriorating physical and mental health and loss of social connections (5).

In May 2014, the Department on Aging surveyed 378 volunteer participants over 50 years old about their preferences for future housing. Survey results are shown below with the most prevalent responses in bold text.

## DEMOGRAPHICS of SURVEY PARTICIPANTS

Average age: 68.9 years old

Race/Ethnicity:

1.3%	Asian
9.9%	Black/African American
1.3%	Hispanic/Latino
<b>84.2%</b>	<b>White/Caucasian</b>
3.2%	Other

Annual Income:

10.1%	\$10,000-\$20,000
20.7%	\$20,000-\$50,000
<b>26.8%</b>	<b>\$50,000-\$100,000</b>
21.3%	\$100,000-\$150,000
10.7%	\$150,000-\$200,000
10.4%	Above \$200,000

## CURRENT AND DESIRED FUTURE HOUSING

Current home:

18.7%	Apartment, condominium, or townhome
<b>76.2%</b>	<b>Single family home</b>
2.1%	Mobile home
3.07%	Other

Rent or own?

<b>84.1%</b>	<b>Own</b>
10.7%	Rent
5.1%	Other

Reason for future move:

<b>13.3%</b>	<b>To reduce cost of living</b>
<b>16.0%</b>	<b>To downsize</b>
4.0%	To access home safety features
4.5%	To be closer to public transportation routes
6.8%	To be closer to family or friends
5.7%	To be closer to health care services
1.9%	To have better weather
2.2%	To feel safer
4.0%	To live closer to, or with, family
0.2%	To find housing types not currently available in Orange County
4.6%	To be closer to community/social activities
2.4%	To be in a more urban setting
2.0%	To be in a more rural setting
<b>14.6%</b>	<b>No longer able to physically maintain my home</b>
11.0%	No longer able to care for myself
6.8%	Other

Desired Future Home Size:

12.0%	Under 1000 sq. ft.
<b>37.0%</b>	<b>1001-1500 sq. ft.</b>
29.7%	1501-2000 sq. ft.
5.5%	2001-2500 sq. ft.
2.3%	2500 sq. ft. +
13.5%	Wouldn't move

Housing preference if moving:

<b>37.7%</b>	<b>Single family home, condominium, or townhome</b>
8.3%	Apartment restricted to seniors
6.9%	Apartment with no age restrictions
24.0%	Continuing care retirement community
2.1%	Single family home with people I'm not related to

6.9%	Single family home shared with people I'm related to
14.2%	Homes clustered with common buildings for gathering and storage

Age consider moving:

5.1%	56-60 years of age
7.3%	61-65 years of age
12.7%	66-70 years of age
12.4%	71-75 years of age
<b>25.1%</b>	<b>76-80 years of age</b>
15.9%	81-85 years of age
7.8%	86-90 years of age
3.8%	91-95 years of age
0.8%	96-100 years of age
9.2%	Never

To expand the survey results above, we present information from 93 people who participated in the Aging in Community post-presentation discussions and 29 County residents who met for a 4 hour “deep dive” into their future housing. The comments outlining participants housing preferences grouped naturally into four categories; 1) Housing Design, 2) Landscape Design, 3) Social and Care Features, and 4) Community Features. Under each category below, we have ordered the features of importance from high to low based on how frequently they were cited.

**Housing Design**

One level on ground - no steps  
 Accessible with universal design features  
 Energy efficient (solar)  
 Low maintenance

**Landscape Design**

Natural beauty that includes trees, plants, flowers, parks, courtyards, gardens, hiking and biking trails  
 Walkability/paths

**Social and Care Features**

Sharing learning opportunities for creative endeavors such as music, art, crafts, dancing, games, entertainment, support groups (also, participation in religious and cultural activities)

Multi-generational  
People that know and care about me  
Proximity to health, housekeeping, maintenance, and transportation services  
Multi-cultural  
Opportunities to provide help: care teams, volunteer corps

### **Community Features**

Private areas for quiet - meditation  
Common areas with space to gather, prepare, and share food  
Public transportation  
Exercise facilities

From the results shown above we see that people want to live in single story structures that include universal design features, are energy efficient, and require little maintenance. Living in a natural environment that promotes social engagement and physical activity is preferred. Opportunities to be involved with members of all generations are important. Finally, people seem to prefer to live in a community that offers common spaces for gathering, quiet areas for contemplation, and access to public transportation.

In conclusion, we propose a call to action for the Aging Board, and County government in general. We ask, "What kind of senior housing should Orange County invest in or encourage development of? More of the same? Promote something different? Orange County does not have enough dedicated housing to accommodate our current population of seniors, particularly those with middle incomes. Also, we may not be prepared to house seniors who are moving here or aging into the need for more care. People of all incomes may want something different than what is currently available. We believe that senior-led grass roots initiatives within neighborhoods and the growth of senior-focused services may partially address our shortfall in desired housing options for seniors. Effective partnerships between Orange County Departments of Planning, Housing, and Transportation will be necessary to support our citizen entrepreneurs, health service providers, developers, architects and builders to achieve the best possible housing outcomes for Orange County seniors.

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