Improving Housing Affordability and Choice

Moderator: Nikki Hutchison, AARP South Carolina

Presentations/Contacts
Rodney Harrell, AARP Public Policy Institute
Housing Solutions for all Ages: Small towns and rural communities

Jim McCall, Alaska Housing Finance Corporation
Aging Homes—Aging Alaskans: Why renovating makes sense

Denise Lord, Maine State Housing
Community Aging in Place: Low cost, high impact home modifications
Housing Solutions for all Ages: Small Towns and Rural Communities

Dr. Rodney Harrell
AARP Director of Livability Thought Leadership
Interim VP, Livable Communities and LTSS
@DrUrbanPolicy
The Percent of the Population Age 65+ is Growing

• People want to age in their homes and communities, and a lack of options forces compromises.

• Demographic change makes it imperative that we approach community planning/design differently than we have in the past.

• There is tremendous opportunity for communities to create and expand options.
The Percent of the Population Age 65+ is Growing

- People want to **age in their homes and communities**, and a lack of options forces compromises.

- **Demographic change** makes it imperative that we approach community planning/design differently than we have in the past.

- There is **tremendous opportunity** for communities to create and expand options.
Desire to Age in Community

Rural adults are more likely to say they want to stay in their community or current home for as long as possible.

What I’d really like to do is remain in my community for as long as possible.

<table>
<thead>
<tr>
<th>Location</th>
<th>Strongly Agree</th>
<th>Somewhat Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>72%</td>
<td>22%</td>
</tr>
<tr>
<td>Urban</td>
<td>67%</td>
<td>30%</td>
</tr>
<tr>
<td>Suburban</td>
<td>67%</td>
<td>38%</td>
</tr>
</tbody>
</table>

What I’d really like to do is stay in my current residence for as long as possible.

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>73%</td>
<td>16%</td>
</tr>
<tr>
<td>Urban</td>
<td>59%</td>
<td>26%</td>
</tr>
<tr>
<td>Suburban</td>
<td>58%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Source: AARP Home and Community Preference Survey, 2018
WHAT IS A LIVABLE COMMUNITY?

“A livable community is one that is safe and secure, has affordable and appropriate housing and transportation options, and offers supportive community features and services. Once in place, those resources enhance personal independence; allow residents to age in place; and foster residents’ engagement in the community’s civic, economic, and social life.”

—AARP Public Policy Institute
AARP’s Housing Policies and Strategies

• **Increase amount of housing that meets needs**, regardless of a resident’s physical ability

• **Increase/preserve housing that is affordable** to those with a wide range of incomes

• **Increase housing options** - more choices means better ability to meet needs.

• **Recognize connection between housing and other key issues** – health, transportation, etc.
THE LIVABILITY INDEX: GREAT NEIGHBORHOODS FOR ALL AGES
WWW.AARP.ORG/LIVABILITYINDEX

• World’s first neighborhood-based, nationwide Livability Index

• Measures neighborhood livability across the US – ties housing to six other categories

• Uses neighborhood-level info where available, but uses county or state data where that is not available

• Created in 2015, Updated in 2018

• Best used as an introduction to livability or alongside other measures
Every housing choice requires a tradeoff!

There are no “perfect choices” or “100% livable” communities.
Home repair and maintenance

• Many older homes have maintenance issues – these can cause energy inefficiency or safety hazards which can drive up costs and reduce quality of life.

• Nearly 2 in 5 rural households need major modifications to meet aging needs.

• 6 million households receive LIHEAP assistance - helps with weatherization and energy improvements

• HOME Funds are used by states for many activities, including repair and rehabilitation

• Large gaps remain for residents who need help with repairs and modifications
DESIGN FOR ACCESS

• Visitability and Universal Design Concepts

• Mandatory and incentive-based policies promote construction

Lifelong Housing Certification Program
Twin Creeks, Oregon
Housing Affordability

- Several federal programs provide housing assistance.
- Gaps remain – waitlists can be years long. Many communities have stopped adding people to lists.
- Other options and assistance are needed for many rural residents.
Manufactured Housing – a rural option

- Nearly 6.7 million households live in manufactured housing
- Manufactured housing is more than 50% cheaper to build than traditional “stick-built” homes.
- Zoning restrictions can limit location choices – 49% of MH are in rural areas
- Manufactured home owners often don’t own the land under their homes. MH communities may be sold without benefiting homeowners
Supporting Manufactured Housing

• Programs and policies can help residents purchase their community and establish cooperative ownership.

• Example: Green Pastures in Redmond, Oregon
Creating more options - ADUs

Regardless of where people live, few currently have accessory dwelling units; however, a third would consider building one.

An Accessory Dwelling Unit, or ADU, is a residential unit built on the same lot as an existing single family home and may be attached or detached to the home. It can be commonly referred to as a “granny flat” or “in-law quarters.” ADUs provide complete separate living quarters, including a kitchen and bathroom, that can allow older adults to age in their existing home with live-in care, make it possible for adults to assist their aging parents, other relatives and loved ones, or be used for rental income.

<table>
<thead>
<tr>
<th>Community Type</th>
<th>% Who have an ADU</th>
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<tbody>
<tr>
<td>Rural</td>
<td>10%</td>
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<tr>
<td>Urban</td>
<td>5%</td>
</tr>
<tr>
<td>Suburban</td>
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</table>

Source: AARP Home and Community Preference Survey, 2018
AARP’s Housing Resources on ADUs

Accessory Dwelling Units: A Step by Step Guide to Design and Development

1. ADU Regulations: an overview and analysis of ADU regulations in several cities to spotlight the unique needs of each place.

2. Finance Options: available financing mechanisms for people considering ADU construction.

3. ADU Space Planning: key elements, such as local regulations, intended use and project budget that should be considered in the design and construction of an ADU.

4. Three ADU Designs: sample ADU designs that can adapt to changing needs, ranging from 250 SF and 1100 SF to fit different families and local regulatory environments.
AARP’s Housing Resources on ADUs

The ABCs of ADUs
A guide to Accessory Dwelling Units and how they expand housing options for people of all ages

- An accessory dwelling unit is a small residence that shares a single family but with a larger primary dwelling.
- As an independent living space, an ADU is self-contained, with its own kitchen or food service, bathroom and living sleeping area. Garage apartments and backyard cottages are each a type of ADU.
- ADUs can enable homeowners to provide needed housing for their parents, adult children, grandparents or other family members.
- An ADU can provide older adults a way to downsize on their own property while retaining or occupying a family member resides in the legal house.
- Older homeowners can legally rent out an ADU house or apartment, ADUs are an alternative rental income source.
- ADUs help improve housing affordability and diversity by providing housing unit without changing the physical character of a neighborhood.
- ADUs are classified — and needed — housing option for people of all ages.

A 20-page paperback guide available for order or download via AARP.org/ADU
Solutions: Educating Residents

Building awareness of the options, supports and resources is crucial for residents in all areas.
Future of Housing Website

Addressing Housing Challenges Across the U.S.

The home is central to individual and community well-being and should support our lives today and into the future. In our work to address housing for older adults and their families, AARP and AARP Foundation created the Future of Housing Initiative with a focus on today and tomorrow. The majority of Americans want to live independently in their homes as they age. Therefore thinking about future needs today is of paramount importance.

When it comes to future needs, our nation’s housing is severely deficient. By 2030, one in every five Americans will be over age 65, and our nation will face a severe shortage in accessible and affordable housing to meet their needs.

Through the Future of Housing Initiative, we are developing strategies to address the senior housing crisis and make all of our communities affordable and welcoming for people regardless of age, background, circumstance, or physical ability.

Explore to learn more about housing issues and innovative housing solutions.

Newly relaunched - www.aarp.org/futureofhousing
Find **AARP housing policy resources** at

www.aarp.org/livablepolicy

Find all **AARP Livable Communities** information at

aarp.org/livable
Aging Homes, Aging Alaskans
Why Renovating Makes Sense

Jim McCall
Officer, Housing Relations
Certified Aging in Place Specialist

AHFC Senior Housing Office

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www.ahfc.us
Who we are

- AHFC created in 1971
- Public Corporation with assets of $4.3B
- Manage over 1,600 public housing units & 4,100 Housing Choice Vouchers across Alaska
- Since 1990, AHFC has paid $2B in dividends to the State
- AHFC’s Senior Housing Office (AS 18.56.700) was created 29 years ago to provide a comprehensive response to the needs of senior citizens for adequate, accessible, secure and affordable housing throughout the state
Alaska
A perspective of America’s largest state

- Fairbanks
- Anchorage
- Juneau

Moon’s Diameter: 2,159 miles
Alaska’s width: 2,261 miles
Alaska surpassed Nevada in 2007 as the #1 state in the nation for per-capita, 65+ growth. Today, that gap has widened by 13.2%.
Alaska’s Seniors

- Over 18% of Alaska’s population is 60 or older
  (135K of 736K Alaskans)
- Last year, roughly 13 Alaskans per day celebrated their 60th birthday
- Over 14,500 Alaskans are 80 or older
- This trend is projected to continue through at least 2035
- Seniors contribute $3B annually to Alaska’s economy
Alaska’s Housing Stock

- Alaska has approximately 314,000 housing units
- 66% of those were built in the 1980s or earlier

Age of Housing Inventory

Source: US Census Bureau
Renovation Options

• AHFC offers 3 options to assist Alaskans with home repairs, modifications, universal design and more...
  ▪ Purchase Renovation
  ▪ Refinance Renovation
  ▪ Second Renovation

• **Purchase Renovation Example:**
  Purchase price..............................................$225,000
  Appraised value *before* repairs.......................$225,000 (pre-appraised value)
  Appraised value *after* repairs..........................$260,000 (post-appraised value)

  Maximum loan cannot exceed 95% of post value of $260K = $247,000

  Total of repairs..............................................$ 27,500  (accessibility, energy, new kitchen?)

  Renovation beginning loan amount...............$213,750  (95% of original value)
  100% of repairs + 10% contingency...............$ 30,250
  Final Loan....................................................$244,000  (Anything under $247K is allowed)
Renovation Seconds

• Maximum loan $318,075 w/appraisal
• Maximum loan $100,000 w/tax assessment, BOV or appraisal less than 3 years old

• 15 year conventional loan amount + .50%
  (3.875% as of June 6, 2019)

• Escrows – 50% of total loan amount or $75K, whichever is less, including 10% contingency

• Alaskans improve the housing stock and can make improvements to age in place
November 30, 2018 - 8:29am

7 miles NW of Anchorage – Depth 25 miles

Magnitude: 7.0

Valid Time: Fri 8:29 AM
Depth: 25 mi
Renovations & Natural Disasters

- Images showing damaged and renovated houses.
Renovations & Natural Disasters

• Available with Purchase, Refinance & Seconds

• Loan amount increased to $200,000 plus 10% contingency (Previous maximum $75,000)

• Engineers report required
• Licensed contractor required
• Two bids required

• One year for repairs - (base program 6 months)
Promoted at Home Shows statewide
Continuing education credits - real estate professionals & contractors
On-going lender trainings

$100M Total
Median Loan $229K
Where we are today
( Truly, it’s all hands on deck...)

- As of June 1st, AHFC’s wait list for Senior/Disabled housing stood at 1,323
  690 units exist

- Wait lists for Tax Credit, HOME & Senior Citizen Housing Development funded
  developments exceed 1 - 2 years

- Budgets continue to shrink. Alaska’s current recession began in 2015.
  Unemployment is 7.3%.
  Meanwhile, the senior population increases around 6% each year

- The Senior Housing Office works closely with the Alaska Commission on Aging in
  establishing the State Plan for Aging Services (Older Americans Act). The FY20-
  23 plan includes housing goals addressing these issues

- After nearly 22 years in the senior field, I have learned three items routinely
  surface as top concerns for seniors:
  1) Access to Healthcare;
  2) Available & Affordable Senior Housing; and
  3) Access to Transportation
Questions?
On behalf of all Alaskans...
Thank-you!

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<tr>
<th>Language</th>
<th>Translation</th>
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<tbody>
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<td>'Tsin’aen’</td>
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<td>(Dena’ina)</td>
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<td>(Gwich’in/Han)</td>
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</tr>
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<td>(Yupik)</td>
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Jim McCall
AHFC Senior Housing Office
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Community Aging in Place

A Home Modification Program for Senior Homeowners

Presented by:

Denise Lord, Senior Director, Communications and Planning

June 19, 2019
Goals

- To build and support community solutions to identified housing needs

- To extend the time that low income older adults can stay safely in their homes while improving health and safety outcomes
Background

• Based on Best Practice: Capable Program, Baltimore, MD
  https://www.ncoa.org/resources/capable-program-summary/

• Adapted and tested by a local Public Housing Authority: Bath Housing Authority

• Pilot funded by John T. Gorman Foundation
Why

• Maine’s aging population
• High rate of homeownership
  • 79% of Maine’s older adult households are homeowners
• Desire to age at home
  • 97% of Maine’s older adults live independently
• Build a continuum of MaineHousing’s services
• Link housing with improved health outcomes
• Leverage existing community resources
The Community Aging in Place grant is a paid labor model that focuses on Low-Cost, High Impact modifications.
- Grab bars
- Handrails
- D-shaped handles on cabinets
- Rocker light switches
- Enhanced lighting
- Lever-style faucets
- Smoke and CO detectors
- Winterizing
- Flooring repairs
- Washer/dryer platforms
- Shower wands
- Gutter repairs
Differentiators

• **Comprehensive**: assesses the problems, provides the solution and covers the cost. Most don’t do all three, leaving the homeowner to coordinate assessment, obtaining and distributing funds and hiring and coordinating providers.

• **Low-Cost, High-Impact**: specializes in one-time, minimally disruptive but high-impact minor home improvements.

• **Individualized**: approaches assessment from the homeowner’s perspective and provides personalized solutions customized to their daily routines, needs, and preferences. Most low-cost, no-cost programs provide only standard options.

• **Paid staff model**: Many home modifications programs are volunteer-driven.
Program Design

- Grants of $50,000 to $100,000
- Simple Application and Administration
- Community of Practice model
- Bath Housing Authority developed and conducts training, and serves as a resource to the other participants
- MaineHousing is the data repository and evaluates the programs
Core Values

• Respectful: We treat every homeowner and their home with sensitivity and individualized care

• Responsive: We approach each homeowner’s needs and preferences with customized solutions

• Resourceful: We invest professional skills, superior customer service and high quality materials into every home
Program Elements

- Program Planning
- Marketing
- Home Assessment
- Evaluation
- Training
Criteria

- Live within [insert geographic footprint]
- Own your home or live in home owned by a family member
- Have income at or below 80% Area Median Income for the Service Area
- Be over the age of 55 or disabled

I feel much safer, especially with the recent fires on the news. You were so personable and did a good job. It's hard to find a repair person who is friendly and fixes things correctly.
Evaluation Process

• Collects data in a standard format that can be easily aggregated

• Tracks both participant outcomes and modification costs

• Ability to assess individual partner performance and overall program impact

• Created a cohort that are learning and sharing with each other
The Numbers

• 114 homes served in 2017
• To date (September 6, 2018) 109 Final Assessments have been completed

• Median Age: 73
• Median Income: $18,480
• Household Size: 1.4
• Average Age of Home: 53 years
The Numbers

- $1,578 per house cost
  - $400 materials
  - $450 maintenance labor
  - $450 program coordinator time
  - $278 admin expenses (insurance, marketing, evaluation, overhead, etc.)

As of April 2018
Data compiled from skillednursinghome.org-Average Healthcare Costs by State: Maine
Falls

Have you had a fall in the previous 6 months? (yes)

- 38% (50) before program
- 22% (24) after program

Decline: -52%

Source: MaineHousing Administrative Data, Accessed September 6, 2018
Hospitalizations

Have you been hospitalized in the previous 6 months? (yes)

6 Months Before Program
6 Months After Program
Decline

- 27% 36
- 19% 15

-80% -60% -40% -20% 0% 20% 40% 60% 80% 100%

Source: MaineHousing Administrative Data, Accessed September 6, 2018
911 Calls

Have you called 911 in the last 6 months? (yes)

- Medical: 15% (20), 6% (6)
- Fire: 2% (2), 0% (0)
- Other: 6% (8), 2% (2)

Source: MaineHousing Administrative Data, Accessed September 6, 2018
Leveraged Community Resources

• Smoke/CO detectors
• LEED lights
• Rural Development - USDA
• Habitat for Humanity
• Weatherization
• Community Action Home Repairs
"Everything that was added or repaired will help me continue to age in my home."

“I'm very glad I participated. I'm grateful for all of the work provided, as well as the referral to Habitat."

"I returned to work, after being retired for many years because I can't afford to live on just Social Security. This house will need a walk-in shower and ramp eventually."
Conclusion

• Early results are good
• Challenges
  • Balance fidelity to the model with local circumstances
  • Community commitment
  • Marketing – getting the word out
Next Steps

• Expand the program
• Finding/strengthening community partners and investors
• Looking at the data over time, including housing stability
• National replication
• Independent evaluation
Thank you
Questions? More Information?

Denise Lord
Senior Director of Communications and Planning
Maine State Housing

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Improving Housing Affordability and Choice

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Time for your questions, comments, ideas, and experiences