

**Spotlight**

# Multigenerational Housing on the Rise, Fueled by Economic and Social Changes

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The number of Americans living with multiple generations under one roof has been growing for nearly four decades, driven by a mix of economic, social, and demographic changes. As of 2016, a record 64 million Americans lived in a household with two or more generations of adults over 25 years old or grandparents living with grandchildren under age 25. Twenty-four percent of older adults (ages 55–64) and 21 percent of adults 65 and older were part of such a household.

The Pew Research Center tracked the fall and subsequent rise of multigenerational households between 1950 and 2016. After declining to its lowest point in 1980 (12 percent), the share of multigenerational households has almost reached the 1950 peak—now representing 20 percent of the total population. Growth in these households was particularly steep between 2007 and 2009, when job losses and high unemployment from the Great Recession drove younger adults back home. Even with an improved economy, however, an additional 3 percent of the population chose multigenerational living between 2009 and 2016 (see figure 1).

The Pew Research Center suggests that the increase in generations sharing a home is not just due to economic factors, but part of growing racial and

ethnic diversity, with various groups more likely to live in multigenerational family households, often because of cultural customs (see figure 2). Asian (29 percent) and Hispanic (27 percent) households have the highest share of people living in multigenerational arrangements and are growing at a faster rate (21 percent and 25 percent, respectively) than all other racial groups.<sup>1</sup>

## Grandfamilies

In 2016, approximately 7.2 million grandparents were living with their grandchildren.<sup>2</sup> Among them, 3.2 million were part of households without a parent present, up from 2.9 million in 2012.<sup>3</sup> These households, often referred to as *grandfamilies*, form as a response to both temporary and permanent circumstances, such as joblessness, poverty, the

To learn more about AARP's efforts to bring diverse partners together to address affordability and accessibility challenges and create a new vision for housing, visit <http://www.aarp.org/futureofhousing>.



death of a parent, mental illness, extended military deployment, incarceration, or substance abuse.

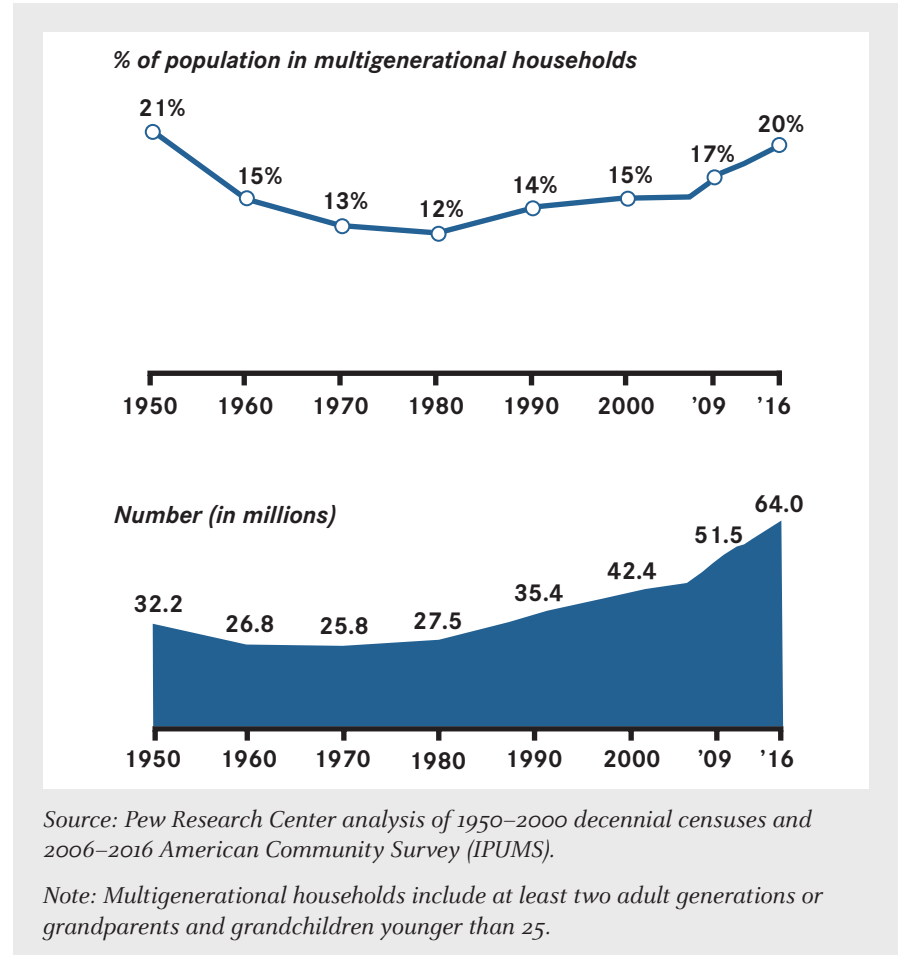
Of particular concern recently is the increase in opioid addiction and its impact on the children of users. Between 2009 and 2016, the incidence of substance abuse as a contributing factor for children's out-of-home placement rose from 25 percent to 37 percent. Researchers point to increased opioid addiction cases as a main contributor to the rise in grandfamilies.<sup>4</sup> In response, Congress established an Inter-Agency Advisory Council to identify gaps in services to meet grandfamilies' needs (e.g., caregiving, educational, nutritional), document best practices, and locate resources for grandfamilies. The Supporting Grandparents Raising Grandchildren Act of 2018 requires that the Advisory Council consider the physical, mental, and emotional health needs of families affected by opioids.

Some nonprofits and public housing authorities are addressing the need for housing affordable to this population, providing housing rich with supportive services and design features (e.g. sports courts, safety features) that cater to both children and older adults.<sup>5</sup>

### Multigenerational Housing: Supply and Demand

According to a 2016 survey of more than 23,000 new home shoppers, 44 percent would like a property that could accommodate older parents and 42 percent

**FIGURE 1**  
**Growth in Multigenerational Households, 1950–2016**



plan on housing adult children in their next home. This desire to have space for extended family may explain why 65 percent of respondents desire a bedroom with bath on the ground level and 24 percent want a suite with a kitchenette and small living area.<sup>6</sup>

A 2014 survey conducted by the Urban Land Institute, however, shows mixed reaction from the real estate industry, with some adjusting their product offering and others not doing so. Builders who have recognized the trend have designed floor plans with two master bedrooms or transformed basements into lower-level suites or family rooms. Others have attached a suite with amenities such as a small kitchenette, a private bedroom and bathroom, and a private entrance that also connects to the main home.

While the most desirable design for a multigenerational family is often a one-level, single-family home, such a design can be challenging to provide in denser areas where square footage is less available. While

some survey respondents believe there is significant demand for homeownership units, others believe the most significant growth will occur in multifamily rentals. In general, respondents noted that housing suitable for multigenerational living should have space that is large enough to balance connectedness with privacy, have the flexibility to accommodate the family's changing needs, and feature an accessible layout.<sup>7</sup>

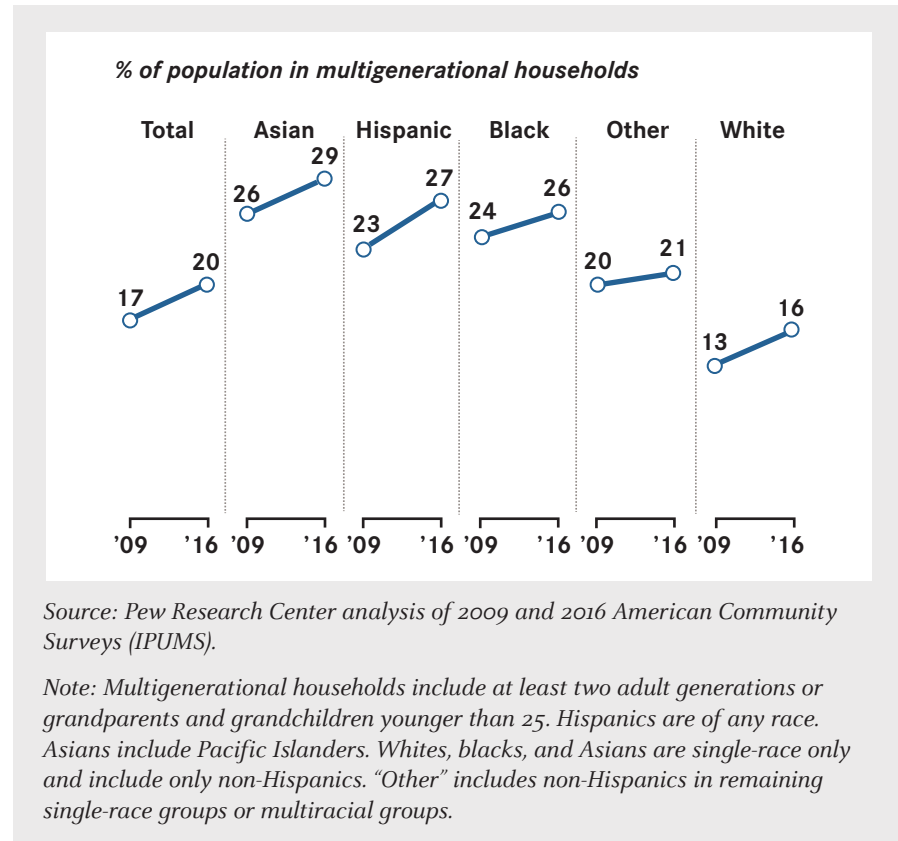
### Limitations in Multi-generational Housing

Lack of financial resources and zoning restrictions are significant barriers that may limit the supply of housing suitable to multiple generations. Many Americans are unable to afford newly constructed housing, and in most communities, the existing housing stock is not built for multigenerational living. Adopting design strategies such as universal design and visitability (i.e., zero-step entry) can help create new homes that serve people of all ages. Home modifications and retrofits can help improve the existing stock. In some cases, adding basic design elements (e.g., grab bars in the bathroom) may be enough to adapt the home for an older adult with limited mobility. Some home modifications may require costly construction to expand and renovate the home to meet universal design standards.

### Accessory Dwelling Units

Accessory dwelling units (ADUs), also known as in-law suites or granny flats, are residential

**FIGURE 2**  
**Share of Multigenerational Households by Race, 2009-16**



units that are secondary to the primary residence of a home. While design and construction can require substantial capital investment, these units can accommodate larger families, add space for a family caregiver, or provide potential rental income.

One-third of adults polled in the 2018 AARP Home and Preference Survey said they would consider building an ADU on their property. For families wishing to build, however, zoning restrictions and rules—from offsite parking requirements, minimum lot size requirements, and expensive permitting to the outright banning of ADUs without special permission—sometimes hinder or prevent significant development. In fact, only eight states, in addition to the District of Columbia, have statewide policies about ADUs.<sup>8</sup> Removing restrictions and easing the ability to develop housing for multigenerational living provides more options for families to accommodate their changing household dynamics. AARP's Future of Housing website, <http://www.aarp.org/futureofhousing>, provides useful housing resources. Among those is a publication, *Accessory Dwelling Units: A Step by Step Guide to Design and Development*, for those interested in learning more about building ADUs.

### Case Study: Grandfamilies Place, Phoenix, Arizona

Grandfamilies Place of Phoenix was built in 2012 as part of a joint partnership between a local nonprofit, Tanner Properties Inc., and Alliance Property Inc. The project includes 56 units designed for grandparents (ages 62+) raising their grandchildren. It is the first community of its kind in Phoenix, Arizona, and one of the first nationwide to have a residential grandfamilies program.\*

The project was financed with a combination of private and public resources, including from federal programs such as Low-Income Housing Tax Credits and HOME funds. Units are income restricted; rents are affordable to households that earn between 40 percent and 60 percent of the area median income.

Onsite supportive services target older adults and youth residents and range from case management, counseling, and community connections to grandparent support groups, academic support, and after-school programming. Design features include playgrounds and sports courts, a swimming pool, separate recreation centers for grandchildren and grandparents, a computer lab, and a fitness room. Units are a mix of two and three bedrooms, with some accessible to persons with a disability.†

\* Grandfamilies House in Boston, Massachusetts, was the first “grandfamilies” project in the country, developed in 1998.

† Ela J. Rausch, *An Exploration of Subsidized Grandfamily Housing in the United States: What Works* (Minneapolis, MN: University of Minnesota, 2016).



*Housing and amenities at Grandfamilies Place*

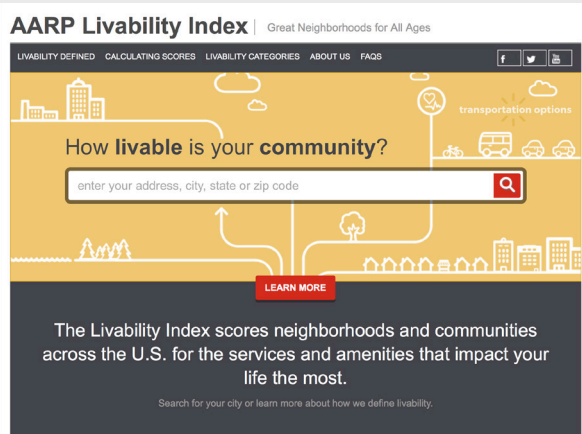
Photo credit: Grandfamilies Place

- 1 US Census Bureau, "American Community Survey 5-Year Data for 2016," (Washington, DC: U.S. Census Bureau, 2017).
- 2 Ibid.
- 3 Pew Research Center Analysis of US Census Data.
- 4 Generations United, *In Loving Arms: The Protective Role of Grandparents and Other Relatives in Raising Children Exposed to Trauma* (Washington, DC: Generations United, 2017).
- 5 "Housing Developments for Grandfamilies," Generations United, accessed December 2018, <http://www.grandfamilies.org/Resources/Housing>.
- 6 John Burns Real Estate Consulting, *Multigenerational Households on the Rise*, accessed October 2018, <https://www.realestateconsulting.com/multi-generational-households-on-the-rise/>
- 7 Lynn M. Ross, *Residential Futures II: Thought-Provoking Ideas on What's Next for Multigenerational Housing and International Communities* (Washington, DC: Urban Land Institute, 2014).
- 8 American Planning Association, *Accessory Dwelling Units: Statutes*, accessed October 2018, <https://www.planning.org/knowledgebase/collection/9120188/search/?keyword=&tags=1530&sort=relevance>.

## The Livability Index

AARP's Livability Index: Great Neighborhoods for All Ages is an online resource that measures communities across several categories, including housing, on how well they are meeting the needs of people as they age. The tool scores any location in the United States against a set of indicators that, when combined, reflect AARP's livable communities principles.

The index includes several indicators that highlight a number of housing issues and policy solutions that contribute to community livability. To score your community, visit <http://www.aarp.org/livabilityindex>.



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