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## AGING IN PLACE

Solutions to a Crisis  
in Housing and Care

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An Issues Update

**Neighborhood Reinvestment Corporation**



## **NEIGHBORHOOD REINVESTMENT CORPORATION AND THE NEIGHBORWORKS® NETWORK**

Neighborhood Reinvestment Corporation was established by an act of Congress in 1978 (P.L. 95-557). A primary objective of the Corporation is to increase the capacity of local community-based organizations to revitalize their communities, particularly by expanding and improving housing opportunities. These local organizations, known as Neighbor-Works® organizations, are independent, resident-led, nonprofit partnerships that include business leaders and government officials.

NeighborWorks® is a registered service mark for the neighborhood-revitalization services and educational programs offered by Neighborhood Reinvestment Corporation, Neighborhood Housing Services of America (NHSA), and 225\* local organizations that include Neighborhood Housing Services (NHSs), Mutual Housing Associations (MHAs) and similar community-based development organizations.

In the last five years, the NeighborWorks® network generated more than \$5 billion in reinvestment. This means that more than 140,000 families of modest means were able to purchase or improve their homes, or find safe, decent and affordable rental housing.

Neighborhood Reinvestment supports the NeighborWorks® network with technical assistance, training, funding, program monitoring and other services that enable them to work as efficiently and effectively as possible. This support includes access to a national secondary market and specialized loan products through NHSA, which purchases loans and sells them to social investors. This process provides local Neighbor-Works® organizations with revolving loan funds that enable them to leverage their resources.

With nearly 25 years of experience, Neighborhood Reinvestment and the Neighbor-Works® network offer compelling proof that communities once in decline can be made whole again, with residents participating in community life and taking pride in community renewal.

### **Aging in Place: Solutions to a Crisis in Housing and Care**

was prepared by the Southern District office of Neighborhood Reinvestment Corporation through close collaboration between Colette Pozzo, Management Consultant, and Catherine A. Smith, Community-Based Communications, Cheverly, Maryland.

### **About the Southern District Office**

The Southern District office of Neighborhood Reinvestment Corporation is headquartered in Atlanta, Georgia. Its service area includes Alabama, Florida, Georgia, Mississippi, North Carolina and South Carolina. Staff at the Southern District office includes a district director, seven management consultants and support staff. These experienced professionals offer technical assistance in areas such as revitalization strategies, affordable housing development, lending, homebuyer education and counseling, business planning, financial controls and management, marketing, partnership-building, and others to 19 NeighborWorks® organizations. Staff also reviews requests for grants and makes recommendations for grant awards.

*\* As of June 2002*

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## Solutions to a Crisis in Housing and Care

An Issues Update

August 2002

Neighborhood Reinvestment Corporation

Southern District Office  
Atlanta, Georgia

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## Executive Summary

As NeighborWorks® organizations across the country go about the business of comprehensive community revitalization, one of the trends they are following carefully is the rapid growth of the aging population. According to the National Council on the Aging, the United States currently has about 35 million people aged 65 or more. This figure is projected to double over the next three decades to nearly 70 million people. The effects of this changing population base have profound implications for local organizations working to improve life and develop healthy communities. It affects the products and services they make available, how they plan and execute their neighborhood-revitalization strategies, and how they develop and sustain local leadership.

Effectively meeting the needs of the elderly requires foresight, sensitivity, understanding and the highest levels of collaboration. It also requires innovative financing approaches, often sustained through volunteer efforts and cost-reduction measures, that enable seniors to access the services and products they might otherwise not be able to afford because of inadequate Social Security benefits, pension funds and savings. Meeting the needs of seniors also means supporting them so that they retain their dignity.

While research shows that, to an overwhelming extent, elderly people today, and the baby boomers who will soon swell their ranks, want to and expect to age in place – that is, in their homes or, at the very least, in their communities – current systems do not support this. Thus, seniors are often forced to live in inadequate housing and to suffer in silence as their health problems and healthcare costs continue to mount.

Because of the growth of the elderly market and its unique needs, the Southern District office of Neighborhood Reinvestment Corporation convened a forum on Aging in Place on February 18, 2002, at the Training Institute in Atlanta. Cosponsored by the Atlanta Regional Commission, Atlanta Neighborhood Development Partnership, Inc., and the Community Housing Resource Center, the forum reached an audience of nearly 250 representatives of nonprofit organizations, government agencies, foundations and corporations.

This was one of the first forums to convene expert practitioners in the fields of housing, healthcare and

supportive services. They detailed some of the obstacles that stand in the way of their services being offered in a cohesive, integrated manner. They also highlighted some of the innovative solutions originating in both the healthcare and housing industries to help seniors age in place.

The issue of how people can age in place in a safe, healthy and dignified manner is a front-burner issue, especially for the poor, frail elderly who live in communities served by the NeighborWorks® network and by other community-based housing and healthcare entities.

NeighborWorks® organizations are already responding: By May 2002, 34 NeighborWorks® organizations working in urban, rural and suburban communities had created more than 2,700 units of housing specifically for seniors. This is in addition to the many thousands of single-family, multifamily and mutual housing units developed by NeighborWorks® organizations in which one or more elderly persons reside. In addition, NeighborWorks® organizations have a long history of working with seniors to provide affordable housing-rehab services, especially within inner-city neighborhoods that now-elderly residents helped build and in which they raised their families.

But these local organizations are making only a small dent in addressing the critical needs of seniors in the context in which they exist. Today's changing economic conditions, the effect of regional development, the mobility of the workforce and many other factors have made the traditional ways of aging in place very difficult. Children no longer live nearby to be primary caretakers or, if they are close, they often work outside the home, limiting their availability. Neighbors are less accessible as well, and often they, too, are struggling with their own aging issues. In many markets, there is a shortage of healthcare service providers and of funds to pay them. Healthcare, and particularly the costs of prescription drugs, has skyrocketed beyond the means of the average senior, eating away at their life savings and sometimes imperiling their ability to hold onto their homes. This affects not only their day-to-day survival but also the lives of their children, who might otherwise inherit their parents' home and other assets.

The challenges go beyond the individuals and their families. The fabric of the community is also threatened. Seniors forced to relocate or those who withdraw because they are ashamed of their reduced circumstances are no longer available to contribute to the livelihood of their communities. Eyes that once served as an informal neighborhood-watch program

are no longer looking outward. Voices that called attention to neighborhood concerns are no longer heard. Homes that were once well maintained are deteriorating, not only eating away at hard-earned equity but also pulling down property values throughout the neighborhood. These residences then become increased insurance risks. Homes that are sold as seniors move to be closer to families or to enter long-term care are often sold to investors who may not be as conscientious with the house's upkeep nor as concerned with the neighborhood's revitalization goals. The children of elderly parents who don't inherit the home or other resources often find themselves struggling financially, which means they work longer hours or two jobs and then don't have time to be involved in community life or in their children's education.

How to preserve housing and provide services is a challenging situation exacerbated by the rapidly swelling senior population. If the public debates on Social Security and healthcare are any indication, the prospect of finding solutions to the complex needs of seniors can seem overwhelming. However, some short-term solutions can readily assist a fair number of seniors, as evidenced by the success stories shared at the February forum and expanded upon in this document. It is our hope that this paper helps codify the challenges of facilitating successful aging-in-place strategies, identify some samples of solutions that are working within and outside the NeighborWorks® network, and present some of the policy issues that may help relieve these harmful conditions through federal funding and public program design.

It is clear the NeighborWorks® network can build upon its experiences to further reach the elderly community in its service areas. But it is also clear such efforts will require expanded and new relationships, redefining interdisciplinary collaboration. By working with Neighborhood Reinvestment Corporation, the network can further define exactly the kinds of services and products seniors need and want and determine how to provide these services in a cost-effective way. The network can also help articulate how coordination can be improved, and identify and enhance solutions that are starting to well up from the grassroots.

By combining research and theory with practical experience, Neighborhood Reinvestment trusts that much progress can be made in a short period of time to ease the burdens seniors now bear and eliminate at least some of these burdens for the future.

## *Defining Aging in Place*

Aging in place refers to a well-established fact: the vast majority of seniors and those approaching retirement want to live out their years in their own homes. If for some reason they can't stay in their homes, they at least want to remain in their immediate communities. This is especially true of low- to moderate-income seniors whose financial constraints limit their choices.

Among the things that get in the way of this for many elderly people are:

- ▶ Incomes that don't allow them to pay for the care they need or repair the homes they live in;
- ▶ Wealth that is not liquid but instead is tied up in the equity of their homes;
- ▶ A dearth of affordable rental housing for those who are not homeowners; and
- ▶ A system of providing healthcare, housing assistance and other services that isn't structured effectively or funded adequately to respond to the real needs faced by seniors.





## The Demographics of Seniors

While America's seniors may be better off today than in the past, they are not a homogeneous group and they are not (by and large) a wealthy group, especially if you discount the equity in homes they may own. According to Census 2000, the National Council on the Aging (and other sources as cited):

- ▶ There are 35 million people ages 65 and older.
- ▶ In 2000, the median income of people 65 and older was \$19,167 for men and \$10,898 for women.
- ▶ 10.6 percent of older people (3.3 million) live below the poverty level. Of these, approximately 9 percent are white, 26 percent are black, and 21 percent are Latinos.
- ▶ About 1.5 percent of seniors (4.2 million people) are 85 years of age or older.
- ▶ There are an estimated 50,000 centenarians in the U.S., a figure expected to grow to more than 800,000 by the year 2050.
- ▶ Only a very small percentage of older Americans live in nursing homes (1.6 million in 2000, or 4.5 percent of the senior population). The proportion in nursing homes rises steeply with age (18 percent of those 85 or older).
- ▶ Among older Americans not living in nursing homes, about two out of three live with spouses or other family members. Twenty percent of older men live alone, and 42 percent of older women live alone.
- ▶ 80 percent of older adults who need long-term care receive that care, not in nursing homes but in their own homes or in other settings from informal caregivers (family or friends), who number 20 to 25 million. Approximately 7 million of these caregivers provide or manage care long-distance (from at least an hour away).
- ▶ According to the Administration on Aging, the great majority of caregivers are women (75 percent), a quarter of whom care for both older parents and children. Half of all caregivers also work outside the house.
- ▶ Seniors who do not have children living nearby are more likely to choose assisted, supported, or shared living arrangements, regardless of their physical limitations. (Housing America's Seniors, Joint Center for Housing Studies, Harvard University.)

▶ More than a third of renters in the relatively well-off 55-to-64 age bracket are spending 40 percent or more of their income on housing. This situation worsens with age as seniors face higher healthcare costs that strain their already limited budgets (National Association of Home Builders).

What these facts illustrate is that there is tremendous stress on seniors and on their families to find, maintain and afford housing; to acquire and pay for light, personal care assistance, such as housekeeping, or more professional-level nursing or long-term care; and to access other needed services, such as transportation, that can keep them independent and enable them to stay connected to their communities.



## Challenges to Seniors’ Maintaining Safe Housing, Good Health and Independence

**T**wo anecdotes capture the intersection of affordable housing and healthcare that dominates the issue of helping seniors live where they want, stay in good health, and remain active in their communities.

*In the Kirkwood neighborhood of Atlanta, Catherine Ivy<sup>1</sup> of the Visiting Nurse Health System recalled a visit one day with Mrs. Jones (not her real name), an elderly woman she had known for about four months. After some trust was established between them, the woman said, “Ms. Ivy, I just want to show you something. I don’t think you can do anything about it, but I want to show you something.” Mrs. Jones led the way into her bedroom, which Ivy had never been allowed into before. Overhead, in the ceiling, was a hole about two feet in diameter. You could see sky through it. Ivy asked, “Mrs. Jones, where are you sleeping?” She said, “In here. This is my bedroom.” The hole wasn’t right over the bed, and Mrs. Jones explained she used a plastic sheet on rainy nights to keep from getting splattered.*

*Near Boston, Ellen Feingold of Jewish Community Housing for the Elderly<sup>2</sup> told of Mrs. Greene (also not her real name, either), a tenant leader and real go-getter in one of JCHE’s buildings. In her late 80s, Mrs. Greene was on the tenant council, at the front desk, calling bingo – whatever activity was going on, she was there. Then one day, she stopped coming out of her apartment. People would call and ask, “Aren’t you coming to the tenant council?” and she’d say, “I don’t feel like it today.” After about 10 days of this, Mrs. Greene’s friends urged Feingold and others to call. It turned out that Mrs. Greene could no longer put on her stockings, and since no self-respecting lady would go out without them, she stayed in.*

One woman had access to health services but a house that needed repairs; the other had a good home but needed help with daily life.

The stories of Mrs. Jones and Mrs. Greene both have happy endings: a local church fixed Mrs. Jones’s roof and made some other repairs and, for 50 cents a day,

a neighbor came every morning to help Mrs. Greene put on her stockings. But what if there weren’t a Catherine Ivy or an Ellen Feingold in their lives? Even if their pride didn’t stop them from seeking help, would they have known where to find it? And if they did find help, would the solutions have been as simplistic and affordable as these?

Like these two seniors, millions of others have problems getting adequate care or adequate housing, or both. They fall along a financial continuum from middle class to very poor or even homeless.

As NeighborWorks® organizations go about their day to day work, they are increasingly finding themselves examining the needs of seniors in the communities they serve and considering the long-term ramifications of changes in this market over time. Among the issues that are coming to the fore are:

- ▶ The need to preserve housing structurally;
- ▶ The need to help the elderly keep their homes;
- ▶ The need to develop multifamily housing and deliver on-site assisted-living services;
- ▶ The need to foster collaboration with healthcare and social service agencies; and,
- ▶ The need to integrate their work with seniors into overall neighborhood revitalization activities.

## Housing Preservation

The idea that most seniors retire and move to Florida or Arizona is generally a myth, particularly with respect to the lower-income seniors served by NeighborWorks® organizations. Seniors typically remain in their homes even as their housing needs change, some because they want to stay in their communities, others because their lack of wealth limits their choices. As a result, many seniors refuse to leave homes that are in fairly deplorable condition. Others whose homes are in good shape may still need modifications to help them cope with disabilities or avoid falls and other accidents that often precipitate their need for more serious healthcare.

Housing preservation is thus a critical piece of having seniors remain safe in their homes for as long as possible. It is also important to seeing that housing stock stays in good repair for the next generation of homeowners or for the family members who inherit. For the sake of the community, keeping these units in good repair and safe for the families who live in them

<sup>1</sup> Ms. Ivy was a panelist at the Aging in Place forum in Atlanta.

<sup>2</sup> Ms. Feingold is also co-chair of the U.S. Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century (the Seniors Commission), which was created by Congress to study and report on the housing and health needs of the next generation of older Americans. Ms. Feingold was a panelist at the Aging in Place forum in Atlanta.

helps to reduce insurance and healthcare costs and helps maintain property values.

However, reaching these seniors can be a challenge. Even though of the five million households that include a senior, two million express a need for modifications in order to function well, seniors often don't ask for such help, or they have trouble finding reputable contractors and affordable loans that make such renovations possible.

Ironically, many of the repairs that can greatly increase the longevity of both the housing and its occupants are relatively inexpensive: adding handrails near bathtubs, constructing wheelchair ramps, making minor improvements to roofs, repairing concrete steps and other such modifications, which can usually be done for less than \$1,000. Unfortunately, many contractors don't want to do such small jobs, so either they inflate the work that needs to be done or a repair situation deteriorates until a small problem becomes a much larger and more costly problem.

While the work of NeighborWorks® organizations is “placed based” and not “population based,” organizations see successful outreach to seniors as critical to their housing preservation efforts and to ensuring the stability and diversity of their communities. One key element to program design is to have construction specialists on staff or agreements with contractors they trust who visit with seniors to assess and provide what they need, oversee the rehabilitation process and guarantee its quality.

The construction specialists frequently work closely with NeighborWorks® organizations' lending staff who help find the resources to fund repairs at minimal cost. This often means piecing together financing from different public, private and nonprofit sources to cover such costs as weatherization, emergency repairs and disability retrofitting. Some seniors benefit from volunteer efforts that the NeighborWorks® organization coordinates so that repairs can be done at no cost. These situations are often offered in coordination with other agencies (such as Christmas in April) and during the annual National NeighborWorks® Week held during the first week of June.

## Helping the Elderly Keep Their Homes

Through the efforts of the NeighborWorks® Campaign for HomeOwnership and the work of the organiza-

tions participating in the Campaign, it has become clear that **financial literacy training and foreclosure prevention** are important to preserving housing both for families and for the health of neighborhoods. Senior households are no exception.

Many older people have wealth not only in their homes' equity but also in their savings or retirement plans. But a large number of low- to moderate-income seniors have trouble making ends meet, especially when they need expensive healthcare and discover (usually to their and their families' amazement) that co-pays are expensive and that Medicare doesn't even cover items such as long-term care. While they at one time might have been good managers of their family's needs and made prudent financial decisions, as their vulnerability increases so do the financial risks they knowingly or unknowingly take.

Evidence of how serious a problem this has become appeared in an April 25, 2002, article in *USA Today*, which noted that, “although older Americans account for a small proportion of total personal bankruptcy filings, they are the fastest-growing group in bankruptcy. About 82,000 Americans 65 or older filed for bankruptcy in 2001, up 244 percent from 1991 ...” Reasons for this sobering problem are many: a skyrocketing level of household debt – up 164 percent on average in eight years – much of it credit-card debt; major medical emergencies (with out-of-pocket healthcare expenses for seniors having increased nearly 50 percent from 1999 to 2001); major home repairs; loans to children or grandchildren; and, sadly, exploitive relatives who get power of attorney and clean out the elderly person's bank accounts. In some cases, loneliness and boredom result in seniors seeking solace in gambling, sometimes sending them spiraling into debt.

To meet these new financial burdens, more and more elderly Americans are taking out second mortgages on their homes. One downside of this is that, because many of their homes have appreciated in value, seniors are an easy and frequent target for predatory lenders. These lenders persuade seniors and others to take out high-interest loans that they can't afford to repay. Even if a senior can retain his or her home after being coerced by a predatory lender, this situation takes an emotional toll on the individual, furthering feelings of vulnerability and eroding self-confidence. The impact of such lending practices also affects the community as a whole, threatening to undo much of the neighborhood revitalization that has taken place over the past 20 years.

While NeighborWorks® organizations are well aware of the need for financial literacy training among their general customer base, they have become increasingly concerned that the seniors in the communities they serve are mismanaging their money or being taken advantage of by others. They see proof in the number of seniors accessing food pantries that they and others operate, and they see a large number of foreclosures of homes once belonging to elderly residents. As a result, NeighborWorks® organizations are modifying many of their programs and products to specifically help seniors.

First, they are incorporating Financial Fitness<sup>5</sup> and other financial literacy programs into their educational efforts and reaching out to churches, social service agencies and others to attract seniors to these classes.

Second, they are seeking ways to specifically help individuals who are strapped for cash or in debt as a result of a predatory lending deal. A few offer special buy-out products to help the senior refinance out of the predatory loan and into an affordable product. As part of the refinancing process, they also help seniors access legal services.

Third, many NeighborWorks® organizations have programs to combat the delinquencies and imminent foreclosures faced by their clients. Early-intervention strategies, such as sending postcards or making phone calls to clients whose mortgage payments are late, have helped many individuals confront their financial problems and take steps to addressing them. Intensive budgeting and credit counseling have also proven successful.

Another strategy employed by NeighborWorks® organizations is to offer affordable short- and long-term financing products that are either specifically geared to seniors or address situations seniors often find themselves facing.

These products include:

- ▶ Reverse and home-equity conversion mortgages;
- ▶ Loan funds that can be drawn upon for short-term loans to get a buyer over a one-time hump that, if not addressed, could lead to foreclosure;
- ▶ Low-cost loan funds for rehabilitation of homes that are in such disrepair that their owners are prime targets for predatory lenders; and
- ▶ Refinancing products that enable loans with high fees and/or high interest rates to be restructured.

## Developing Multifamily Housing and Delivering On-Site Assisted-Living Services

Home-owning seniors are not alone in wanting to age in place for as long as possible. Older renters also want to remain in their homes and communities, and multifamily housing complexes often play a crucial role in bringing seniors together where they are more likely to find programs geared to their needs. However, the challenge for low-to-moderate income seniors who rent is not only finding affordable housing but, for those who require some level of assisted care, finding and paying for home-based services. In general, elderly renters are far poorer than their home-owning peers, which further limits their choices.

According to the Joint Center for Housing Studies, Harvard University, study, *Housing America's Seniors*, in 1995, "renter households headed by a person 65 or older – one-fifth of the senior population – had a median net worth of only \$6,460." This lack of income means that elderly renters can't afford the out-of-pocket costs of home health aides who can assist with bathing, dressing, housekeeping and other chores. Renters also aren't in a position to make modifications to their apartments, and landlords aren't often interested in having modifications made, much less pay for them.

Ideally, NeighborWorks® organizations and other nonprofits would be able to create assisted-living facilities for seniors in this income bracket.<sup>4</sup> However, while organizations can design buildings with features needed by seniors and defined by code, the funding sources for bricks and mortar are typically distinct and separate from those used to underwrite supportive services. The higher the level of services, the more difficult it is to find the needed resources.

In addition, HUD housing subsidy formulas don't accommodate the costs of assisted-living amenities such as meals, utilities, activities, transportation, etc. which appear in one monthly bill. HUD also insists that tenants have long-term leases, which assisted-living facilities typically don't sign because the needs of clients can change so suddenly (for example, a resident could become very ill and suddenly need nursing-home care).

Furthermore, the cash flow on properties built for a lower-income population does not allow for the underwriting of assisted care, nor can the organizations

charge the services back to the already financially stressed resident. The smaller the community, the greater the disconnect between the high costs of building to code for such facilities and the amount that residents can afford to pay for rent and for assisted care.

Gap financing needs to be found to bridge this divide, a role being explored by Neighborhood Reinvestment and its secondary market, Neighborhood Housing Services of America. There are other constraints as well, such as some nonprofit boards' concern about the costs of liability insurance. Still, nonprofit organizations that build rental housing for seniors are finding ways to deliver scaled-back supportive-services programs by establishing partnerships with service care organizations that bring assistance on site or by building internal capacity to coordinate services themselves.

For those organizations that work with seniors whose incomes are at or below 80 percent of area median, HUD finances the construction of multifamily housing through its Section 202 program. This program also pays for service coordinators at these sites who educate residents about services available in the community and link them with programs such as Meals on Wheels, transportation, counseling, etc.

## Fostering Collaborations with Healthcare and Social Service Agencies

The nonprofit healthcare and social services industries have also been on the cutting edge of developing services for seniors that enable individuals to age in place more easily. These agencies coordinate both basic and acute home care and medical services, addressing the mobility, health and personal care concerns of seniors. Their programs are often available to both poor and middle class seniors, and have been funded by both public and private sources. These services are typically either available throughout a geographic area or are targeted specifically to a NORC, a naturally occurring retirement community, where a critical mass of individuals has begun to age in place.

The agencies that deliver these services are instrumental in coordinating the work of nursing aides and home caregivers, assisting seniors who otherwise might not find reliable care on their own. The agencies also help seniors get the attention they need incrementally, by working with aides and medical

personnel to parcel out time to individual customers in nearby locations, producing more efficient and timely deliverables. Scheduling services for when seniors actually need them, and only for the necessary length of time, rather than having the seniors be at the mercy of a caregiver's overburdened schedule, can make a vast difference in helping a senior feel more independent and confident.

Such agencies often centralize medical and assisted-living services where feasible through healthcare and adult day care clinics or by coordinating with other providers to transport seniors to these types of facilities. This not only helps to ensure services can be delivered by making them cost effective, it also can help bring otherwise isolated seniors to community locations where they can socialize and also exchange important information with each other and their service providers. For seniors who have reliable family-based care, these group settings can also be valuable resources for them as well as their relatives.

Health and social service agencies also play an important role in helping seniors pay for the critical medical and personal care services that they need by either directly coordinating the services on behalf of the client, or by sharing essential information on how to qualify for and best use Medicaid, Medicare and their own retirement funds. These agencies also often work within their industry to find affordable prescription and acute care options to further the assistance they directly and indirectly provide to the variety of customers they serve.

It is increasingly important for housing organizations to collaborate with healthcare and social service agencies in order to meet the diverse needs of seniors. The formation of successful partnerships is critical if communities are to effectively arrange for funding from numerous sources to develop appropriate service infrastructures. These collaborations can also be instrumental in working with state and federal agencies to not only stretch limited dollars, but also assist these agencies in supporting local and regional solutions.

## Integrating Senior-Focused Activities with Neighborhood Revitalization Strategies

The complex task of revitalizing neighborhoods requires organizations to assess and understand a complex set of issues that affect the social infrastruc-

<sup>5</sup> Financial Fitness began as a demonstration program of 24 NeighborWorks® organizations engaged in providing financial-literacy training to residents. Corporate and foundation partners are providing a total of \$2.5 million to fund the program over a three-year period. FDIC and SAFECO Insurance are contributing both financial resources and curricular materials. Other national partners include Provident Financial, FleetBoston Financial, Morgan Stanley, Metropolitan Life Foundation and Visa USA. Neighborhood Reinvestment provides \$1.9 million in operating support. Between January 1 and September 30, 2001, nearly 2,000 residents were enrolled in a Financial Fitness program and nearly 1,000 graduated and were on their way toward achieving home ownership.

ture as well as the physical and structural characteristics within and around the geographical area they serve. Effective revitalization strategies will target both the physical and financial preservation of senior housing as well as the delivery of services needed to keep seniors in their homes and communities.

As they develop their strategic plans, NeighborWorks® organizations are finding it extremely beneficial to not only work with the residents that live in their communities and the institutions that serve their neighborhoods, but to include representatives of local government, private industry and nonprofit organizations with expertise in areas such as healthcare, transportation, education, public safety, the environment and others. This sharing of information informs organizations about how to better address neighborhood revitalization strategies and goals and often results in the delivery of increased services from a variety of agencies, all of which support neighborhood revitalization outcomes.

For example, lack of transportation has been identified as one of the principal causes of malnutrition among the frail elderly. Housing providers are finding that, with advance planning, they can develop housing on bus routes, convince municipalities to improve bus routes, or encourage municipalities and others to provide special seniors-only vans that make it possible for the elderly to get to the grocery store or the doctor's office. This may not only help the elderly to improve their health through better nutrition, but also enhance the use of public transportation, reduce traffic congestion, better support a needed business or service, and produce some efficiencies in housing construction.

<sup>4</sup> Definitions of assisted living vary. Generally, depending on state regulations, assisted-living facilities differ from nursing homes in that staff cannot provide medical care except perhaps of the least invasive and complex kind.

## *Informing the Larger Community*

Public debate has begun to focus on ways to better improve current programs as well as create new infrastructures that will help seniors age in place more successfully.

Proposals cover a wide range of territory, from specific changes to HUD's 202, HOME and Section 8 programs, to overhauls in Medicare and Medicaid. Regulations are being examined to assess ways that their enforcement might be impeding other efforts. Local governments are being asked to waive taxes and fees for elderly homeowners. The call for increased collaboration is also prevalent, between the Department of Health and Human Services and HUD, between the states and the federal government, and among service providers. And there is, of course, discussion of the need for more money, to build and preserve affordable housing, to provide services, and to cover healthcare and prescription drug costs.

It's clear that the NeighborWorks® network has been busy assisting seniors where they most easily can: through the delivery of targeted housing rehabilitation programs, modest levels of assisted care at multi-family housing complexes, and through specialized financial fitness, mortgage and credit counseling. They have also been equally instructive in their efforts to construct affordable rental units and avail residents of low-cost loan and refinancing products. The new partnerships that have been formed through this work are exciting and lay the foundation for enhanced collaborations with new industries.

The discussions on regulatory, funding, programmatic and other issues regarding aging in place need to be further explored and monitored to see how they best intersect with the current work of the NeighborWorks® network. While the NeighborWorks® network may have not defined its work as helping seniors to age in place, its members have in fact been doing so since its earliest years. The NeighborWorks® network has time and again demonstrated its ability to work with changing local markets through the successful design and delivery of new services and products, and its work with seniors has been no exception. But while the network's experience in aiding seniors with their housing needs has been long running, its entry into the assisted-living market is relatively new. NeighborWorks® organizations have only just begun to explore ways to extend their outreach to healthcare and other organizations that can further help their senior customers.

NeighborWorks® network leaders have been instrumental in not only raising important issues but also sharing with one another the benefits of their actions on a variety of critical community concerns. The network is already positioned to readily and efficiently learn how to work with new funding sources and new industries to address the growing numbers and needs of seniors. NeighborWorks® organizations across the county will likely have a tremendous impact on this market and will do so with the sensitivity, foresight and creativity that has led to the network's successes over the years.

## *Aging in Place*

### *Forum Speakers*

- ▶ **Steve Brazen**, Executive Director  
Senior Connections
- ▶ **Cushing Dolbeare**, Chair Emeritus  
National Low Income Housing Coalition
- ▶ **Ellen Feingold**, President, Jewish Community Housing for the Elderly  
Co-Chair, The Congressional Commission on Affordable Housing and  
Health Facility Needs of Seniors in 21st Century (known as the Seniors Commission)
- ▶ **Billie Greenwell**, Program Executive  
Administration on Aging, Department of Health and Human Services – Region IV
- ▶ **Bruce Gunter**, President & CEO  
Progressive Redevelopment, Inc.
- ▶ **Catherine Ivy**, Director of CCSP Care Management  
Visiting Nurse Health Systems of Metropolitan Atlanta
- ▶ **Chris Morris**, Director  
DeKalb County Human and Community Development Department
- ▶ **Brenda Mull**, Director of Multifamily Project Management  
U.S. Department of Housing and Urban Development
- ▶ **Cheryl Schramm**, Director  
Aging Services Division, Atlanta Regional Commission
- ▶ **John Shen**, Health Plan Director  
On Lok Senior Health, Inc.
- ▶ **Ronda Talley**, Executive Director & Professor  
Rosalynn Carter Institute for Human Development  
Georgia Southwestern State University
- ▶ **Nat Yalowitz**, President  
Penn South Social Services

## Case Studies

- ▶ In the rural areas around Austin, Texas, **Cen-Tex Certified Development Corporation** found that its seniors were in need of congregate housing close to their churches and friends; they just weren't willing to move to the city. But any facility would have to be small, since 50- to 100-unit complexes just can't be filled in towns of only a couple thousand people. However, such a small facility can't support the debt that creating a quality environment requires. In Texas, this includes very specific and expensive design features. Despite these and other obstacles, Cen-Tex created a development corporation to explore assisted-living facilities. They finally partnered with a small local hospital that had available acreage (reducing the cost of construction) and is serving strictly as the developer of the project. The hospital will operate it once it is opened. Still in the feasibility and design stage, the facility is expected to have 16-21 units.
- ▶ With a staff of more than 265 and 13 local offices, **Community Service Programs (CSP) of West Alabama** is one of the most holistic providers of housing and other services to needy families in the nation. Among the 800 units of affordable housing CSP has built or rehabbed are two HUD 202 projects for the elderly and/or disabled (but primarily for the elderly). Each one has 48 units housing seniors who can live independently. CSP contracts out the management of the buildings (maintenance, rent collection, etc.) to a local property management company, which is just barely covered by the 202 funding. Each building has a service coordinator, also funded by HUD. The coordinators provide residents with scheduled and (when possible) on-demand transportation to grocery stores, medical facilities and the like. They also help with financial literacy issues – balancing checkbooks, completing paperwork for Medicaid, etc. – and coordinate such services as Meals on Wheels (which CSP provides). One problem CSP encounters that is typical only of organizations working in very rural settings is that they cannot always fill the available slots. This can have a negative impact on the regular cash flow of the development. However, this is not deterring the organization from considering 202 projects in the future.
- ▶ **Downtown Housing Improvement Corporation** in Raleigh, N.C., has constructed more than 700 units of housing since its inception in 1975, including 199 units of senior housing in five apartment complexes. Three are HUD 202 projects and two are low-income housing tax-credit projects. These are independent living facilities restricted to residents at 50 percent or less of median area income. DHIC's supportive services are supplied through Resources for Seniors of Wake County. Each building has its own services coordinator who assesses needs, develops care plans if necessary, monitors care plans, provides information about community services, links the resident with needed services, and coordinates health and educational presentations for the residents as a group. DHIC contracts out the management of these buildings but oversees this carefully.
- ▶ Located in the suburban metro-Atlanta area, **Gwinnett Housing Resource Partnership** offers, as part of its counseling services, access to five reverse-mortgage products – two versions of the Home Equity Conversion Mortgage through HUD, a Fannie Mae product, and two products of Financial Freedom, a private lender. GHRP provides counseling prior to accessing the products, which is required, though they do not make the loans. Their counseling services are funded through a HUD counseling grant to the organization and through AARP, which also has a HUD grant for this service. The reverse mortgage products allow seniors to access the equity in their house without having to sell it and without having to make monthly payments. The borrower must be at least 62 years old to be eligible, and there must be enough equity in the property to pay off any existing liens or mortgages. The percentage of the equity the homeowner receives is based on a variety of factors. The borrower can receive the money in a lump sum, in monthly advances, or as a credit line. There is no restriction on what the money is used for. Examples of how seniors use the money include stopping foreclosure, bailing out of predatory loans, paying for home health care, paying off credit card debt, repairing the home, medical care, automobile purchase, and travel. GHRP sees reverse mortgages as an excellent tool in allowing people to stay in their homes, but other options are also explored. GHRP counsels about 60 seniors a year (from the entire southeast region) and approximately 75 percent of these (45) take out reverse mortgages.
- ▶ **Housing Partnership Inc. of West Palm Beach, Florida**, owns and/or manages more than 1,000 units of housing, including 252 apartments for the elderly. These independent-living units with full kitchens are in two buildings, each with six floors. They are connected by a clubhouse that has offices, an activity room (that also serves as a dining room), a kitchen, computer lab, library, exercise room, and a television-viewing area. A Campus for

Living coordinator directs residents to a variety of resources available through social-service providers, churches, the Department of Senior Services, and others. These services are funded through the operating budgets of the buildings. HP does not build the properties but instead comes in to assist in their management.

- ▶ **Jacksonville Housing Partnership** in Jacksonville, Florida, operates a housing-rehab program throughout Duval County that helps low- to moderate-income families repair their homes to code. While HP's services are delivered according to need, regardless of age, last year HP served 342 households, of which about 90 percent belonged to elderly owners. The organization does whatever is needed – replace roofs, electrical work, plumbing, windows, etc. – to bring the property up to code. Sometimes, this involves modifications for persons in wheelchairs such as ramps, wider doors and hallways, or larger bathrooms. Funding sources include (but are not limited to) Duval County Housing Finance Authority, State of Florida SHIP funds, CDBG funds through the city of Jacksonville, the Brooks Health Foundation (which finances wheelchair ramps), corporate donors, foundations, the Northeast Florida Area Agency on Aging, and other city of Jacksonville programs. HP also holds an annual Paint the Town event that utilizes volunteers to paint the homes of primarily elderly residents. In May 2002, 1,300 volunteers worked over the course of a week to fully rehab 40 homes.
- ▶ In response to the needs of elderly residents on fixed incomes, **Neighborhood Housing Services of LaGrange, Georgia**, developed a loan program in the fall of 2001 called 4/5/6: \$4,000 for 5 years at 6 percent. By June 2002, the organization had made repairs and modifications to 12 homes and has the funding in hand (through its revolving loan fund capitalized by Neighborhood Reinvestment) to work on any house in the city of LaGrange. For homes outside the city, NHS leverages its funds with CDBG and other sources to make it possible for local financial institutions to make affordable loans to seniors. For some income-eligible residents, deferred second mortgages have made the difference in being able to access the resources needed to make repairs. NHS of LaGrange also works with several other organizations to focus on elderly housing needs. WorldChangers, a national faith-based organization that brings young people into communities to do minor repairs on homes, will bring 22 crews to LaGrange over the 4th of July week to work on 15 to 18 properties, all owned by seniors. Through AmeriCorps, NHS was grant-

ed \$30,000 a year for three years to install handrails, construct wheelchair ramps and make other modifications for elderly and/or disabled residents. NHS is also a founding member of DASH (Dependable, Affordable, Sustainable Housing), a new nonprofit consortium of private, public and nonprofit sector partners dedicated to improving the quality of housing for everybody in LaGrange, which includes a growing elderly population.

- ▶ **On Lok SeniorHealth** is a 30-year-old community-based nonprofit in San Francisco that provides comprehensive health and long-term care for the frail senior. The On Lok model has been replicated nationally as PACE (Program of All-Inclusive Care for the Elderly), resulting in successful programs in many states. On Lok targets very low income, Medicare/Medicaid eligible people considered to be frail by state standards of those requiring nursing home care. The average age of residents is 82; 60-65 percent are widows living in their own homes with families; most have multiple, chronic or acute, medical conditions. On Lok provides a full range of services, including primary care (medical services), adult day help (which includes nursing care, recreation programs, transportation), and home care (skilled nursing or nonskilled personal care). On Lok also operates about 150 units of low-income housing. Fifty-five are Section 202 units funded by HUD. Each building has the services described above distributed through a center (with clinic, day center and the homecare components) located on the ground floor. On Lok uses an innovative financing method whereby both Medicare and Medicaid form a funding stream that enables its service program to be operated on a per-member, per-month basis. On Lok receives a single amount from federal and state sources per client – including acute-care dollars from Medicare – and uses the funds to supply whatever the client needs. This includes doctor's fees and prescriptions, as well as personal-care services or minor repairs to their homes. This enables even the most frail, cognitively impaired elderly people to avoid more-costly nursing home care.
- ▶ **Penn South Social Services Inc.**, is the nation's first NORC program. It serves large numbers of elderly residents of buildings and communities in intergenerational housing. Penn South began in a Manhattan co-op whose residents were aging. It grew from a \$10,000 operation funded in 1986 by one building's co-op board to a program with a budget of close to a million dollars. Its goals are to help residents remain in their homes for as long as possible by providing them with a comprehensive

set of supportive services – health, social, educational and recreational – not just for frail elderly but for healthy seniors as well. These services are made available both to residents within their units as well as in central locations. The Penn South model has been so successful that its board applied for and received funding from foundations and the state to replicate the program. By 1996, Penn South had programs operational at 14 sites. A new entity, the New York Supportive Services Center, then was formed, which has been developing programs throughout New York State, the Northeast, and around the country. At this point, New York State alone has 30 such programs, covering upwards of 300,000 seniors who live, as at Penn South, in inter-generational housing and receive similar health and social services.

► **Rutland West Neighborhood Housing Services**, which operates in rural communities in Vermont, is one of 10 sites participating in the Home Equity Loss Protection (HELP) initiative, a pilot program through Neighborhood Reinvestment Corporation, Freddie Mac and Wells Fargo Bank. This program allows Rutland West NHS and others in the pilot to refinance predatory loans using a better, more affordable, loan product and to provide in-depth education and counseling to qualified consumers. Freddie Mac will purchase up to \$20 million in HELP loans originated by Wells Fargo Mortgage Corporation. NHS has produced an anti-predatory lending booklet that it distributes to consumers, practitioners, lending partners and participants in its foreclosure-prevention program. Since the creation of the booklet, Rutland West NHS has had a steady stream of customers with predatory lending issues. Out of 70 foreclosure prevention cases, 10 percent to 15 percent have had predatory lending components.

► **Senior Connections** in Chamblee, Georgia, offers information and assistance, case management, in-home services and volunteer support to thousands of seniors and their families. Along with its partners, Senior Connections provides the same level of care at home that a person would receive in a nursing home – a nursing home without walls – for about 25 percent of the cost of nursing-home care. Through its Meals on Wheels program, seniors are provided with up to 14 meals a week. Homebound seniors are helped with everything but skilled nursing care: bathing, exercise, grooming, housekeeping, reminders to take medication, and meal preparation. Senior Connections provides both emergency and non-emergency transportation services. The organization also has a two-part home repair

program, one run by volunteers who are supervised by a construction manager, and one funded through the Federal Home Loan Bank of Atlanta that uses certified contractors to do work costing between \$3,000 and \$5,000 a house. Each year, Senior Connections' aides and certified nursing assistants provide nearly 40,000 hours of care to older adults living at home; its case managers perform more than 1,500 assessments and develop care plans for seniors and persons with disabilities; its information and referral specialist serves nearly 6,000 clients; and its volunteers contribute more than 25,000 hours of service.

► **St. Petersburg Neighborhood Housing Services**, working in the Tampa Bay area of Florida, has been attracting elderly participants to its Financial Fitness program by marketing it through a local hospital, St. Anthony's, and at sites near senior centers. After seeing fliers posted around the hospital, elderly visitors were among those who signed up. NHS found that widows and widowers are especially in need of financial literacy training because, if their departed spouse had handled their resources in the past, they themselves never learned to do so. Women on fixed incomes are particularly concerned with the need to make their limited resources work for them. The class helps them by covering such topics as basic financial planning and money management, saving and investing, and taxes and insurance. The demand for the Financial Fitness program is very strong in St. Petersburg: an affiliate of St. Anthony's Hospital, St. Joseph's in Tampa, has asked for the program to come there, and inquiries are coming from many other organizations and institutions. NHS staff report a huge demand for reverse mortgages as part of the solution to elderly residents' financial needs.

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