

SENIOR HOUSING - NOVEMBER 1, 2003

SOCIAL SECURITY OPENER.

AS I DROVE AWAY FROM HAVING SIGNED UP FOR MY SOCIAL SECURITY BENEFITS THAT MORNING AND HEADED BACK TO WORK, AND THAT'S AN IMPORTANT FACT, I WAS HEADING BACK TO WORK, I WAS IN A STATE OF DIS-BELIEF, FOR EVEN THOUGH I HAD REACHED THE CONDITION OF THE SO-CALLED "GOLDEN YEARS" I DIDN'T FEEL OLD, I DIDN'T FEEL TIRED, I DIDN'T FEEL SENILE.

IN FACT, MY STATE OF MIND AND LEVEL OF MENTAL ENERGY AND ALERTNESS WAS THE SAME AS IT WAS WHEN I WAS 21 YEARS OLD.

AMAZINGLY, I COULD REALLY BELIEVE THAT I HADN'T AGED AT ALL.

IT'S JUST ALL MY FRIENDS AND THE PEOPLE AROUND ME WHO HAVE.

IN FACT, THIS AFTERNOON, I'M PLAYING IN A SOCCER GAME AGAINST MY 10-YEAR OLD DAUGHTER'S TEAM, WITH ALL THE OTHER PARENTS WHO RANGE BETWEEN 30 AND 60.

SO HERE I AM, OF SUFFICIENT AGE TO COLLECT SOCIAL SECURITY, THINKING LIKE A 20 YEAR OLD, (BUT WITH THE PERSPECTIVE OF 45 YEARS OF EXPERIENCE), AND ONLY NOW AND THEN GETTING

HINTS OF THE RELENTLESS MARCH OF TIME . . . A  
LITTLE ARTHRITIS HERE, A BIT OF GOUT THERE.

THE ONLY FORGETFULNESS IS CAUSED BY A VERY  
BUSY LIFE AND MENTAL OVERLOAD, AND THE ONLY  
DOWNER I HAVE? . . . . IS WHEN I LOOK IN THE MIRROR  
IN THE MORNING.

SO WHERE AM I GOING WITH THIS WHEN I'M  
SUPPOSED TO BE TALKING ABOUT HOUSING FOR  
SENIORS?

WHERE I'M GOING IS THAT SENIORS CONSIDER  
THEMSELVES NORMAL PEOPLE AND ALL THE  
STATISTICS SHOW THAT.

FIRST OF ALL THERE ARE 34 MILLION PEOPLE IN THIS  
NATION WHO ARE AGE 65 OR OVER.

OF THOSE 34 MILLION, 80% ARE HOMEOWNERS AND  
90% OF THEM WOULD PREFER TO AGE IN PLACE.

THAT DOESN'T MEAN SITTING IN AN EASY CHAIR AND  
AGING; THAT MEANS STAYING IN THEIR CURRENT  
HOUSE AND AGING.

A HUGE MAJORITY, 75%, ALSO LIVE IN  
CONVENTIONAL HOUSING...

...NOW THAT COULD BE SINGLE FAMILY HOUSING,  
APARTMENTS OR CONDOMINIUMS.

THE OTHER 25% LIVE IN HOUSING THAT HAS BEEN SPECIFICALLY DESIGNED TO MEET THE SENIOR MARKET AND ITS NEEDS.

ONLY 3% ARE IN ASSISTED COMMUNITIES.

CONSEQUENTLY, THOSE OVER 65 TODAY REPRESENT NEARLY ONE-QUARTER OF ALL HOMEOWNERS IN THE NATION, AND ONE IN TEN BUYERS OF NEW HOMES.

IN THIS GRAPHIC OF THE UNITED STATES I WOULD LIKE YOU TO FOCUS ON THE DARK BLUE SECTIONS BECAUSE THAT IS WHERE AT LEAST 17.6 PERCENT, OF THE POPULATION ARE 65 OR OVER.

THAT MEANS ALMOST ONE OUT OF EVERY FIVE PEOPLE IS OVER THE AGE OF 65.

AND YOU CAN SEE THAT IS OBVIOUSLY THE CASE IN FLORIDA, BUT LOOK AT THE LONG CASCADE DOWN THROUGH THE CENTER OF THE COUNTRY.

YOU MIGHT NOTICE THAT EAST OF THE MISSISSIPPI THERE IS A GENERALLY DARKER TONE OF AGING COMPARED TO THE WESTERN HALF OF THE COUNTRY.

IN NEW JERSEY 13.2% OR ONE OUT OF EVERY SIX FOLKS IS 65 OR OVER.

AND WITHIN THE STATE ITSELF YOU CAN SEE THAT THE SOUTHERN PART OF THE STATE IS MORE AGED

THAN THE NORTHERN PART, WITH CONCENTRATIONS IN OCEAN AND CAPE MAY COUNTIES.

IN MERCER COUNTY THE POCKETS OF HIGH PERCENTAGES OF AGING ARE PREDICTABLE.

IN PRINCETON TOWNSHIP THEY FALL INTO FOUR DISTINCT CATEGORIES.

THERE'S WHAT I WOULD CALL THE WESTERN SECTION, WEST OF THE GREAT ROAD; THE MOUNTAIN AVENUE SECTION; THE JOHN WITHERSPOON AREA; AND SNOWDEN TO RIVERSIDE.

AS ALREADY POINTED OUT PEOPLE ARE LIVING LONGER AND LIVING HEALTHIER.

AND WHAT'S INTERESTING ABOUT THIS CHART IS THE DRAMATIC INCREASE IN THE OLDER SECTORS OF THIS DEMOGRAPHIC.

IN FACT, INSURANCE COMPANIES HAVE EXTENDED THEIR ACTUARIAL TABLES TO AGE 120!

WE FIND IN MERCER COUNTY THAT PEOPLE DO LIKE TO STAY IN THEIR OWN HOUSE REGARDLESS OF THEIR AGE, WITH ALMOST THREE-QUARTERS OF THE RESIDENTS LIVING IN SINGLE-FAMILY STRUCTURES.

MANY HAVE INDICATED THEIR DESIRE TO ADAPT THEIR CURRENT HOME AS MUCH AS POSSIBLE TO

THEIR INCREASING NEEDS BEFORE CHOOSING OTHER ALTERNATIVE SENIOR HOUSING.

AT PRESENT DAY, ONLY HALF OF THOSE OVER THE AGE OF 65 HAVE THE HOME MODIFICATIONS THEY BELIEVE THAT THEY NEED.

IN FACT, BECAUSE OF THE IMMEDIACY OF NEW TECHNOLOGY IN THE HOME AND A GREATER LONGEVITY, AND LIFE-EXPECTANCY, THE GROWING ELDERLY POPULATION PREFERS LIVING IN CONVENTIONAL HOUSING WITH SERVICES IN HOME, MUCH MORE THAN IN THE SPECIALIZED ENVIRONMENTS PROVIDED BY ASSISTED LIVING FACILITIES.

BUT THE EXISTING HOUSING STOCK IS NOT DESIGNED TO MEET THE CHANGING NEEDS, PERFORMANCE, AND PREFERENCES OF FOLKS AS THEY AGE.

THIS LEAVES A NUMBER OF SENIORS NEEDING REVISIONS TO CONVENTIONAL HOUSING THAT SIMPLY WOULD HELP THEM FUNCTION MORE EASILY AT HOME, AND MAKE INDEPENDENT LIVING POSSIBLE.

BY THE YEAR 2030, THE SENIOR POPULATION IS EXPECTED TO NEARLY DOUBLE TO 70 MILLION IN

LIGHT OF THE AGING BABY-BOOMER GENERATION, BRINGING THE PERCENTAGE OF ELDER AMERICANS TO AN IMPRESSIVE 20 PERCENT OF THE ENTIRE U.S. POPULATION.

THIS WILL SURELY SET NEW TRENDS AND AS A RESULT, THE TEMPLATE FOR SENIOR HOUSING MUST DIVERSIFY.

SINCE 1990, THE NUMBER OF PERSONS RESIDING IN PRINCETON TOWNSHIP ABOVE AGE 55 HAS INCREASED BY 27% FROM 3,316 TO 4,219.

IN MERCER COUNTY ALONE, WE HAVE 44,140 RESIDENTS WHO ARE ABOVE THE AGE OF 65, THAT'S 12.4% OF THE ENTIRE POPULATION.

THE PRINCETON TOWNSHIP COMMITTEE HAS HEARD TESTIMONY A DOZEN TIMES ON THE QUESTION OF INADEQUATE SENIOR HOUSING IN PRINCETON.

WHILE IT EXISTS REGIONALLY, PRINCETON SENIORS SAY THEY WANT TO AGE IN PLACE, THEY DO NOT WANT TO LEAVE THE TOWN WHERE THEY HAVE LIVED AND RAISED THEIR CHILDREN FOR 20 YEARS OR MORE.

SENIORS TODAY ARE INFLUENCED BY THREE MAJOR COMPONENTS OF THEIR LIFE, WHICH DETERMINE WHERE THEY WILL LIVE: THOSE ARE AGE, NEED FOR ASSISTANCE AND AVAILABILITY OF CHILDREN LIVING NEARBY.

AND THAT'S IMPORTANT BECAUSE IN ANOTHER STATISTIC WE HAVE LEARNED, 24% OF AMERICA'S SENIORS CURRENTLY LIVE ALONE. SENIORS REALLY WANT TO LIVE WHERE THEY'VE ALWAYS LIVED AND HOW THEY'VE ALWAYS LIVED.

BUT WITH A LITTLE MORE CARE IN THE PLANNING, IN THE ACCOMMODATION, IN THE DETAILS, SO THAT THEIR ENVIRONMENT HAS MAXIMUM CONVENIENCE OR MINIMUM INCONVENIENCE .

UNDER THE GOOD AUSPICES OF ADA, THE AMERICANS WITH DISABILITIES ACT, JUST ABOUT EVERYTHING BEING DESIGNED AND BUILT TODAY COMES WITH ALL OF THE HUMANE CONVENIENCES THAT SENIORS NEED AS STANDARD SPECIFICATIONS: WIDER DOORS, WIDER CORRIDORS, LARGER BATHROOMS, LOWER KITCHEN COUNTERS, LEVER HANDLES, LEVER FAUCETS, RAMPS, LIFTS, ELEVATORS.

TODAY IT ALL COMES AS "STANDARD EQUIPMENT." AND IT CAN BE READILY INSTALLED IN EXISTING HOUSING ALBEIT WITH SOME DISRUPTION AND PREMIUM EXPENSE.

THOUGH THEY ARE IMMEDIATE AND PERSONAL, THE FACT IS THAT THESE CONVENIENCES ARE NOT THE REAL ISSUE OF SENIOR HOUSING. THOSE ISSUES ARE ABOUT LAND, AVAILABILITY, AND AFFORDABILITY.

THE TRUE KEY TO SUCCESSFUL SENIOR HOUSING IS COMMUNITY AND NOT NECESSARILY A RETIREMENT COMMUNITY, BUT COMMUNITY IN THE SENSE OF THE FULL DEMOGRAPHIC SPECTRUM AND COMMUNITY IN THE PHYSICAL SENSE OF AMENITY CONVENIENCE.

BOTTOM LINE – IT MEANS LIVING IN THE CENTER OF A VITAL PEOPLED PLACED WHERE EVERYTHING YOU NEED AND WANT IS WITHIN A VERY SHORT DRIVE, IF NOT . . . BETTER YET . . . AN EASY AND HEALTHFUL WALK.

THE TYPICAL “NURSING HOME” IN AMERICA INHERITED A MEDICAL MODEL FROM HOSPITALS ALMOST 50 YEARS AGO AND HAS BEEN STRUGGLING WITH IT EVER SINCE

IT HAS NOT BEEN AN APPROPRIATE FIT FOR ITS USER, AND CONSEQUENTLY DEVELOPERS AND HOME-BUILDERS HAVE ALREADY BEGUN TESTING NEW HOUSING ALTERNATIVES SUCH AS GRANNY FLATS, AND INDEPENDENT CONGREGATE HOUSING FOR HEALTHY SENIORS, WHILE TRYING NEW TYPOLOGIES OF HOUSING FOR SENIORS WITH DISABILITIES AND WHO HAVE DIFFICULTY LIVING INDEPENDENTLY.

THE PROBLEM WITH RETIREMENT COMMUNITIES OF 200 UNITS OR MORE, IS THAT THESE FACILITIES ARE OFTEN LOCATED IN REMOTE PLACES FAR FROM A DOWNTOWN WHERE A NUMBER OF THESE SERVICES, ACTIVITIES, AND AMENITIES MIGHT BE IMMEDIATELY AVAILABLE AND ACCESSIBLE.

AND WHAT IS IT THAT SENIORS WANT?

WHAT ARE THOSE AMENITIES?

HEALTHCARE, RESTAURANTS, CONVENIENCE SHOPPING, CONTINUING EDUCATION, ENTERTAINMENT, AND CULTURE IN THE FORM OF LIBRARIES, MUSEUMS, THEATRES.

IN CASE YOU HADN'T NOTICED, THESE ARE ALL THINGS THAT ARE VERY CONVENIENT IN A CITY AND IT IS THE COMBINATION OF THE AGING OF THE POPULATION AND THE QUEST FOR THESE AMENITIES THAT WILL LEAD TO THE REBIRTH OF THE AMERICAN CITY.

THE LACK OF THESE AMENITIES LEADS TO A HIGH LEVEL OF FRUSTRATION WITH ANY OF THE SENIOR HOUSING SOLUTIONS THAT ARE PROPOSED IN SUBURBIA, WHERE ISOLATED SELF-CONTAINED COMMUNITIES, DISCONNECTED FROM THE HEART OF THE HOST COMMUNITY, ARE SUCH A FAILURE.

MANY SENIORS ARE NOW DISCOVERING THE BENEFITS OF LIVING IN A DOWNTOWN AREA, WHICH

IS READY TO PROVIDE ALL THE SERVICES NEEDED FOR A COMPLETE AND INDEPENDENT SENIOR LIVING ENVIRONMENT.

A SEMI-URBAN SETTING CAN PROVIDE FREEDOM FROM DEPENDENCE ON AUTOMOBILES, FREEDOM FROM ISOLATION IN RURAL SETTINGS, AND ALLOWS SENIORS TO GO WHERE THEY WISH BY FOOT OR BY PUBLIC TRANSPORTATION.

A COUPLE OF WEEKS AGO WHEN I WAS TALKING ABOUT THIS SET OF CONDITIONS WITH A COLLEAGUE, SHE POINTED OUT THAT NEW YORK CITY WAS REALLY THE BEST PLACE TO RETIRE TO.

FIRST OF ALL, YOU CAN SURVIVE WITHOUT A CAR. NEW YORK HAS CORNER GROCERY STORES, CORNER DRUG STORES, THEATRES, MUSEUMS, HOSPITALS, READILY AVAILABLE DOCTORS, ALL KINDS OF ENTERTAINMENT, GREAT INSTITUTIONS OF HIGHER EDUCATION AND AN UNLIMITED LIST OF ACTIVITIES AND ORGANIZATIONS TO WHICH TO BELONG.

WHAT'S TERRIFIC ABOUT PRINCETON IS THAT ALL OF THESE THINGS ARE HERE TOO, PLUS EASY ACCESS TO THE BIGGER WORLD OF NEW YORK, PHILADELPHIA, WASHINGTON AND BOSTON.

THERE'S JUST ONE HITCH.

PRINCETON DOESN'T HAVE A READY HOUSING STOCK FOR ITS SENIOR CITIZENS AND IT DOESN'T HAVE THE PLANNING OR ZONING CODES THAT READILY ACCOMMODATE OR ENCOURAGE SENIOR HOUSING.

AND BY THAT STATEMENT I DON'T MEAN THAT WE SHOULD HAVE ZONING THAT ENABLES TWO AND THREE-HUNDRED UNIT RETIREMENT COMMUNITIES.

NO, WHAT I'M GETTING AT IS ZONING THAT WILL ALLOW POCKETS OF HOUSING OF DIFFERENT SHAPES, SIZES AND VARIETIES THAT WILL ENABLE THE RESIDENTS OF PRINCETON, THE WINDSORS, LAWRENCE, HOPEWELL, PENNINGTON TO GET OUT FROM UNDERNEATH THE CARE AND MAINTENANCE OF A BIG HOUSE THAT THEY NO LONGER NEED AND INTO SOMETHING THAT IS MORE MANAGEABLE AND YET, IS WITHIN THE COMMUNITY IN WHICH THEY HAVE SPENT THEIR ENTIRE ADULT LIFE.

THE NEW GRANNY FLAT ZONING THAT WAS JUST PUT INTO PLACE IN PRINCETON IS A SMALL FIRST STEP TOWARDS WHAT COULD BE DONE TO BOTH ENABLE AND ENCOURAGE THOSE WHO HAVE SPENT THEIR LIVES CONTRIBUTING TO THIS GREATER COMMUNITY TO REMAIN IN IT AND CONTINUE TO CONTRIBUTE TO IT.

ON THE ZONING ISSUES, SPECIFICALLY, WE SHOULD REDUCE THE MINIMUM LOT SIZE UPON WHICH ANY MULTIPLE HOUSING IS ALLOWED, SO THAT ONE CAN CREATE AN ECONOMICALLY VIABLE PROJECT OF

FOUR OR FIVE SMALL SENIOR APARTMENT UNITS ON  
A PLOT OF LAND AS SMALL AS A QUARTER ACRE.  
**(BORO EXAMPLE)**

WE SHOULD PROVIDE INCENTIVES FOR SENIOR  
HOUSING ABOVE STORES OR OFFICES AND PERHAPS  
ENABLE EXTRA FLOORS TO BE BUILT ON DOWNTOWN  
BUILDINGS, PROVIDED ONLY SENIOR HOUSING WILL  
GO INTO THOSE ADDITIONAL FLOORS.

THIS IS A WONDERFUL DEVICE BECAUSE IT  
ELIMINATES THE LAND COST FROM THE  
DEVELOPMENT EQUATION OF THE SENIOR HOUSING  
AND IT ADDS VITALITY TO THE DOWNTOWN BY  
ADDING PEOPLE, BUT WITHOUT ADDING CARS AND  
TRAFFIC.

WE SHOULD HAVE ZONING THAT ENCOURAGES THE  
REUSE OF EXISTING OLD BUILDINGS AT AN INTENSITY  
OF USE THAT ENABLES THE DEVELOPER TO  
RATIONALIZE THE COST OF THE PROPERTY FOR  
SENIOR HOUSING.

THE REHABILITATION OF FACTORY BUILDINGS,  
WAREHOUSES, OFFICE BUILDINGS, ETC CAN PROVIDE  
A CHARACTER THAT IS OF A CERTAIN VINTAGE THAT  
IS INTERESTING, NOSTALGIC, COMFORTING AND  
PLEASING.

WE ALL KNOW FROM THE SMALL SIZE OF  
APARTMENTS IN THE CENTER OF WONDERFULLY  
LIVABLE CITIES THAT SMALLER IS WORKABLE AND

THAT WHERE THE ZONING MAY CALL FOR A THOUSAND SQUARE FOOT APARTMENT, FOR A SENIOR 600 SQUARE FEET WILL DO THE JOB.

SO WHY NOT ALLOW 50 OR 100% MORE UNITS ON A PROPERTY WITH THE PROVISION THAT IT WILL ONLY BE USED FOR SENIOR HOUSING?

AND IN THE NEW WORLD OF TEARDOWNS WHY NOT PROVIDE AN INCENTIVE TO NOT NECESSARILY REPLACE AN EXISTING SMALL HOUSE WITH A TRIPLE SIZE "MCMANSION," BUT ENCOURAGE, THROUGH DENSITY INCENTIVES, TO HAVE THE SAME VOLUME BUILDING AS THAT MCMANSION BE OCCUPIED BY SIX OR EIGHT SENIOR APARTMENTS?

LET ME HELP YOU WITH THE MATH.

LET'S BUY A TEARDOWN PROPERTY IN A REASONABLE PART OF TOWN FOR \$500,000.

I WOULD EXPECT TO GENERATE A NEW HOUSE THAT WOULD SELL FOR BETWEEN \$1,500,000 AND \$2 MILLION.

AT TODAY'S SELLING PRICES THAT WOULD MEAN A HOUSE OF ABOUT 4,000 SQUARE FEET.

SUCH A HOUSE WOULD PROBABLY GENERATE TWO OR THREE SCHOOL CHILDREN, RESULTING IN A NET DEFICIT TO THE TOWN FROM A TAX REVENUE STANDPOINT.

WHERE DEVELOPERS MAKE THEIR MONEY IS CREATING AS MUCH SQUARE FOOTAGE AS POSSIBLE ON THE LOWEST POSSIBLE LAND COST.

WHY NOT ENCOURAGE DEVELOPERS BY ENABLING THEM TO INCREASE THE SQUARE FOOTAGE ON A "TEARDOWN" PLOT OF LAND BY 20% WITH THE PROVISION THAT THEY WOULD DEVELOP THE PROJECT AS A SMALL ENCLAVE OF SENIOR HOUSING.

SO LET US TAKE THE 4,000 SQUARE FEET THAT THE ZONING WOULD PROBABLY ALLOW, INCREASE IT TO 4,800 SQUARE FEET AND SAY THAT INSTEAD OF IT BEING ONE FAMILY WITH THREE CHILDREN IN SCHOOL, IT WOULD BE SIX OR EIGHT APARTMENTS OF 600 TO 800 SQUARE FEET EACH FOR SENIORS.

THIS CREATES A POSITIVE REVENUE EFFECT FOR THE TAXES ON THE COMMUNITY.

IT CREATES AN ALTERNATIVE FORM OF HOUSING FOR SENIORS.

IT ADDS INTEREST AND VARIETY TO A NEIGHBORHOOD.

AND THE DEVELOPER ACTUALLY DOES BETTER BECAUSE HE HAS MORE PRODUCT TO SELL AT A LOWER PER DWELLING UNIT PRICE AND HE HAS A BROADER MARKET.

YOU COULD LIMIT THIS TO HAPPENING ON ONE OR TWO TEARDOWNS PER BLOCK AND IT WOULD ADD TEXTURE AND VARIETY TO THE NEIGHBORHOOD WITHOUT JEOPARDIZING ITS ORIGINAL CHARACTER.

IN GENERAL, A BROAD VARIETY OF HOUSING SHOULD BE PROVIDED.

IT CAN BE IN THE FORM OF SMALL APARTMENTS, FITTED WITHIN EXISTING STRUCTURES.

IT CAN BE TOWNHOUSES.

IT CAN BE IN THE FORM OF OLD EXISTING BUILDINGS THAT HAVE FOUND A NEW LIFE (EXAMPLES WOULD BE ONE MARKHAM, QUARRY STREET, SOUTH'S GARAGE).

IT CAN BE IN THE FORM OF LARGER HOMES THAT ARE DIVIDED UP INTO SMALLER UNITS.

BUT, TO ME, IT IS MOST IMPORTANT THAT VARIETY IS SPRINKLED THROUGH THE DENSEST

AND MOST CONVENIENT PART OF THE COMMUNITY WHERE ALL OF THE AMENITIES AND CONVENIENCES ARE WITHIN WALKING DISTANCE.

IN PRINCETON SUCH AREAS WOULD INCLUDE THE "TREE STREETS," THE JEFFERSON ROAD AND JOHN WITHERSPOON AREAS AND, OF COURSE, ONE OF THE MOST PRIME PIECES OF REAL ESTATE WOULD BE ON

THE BACK OF PALMER SQUARE, ALONG PAUL ROBESON PLACE, WHICH IS NOW SLATED FOR 97 TOWNHOUSES, BUT COULD JUST AS EASILY BE SLATED FOR 194 SENIOR CONDOMINIUMS.

NOW, WHEN I TALK ABOUT INCREASING DENSITY, FOLKS GET UPSET WITH ME BECAUSE THEY SEE MORE TRAFFIC, LESS AVAILABLE PARKING . . . BUT REMEMBER, I AM TALKING ABOUT WALKING AND A GREATER DENSITY ON THE SIDEWALKS WHICH GIVES GREATER VITALITY.

LET'S DO THE NUMBERS.

A NORMAL QUARTER MILE WALK TAKES FIVE MINUTES AND FOR A SENIOR WE COULD EVEN DOUBLE THAT TO TEN MINUTES.

TO DEFINE AN AREA THAT I WANTED TO HAVE WITHIN A TEN-MINUTE "SENIOR" WALK, WITH A QUARTER MILE DIAMETER, I WOULD END UP WITH A LAND MASS OF 125 ACRES, READILY ACCESSIBLE BY FOOT .

AND IF I APPLY A DENSITY OF 22 UNITS TO EACH ACRE, WHICH HAPPENS TO BE THE DENSITY OF THE JOHN WITHERSPOON AREA IN PRINCETON, I CAN HAVE A POPULATION OF 2,750 PEOPLE, WHICH IS CERTAINLY A GREAT ENOUGH CRITICAL MASS TO BRING VITALITY TO THE CENTER OF ANY TOWN.

SO, WE HAVE COVERED THE FACT THAT PERSONAL CONVENIENCES MUST BE PROVIDED BY HOUSING AND THERE'S NO QUESTION THAT THE BEST SENIOR HOUSING HAS VARIETY AND IS BLENDED WITH A CERTAIN AMOUNT OF INTENSITY INTO THE CENTER OF TOWN, WHERE WE HAVE BOTH COMMUNITY AND CONVENIENCE.

BUT WE STILL NEED TO DEAL WITH THE BIGGEST FEAR, THAT MOST SENIORS LIVE WITH, WHICH IS FINANCIAL . . . WILL I EVER RUN OUT OF MONEY?

AND COUPLED WITH THAT, WHAT CAN I DO TO CONTROL COSTS ON MY FIXED INCOME IN THE FACE OF INFLATION . . . TOUGH QUESTIONS.

THE BULK OF MOST AMERICANS' NET WORTH IS TIED UP IN THEIR EXISTING RESIDENCE AND ONE SHOULD EXPECT THAT AT THE POINT OF RETIREMENT THAT RESIDENCE IS ESSENTIALLY DEBT FREE, I.E. THE MORTGAGE HAS BEEN PAID OFF.

SO WE CAN ASSUME A NEST EGG OF A CERTAIN VALUE, BUT THEN THE SECOND UNCERTAINTY COMES UP, WHICH IS "HOW LONG AM I GOING TO LIVE IN GOOD HEALTH?"

WITH THE AGING OF THE BOOMERS, A DEVICE THAT I BELIEVE WILL BECOME MORE AND MORE PREVALENT AND POPULAR AS A MEANS OF MAINTAINING AN ESTABLISHED STANDARD OF LIVING, IS A REVERSE MORTGAGE.

IN ESSENCE, A REVERSE MORTGAGE IS A HOME EQUITY LOAN, WHICH USES THE COLLATERAL OF YOUR HOME AND PROVIDES A MONTHLY PAYMENT TO YOU DRAWING DOWN ON THE EQUITY IN YOUR HOUSE AS COLLATERAL.

THE THEORY IS THAT WHEN YOU LEAVE THE PROPERTY FEET FIRST OR OTHERWISE, IT WILL BE SOLD AND THE MORTGAGE AND THE ACCRUED INTEREST WILL BE PAID OFF WITH ANY REMAINING VALUE GOING TO YOUR ESTATE.

MANY FINANCIAL INSTITUTIONS HAVE BEEN RELUCTANT TO EMBRACE THIS CONCEPT AND PROVIDE THIS TYPE OF SERVICE, BECAUSE OF THE VOLATILITY OF INTEREST RATES AND THE RISK OF THE BAD PUBLICITY CONNECTED WITH HAVING TO EVICT A 98-YEAR-OLD GREAT GRANDMOTHER BECAUSE THERE IS NO MORE EQUITY LEFT IN HER PROPERTY TO SUPPORT THE MONTHLY PAYMENTS.

FRANKLY, I BELIEVE THE STATISTICAL ODDS OF THAT HAPPENING ARE LOW ENOUGH THAT THE GOVERNMENT COULD DEVELOP A PROGRAM OF ASSURANCE OR INSURANCE TO ENABLE THE BANKS TO GET PAST THAT ISSUE.

OF COURSE, ONE OTHER BIG UNCERTAINTY IN THE SENIOR COST OF LIVING SPECTRUM IS THE COST OF ENERGY.

IF WE CREATE WALKABLE COMMUNITIES WITH ALL OF THE CONVENIENCE AND AMENITIES AS I HAVE PROPOSED, THE RISING COST OF GASOLINE SHOULD NOT MATTER.

HOWEVER, THE COST OF HEATING OIL OR NATURAL GAS, IN DEALING WITH COMFORT AND, IN SOME SEVERE CASES, ACTUAL SURVIVAL, IS A FEAR TO BE DEALT WITH.

THIS ISSUE WILL FIND RESOLUTION IN SUSTAINABLE DESIGN, WHERE WHAT IS BUILT MUST BE AS ENERGY EFFICIENT AS POSSIBLE.

FURTHERMORE, THOUGH THE PAYOUTS ARE AT THIS POINT STILL LONG, THE NOTION OF GEOTHERMAL ENERGY WHERE WE DRAW BOTH HEAT AND COOLING OUT OF THE MASS OF THE EARTH BECOMES VERY IMPORTANT.

GEOTHERMAL ACTUALLY PRESENTS A SOURCE OF ENERGY THAT IS NOT SUBJECT TO THE POLITICAL AND ENVIRONMENTAL QUESTIONS SURROUNDING THE PRODUCTION AND SUPPLY OF OIL AND GAS.

I BELIEVE THAT OVER THE NEXT DECADE WE WILL SEE GREAT STRIDES BEING MADE IN THE DEVELOPMENT OF SMALLER AND MORE EFFICIENT GEOTHERMAL SYSTEMS.

SO WHERE DOES ALL THIS END UP?

MY SENSE OF THE RIGHT SOLUTION FOR HOUSING FOR SENIORS IS THAT ITS GREATEST SUCCESS WILL BE IN SMALL CLUSTERS WITH GREAT VARIETY IN THE TYPE OF HOUSING LOCATED WITHIN THE CENTERS OF COMMUNITIES.

FOR A HOST OF REASONS, THE PRIMARY ONE BEING 60 YEARS OF LIFE EXPERIENCE AND DEVELOPMENT OF INDIVIDUAL ATTITUDES AND TASTE, THERE IS NO “BIG” SOLUTION LIKE A LEVITTOWN OR MORE LOCALLY, A KENDALL PARK.

FOR WE ARE NOT DEALING WITH A MASS POPULATION THAT IS INITIATING THEIR LIFE’S JOURNEY.

WE ARE DEALING WITH A SET OF INDIVIDUALS, SET IN THEIR WAYS, WHO FEEL THEY HAVE GREAT VALUE TO THEIR COMMUNITY AND WANT TO STAY IN THAT COMMUNITY.

GIVEN THAT THE COMMUNITY AND ITS “HEART” ALREADY EXIST, THE LEAST DISRUPTIVE AND MOST INTERESTING WAY TO CREATE THE HOUSING IS IN SMALL INFILL CLUSTERS THAT ADD TEXTURE AND VITALITY TO THAT HEART.

I THINK THE MISSION OF ALL POLITICIANS AND ALL DEVELOPERS SHOULD BE TO ENABLE A DEVELOPMENT ENVIRONMENT WHEREBY THE DESIRE FOR INDIVIDUALITY AND THE DESIRE TO REMAIN IN A

COMMUNITY AND CONTRIBUTE TO THAT  
COMMUNITY CAN BE HONORED AND REALIZED.

THANK YOU VERY MUCH.