

Market Demand for Senior Rental Housing in Erie County



September 2012

Final Report Submitted to

**Erie County Industrial Development Agency and
Amherst Industrial Development Agency**

by the

**University at Buffalo Regional Institute and The Urban Design Project
School of Architecture and Planning
The State University of New York**



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I. Executive Summary

This report presents an assessment of current and future demand for market-rate senior housing in Erie County, New York. It includes an assessment of the existing supply of this housing for area seniors, as well as an analysis of municipal-level demographic patterns affecting the demand for market-rate senior rental housing.

The findings are intended to help local economic development officials evaluate when and where it might be appropriate to provide assistance or incentives to developers for the construction of this kind of housing within the county.

The University at Buffalo Regional Institute and The Urban Design Project, research and public policy centers within the UB School of Architecture and Planning, were commissioned by the Erie County Industrial Development Agency and the Amherst Industrial Development Agency to serve as the principal consultant on this study.

Among the study's key findings:

CAPACITY OF MARKET-RATE RENTALS

- Market-rate rentals represent a small share of housing for seniors: about a third of all senior apartments and just three percent of total senior households.
- Two-thirds of market-rate senior units are located in Erie County's inner-ring suburbs.
- While a handful of market-rate complexes report sizable waiting lists, significantly more seniors are waiting to get into subsidized senior housing, suggesting that this is where greater lack of supply exists.

DEMAND

- Demand for rental housing is strongest among seniors age 75 and up, who are more likely to be poorer, living alone and struggling with disabilities, all of which make it difficult for those seniors to stay in a home they own.
- Overall demand for senior housing isn't expected to increase countywide until 2030 when the population of seniors increases above current levels.
- Demand is anticipated to grow the most in the City of Buffalo and in the towns of Tonawanda, Amherst, Cheektowaga and Hamburg.

RATIONALE FOR INCENTIZING

- Property owners in some municipalities, particularly the inner ring suburbs, will need to attract a disproportionate share of seniors to avoid vacancies, assuming supply of market-rate housing remains constant.
- Building additional senior housing in outer-ring suburbs where demand will grow slightly will have transportation and other implications, especially for seniors who are unable to drive.

ECONOMIC IMPACTS

- Senior purchasing power and the economic impact associated with it is significant but lower than for households in their working prime.
- Only a tiny proportion of seniors — one percent — migrate out of the county annually, and an even smaller fraction leave for reasons having to do with housing, so the risk of Erie County losing seniors due to lack of appropriate housing isn't significant.
- If Erie County retained all senior out-migrants the potential preservation of economic impact would be \$31 million annually. Retaining those leaving for lack of housing choices would preserve a projected \$7 million impact each year.
- Potential gains in economic impact from retaining more seniors through additional senior market-rate rentals will likely be slight through 2030, after which demand for this housing is anticipated to grow.

II. Introduction

a. Context for action

The Erie County Industrial Development Agency (ECIDA) and the Amherst Industrial Development Agency (AIDA) are public benefit corporations that promote economic development and the creation or retention of jobs across the county through the provision of financial incentives to developers and other qualified applicants.

Existing state policy allows local industrial development agencies to provide tax breaks for the development of senior housing. This policy is based on the premise that retaining our seniors who might otherwise seek to relocate outside the county or state is in itself an economic development strategy.

Yet this policy is not without controversy, as housing projects create few new jobs — at least not directly — other than the ones needed to construct the facilities. There is also the larger question of need. Is current demand for market-rate senior housing so great that the region risks losing seniors due to lack of capacity?

What is certain is that as the region's population continues to age, developers will see senior housing as a business opportunity and IDAs will face continuing requests for incentive packages for the development. Consequently, ECIDA and AIDA sought sound, objective research through this study to inform how these requests should be evaluated.

b. Project scope

To help inform ECIDA and AIDA's evaluation process regarding market-rate senior housing projects seeking financial assistance, this study was designed to answer four key questions.

1. **What is the supply of market-rate senior housing that exists across Erie County?** The goal was to assess how many market-rate facilities for seniors already exist. In addition to the location of these facilities, information on capacity, cost, waiting lists and key amenities was collected.
2. **What is the current and future demand for senior housing given existing housing choice patterns?** This included an analysis of where the county's seniors live, information about income and household composition, and how housing choices change with advancing age and changing circumstances.
3. **When might it be appropriate to incentivize market-rate senior housing?** The findings for this component integrate current and projected demand for market-rate senior housing with findings on existing supply to determine where in the county a shortage of supply might occur based on potential demand.
4. **What is the potential economic gain of retaining more seniors in Erie County?** Because household income translates into purchasing power and economic impacts for a region, an income analysis of seniors in Erie County, along with an analysis of how many seniors can reasonably be expected to leave due to lack of housing options, helped to estimate loss of household income from seniors leaving Erie County.

c. What went into this study

A range of data sources and research methods were used to carry out this study. A telephone survey of nearly 150 senior rental complexes in Erie County developed information on location, capacity, prices and amenities there. A preliminary listing of facilities was provided by Erie County's Department of Senior Services and this was augmented by about a dozen facilities identified through the team's search efforts. The survey questions are in **Appendix A**.

Data from the American Community Survey, population projections, and a survey of seniors in Erie County conducted at the University of Buffalo was used to analyze housing patterns, preferences and trends in housing demand.

Projected shortages and surpluses in market-rate rental housing for seniors were estimated by projecting Erie County's current cohort of renters between the ages of 45 and 65 into the future, adjusting for the percentage that can be expected to die or move out of the region. From this pool, we estimated what percentage would live in senior market-rate housing and compared the resulting projections to existing supply.

The economic impact of retaining seniors who might otherwise leave the county due to rental housing shortages was calculated using senior income data from the American Community survey, IRS and Census migration data and IMPLAN, an input-output model to assess the direct and indirect impacts associated with seniors' purchasing power. Additional data sources and notes are provided alongside charts throughout and in **Appendix B**.

III. Supply of Market-Rate Rental Housing for Seniors

a. Defining market rate

This study sought to assess market-rate rental facilities for seniors, or those that were neither low-income nor luxury apartments. One discovery of this research was that the definition of a “market-rate” facility is not clear cut. Some subsidized apartment complexes have at least some “market-rate” rentals. Other facilities have been built with tax credits, allowing them to have slightly lower rental prices, but owners of these facilities don’t consider their properties as subsidized or low income since they don’t receive public funds for their operations. While they do impose income limits on residents, these limitations are used only to screen incoming residents. Once in, seniors will not be kicked out, no matter how high their income goes.

In defining and assessing market rate rentals for this study, we included the market-rate rental units located in subsidized complexes as well as facilities built with tax credits.

- * Fully market rate with no public subsidies or tax credits
- * Built with tax credits
- * Mix of subsidized and market-rate units
- * Fully subsidized

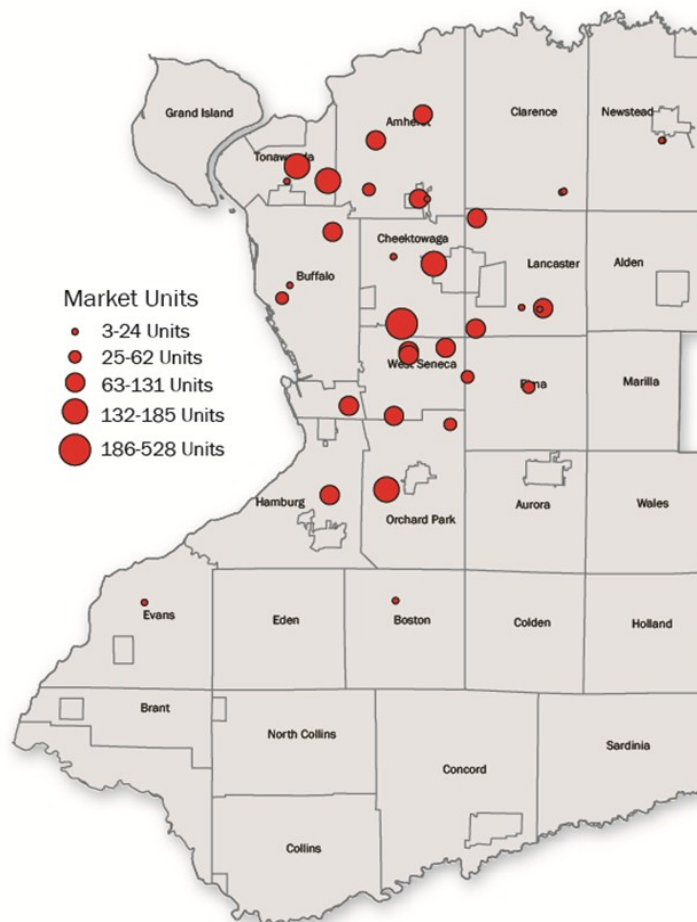
b. Measuring existing capacity

There are nearly 150 rental housing facilities for seniors in Erie County. Yet the number of market-rate senior apartment complexes is smaller than one might expect — only 36 in all. Many others are fully subsidized while some surveyed turned out not to impose any age restrictions (i.e. they aren’t strictly “senior” complexes even though they may attract a large proportion of seniors).

These 36 complexes (see **Appendix C** for a listing) offer a total of 3,029 rental units. This capacity represented 33 percent of the total rental units for seniors identified by this study. Market rate rentals represent an even smaller share of total senior households living in Erie County — about three percent.

Most market-rate rentals can be found in the county’s most populous inner-ring suburbs. About two-thirds of the 36 facilities are located in Amherst, Cheektowaga and Tonawanda. These are areas of the region where demand for market-rate rentals appears to be strongest, as gauged by the waiting lists reported by these facilities. Together, the 36 market-rate facilities report a combined

Figure 1
Map of market rate senior facilities in Erie County

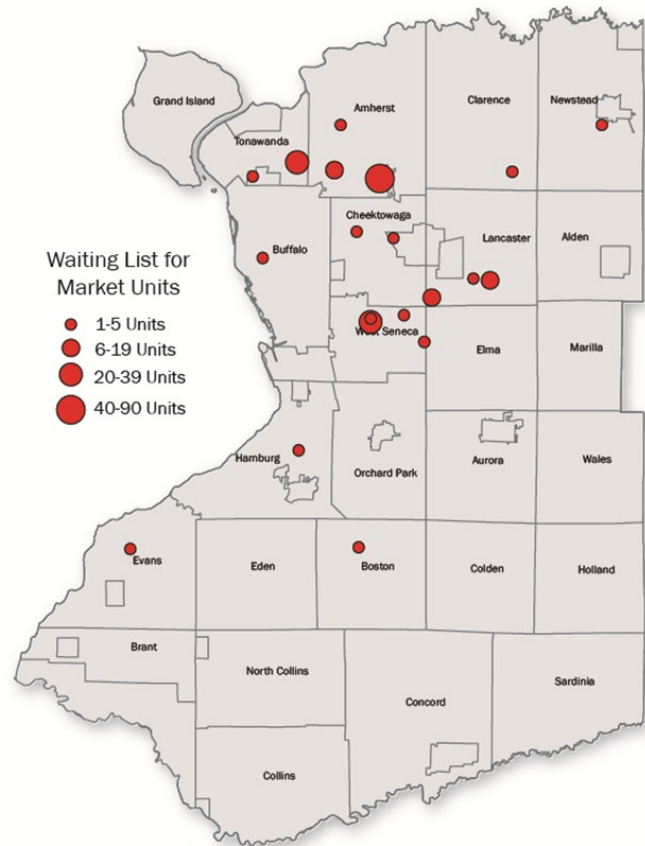


Data Source: UBRI/UDP survey of senior rental housing in Erie County.

waiting list of 258 persons. However, two thirds are looking to get into one of three particular complexes in Williamsville, Tonawanda and West Seneca. The waiting list at the facility in Williamsville (St. Mary's Apartments, located in the heart of the village on Mill Street) has 90 seniors on it. Across all market-rate facilities, the median wait list is much smaller at only three persons each.

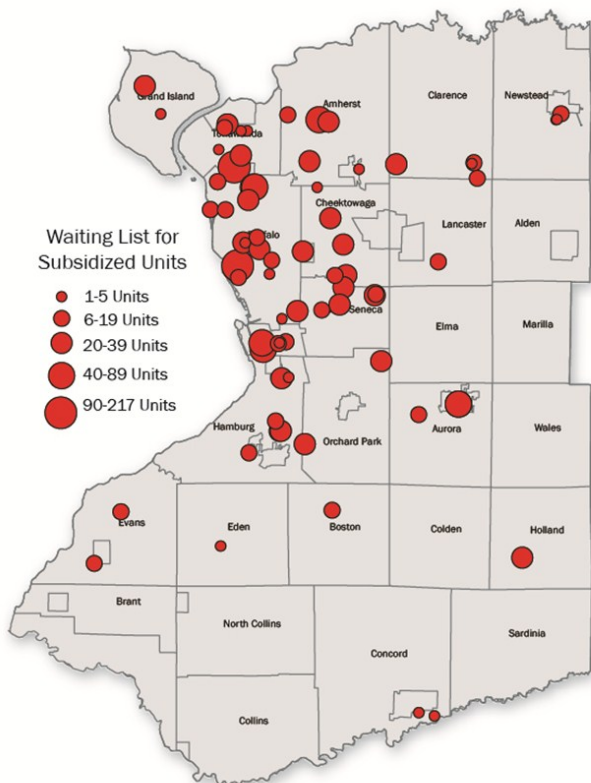
Many more seniors are on waiting lists to get into subsidized rental housing than for market-rate properties. With an additional 1,912 units needed to meet current demand for those on waiting lists, demand for subsidized senior apartments is about seven times greater than demand for market-rate rentals.

Figure 2
Waiting lists at market-rate senior apartments



Data Source: UBRI/UDP survey of senior rental housing in Erie County.

Figure 3
Waiting lists at subsidized senior apartments



Data Source: UBRI/UDP survey of senior rental housing in Erie County.

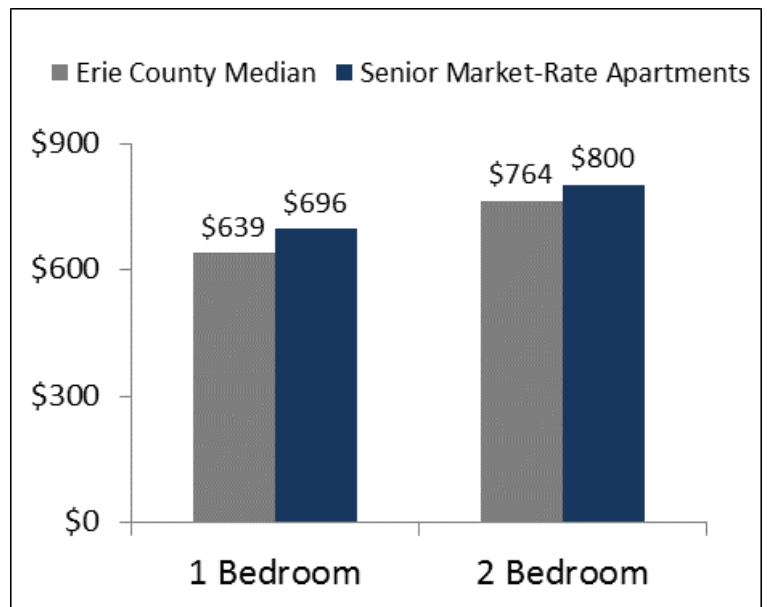
Demand for subsidized senior apartments in Erie County is about seven times greater than for market-rate rentals.

c. Assessing cost and amenities

The going rate for a typical apartment at a senior market-rate facility runs between five and ten percent more than the median for all apartments in Erie County. For senior units not including heat, monthly rents are a bit lower, ranging from \$660 to \$740. With heat, rents vary from \$800 to \$885, with the gap between low and high rents generally reflecting the difference between a one and two bedroom apartment. (The price of studios was excluded in calculating the rents at the low end of this scale.)

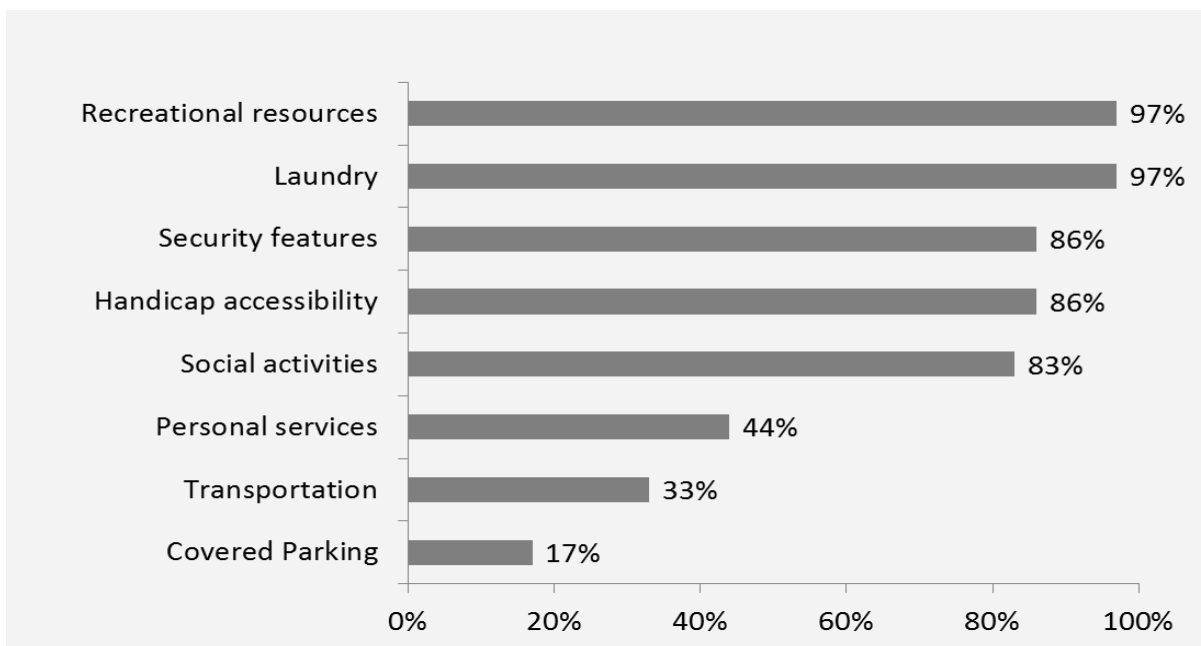
Slightly higher rental prices at senior complexes may reflect additional amenities. Almost all facilities offer recreational resources in the form of a community room, sometimes featuring a library, computer room or fitness center. Almost all also offer laundry within the rental unit or building. On-site social activities are also common, as are security features, and almost nine in ten complexes offer at least some handicapped-accessible apartments. Other amenities less commonly provided include on-site personal services, transportation to off-site destinations and covered parking. A living environment restricted to seniors is an additional amenity that all of these complexes offer.

Figure 4
Rents at senior rate apartments in Erie County



Data Source: UBRI/UDP survey of senior rental housing in Erie County and HUD 50th Percentile Rent Estimates for FY2001 in Erie County

Figure 5
Typical amenities at market-rate senior rentals



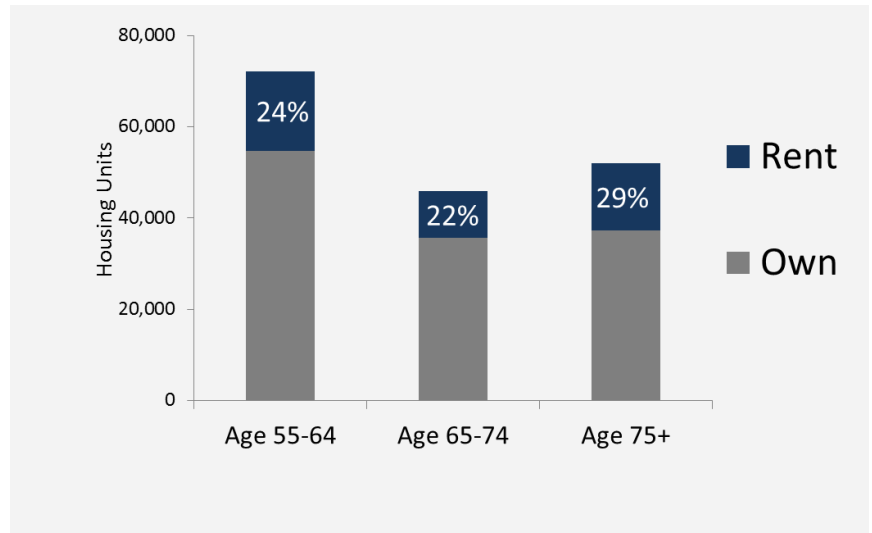
Data Source: UBRI/UDP survey of senior rental housing in Erie County.

IV. Demand for Senior Rental Housing

a. Current housing-choice patterns

More than seven out of ten seniors in Erie County live in a home they own. Roughly a quarter rent. Until seniors reach age 75, the proportion of renters hovers around 22-24 percent of the total senior household population. Demand for rental housing, however, begins to shift around the age of 75. The data show a notable increase in renters, to 29 percent of the total senior population, among this oldest cohort. Yet in terms of absolute numbers, this population of older seniors is less than half that of younger seniors.

Figure 6
Living arrangements of Erie County seniors



Source: 2010 Census

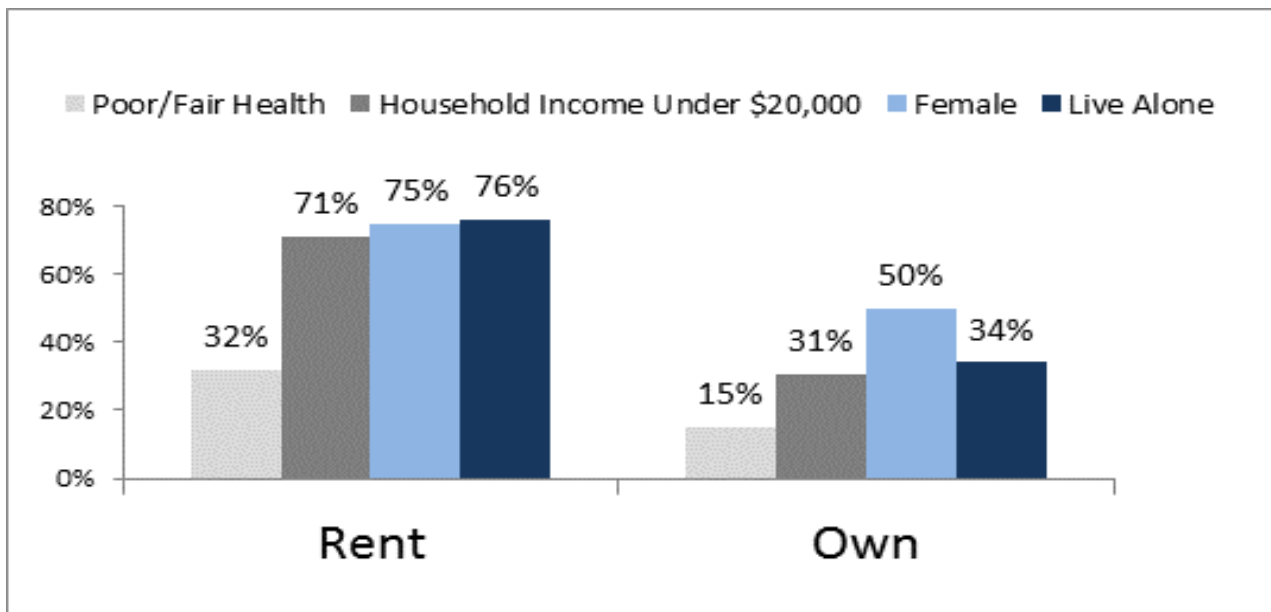
b. Influencing factors

Changes in life circumstances may precipitate this increase in the proportion of senior renters as they age. There are strong correlations between rental status and household size, gender, income and health. According to a survey of seniors age 55 and up conducted during 2008 by the University at Buffalo, senior renters are more than

twice as likely as homeowners to live alone, to be in poorer health and to be financially poor. Among seniors who rent, nearly three out of four are female, living alone and have incomes under \$20,000 annually. Fewer than half of those who live in a home they own meet these criteria.

Senior renters also tend to have smaller support networks with fewer relatives and friends nearby than home-owning seniors, suggesting that having people nearby who can help with odd jobs and errands may make it physically and financially more feasible for seniors to age in place.

Figure 7
Selected characteristics of seniors who rent and those who own



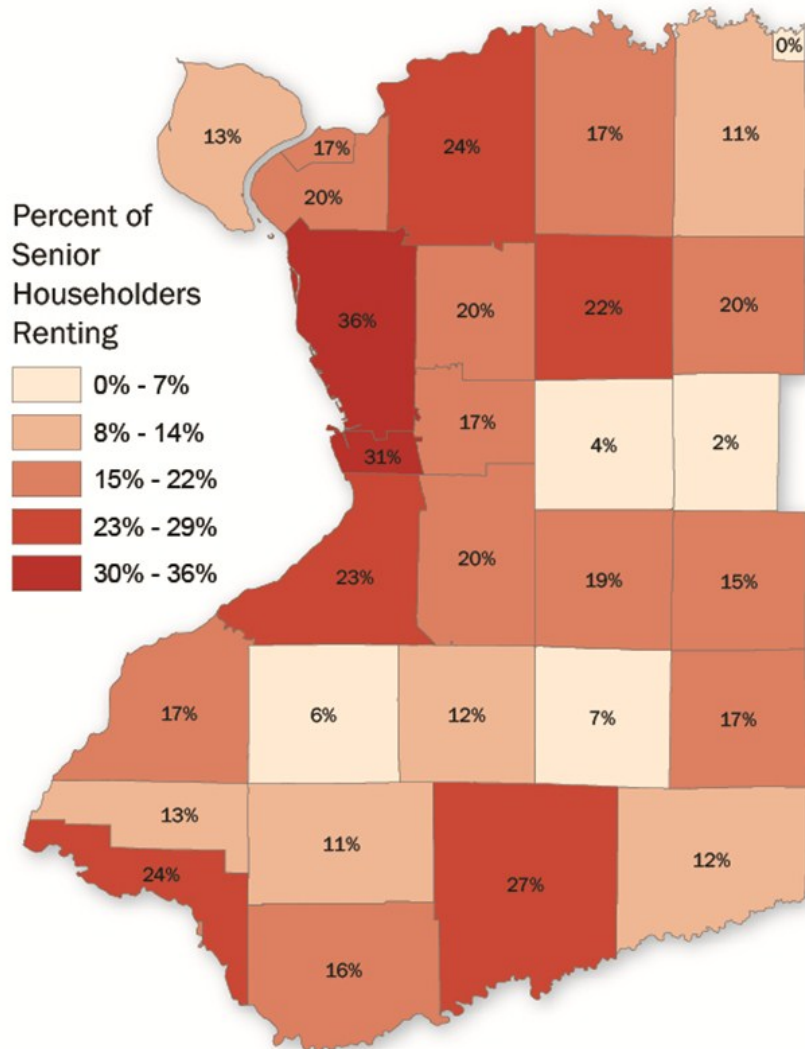
Source: UBRI/UDP analysis of data from Four Seasons Aging Survey of Erie County residents, University at Buffalo, 2008.

These factors and others result in an uneven distribution of renters across Erie County, ranging from a high of 36 percent of the senior population in one municipality to a low of 2 percent of the senior population in another municipality located less than 25 miles away. Renters account for relatively larger percentages in the City of Buffalo, Amherst, Lancaster and Concord. These are areas where poverty, or the cost of home ownership and the burden of home maintenance may make renting more desirable and practical. Of course, these percentages are also affected by the supply of apartments for rent. Municipalities such as Elma, Marilla, Eden and Colden may have low percentages of renters because they don't have enough units to meet all of the existing demand, forcing seniors to either remain in a home they own or move to another municipality where the supply of rental housing is more plentiful.

c. Demand projections

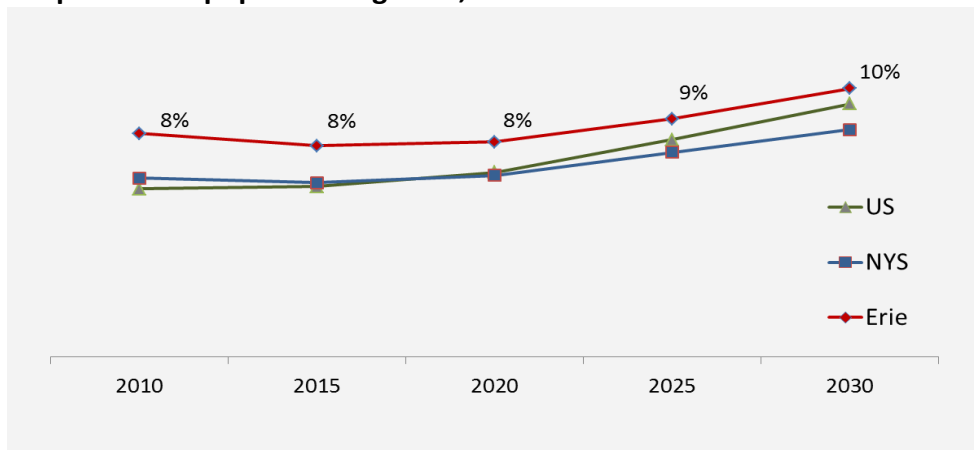
The proportion of seniors in Erie County is larger than it is statewide or across the nation. Moreover, this trend is expected to persist for decades to come. Seniors are projected to continue to make up a larger share of the population in Erie County compared to state and national benchmarks. Population projections for persons age 75 and up — those with greatest demand for rental housing also show that the proportion of older seniors in Erie County will be on the rise, increasing from eight percent of the total in 2010 to ten percent by 2030. Yet the raw number of seniors age 75 and up is in not projected to exceed current counts until around 2030. The actual number of seniors

Figure 8
Proportion of senior households that rent by municipality



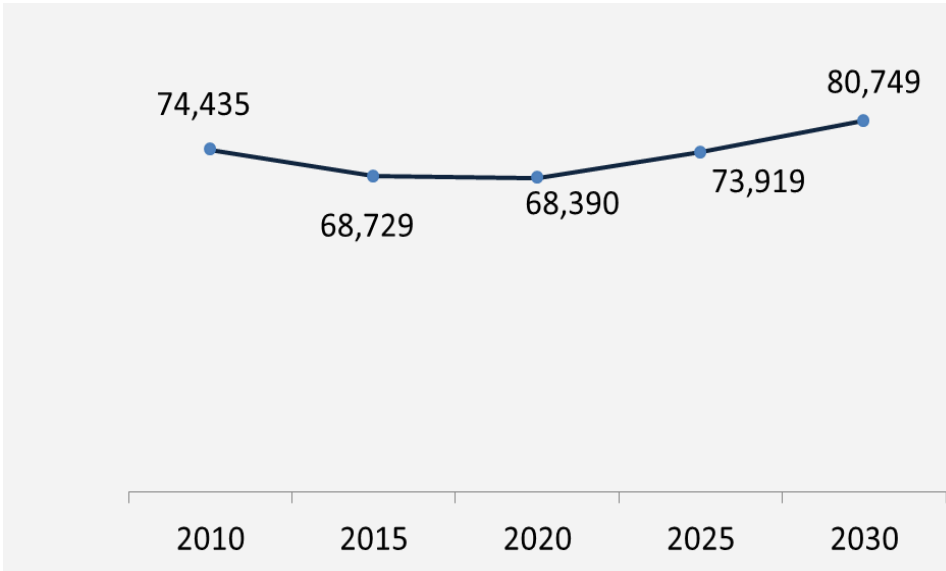
Source: 2006-10 American Community Survey

Figure 9
Proportion of population age 75+, 2010-2030



Source: Cornell University, Program on Applied Demographics, New York population projection by age and sex, County projections 2005-2035

Figure 10
Population age 75+, 2010-2030



Source: Cornell University, Program on Applied Demographics, New York population projection by age and sex, 2005-2035 and the American Community Survey.

will actually drop below current levels until sometime after 2025. Because the total population across Erie County is projected to decline even more than its senior population, seniors as a percent of the total will remain steady if not rise.

Another future consideration is that most home-owning seniors desire to stay put as they age. More than eight out of ten home-owning seniors in Erie County strongly agree they want to remain in their current residence for as long as possible. Only six percent disagree. Seniors who rent are committed to staying put too, although at rates slightly lower than homeowners.

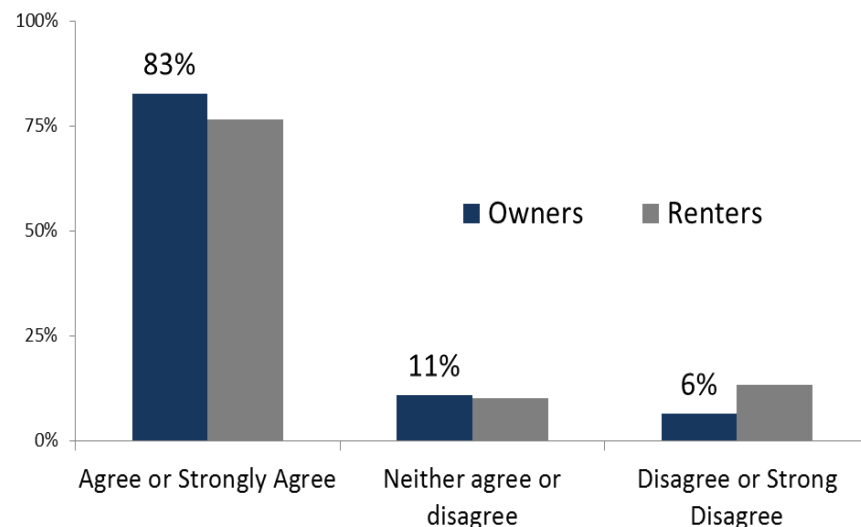
Indeed, aging in place has become increasingly common over time.

While one-third of seniors were renters thirty years ago, by 2010 only a quarter of Erie County seniors age 65 and up rented. As this trend continues in future years, we can anticipate slightly fewer seniors moving into rental housing, especially when the desire to stay put is so strong among our region’s elders.

When Erie County seniors move, they give a variety of reasons for making a change, according to the study of seniors at UB. The most common is to be closer to family members, especially children. Others say they might want to downsize. Some mention health considerations. Others are more specific and say they desire a place with fewer stairs, ideally all on

one level. The weather is also a consideration, as is having a home with less maintenance work, and more affordable taxes. That said, seniors who indicated they might want to move didn’t necessarily mean they desired moving into an apartment. However, such a transition certainly opens the door for that.

Figure 11
Seniors’ reaction to the statement “What I would really like to do is remain in my current residence for as long as possible”



Source: UBRI/UDP analysis of data from Four Seasons Aging Survey of Erie County residents, 2008, University at Buffalo.

V. Supply-Demand Projections

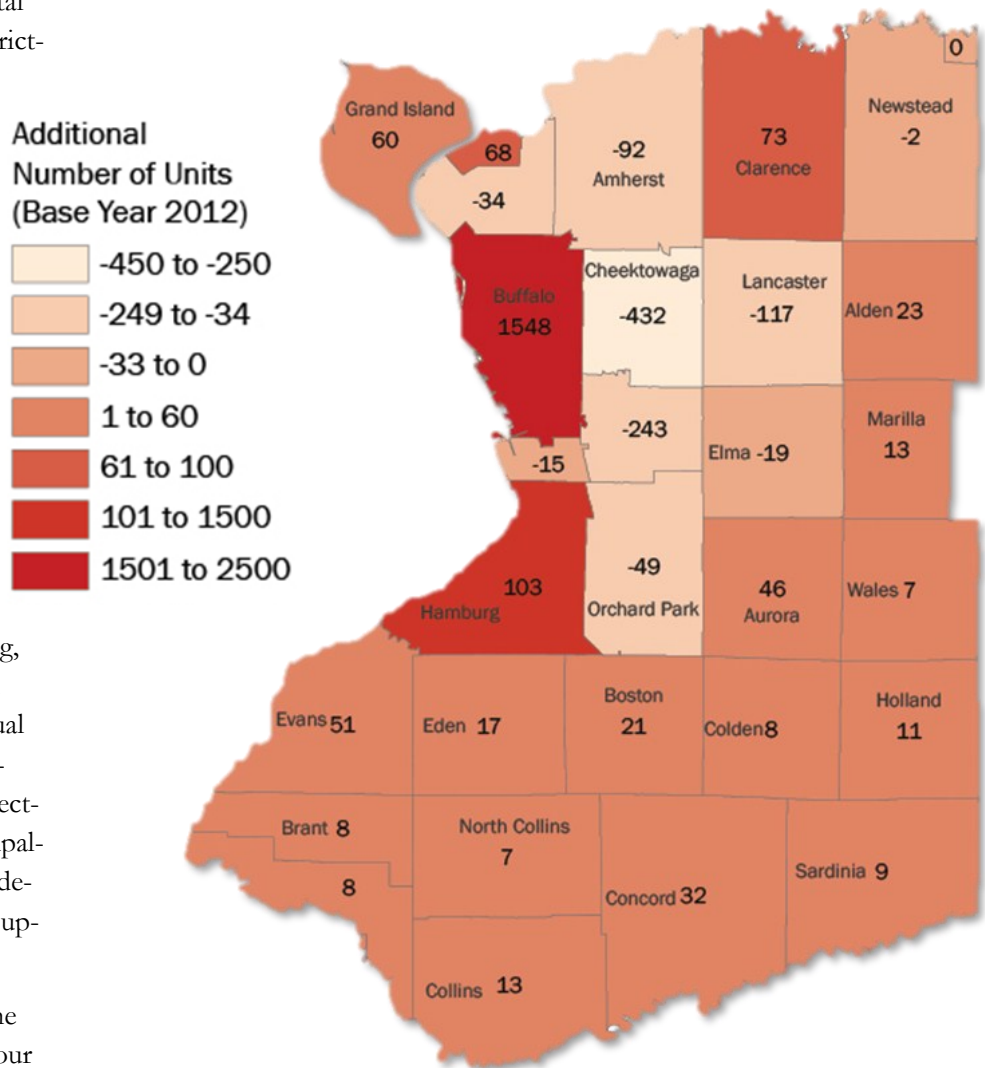
a. Considerations

Where in Erie County might there be a shortage of market-rate senior housing and a rationale for incentivizing this housing? This isn't a simple question to answer since many considerations factor into projected demand as well as supply for market-rate rental housing. People die and move in and out of the region. Even among those seniors who will continue to live here, not everyone will desire to be in rental housing, never mind rentals restricted to seniors. Yet current data does support that as residents age, more will live in rental housing.

To project demand for senior market-rate units into future decades, this study examined the cohort of renters now aged 45 through 65. We adjusted this population for the percentage that can be anticipated to die or move out of the region. To this we applied the proportion of seniors countywide who live in senior market rate housing, assuming that demand across all municipalities will be at least equal to the county-wide rate. This approach also avoids skewing projected demand downward in municipalities where the apparent lack of demand actually reflects a lack of supply.

For those individuals entering the 75 and 85 cohorts, we adjusted our assumptions about what share of seniors would prefer to rent upward by three percent to reflect historical data on this issue. We compared the resulting household projections for senior market rate rentals to existing capacity.

Figure 12
Projected change in demand for senior market-rate rentals by 2020, from 2012, by municipality.



Data Source: UBRI/UDP calculated estimates.

b. Demand relative to supply by 2020

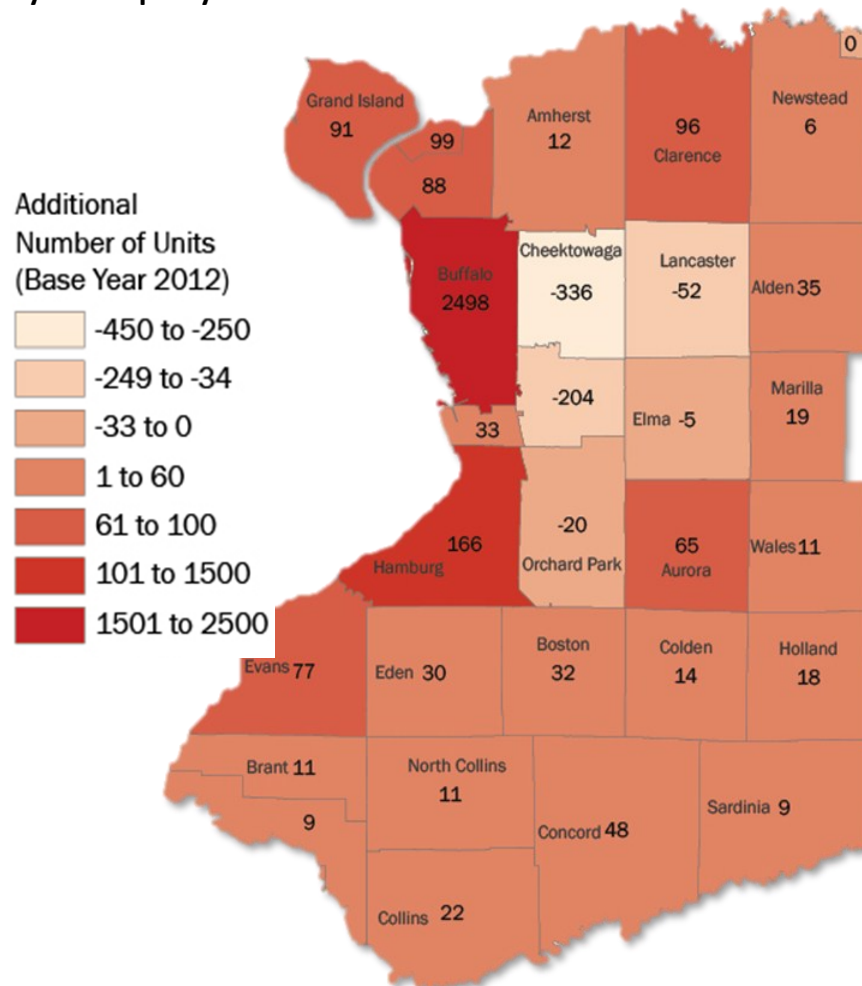
What was found was that by 2020, net demand for market-rate senior rentals will grow by 1,123 units, above and beyond where demand is in 2012. New demand will grow the most in the City of Buffalo and Hamburg. In fact, in the region's

inner urban core, there will be a need for over 1,500 units. However, some of this demand may be absorbed by surrounding municipalities that are projected to see declines. The region's inner ring suburbs like Amherst, Cheektowaga and West Seneca will in fact experience vacancies unless they continue to attract a disproportionately higher number of senior renters. Without significant new added capacity in Buffalo and Hamburg, senior complexes located in inner ring suburbs will likely attract current residents from elsewhere, especially Buffalo.

c. Change in demand by 2030

By 2030, new demand for market-rate senior rentals will expand by 2,884 units. Yet only in the City of Buffalo and Hamburg will demand grow by more than 100 units, the size of a single larger complex. Cheektowaga, West Seneca and Orchard Park will continue to need to attract a disproportionate number of seniors to fill current capacity. At the same time, most of the county's outer ring suburbs will see at least modest increases in demand by 2030. The number of additional units needed to meet this demand will be greatest in Clarence, Grand Island, Evans and Aurora.

Figure 13
Change in demand for senior market-rate rentals by 2030, from 2012, by municipality.



Data Source: UBRI/UDP calculated estimates.

Only Buffalo and Hamburg will see growth in demand sufficient to support a single larger senior housing complex having a 100 units or more.

d. The challenges of transportation and overbuilding

While demand will increase at least slightly in most of the region's outer ring suburbs, these are locations that aren't always in close proximity to shopping, restaurants, medical facilities, and other key destinations for seniors. Moreover, these are areas where public transit and alternative modes of travel can be sparse. Boosting rental housing for seniors in locations where mobility requires an automobile may be shortsighted policy as seniors lose their ability to drive, and it's surely in the absence of a plan for providing readily accessible, low-cost alternative travel options.

Another consideration in thinking about whether there is a need for newly constructed senior living facilities is the fact that growth in housing units across Erie County has been outpacing growth in households over the past decade, producing sprawl on the periphery of the metropolitan area and vacancies in the center city and first ring suburbs. Although there is, in fact, projected to be a slight uptick in the market for senior market-rate rentals, it comes against a backdrop of continued overbuilding in Erie County.

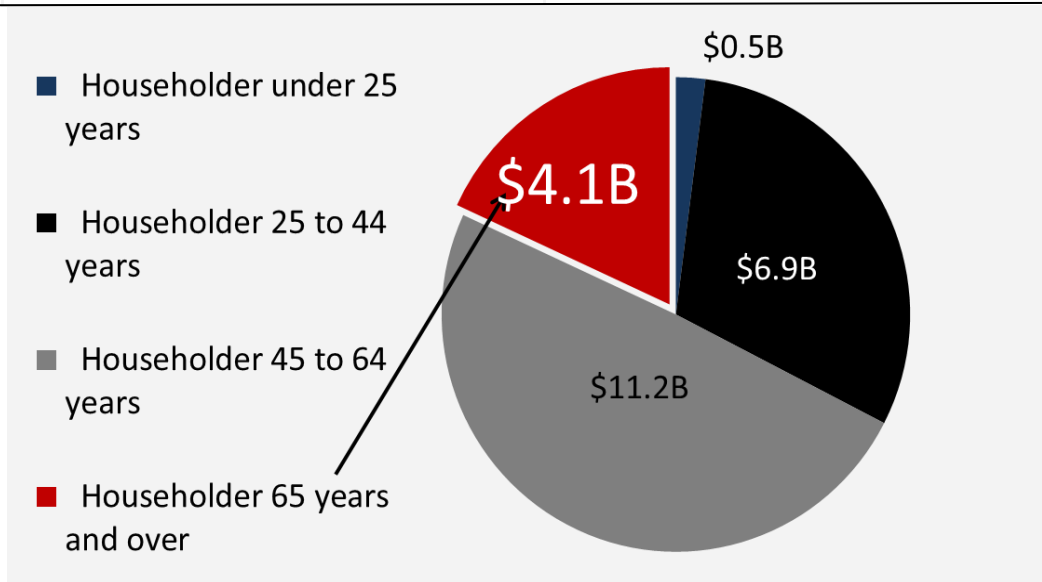
V. Economic Gains of Retaining Seniors

a. Senior purchasing power

Seniors are a significant economic driver in Erie County. Together, individuals over the age of 65 generate an aggregate \$4.1 billion in personal income. This amount represented nearly one in every five dollars (18 percent) in aggregate household income in Erie County during 2010. Most of this income – about 90 percent of the total – comes from Social Security and retirement earnings. It fuels spending on housing, health care, food, entertainment, travel and a wide range of other goods and services.

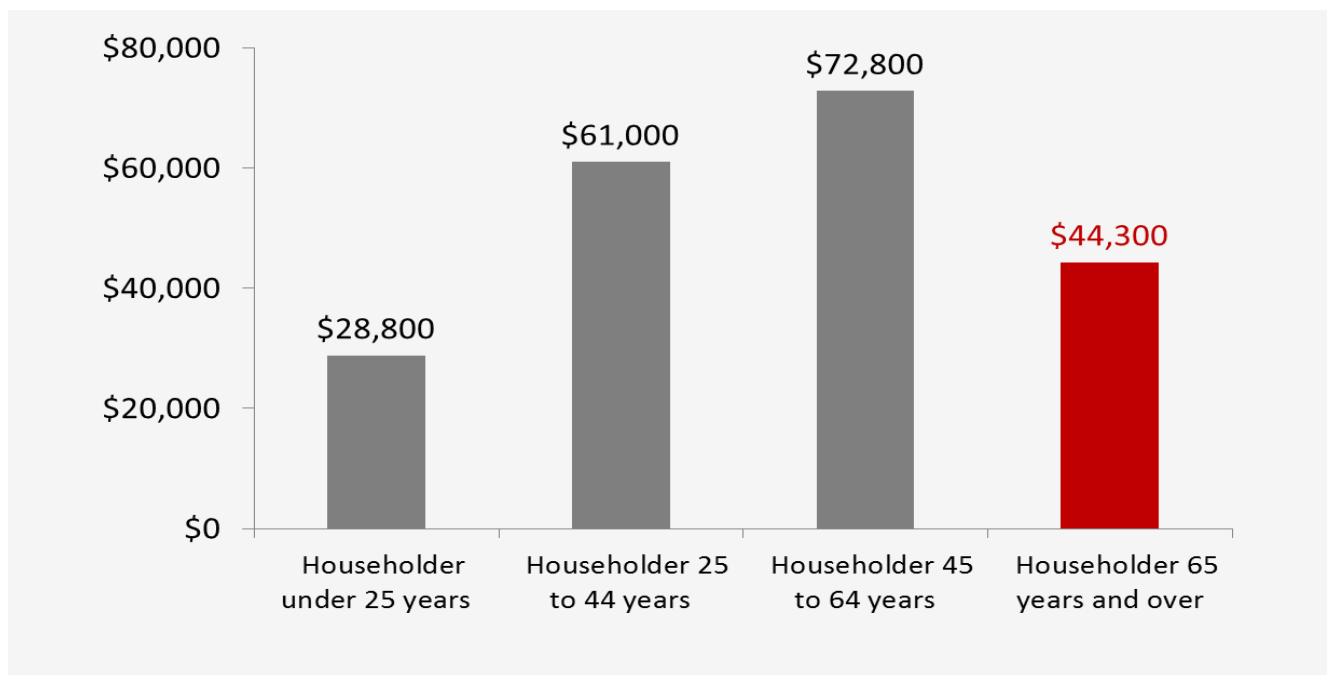
Seniors’ purchasing power is significant. Yet, per household, it is less than what individuals in their working prime generate for Erie County. The average senior household has \$44,300 to spend annually. Younger householders between the ages of 25 and 64 have between \$61,000 and nearly \$73,000 per household. Many of these are composed of dual earners, with aspiring careers and escalating incomes. Seniors are not the wealthiest segment of the population, by far.

Figure 15
Aggregate personal income by age group in Erie County



Data Source: 2010 American Community Survey

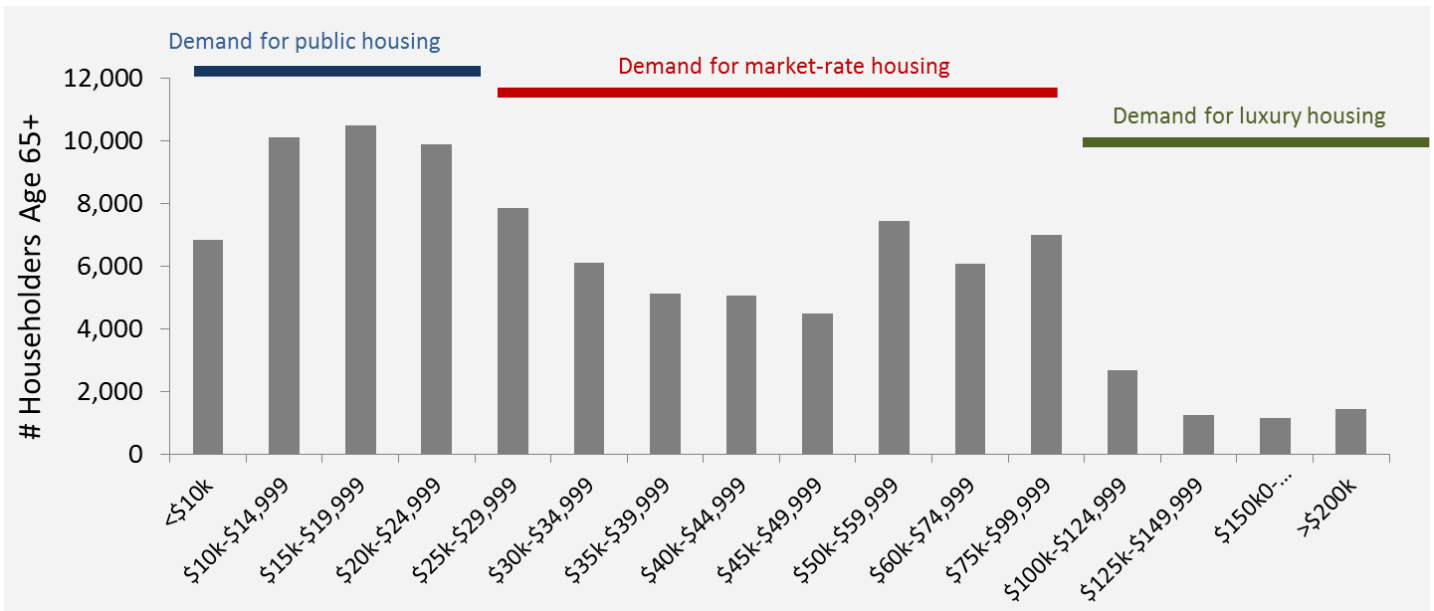
Figure 16
Average household income by age of householder in Erie County



Data Source: 2010 American Community survey data

Moreover, not every senior household is at the average, and the distribution of households across the income scale suggests the demand for market rate senior housing might be weaker than the aggregate numbers indicate. In Erie County the greatest proportion of senior households rests at the lower end of the income scale, where demand for subsidized housing, rather than market rate housing, is greatest. A smaller proportion of households — those with more than \$100,000 in annual income — is positioned more for luxury housing. The limited market for market rate housing, therefore, sits in the middle between the two.

Figure 17
Senior households by income category

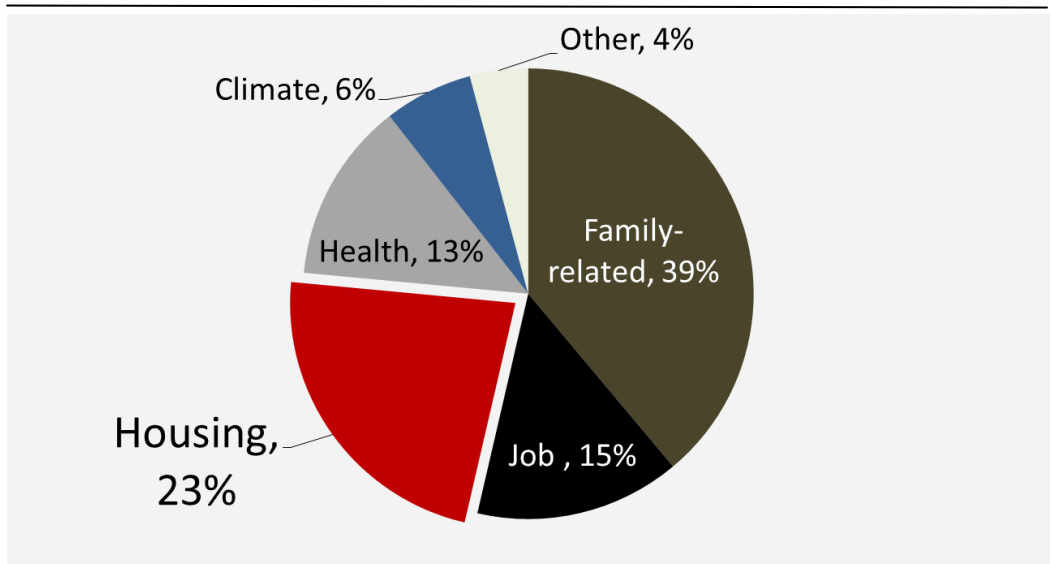


Data Source: 2010 American Community Survey

Figure 18
Reasons seniors move to different counties

b. Inter-county migration patterns

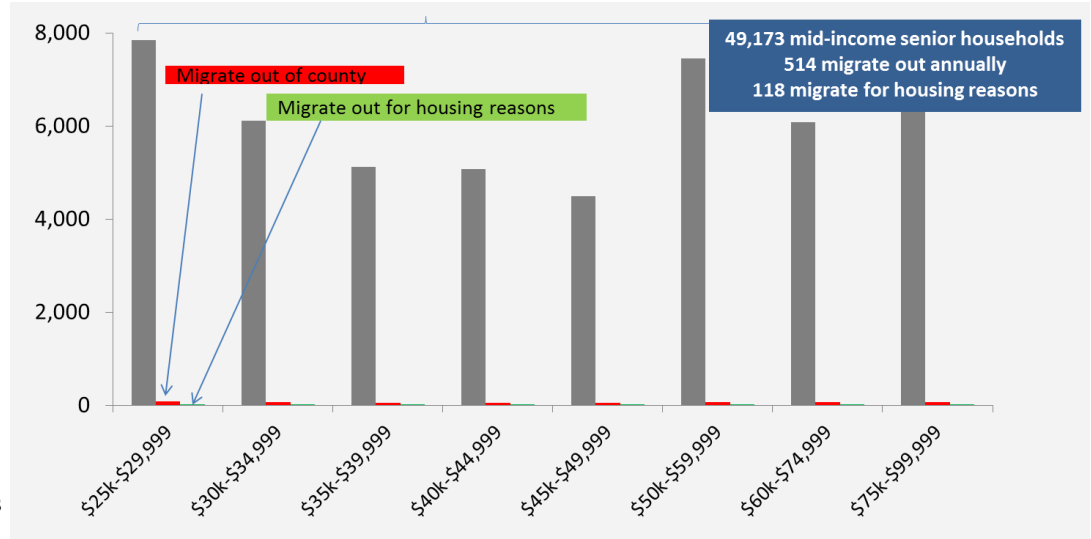
Another consideration in thinking about what Erie County stands to lose in economic impact if seniors leave, is frequency at which seniors move out of the county they are living in. For the purpose of this study we focus on those who move for lack of housing choices. Data show this doesn't happen frequently.



Data Source: U.S. Census, Inter-county Geographical Mobility 2010 to 2011

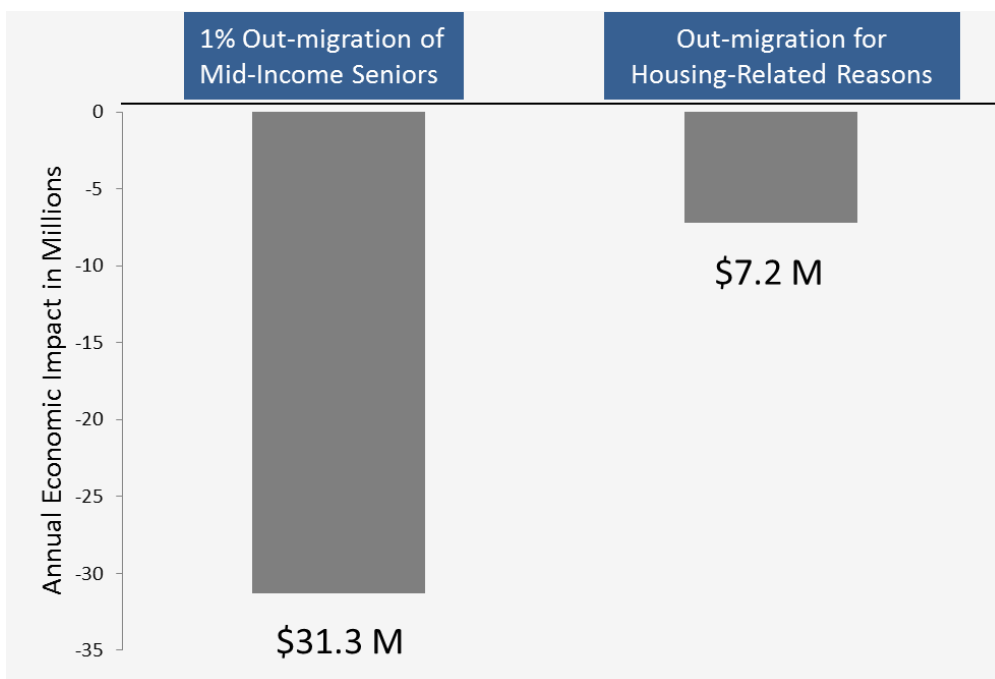
On average, Erie County lost one percent of its senior population annually between 2000 and 2010 due to out-migration. Over the ten year period, out-migration amounted to 10.4 percent of the population of those age 65 and up. Data from a national sample of seniors who recently moved outside the county they were living in reveal that only about a quarter of seniors moved for reasons relating to housing, and when housing was selected as the reason, 35 percent said it was to find cheaper housing. Others said they wanted a better home or apartment or a better neighborhood for themselves, and six percent said they wanted to own their home and not rent.

Figure 19
Senior out-migration in the context of total current senior households with demand for market-rate rentals



Data Source: UBRI/UDP calculation based on migration and 2010 American Community Survey data.

Figure 20
Economic impact of seniors leaving Erie County



Data Source: Calculated using IMPLAN.

c. Projected migration from Erie County

In the bigger picture, these numbers suggest that the number of senior households is relatively small that have the wherewithal to rent market-rate apartments and also have an inclination to move out of county if they don't find appropriate housing in that category. In 2010 there were just under 49,200 senior households with incomes between \$25,000 and \$100,000. 1 percent of this – the proportion that has migrated annually between 2000 and 2010 is 514 households. Roughly one-quarter of this – the proportion that can be expected to migrate out of county because of their housing situation – is just 118 households.

d. Gains of retaining seniors

The total economic loss of purchasing power when mid-income seniors leave the county amounts to about \$60,900 per household. For the entire group of mid-income seniors that migrate of the county annually due to family reasons, climate, health and housing, the loss amounts to \$31.3 million annually. Just about a quarter of this loss – \$7.2 million – can be reasonably attributed to seniors leaving for want of more appropriate market-rate rental housing choices.

As demand for market-rate senior rental housing grows through 2030, so, too, will the potential gains of retaining seniors who might otherwise leave. Yet with demand anticipated to increase by only 1,123 units by 2020 and 2,884 units by

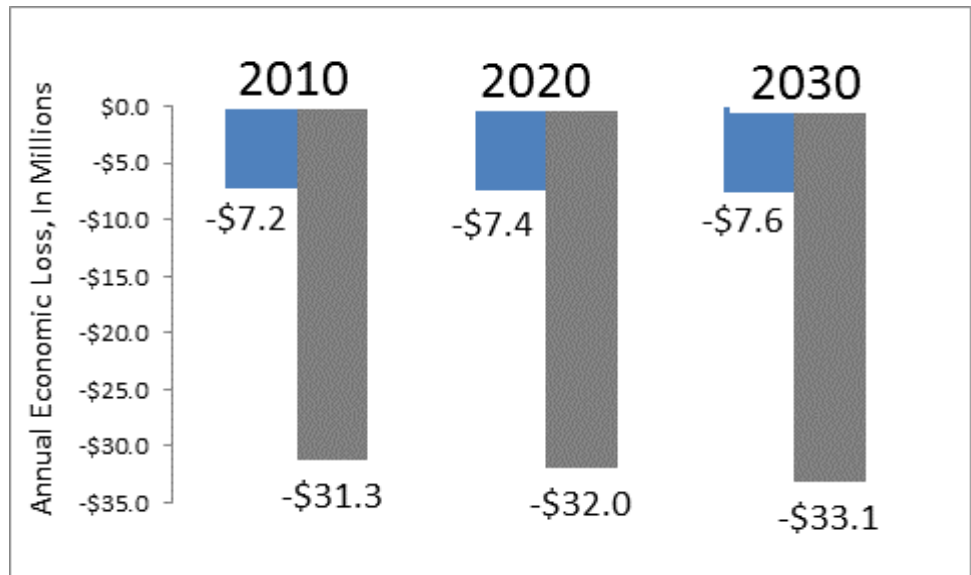
2030, projected economic impact gains will be modest. By 2030, the total economic loss of all seniors moving out the county will grow \$2 million to \$33.1 million annually. The economic loss of out-migration from Erie County related to lack of housing choices is projected to increase by nearly a half million to \$7.6 million.

Put in context, the amount Erie County potentially loses each year due housing related out-migration isn't much more than what it would cost to build two 50-unit senior apartment complexes with an incentive package. Moreover, these estimates, which are based on the number of seniors who move between counties for all housing related reasons, represent a ceiling that likely overestimates the economic gain to be had. They assume that all seniors who move out of Erie County for housing related reasons would stay if more senior market-rate housing were constructed. This is likely not the case, especially since market-rate rental housing comprises just three percent of all senior housing in Erie County.

On the other hand, retaining our senior population benefits Erie County in ways that this study wasn't intended to capture. For instance, seniors are significant users of health services, a growing segment of the region's economy that creates good-paying jobs for residents, particularly college graduates.

Some seniors still work and therefore also contribute to the local job pool, benefiting employers through their willingness to work part time during daytime hours when younger pools of part-time workers are in school and not available. Many seniors also volunteer, supporting the region's nonprofit sector that many organizations oftentimes rely on.

Figure 21
Annual economic loss of out-migration as demand for senior market-rate rentals increases



Data Source: Calculated using IMPLAN.

VII. Conclusion

a. Summary of findings

While broad national and societal trends would suggest a strong and growing market for senior housing of all types, the future market for unsubsidized rental housing for seniors in Erie County is much thinner.

Seniors prefer to stay in their homes as they age or rent units not specifically intended for seniors. Projected demand — and waiting lists — for senior rentals, meanwhile, tends to be much greater among lower income households seeking subsidized apartments in Erie County. And while demand for market rate senior housing is expected to grow as the over-65 population grows, such housing represents just three percent of the senior housing market.

Likewise, the potential economic impact of retaining senior households in Erie County by providing better housing choices is also projected to be modest — between seven and eight million dollars a year to 2030 — an estimated 118 households annually.

b. Implications for policy

Clearly, the findings suggest caution to decision-makers considering public incentives for new market-rate senior housing in Erie County. As the details of this study indicate, demand for such housing is not only limited, but likely to be location specific. It is also important to keep in mind that the senior rental housing market is part of a much larger housing market that has been overbuilt and in ways that have contributed to the spatial inefficiency of the region as a whole. If, when, and where to incentivize new housing of this type should be considered judiciously.

c. Suggestions for further study

This study has provided an initial step toward understanding an important aspect of the regional housing market — one which is likely to grow in importance as the broad demographic trends of our era continue. While senior rental housing in apartment complexes appears not to be a major part of the solution to senior housing needs, decision-makers may find it useful to inquire more broadly about how to address these needs.

Researchers who study the specific needs of people as they age suggest it is necessary to consider the specific design features of housing, its location in relation to transportation options and access to goods and services for the support of daily life, as well as integration of health care and other needed services, and connection to opportunities for recreation and social interaction. A look at the senior housing picture in these broader terms could provide important insights for decision-makers in the years to come.

APPENDIX A: Senior Complex Questionnaire

Survey of Market-Rate Senior Housing in Erie County

Name and Location.....

Complex name _____
 Street address _____
 City/Town _____
 Zip code _____
 Telephone number _____

Age Restrictions, Capacity & Cost.....

Is there an age requirement to rent? (Y/N) _____ If yes, what is it? _____
 Is there an income requirement to rent? (Y/N) _____ If yes, what is it? _____
 Number of market-rate apartments in the complex _____
 Price range of these apartments (\$low to \$high) _____ to _____
 Is heat included in the rent? (Y/N) _____

Waiting List.....

Is there a waiting list to rent? (Y/N) _____
 If yes, how many people are on it? _____
 Does the waiting list apply to all types of apartments or only some (such as two-bedroom apartments or ground-level apartments)? _____
 If only some, what type of apartments do those on the waiting list seek?

 If there is no waiting list, how many vacant apartments are available for renting? _____

Amenities.....

Are any of these amenities available to the residents at this apartment complex?

Amenity	Mark with "X" if available	Notes and/or limitations
Handicap-accessible apartments (such as elevators if more than one story; grab-bars in bathrooms)		
Recreational equipment (such as a pool, exercise equipment, clubhouse, library)		
Organized, on-site social/recreational activities (such as bingo, crafts, lectures, holiday parties)		
On-site personal services (such as hair, medical, prepared food, in-apartment cleaning)		

Transportation to off-site destinations (such as shopping, medical appointments, cultural events, other)		
Covered parking		
In-unit laundry (either in apartment or within apartment building)		
Security features (such as a front-desk security guard, intercom entry or keypad entry)		
Other amenities not listed here that meet the needs of seniors?		Describe additional amenities here:

Contact.....

Name of person answering survey _____

Title _____

Appendix B: Data Sources and Notes

Figure 1: Map shows the location of the 36 market-rate senior apartment complexes in Erie County identified through a telephone survey conducted during December 2011 and January 2012. A preliminary listing of senior apartment complexes was provided by Erie County Department of Senior Services and augmented with about a dozen facilities identified through online search efforts.

Figures 2 and 3: Information about waiting lists at senior apartment complexes was gathered through a telephone survey. For facilities that reported a wait list range (such as between 5 and 10 people), we took the average of the two endpoints. Some facilities reported their list in terms of time rather than people. In these cases, we used an annual turnover rate of 50 percent to convert time into units and people. The 50 percent estimate is based on data from the National Apartment Association showing annual turnover rates of 54 percent across all apartments in the U.S. and 47 percent in the Northeast. For complexes that are partially market-rate and partially subsidized, a proportional amount of the wait list provided was attributed to both kinds of units, where separate wait lists could not be provided for subsidized units and market-rate units, respectively.

Figure 4: Median rents for senior market-rate rentals reflect the median of the lowest monthly rents provided for a one bedroom and the highest monthly rents provided, which was often a two bedroom. The price of studios was excluded from the calculation. Rental prices across all apartments in Erie County are from HUD's 50th Percentile Rent Estimates for fiscal year 2011. These files provide rent estimates for one, two, three, and four-bedroom apartments.

Figure 5: Information on amenities was gathered through the telephone survey. Recreational resources include community rooms, libraries, exercise/fitness rooms, game rooms, and computer rooms. Complexes were counted as having laundry if there were machines either within individual apartments or apartment buildings. Security features reported included intercom systems, security cameras, keypad entry, 24 hour emergency assistance and TV-monitored access. Covered parking was counted even if it was available for an additional fee. Personal services, where available, most often included a hair or beauty salon, while transportation usually entailed a van service, and in a couple of cases, this service is provided in collaboration with a nearby senior center. Social activities included those organized by management as well as resident-directed activities.

Figure 6: The percentage of senior renters by age group was calculated using data on housing tenure by age from Summary File 1 of the 2010 Census.

Figure 7: Data for this analysis is from the Four Seasons Aging Survey of Erie County, New York residents age 50 and up conducted at the University of Buffalo during 2008. Dr. Debra Street, professor in the UB Department of Sociology led the research for the Four Seasons initiative. The survey sought to document the experiences and opinions of older residents of the county who are aging in a four-season climate.

Figure 8: The proportion of renters by municipality within Erie County are from the 2005-10 American Community Survey, five-year estimates for tenure by age of householder. Figures shown on the map reflect the proportion of renters age 65 and up.

Figures 9 and 10: Both the number and proportion of Erie County's 2010 population age 75 plus is from the 2010 Census. Projections through 2030 are from Cornell University, Program on Applied Demographics, providing population projections by county by age and gender through 2035.

Figure 11: Data is based on an analysis of responses to the Four Seasons Aging Survey of Erie County, New York residents age 50 and up conducted at the University of Buffalo during 2008. For additional information about this initiative, see notes for Figure 7.

Figures 12 and 13: Estimates for the number of additional market-rate seniors apartments that will be needed to meet levels of demand in 2020 and 2030 are calculated using the formula below that takes into account, the current number of renters in each municipality, the survival rate of seniors, their migration in and out of the county, and the slight increase in the proportion of older seniors who rent. Figures shown reflect the additional number of units that will be needed above and beyond what currently exists. Where the number is negative, it indicates the municipality can project this number of vacancies unless it can attract seniors from outside the municipality. The formula used for the projections is

$$R_{(65-85,t)} = R_{(55-64,t-10)} (M_i)(S_i) + R_{(65-75,t-10)} (M_i)(S_i)$$

$$\Delta_{(units,t-base\ year)} = [P_i(R)]_{(65-85,t)} - R_{(65-85,base\ year)} + RP(HH)$$

Where:

$R_{(65-85,t)}$ = Number of Renters in a municipality age 65-85 in a given year (2020 and 2030)

$R_{(55-64,t)}$ = Number of Renters in a municipality age 55-64 in a given year

$R_{(65-75,t)}$ = Number of Renters in a municipality age 65-75 in a given year

$R_{(65-85,base\ year)}$ = Base year demand for units; for this analysis survey figures from 2012 are used

$\Delta_{(units, t-base\ year)}$ = Change in demand for senior housing units from a given base year

P_i = Proportion of renters that live in market-rate senior housing (2012 survey: 12.4%)

RP = Rental Premium Rate for those entering the 75-85 age brackets (US Census data exhibits a 3% county-wide premium over previous 10 year age bracket)

HH = Number of Households in municipality

S_i = Survival Rate for a given age bracket (Cornell Projections)

M_i = Migration Rate for a given age bracket (Cornell Projections)

Figure 14: The change in households and housing units between 2000 and 2010 was calculated using data from the 2000 and 2010 Census. Permits for the construction of new housing during this period is from building permit estimates from the U.S. Census.

Figure 15: Aggregate household income by age group is from the 2010 American Community Survey, 1 year estimates for Erie County. Estimates reflect aggregate household income in the past 12 months (during 2010) by age of householder.

Figure 16: Average household income by householder age group was calculated using 2010 American Community Survey data on aggregate household income by age of householder and data on the number of householders by age.

Figure 17: The number of senior households by income category reflect those where the householder is age 65 and up. Data are from one-year estimates of the 2010 American Community Survey. Households with incomes under \$25,000 are estimated to create more demand for subsidized housing than for market-rate rental housing since one-person households with incomes up to \$23,150 are eligible for HUD Section 8 rental assistance. At the same time, households with incomes of \$100,000 or more--more than double the average senior income in Erie County--are anticipated to create greater demand for pricier apartments.

Figure 18: Data on the reasons individuals age 65 and up move outside their county of residence come from geographic mobility data from the U.S. Census reflecting inter-county moves between 2010 and 2010. Data is based on a national sample and used to estimate the proportion of time housing (or lack of it) in Erie County precipitated a move by seniors outside of Erie County. These housing-related moves involved a broad spectrum of housing related motivations, including desire for a new or better home or apartment, a better neighborhood, cheaper housing, and wanting or own rather than rent. Consequently, the 23 percent of housing-related movers establishes a ceiling that very likely overestimates the percentage of seniors in Erie County who move out of the county due to lack of affordable, market-rate rental housing.

Figure 19: Migration rates, both total and for housing-related reasons, were applied to the number of senior households in Erie County in income categories creating highest levels of demand for market-rate senior housing. Total senior households by income category are from one-year estimates from the American Community Survey.

Figure 20: Economic impacts reflect total impacts (direct, indirect and induced) associated with household income that dissipates from the county when seniors leave Erie County to live someplace else. IMPLAN was used to calculate total impacts, and the number of out-migrants estimated for each category was multiplied by the midpoint dollar figure for that income category to estimate the aggregated direct income that Erie County would lose for those seniors. Total impacts were calculated with IMPLAN using county-specific industry multipliers and by assuming senior purchasing patterns track with those across the county at large in terms spending on goods and services within the county and purchases made outside the county which have no impact on the local economy.

Figure 21: The economic loss associated with seniors leaving Erie County were projected to 2020 and 2020 when it is estimated demand for market-rate senior rentals will be stronger by a total of 1,123 and 2,884 units, respectively. These additional households were proportionally added to the existing number of households by income category, projecting that 1 percent would move out of the county annually for a variety of reasons and 23 percent of these would leave for housing related reasons. The total economic loss associated with the income they would take with them was calculated using IMPLAN as described in the notes for Figure 21. Dollars shown are current year 2012 dollars.

Appendix C: Market-Rate Senior Apartments

Below is a listing of the market-rate senior complexes identified by this study. As described in this report, each one includes at least some market-rate rental units and all impose an-related age restriction on residents.

Name	Street Address	City/Town
Bell Tower Senior Apartments	42 Haley Lane	Cheektowaga
Boston Square	7355 Boston State Road	Boston
Brighton Square	300 Fries Road	Tonawanda
Colonial Meadows	6010 Broadway	Lancaster
Convent Apartments	520 Maryvale Drive	Cheektowaga
CrestMount Square Senior Apartments	285 Crestmount Avenue	Tonawanda
Fox Run at Orchard Park	1 Fox Run Lane	Orchard Park
Garden Gate Apartments	2244 Union Road	West Seneca
Hopkins Court Apartments	2250 N. French Road	Amherst
Jewish Federation Housing	275 Essjay Road	Williamsville
Jill Joseph Tower Sr. Apartments	66 Custer Street	Buffalo
Katie's Place	2880 Transit Road	West Seneca
Lancaster Commons	18 Pavement Road	Lancaster
Lily's Place	1320 Southwestern Boulevard	West Seneca
Maryvale East Senior Citizen Complex	100 & 120 Moorman Drive	Cheektowaga
Mount St. Mary's Senior Residence	3754 Delaware Avenue	Kenmore
Musacchio Garden Apartments	10325 Main Street	North Collins
Orchard Place Senior Apartments	133 Orchard Place	Lackawanna
Seneca Pointe	1187 Orchard Park Road	West Seneca
Shaarey Zedek Apartments	410 Hartford Road	Amherst
South Pointe Senior Apartments	4600 Southwestern Boulevard	Hamburg
St. Mary's Apartments	400 Mill Street	Williamsville
Steepleview Apartments	1045 Sturgeon Point Road	Evans
StoneGate of Clarence	4100 Stonegate Lane	Williamsville
Sylvia's Place	2460 Bowen Road	Elma
The Claremount	10338 Main Street	Clarence
The Cloisters	10-12 Westgate Avenue	Akron/Newstead
The Meadows	31 Westgate Avenue	Akron/Newstead
The Residence at North	245 North Street	Buffalo
Timon Towers Apartments	1015 Delaware Avenue	Buffalo
Townview Apartments	50 Grambo Drive	Lancaster
Turtle Creek	2730 North Forest Road	Amherst
Union Square Senior Apartments	2341 Union Road	West Seneca
Westchester Park Apartments	55 Ralston Avenue	Kenmore
Williamstowne Retirement Community	2940 William Street	Cheektowaga
Woodland Place	4791 William Street	Lancaster



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