

CALIFORNIA REAL ESTATE JOURNAL

Building for the Next Phase of Life

New mixed-use, intergenerational housing for seniors

By Colleen Flannery

July 11, 2008

Today's oldest baby boomers turn 62 this year, according to the U.S. Census Bureau, and they're starting to redefine just what "senior living" should mean.

And for many, padding around a suburban retirement home in their fuzzy slippers just won't cut it.

"Our customers want the energy and excitement of a city," said Paul Riepma, senior vice president of marketing for Pacific Retirement Services. "They don't want to be put out to pasture in the boondocks."

Future residents of PRS's Mirabella San Francisco Bay will browse amid 31,000 square feet of retail, restaurants and a pedestrian art walk as part of Foster City Village Square, a Sares Regis Group of Northern California development.

Rising as high as 14 stories, the planned project will incorporate 418,750 square feet of independent living units and 28,000 square feet of assisted living space. Seniors theoretically can enjoy a jazz concert from their back porches, said Jeff Birdwell, president of the Foster City-based Northern California group.

To Birdwell, the site makes a natural match for a town center-style development that puts seniors at the middle of everything.

"This site is just crying out for infill senior housing," he said.

So are seniors. About 11 percent of boomer seniors are moving back to the central city or plan that move, according to Robert Charles Lesser & Co. polling data.

That sounds like a small percentage, but consider that one in six Californians, more than 8.2 million, will be 65 years old or more in 2030, U.S. Census Bureau projections show. If polling data translates into actual residents, that means nearly 1 million seniors will want to live in California's central cities.

Anecdotally and in AARP-sponsored surveys, many seniors said they prefer the convenience of living in the central city because of the ease of accessibility, said Christina Clem, communications coordinator for AARP California. Seniors want to be active and feel like part of the community, but can't if they're limited by inability or lack of desire to drive.

"One of the biggest reasons retirees look to the city interiors is transportation," Clem said. "They have a much harder time getting around in the suburbs than in the city."

Centered on Senior Housing

Transportation doesn't seem to be a problem at Foster City Village Square, where seniors will be able to walk from their front door or take shuttles to a nearby library, to City Hall or to their local senior center.

But getting the project off the ground took a sizeable investment on the part of Sares Regis, which had to compete against four developers to get the green light from Foster City officials. To earn the right to build the sizeable development, Sares Regis also had to agree to build a town center, market-rate and affordable housing, and retail,

said Zach Wilson, a development manager at the company.

In return for giving Sares Regis the development rights and a lengthy ground lease, Foster City will benefit from the presence of seniors who will act as good neighbors - and who might find themselves offering their volunteer aid to their newfound community, Wilson said.

"They're ready to help out at the library, at the community center, at City Hall," he said.

Although more mid-life than retirement-age people actually report volunteering, those who volunteer during their early years of retirement do so with greater frequency than mid-life volunteers, according to a 2004 AARP study, "Reinventing Aging: Baby Boomers and Retirement."

Nearby, in Palo Alto, Sares Regis has planned a slightly different, more intergenerational approach to aging that also could encourage volunteerism and activity.

Built on a former Sun Microsystems campus site, its Taube-Koret Campus For Jewish Life will incorporate 310,000 square feet of housing for Jewish seniors. On the same site, the 145,000-square-foot Jewish Community Center will include gym facilities, as well as a day care and other community center amenities.

Right next door, **BRIDGE Housing's** Fabian Way Senior will provide 56 low-income senior units for very-low-income seniors, with no religious qualifications.

Whether they live at the BRIDGE

units or in the Sares Regis ones, these seniors definitely aren't going out to pasture in Palo Alto.

And as a nod to new thinking on intergenerational communities - and to the lingering strength of the Palo Alto rental market - Sares Regis' sister company, Regis Homes of Northern California, will build 103 podium-construction townhomes next door, also on the Sun campus site.

To serve seniors in need of affordable housing, BRIDGE also plans several of its own infill and mixed-use developments that bring seniors to the center - and helps them meet their needs, explained Carol Galante, chief executive officer of BRIDGE Housing.

"When we build senior housing, we build in places near senior services," she said.

In San Francisco, Armstrong Place Senior Housing, a 112-unit affordable apartment complex, will rise in San Francisco's Bayview District. Elsewhere in the city, BRIDGE will partner with the Institute on Aging to develop Geary Boulevard Senior Living and Health Center, a new mixed-use senior living facility, which will place 150 affordable rental apartments on the top four and a half floors of a senior center.

Heading south to San Diego's Bronze Triangle neighborhood, BRIDGE's Comm 22 will combine affordable housing for seniors, families and teachers with community-serving retail space, market-rate lofts and for-sale homes. The mixed-use development will include space for a day care and for BRIDGE's proposed Southern California headquarters.

Those used to city living should feel right at home in a BRIDGE infill senior site, BRIDGE's chief executive officer said.

"Just from helping my own mother move into a senior facility, I can tell you that people want access to entertainment, to shopping," Galante said. "Seniors want to live in an environment that's familiar. Moving is hard enough."

Housing Seniors Across the State

Sares Regis and BRIDGE aren't the

only developers capitalizing on this emerging need for centrally located senior housing. For example, Otay Ranch Co. developers placed affordable senior housing above retail in a high-density neighborhood center that also includes some affordable family apartments and market-rate condos.

Designers also crafted Coyote Valley in San Jose around the intergenerational concept, re-integrating senior housing with other types, said Lauri Moffet-Fehlberg, a principal with Dahlin Group Architecture Planning at a February Urban Land Institute-Sacramento event, Building Greenfield Without Sprawl.

The 25,000 total housing units planned for the Silicon Valley site will include spaces for the old and the young, she said.

"We wanted to make this a true community, a generational community," said Moffet-Fehlberg. "We wanted to craft a place you didn't have to move away from."

It remains uncertain just how much of the Coyote Valley community will advance from concept to construction. The Coyote Housing Group, a group of landowners and builders funding San Jose's Coyote Valley Specific Plan process, announced March 18 that it simply was no longer economically viable to continue pursuing entitlements for the project after initial costs ballooned to \$17 million. At that time, the CHG terminated its agreement with the city.

Safety also is important for seniors, and a 2007 AARP survey found about 20 percent of urban residents aged 50 and older felt their area offered only "fair" or "poor" safety, compared with 10 percent to 12 percent in suburbs and rural areas.

Infill developments can include amenities that enhance older residents' feeling of security. For example, Bethany Square, a South Central Los Angeles mixed-use project that includes 100 units of senior housing, plans to integrate "crime prevention through environmental design," according to Bethany Square LLC's original proposal. This means a combination of lighting,

security guards, key controls and natural surveillance.

Even as new safe, accessible senior infill has risen to the fore, preserving and restoring California's existing infill senior housing stock also appears to have become important, according to a recent state agency funding decision.

The California Housing Finance Agency Board of Directors recently approved \$19.9 million in long-term financing that will enable Apartment Investment and Management Company to improve Grand Plaza Apartments, an affordable apartment community housing 400 residents in the Chinatown Redevelopment Plan area of central Los Angeles.

Restoring these units and preserving their affordable status means AIMCO also can keep its tenants connected both to the rich culture and vital services that surround them, said Derik Hart, AIMCO senior vice president. Proximity to the city means the residents benefit from health and safety outreach campaigns and other services, he said.

Seniors also find less tangible benefits that they can't quite get to from a suburban paddock.

"We're on the border of Chinatown, so there's a strong connection to the local community," Hart said. "That means parades not only go through our property - there are actual ceremonies held on our grounds."