



# THE HIGHLAND GROUP

*Strategic Research, Planning, and Marketing Solutions  
for Seniors Housing and Care Communities*



THE HIGHLAND GROUP

# HOUSING AND CARE FACILITY NEEDS FORECAST, GAPS, AND OPPORTUNITIES: STATE OF COLORADO AND FIVE SUB-AREAS

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**Prepared for:**

STRATEGIC ACTION PLANNING GROUP ON AGING

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# EXECUTIVE SUMMARY

## Section Contents

Purpose:	Purpose and Overview of Report
Overview Pages:	Colorado Statewide Eastern Plains Sub-Area Front Range Sub-Area Mountain Resort Sub-Area Southern Colorado Sub-Area Western Slope Sub-Area
Summary Tables:	Key Demographics - Colorado Statewide and Sub-Areas, 2016 and Growth 2015 to 2030  Existing and Under-Construction Inventory - Colorado Statewide and Sub-Areas  Supply and Demand - Colorado Statewide and Sub-Areas, 2016 - 2030

# PURPOSE AND OVERVIEW OF REPORT

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## Purpose and General Approach

The purpose of this report is to provide a needs forecast and to identify gaps, opportunities, and potential strategies specific to housing and care facilities for older Coloradoans. The content and scope of this report provide data and related recommendations to support the work of the Strategic Action Planning Group on Aging. The focus of the report is specific to housing and care facilities for older persons in Colorado between now and the year 2030.

This research report provides a picture of the State of Colorado as a whole, as well as for five geographic sub-areas. The sub-areas were defined by the Strategic Action Planning Group on Aging, along County and Planning and Management Region Boundaries, as follows:

Colorado Statewide	Eastern Plains Sub-Area	Front Range Sub-Area
Mountain Resort Sub-Area	Southern Colorado Sub-Area	Western Slope Sub-Area

Maps displaying these sub-areas are found within the report.

## Report Structure

Both for the state as a whole and for five sub-areas of the state, the report provides inventory counts by housing and care facility type, need forecasts, and gaps or oversupply. Identified gaps and opportunities for housing and care facilities are listed relative to urban/suburban and rural and mountain areas, relative to market-rate and affordable households, and relative to age 55 to 80 (“younger old”) and age 80+ (“older old”). Strategies are listed separately for state government, local government, and informal systems.

### The structure of the report is as follows:

Executive summary

Trends and implications of trends, gaps and opportunities, and recommended strategies

Six separate sections detailing demographics, inventory, demand estimates and projections for Colorado statewide and for each of the five sub-areas

Appendix containing key demographic tables, utilization factors, and assumptions for all six areas, proposal detail, sources and limitations of the report, endnotes to tables and overviews, glossary, and bibliography

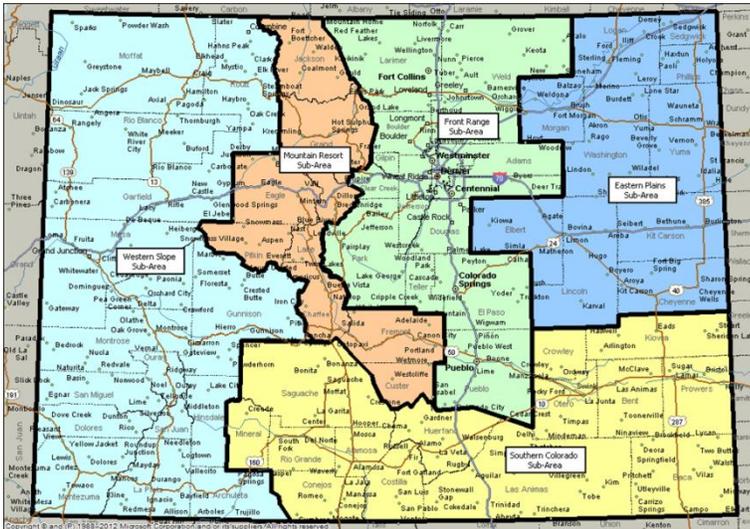
## Limits of the Scope of This Report

Because the focus of this report is on senior/age-qualified housing and care facilities, and it is focused on five large sub-areas of the state, issues and needs specific to particular cities/towns or specific to particular groups may be mentioned, but are not addressed separately (for example, Latino elders or Asian elders, LGBTQ elders, veterans, homeless, those needing mental health services, etc.). Additionally, other services that are related to housing and care may be mentioned, but are not addressed within the scope of this report (for example, transportation, home health care, home modification programs, wellness services, financial benefit programs, etc.). It is our belief that the gaps, opportunities, and strategies included in this report do encompass approaches that are appropriate to many of the different housing situations, needs, and cultural preferences of different subgroups within the state.

# OVERVIEW: COLORADO STATEWIDE

This section includes overviews for Colorado statewide and for each of the five sub-areas. Each overview includes a map, a list of counties in the sub-area, a summary demographic table, and an overview of net demand or oversupply for eight age-qualified housing and care property types in 2016.

## Map of Colorado and Five Sub-Areas



Age Group	2015	2030	% Increase
All Ages	5,443,608	6,970,657	28%
Age 55-64	689,219	739,637	7%
Age 65-74	432,477	667,436	54%
Age 75+	281,979	588,878	109%

Source: Demography Section, Colorado Department of Local Affairs

## Colorado Statewide Inventory and Demand/Oversupply of Age-Qualified Housing and Care

This table displays the current inventory and net demand or oversupply of age-qualified housing and care by type for Colorado statewide.

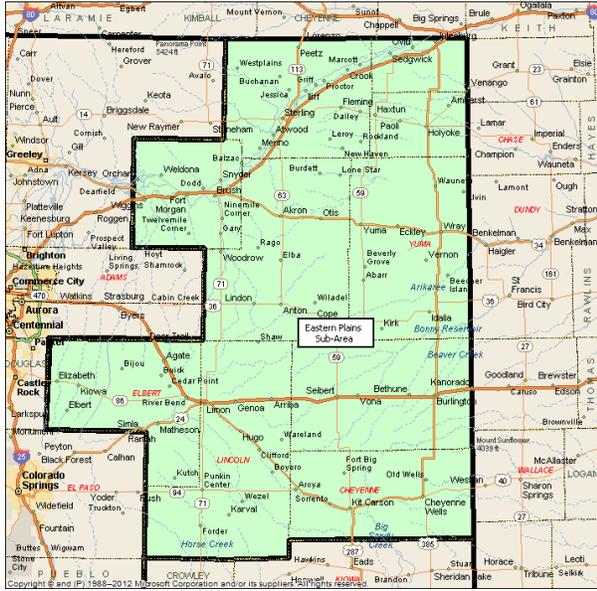
Type	Number Units or Beds	Net Demand or (Oversupply)	Type	Number Units or Beds	Net Demand or (Oversupply)
Skilled Nursing Beds: All Payer Sources	21,479	(4,459)	Independent Living Units: Market-Rate	10,967	2,338
Assisted Living Beds: Market-Rate	9,980	793	Age-Qualified Rental Units: Market-Rate	3,524	2,731
Assisted Living Beds: Affordable	5,610	2,969	Age-Qualified Rental Units: Affordable	20,797	7,751
Memory Care Assisted Living Beds	4,261	394	Age-Qualified For-Sale Units	17,358	6,576

“Net Demand” or “Oversupply” estimates are based purely on total available inventory, with no adjustment for properties that are dated, obsolete, or of very poor quality. Also, there is considerable variation throughout the state and within the sub-areas, so, for example, even with an oversupply calculated for the state or a sub-area overall, some communities may be under-served, while others are over-served.

Detailed analysis of inventory and demand calculations for the state and for each sub-area are included within the body of this report.

# OVERVIEW: EASTERN PLAINS SUB-AREA

The **Eastern Plains Sub-Area** is comprised of Colorado Planning and Management Regions 1 and 5, located in the northeastern/eastern section of Colorado. The greatest proportion of residents in this sub-area live in unincorporated areas, and the largest cities and towns are Sterling and Fort Morgan, followed by Brush, Burlington, and Yuma.



Eastern Plains Sub-Area Counties	
<b>Cheyenne</b>	<b>Morgan</b>
<b>Elbert</b>	<b>Phillips</b>
<b>Kit Carson</b>	<b>Sedgwick</b>
<b>Lincoln</b>	<b>Washington</b>
<b>Logan</b>	<b>Yuma</b>

Eastern Plains Sub-Area Demographic Totals			
Age Group	2015	2030	% Increase
<b>All Ages</b>	112,780	151,242	34%
<b>Age 55-64</b>	15,204	16,625	9%
<b>Age 65-74</b>	10,087	15,273	51%
<b>Age 75+</b>	8,137	12,455	53%

Source: Demography Section, Colorado Department of Local Affairs

## Current Inventory and Demand/Oversupply of Age-Qualified Housing and Care

This table displays the current inventory and net demand or oversupply of age-qualified housing and care by type for the Eastern Plains sub-area.

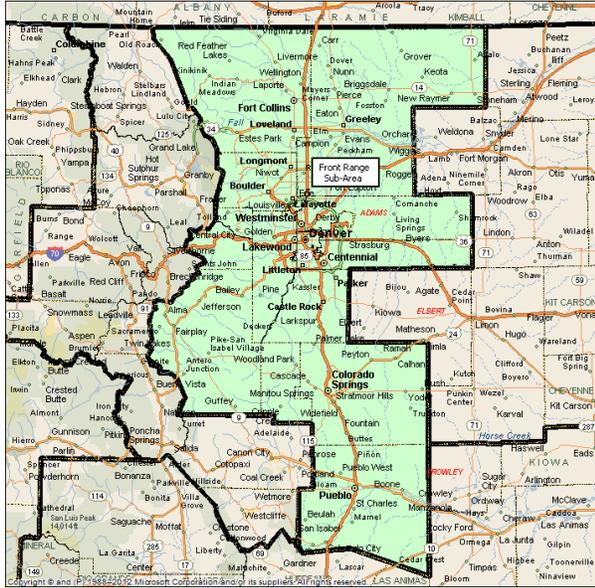
Eastern Plains Sub-Area: Inventory and Net Demand or Oversupply 2016					
Type	Number Units or Beds	Net Demand or (Oversupply)	Type	Number Units or Beds	Net Demand or (Oversupply)
Skilled Nursing Beds: All Payer Sources	896	(414)	Independent Living Units: Market-Rate	12	78
Assisted Living Beds: Market-Rate	94	86	Age-Qualified Rental Units: Market-Rate	0	89
Assisted Living Beds: Affordable	385	(102)	Age-Qualified Rental Units: Affordable	176	352
Memory Care Assisted Living Beds	0	80	Age-Qualified For-Sale Units	0	197

“Net Demand” or “Oversupply” estimates are based purely on total available inventory, with no adjustment for properties that are dated, obsolete, or of very poor quality. Also, there is considerable variation throughout the state and within the sub-areas, so, for example, even with an oversupply calculated for a sub-area overall, some communities within the sub-area may be under-served, while others are over-served.

Detailed analysis of inventory and demand calculations for the state and for each sub-area are included within the body of this report.

# OVERVIEW: FRONT RANGE SUB-AREA

The **Front Range Sub-Area** is comprised of Colorado Planning and Management Regions 2, 3, 4 and 7, located in the central section of Colorado, stretching from the northern state border south through Pueblo County.



Front Range Sub-Area Counties		
Adams	Denver	Larimer
Arapahoe	Douglas	Park
Boulder	El Paso	Pueblo
Broomfield	Gilpin	Teller
Clear Creek	Jefferson	Weld

Front Range Sub-Area Demographic Totals			
Age Group	2015	2030	% Increase
All Ages	4,571,632	5,832,423	28%
Age 55-64	561,712	619,669	10%
Age 65-74	345,746	548,247	59%
Age 75+	223,446	472,709	112%

*Source: Demography Section, Colorado Department of Local Affairs*

## Current Inventory and Demand/Oversupply of Age-Qualified Housing and Care

This table displays the current inventory and net demand or oversupply of age-qualified housing and care by type for the Front Range sub-area.

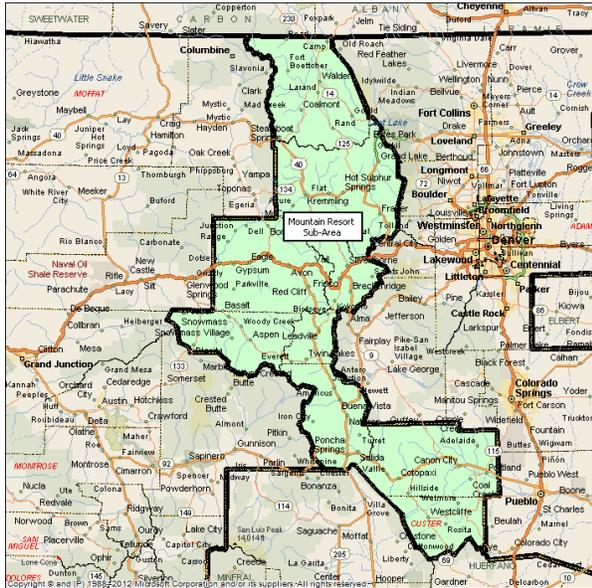
Front Range Sub-Area: Inventory and Net Demand or Oversupply 2016					
Type	Number Units or Beds	Net Demand or (Oversupply)	Type	Number Units or Beds	Net Demand or (Oversupply)
Skilled Nursing Beds: All Payer Sources	16,791	(3,310)	Independent Living Units: Market-Rate	10,412	1,978
Assisted Living Beds: Market-Rate	9,021	345	Age-Qualified Rental Units: Market-Rate	3,428	2,047
Assisted Living Beds: Affordable	4,158	2,439	Age-Qualified Rental Units: Affordable	18,377	5,416
Memory Care Assisted Living Beds	4,017	1	Age-Qualified For-Sale Units	16,613	5,216

“Net Demand” or “Oversupply” estimates are based purely on total available inventory, with no adjustment for properties that are dated, obsolete, or of very poor quality. Also, there is considerable variation throughout the state and within the sub-areas, so, for example, even with an oversupply calculated for a sub-area overall, some communities within the sub-area may be under-served, while others are over-served.

Detailed analysis of inventory and demand calculations for the state and for each sub-area are included within the body of this report.

# OVERVIEW: MOUNTAIN RESORT SUB-AREA

The **Mountain Resort Sub-Area** is comprised of Colorado Planning and Management Regions 12 and 13, located in the central section of Colorado. The greatest proportion of residents in this sub-area live in unincorporated areas, and the largest city is Cañon City, followed by Aspen, Gypsum, Eagle, Avon, and Salida.



Mountain Resort Sub-Area Counties	
Chaffee	Jackson
Custer	Lake
Eagle	Pitkin
Fremont	Summit
Grand	

Mountain Resort Sub-Area Demographic Totals			
Age Group	2015	2030	% Increase
All Ages	194,591	260,336	34%
Age 55-64	28,117	27,149	-3%
Age 65-74	19,563	25,253	29%
Age 75+	10,455	24,808	137%

Source: Demography Section, Colorado Department of Local Affairs

## Current Inventory and Demand/Oversupply of Age-Qualified Housing and Care

This table displays the current inventory and net demand or oversupply of age-qualified housing and care by type for the Mountain Resort sub-area.

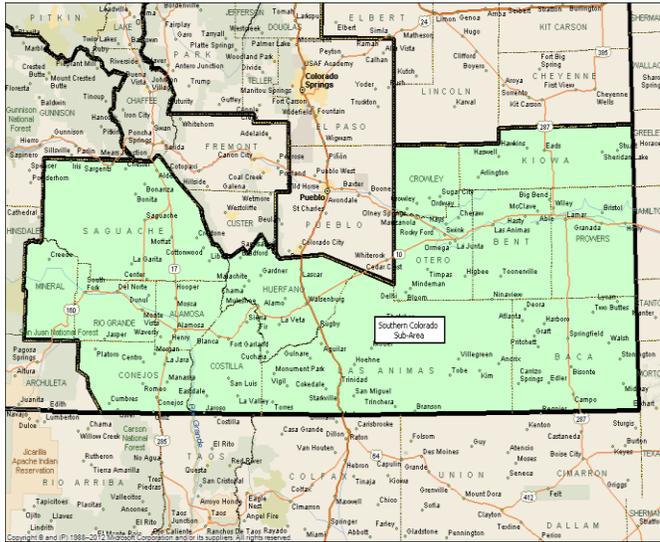
Mountain Resort Sub-Area: Inventory and Net Demand or Oversupply 2016					
Type	Number Units or Beds	Net Demand or (Oversupply)	Type	Number Units or Beds	Net Demand or (Oversupply)
Skilled Nursing Beds: All Payer Sources	656	(9)	Independent Living Units: Market-Rate	45	76
Assisted Living Beds: Market-Rate	50	183	Age-Qualified Rental Units: Market-Rate	0	186
Assisted Living Beds: Affordable	163	117	Age-Qualified Rental Units: Affordable	547	353
Memory Care Assisted Living Beds	12	125	Age-Qualified For-Sale Units	24	307

“Net Demand” or “Oversupply” estimates are based purely on total available inventory, with no adjustment for properties that are dated, obsolete, or of very poor quality. Also, there is considerable variation throughout the state and within the sub-areas, so, for example, even with an oversupply calculated for a sub-area overall, some communities within the sub-area may be under-served, while others are over-served.

Detailed analysis of inventory and demand calculations for the state and for each sub-area are included within the body of this report.

# OVERVIEW: SOUTHERN COLORADO SUB-AREA

The **Southern Colorado Sub-Area** is comprised of Colorado Planning and Management Regions 6, 8, and 14, located in the southeastern/southern section of Colorado. The greatest proportion of residents in this sub-area live in unincorporated areas, and the largest cities and towns are Alamosa, Trinidad, Lamar, and La Junta.



Southern Colorado Sub-Area Counties		
Alamosa	Crowley	Otero
Baca	Huerfano	Prowers
Bent	Kiowa	Rio Grande
Conejos	Las Animas	Saguache
Costilla	Mineral	

Southern Colorado Sub-Area Demographic Totals			
Age Group	2015	2030	% Increase
All Ages	113,786	128,475	13%
Age 55-64	17,005	12,526	-26%
Age 65-74	12,470	13,930	12%
Age 75+	9,679	14,899	54%

Source: Demography Section, Colorado Department of Local Affairs

## Current Inventory and Demand/Oversupply of Age-Qualified Housing and Care

This table displays the current inventory and net demand or oversupply of age-qualified housing and care by type for the Southern Colorado sub-area.

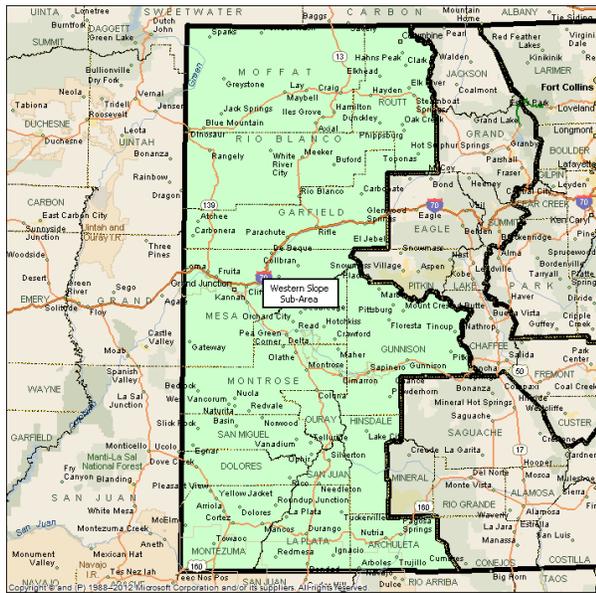
Southern Colorado Sub-Area: Inventory and Net Demand or Oversupply 2016					
Type	Number Units or Beds	Net Demand or (Oversupply)	Type	Number Units or Beds	Net Demand or (Oversupply)
Skilled Nursing Beds: All Payer Sources	1,024	(446)	Independent Living Units: Market-Rate	20	93
Assisted Living Beds: Market-Rate	122	48	Age-Qualified Rental Units: Market-Rate	0	87
Assisted Living Beds: Affordable	198	207	Age-Qualified Rental Units: Affordable	134	933
Memory Care Assisted Living Beds	0	73	Age-Qualified For-Sale Units	0	231

“Net Demand” or “Oversupply” estimates are based purely on total available inventory, with no adjustment for properties that are dated, obsolete, or of very poor quality. Also, there is considerable variation throughout the state and within the sub-areas, so, for example, even with an oversupply calculated for the sub-area overall, some communities within the sub-area may be under-served, while others are over-served.

Detailed analysis of inventory and demand calculations for the state and for each sub-area are included within the body of this report.

# OVERVIEW: WESTERN SLOPE SUB-AREA

The **Western Slope Sub-Area** is comprised of Colorado Planning and Management Regions 9, 10, and 11, located in the western section of Colorado. The greatest proportion of residents in the sub-area live in unincorporated areas, and the largest city is Grand Junction, followed by Montrose, Durango, Fruita, and Steamboat Springs.



Western Slope Sub-Area Counties		
Archuleta	La Plata	Rio Blanco
Delta	Mesa	Routt
Dolores	Moffat	San Juan
Garfield	Montezuma	San Miguel
Gunnison	Montrose	
Hinsdale	Ouray	

Western Slope Sub-Area Demographic Totals			
Age Group	2015	2030	% Increase
All Ages	450,729	598,181	33%
Age 55-64	65,760	65,089	-1%
Age 65-74	44,611	64,733	45%
Age 75+	30,262	64,007	112%

Source: Demography Section, Colorado Department of Local Affairs

## Current Inventory and Demand/Oversupply of Age-Qualified Housing and Care

This table displays the current inventory and net demand or oversupply of age-qualified housing and care by type for the Western Slope sub-area.

Western Slope Sub-Area: Inventory and Net Demand or Oversupply 2016					
Type	Number Units or Beds	Net Demand or (Oversupply)	Type	Number Units or Beds	Net Demand or (Oversupply)
Skilled Nursing Beds: All Payers	2,112	(280)	Independent Living Units: Market-Rate	478	113
Assisted Living Beds: Market-Rate	693	130	Age-Qualified Rental Units: Market-Rate	96	323
Assisted Living Beds: Affordable	706	308	Age-Qualified Rental Units: Affordable	1,563	696
Memory Care Assisted Living Beds	232	115	Age-Qualified For-Sale Units	721	625

“Net Demand” or “Oversupply” estimates are based purely on total available inventory, with no adjustment for properties that are dated, obsolete, or of very poor quality. Also, there is considerable variation throughout the state and within the sub-areas, so, for example, even with an oversupply calculated for a sub-area overall, some communities within the sub-area may be under-served, while others are over-served.

Detailed analysis of inventory and demand calculations for the state and for each sub-area are included within the body of this report.

# SUMMARY TABLE: KEY DEMOGRAPHICS - COLORADO STATEWIDE AND SUB-AREAS

This table displays key demographics for Colorado Statewide and each of the five sub-areas for 2016 and also displays population growth from 2015 to 2030 for total population and age-targeted groups.

Key Demographics - Colorado Statewide and Sub-Areas, 2016 and Growth 2015 to 2030						
Age-Targeted Households	Colorado Statewide	Eastern Plains	Front Range	Mountain Resort	Southern Colorado	Western Slope
<b>General Population Demographics:</b>						
Total population, 2016	5,538,581	114,894	4,653,646	197,223	114,516	458,302
Median household income, 2016	\$61,172	\$53,910	\$63,227	\$57,953	\$38,746	\$51,411
Median owner housing value, 2016	\$272,025	\$167,645	\$278,243	\$306,577	\$116,194	\$256,963
<b>Targeted Households: Numbers, Incomes, and Percentages Over Income Thresholds</b>						
<b>Total Households</b>	<b>2,191,973</b>	<b>43,439</b>	<b>1,838,478</b>	<b>79,541</b>	<b>46,047</b>	<b>184,485</b>
<b>Age 55-64 Households, 2016</b>	<b>419,275</b>	<b>9,743</b>	<b>343,766</b>	<b>16,396</b>	<b>10,329</b>	<b>39,026</b>
Number with \$75,000+ income	195,542	4,183	167,649	6,283	2,785	14,547
Age 55-64 percent with \$75,000+ income, 2016	46.6%	42.9%	48.8%	38.3%	27.0%	37.3%
Age 55-64 median household income, 2016	\$74,747	\$69,518	\$77,949	\$63,956	\$47,363	\$61,759
<b>Age 65-74 Households, 2016</b>	<b>286,413</b>	<b>6,526</b>	<b>229,079</b>	<b>12,814</b>	<b>8,340</b>	<b>29,656</b>
Number with \$50,000+ income	155,001	3,179	127,450	7,010	3,161	14,178
Age 65-74 percent with \$50,000+ income, 2016	54.1%	48.7%	55.6%	54.7%	37.9%	47.8%
Age 65-74 median household income, 2016	\$54,886	\$48,799	\$56,682	\$56,375	\$38,328	\$47,831
<b>Age 75+ Households, 2016</b>	<b>196,189</b>	<b>5,632</b>	<b>154,872</b>	<b>7,571</b>	<b>7,039</b>	<b>21,112</b>
Number below Medicaid threshold (\$26,388)	78,713	2,498	59,920	2,969	3,903	9,564
Age 75+ percent Medicaid-qualified, 2016	40.1%	44.4%	38.7%	39.2%	55.5%	45.3%
Number with \$35,000+ household income	91,061	2,305	74,358	3,412	2,284	8,590
Age 75+ percent with \$35,000+ income, 2016	46.4%	40.9%	48.0%	45.1%	32.4%	40.7%
Age 75+ median household income, 2016	\$32,806	\$29,665	\$34,069	\$32,324	\$23,582	\$29,259
<b>Targeted Individuals: Growth Rates by Age Groups, 2015 to 2030</b>						
Population growth rate, 2015 to 2030	28.1%	34.0%	27.6%	33.8%	12.9%	32.7%
Age 55-64 growth rate, 2015 to 2030	7.3%	-8.5%	10.3%	-3.4%	-26.3%	-1.0%
Age 65-74 growth rate, 2015 to 2030	54.3%	51.4%	58.6%	29.1%	11.7%	45.1%
Age 75+ growth rate, 2015 to 2030	108.8%	53.1%	111.6%	137.3%	53.9%	111.5%

Sources: The Nielsen Company; Demography Section of Colorado Department of Local Affairs

## General Population

**Size of Population** - In 2016, the Eastern Plains and Southern Colorado sub-areas are estimated to both have the smallest populations in the state (each with approximately 114,000, or 2% of statewide totals). The Mountain Resort sub-area is the next largest, with an estimated population of nearly 200,000 (or 4% of statewide totals), and the Western Slope sub-area is estimated to have a population of about 450,000, or 8% of statewide totals. The largest sub-area, the Front Range, is estimated to have a population of a little more than 4,500,000, or 84% of statewide totals.

**Median household incomes** - In 2016, the median household income statewide is estimated to be \$61,172. Median incomes for every sub-area are lower than the state median except for the Front Range sub-area. The Southern Colorado sub-area has the lowest median income (\$38,746), the Eastern Plains, Mountain Resort, and Western Slope sub-areas have median incomes ranging from \$51,411 to \$57,953, and the Front Range sub-area's median income is \$63,227.

**Median owner housing value** - In 2016, statewide median housing value is estimated at \$272,025. The Southern Colorado sub-area's median value (\$116,194) is the lowest in the state, followed by the Eastern Plains sub-area (\$167,645). Median housing values for the Front Range (\$278,243) and Western Slope (\$256,963) sub-areas are close to the statewide median. The Mountain Resort sub-area's (\$306,577) median value is the highest in the state.

### **Age-Targeted Households**

**Age 55 to 64** - In 2016, the Eastern Plains sub-area is estimated to have the smallest number of age 55 to 64 households (9,743) and the Front Range sub-area is estimated to have the largest (343,766). The Mountain Resort, Western Slope, and Southern Colorado sub-areas range from 10,329 age 55 to 64 households (Southern Colorado) to 39,026 households (Western Slope). The lowest median household income for this age group in the state is the Southern Colorado sub-area (\$47,363) and the highest is the Front Range sub-area (\$77,949). The Mountain Resort, Eastern Plains, and Western Slope sub-areas' median household incomes range from \$61,759 (Western Slope) to \$69,518 (Eastern Plains). The Front Range sub-area has the greatest percentage of age 55 to 64 households with incomes over \$75,000 (48.8%) and the Southern Colorado sub-area has the smallest (27%).

**Age 65 to 74** - In 2016, the Eastern Plains sub-area (6,526) is estimated to have the smallest number of age 65 to 74 households and the Front Range sub-area (229,079) is estimated to have the largest. The Mountain Resort, Western Slope, and Southern Colorado sub-areas range from an estimated 8,340 households (Southern Colorado) to 29,656 households (Western Slope). The lowest median household income for this age group in the state is the Southern Colorado sub-area (\$38,328) and the highest is the Front Range sub-area (\$56,682). The Mountain Resort, Eastern Plains, and Western Slope sub-areas' median household incomes range from \$47,831 (Western Slope) to \$56,375 (Mountain Resort). The Front Range sub-area has the greatest percentage of age 65 to 74 households with incomes over \$50,000 (55.6%) and the Southern Colorado sub-area has the smallest (37.9%).

**Age 75+** - In 2016, the Eastern Plains sub-area (5,632) has the smallest number of age 75+ households and the Front Range sub-area (154,872) has the largest. The Mountain Resort, Western Slope, and Southern Colorado sub-areas range from 7,039 age 75+ households (Southern Colorado) to 21,112 households (Western Slope). The lowest median household income for this age group in the state is the Southern Colorado sub-area (\$23,582) and the highest is the Front Range sub-area (\$34,069). The Mountain Resort, Eastern Plains, and Western Slope sub-areas' median household incomes range from \$29,259 (Western Slope) to \$32,324 (Mountain Resort). The Front Range sub-area has the greatest percentage of age 75+ households with incomes over \$35,000 (48%) and the Southern Colorado sub-area has the smallest (32.4%). Additionally, the Southern Colorado sub-area has the greatest percentage (55.5%) of age 75+ households that would qualify for Medicaid based on income.

### **Targeted Individuals: Growth Rates by Age Group, 2015 to 2030**

The projected growth for total population in the state is 28.1% between 2015 and 2030. The Mountain Resort (33.8%) and Eastern Plains (34%) sub-area populations are projected to have the largest percentage growth rates and Southern Colorado has the lowest projected growth rate (12.9%) between 2015 and 2030. Projected growth for the age group 55 to 64 in the state is 7.3%; the Front Range sub-area is projected to grow 10.3% while the 55 to 64 age group in every other sub-area in the state is projected to decline between 2015 and 2030. Projected growth for the age group 65 to 74 in the state is 54.3%; the Front Range sub-area is projected to grow 58.6% and the Southern Colorado sub-area is expected to grow only 11.7% between 2015 and 2030. Projected growth for the age group 75+ in the state is 108.8%; the Mountain Resort sub-area is projected to grow 137.3% and the age 75+ age group in the Eastern Plains sub-area is expected to grow only 53.1% between 2015 and 2030.

# SUMMARY TABLE: RACE AND ETHNICITY, AGE 65+ GROWTH TO 2030 - COLORADO STATEWIDE AND SUB-AREAS

Colorado Statewide: 65+ Population by Race/Ethnicity						
	2016	2021	2025	2030	Change 2016-2030	% Change 2016-2030
American Indian non Hispanic	4,735	6,451	7,898	9,543	4,808	101.5%
Asian non Hispanic	17,565	23,906	30,026	39,186	21,621	123.1%
Black non Hispanic	20,041	25,879	31,524	38,033	17,992	89.8%
Hispanic	78,922	104,006	128,547	163,628	84,706	107.3%
White non Hispanic	626,834	773,889	891,497	1,005,916	379,083	60.5%
Eastern Plains: 65+ Population by Race/Ethnicity						
	2016	2021	2025	2030	Change 2016-2030	% Change 2016-2030
American Indian non Hispanic	82	111	136	166	83	101.4%
Asian non Hispanic	81	108	134	173	91	112.2%
Black non Hispanic	75	100	126	157	81	108.0%
Hispanic	1,121	1,395	1,697	2,127	1,007	89.8%
White non Hispanic	17,379	20,191	22,795	25,101	7,722	44.4%
Front Range: 65+ Population by Race/Ethnicity						
	2016	2021	2025	2030	Change 2016-2030	% Change 2016-2030
American Indian non Hispanic	3,406	4,660	5,739	7,005	3,600	105.7%
Asian non Hispanic	16,791	22,863	28,735	37,547	20,756	123.6%
Black non Hispanic	19,668	25,393	30,926	37,314	17,646	89.7%
Hispanic	64,421	85,477	106,296	136,470	72,050	111.8%
White non Hispanic	492,451	610,735	706,624	802,622	310,171	63.0%
Mountain Resort: 65+ Population by Race/Ethnicity						
	2016	2021	2025	2030	Change 2016-2030	% Change 2016-2030
American Indian non Hispanic	171	228	272	317	146	85.3%
Asian non Hispanic	177	248	314	405	228	129.3%
Black non Hispanic	66	87	107	128	63	95.4%
Hispanic	1,754	2,413	3,030	3,896	2,142	122.2%
White non Hispanic	29,335	36,303	41,216	45,312	15,977	54.5%
Southern Colorado: 65+ Population by Race/Ethnicity						
	2016	2021	2025	2030	Change 2016-2030	% Change 2016-2030
American Indian non Hispanic	195	239	267	287	91	46.7%
Asian non Hispanic	132	159	180	206	74	56.3%
Black non Hispanic	70	81	91	99	29	41.9%
Hispanic	6,930	8,313	9,445	10,708	3,778	54.5%
White non Hispanic	15,367	16,860	17,611	17,526	2,160	14.1%
Western Slope: 65+ Population by Race/Ethnicity						
	2016	2021	2025	2030	Change 2016-2030	% Change 2016-2030
American Indian non Hispanic	881	1,214	1,484	1,769	887	100.7%
Asian non Hispanic	384	528	663	855	472	122.9%
Black non Hispanic	162	218	273	335	173	106.7%
Hispanic	4,697	6,407	8,079	10,427	5,730	122.0%
White non Hispanic	72,302	89,799	103,250	115,355	43,052	59.5%

Source: Demography Section, Colorado Department of Local Affairs

While the majority of the population statewide and in every sub-area is “White Non-Hispanic”, and the majority of age 65+ numeric growth statewide is also “White Non-Hispanic”, the percentage growth rates of other racial/ethnic groups are much higher. For all other racial/ethnic groups, growth rates between 2016 and 2030 are close to or exceed 100% in every sub-area except Southern Colorado (which has a lower rate of growth overall). Southern Colorado is the only sub-area where total numeric growth of age 65+ “Hispanic” individuals is higher than total numeric growth of “White Non-Hispanic”, with growth of nearly 4,000 age 65+ “Hispanic” individuals between 2016 and 2030, compared to growth of 2,160 “White Non-Hispanic” age 65+.

## SUMMARY TABLE: EXISTING AND UNDER-CONSTRUCTION INVENTORY - COLORADO STATEWIDE AND SUB-AREAS

This table displays the estimated bed or unit count for Colorado Statewide and all sub-areas for these eight types of age-qualified housing and care facilities that primarily serve older individuals. The total includes units/beds that are either open or are under construction as of mid-June 2016. A brief narrative follows this table.

The names of the housing and facility types listed are as defined by a seniors housing industry publication, "Classifications of Seniors Housing Types", an annotated version of which is appended to this report.

Existing and Under-Construction Inventory: Colorado Statewide and Sub-Areas						
	Colorado Statewide	Eastern Plains	Front Range	Mountain Resort	Southern Colorado	Western Slope
Skilled Nursing Beds: All Payer Sources	21,693	896	16,891	656	1,084	2,166
Assisted Living Beds: Market-Rate	10,538	94	9,479	50	122	793
Assisted Living Beds: Affordable/Medicaid	5,659	385	4,207	163	198	706
Memory Care Assisted Living Beds: Market-Rate	4,509	0	4,215	12	0	282
Independent Living Units: Market-Rate	11,361	12	10,806	45	20	478
Age-Qualified Rental Units: Market-Rate	3,623	0	3,527	0	0	96
Age-Qualified Rental Units: Affordable/Subsidized	21,675	176	19,191	547	134	1,627
Age-Qualified For-Sale Units: All Types and Pricing	19,538	0	18,743	24	0	771

*See footnotes in Appendix for sources and methodology for tabulating inventory.*

**Skilled Nursing** - There are 225 skilled nursing facilities in Colorado, with a total of 21,003 licensed beds. The majority of these facilities are located in urban and suburban areas. Many skilled facilities are located in rural areas in the state; however some areas have no facilities. Most of these properties are older, having been built in the 1960s and 1970s. Statewide, there are 11 skilled nursing properties known to be under construction, with an estimated total of 690 units, with nearly all new units dedicated to short term Medicare stays.

**Assisted Living** - There are 536 assisted living facilities in Colorado, with an estimated capacity of approximately 9,611 beds/units available to private pay residents, and a rough estimate of up to 5,494 beds/units available to lower-income persons on Medicaid or in PACE programs. Assisted living properties in the rural and mountain sub-areas are typically older and smaller Medicaid-certified properties. There has been tremendous development activity of market-rate assisted living in the Front Range and Western Slope sub-areas and virtually no development in the rural and mountain communities throughout the state. Statewide, there are 19 assisted living

properties known to be under construction, with an estimated total of 976 units, only 1 of which will offer new Medicaid beds.

**Memory Care Assisted Living - Market Rate** - There are 155 assisted living properties in Colorado that offer secured memory care (locked units for those with Alzheimer's or other dementias). These properties offer a total of 4,083 secured memory care units/beds. Of those, virtually all are available to private pay residents only. There is one under-construction property in Eagle that will be the first to offer secure memory care units in the entire Mountain Resort sub-area. There are no assisted living properties that offer secured memory care in the Eastern Plains or Southern Colorado sub-areas, and only a few properties throughout the state that accept Medicaid residents for memory care. Statewide, there are 19 properties that are known to be under construction that will offer market-rate memory care assisted living, with an estimated total of 541 units.

**Independent Living** - There are 124 existing properties that offer independent living, with an estimated total of 10,887 units, most of which are located in the Front Range sub-area. Independent living is generally an urban/suburban model; therefore there are very few existing independent living units in the Eastern Plains, Mountain Resort, and Southern Colorado sub-areas - 77 units in total for all 3 sub-areas. Statewide, there are 5 independent living properties known to be under construction in the Front Range, with an estimated total of 518 units.

**Age-Qualified Rental Units - Market Rate** - There are 44 properties that offer market-rate, age-qualified rental units, with a total of 3,335 units, all located in the Front Range sub-area except for 1 property in the Western Slope sub-area. There are 6 newer market-rate, age-qualified rental properties in the Front Range sub-area, offering moderate to higher-end rents. There are no existing market-rate age-qualified units in the Eastern Plains, Mountain Resort, or Southern Colorado sub-areas. There are 3 market-rate, age-qualified rental properties known to be under construction in the Front Range, with an estimated 288 units.

**Age-Qualified Rental Units - Affordable/Subsidized** - There are an estimated 313 age-qualified properties that offer income-restricted/affordable units, with a total of about 20,491 income-restricted/affordable units. The majority of properties are older, with most having older HUD contracts. Newer properties are often funded by Low Income Housing Tax Credits and a few are funded with HUD Section 202. There are fewer than 200 units in the entire Eastern Plains sub-area and fewer than 150 units in the entire Southern Colorado sub-area. Statewide, there are 14 age-qualified, income-restricted/affordable rental properties that are known to be under construction, with an estimated total of 1,140 units.

**Age-Qualified For-Sale Units - All Types and Pricing** - There are approximately 16,868 homes of all types and price ranges in 80 age-qualified for-sale communities, mostly located in the Front Range and Western Slope sub-areas. Of the total units, approximately 6,150 are in manufactured or mobile home communities. There are no known age-qualified for-sale units in the Eastern Plains or the Southern Colorado sub-areas. Statewide, there are an additional estimated 2,670 homes under development in 13 age-qualified for-sale communities, all in the Front Range and Western Slope sub-areas. There are no known manufactured or mobile home communities under development anywhere in the state.

# SUMMARY TABLE: CURRENT SUPPLY AND DEMAND - COLORADO STATEWIDE AND SUB-AREAS (2016)

This table displays estimates and projections of current (2016) quantitative demand for the eight housing and care types covered in this report, displayed for Colorado statewide and all sub-areas. Detailed analysis of inventory and demand calculations for the state and for each sub-area are included within the body of this report. Notes detailing assumptions and sources for estimates and projections of demand are found in *Demand: Endnotes to Demand Tables* in the *Appendix*.

Age-Qualified Housing and Care: Supply and Demand - Colorado Statewide and Sub-Areas: 2016							
	Colorado Statewide	Eastern Plains	Front Range	Mountain Resort	Southern Colorado	Western Slope	
<b>SKILLED NURSING: ALL PAYER SOURCES</b>							
Nursing home utilization rate - all payer sources <sup>(Demand 1)</sup>	5.83%	5.83%	5.83%	5.83%	5.83%	5.83%	5.83%
Skilled Nursing Demand: All Payer Sources	17,020	482	13,481	647	578	1,832	
2016 Supply	21,479	896	16,791	656	1,024	2,112	
2016 Net Demand or (Oversupply)	(4,459)	(414)	(3,310)	(9)	(446)	(280)	
<b>ASSISTED LIVING: MARKET-RATE</b>							
Assisted living utilization rate - market-rate households <sup>(Demand 2)</sup>	13.93%	9.30%	14.08%	8.01%	9.16%	10.31%	
Assisted Living Demand: Market-Rate	11,320	180	9,366	233	170	823	
2016 Supply	9,980	94	9,021	50	122	693	
2016 Net Demand or (Oversupply)	1,340	86	345	183	48	130	
<b>ASSISTED LIVING: AFFORDABLE</b>							
Assisted living utilization rate - low-income households <sup>(Demand 3)</sup>	10.88%	11.34%	11.01%	9.44%	10.37%	10.60%	
Assisted Living Demand: Affordable and/or Medicaid	8,567	283	6,597	280	405	1,014	
2016 Supply	5,610	385	4,158	163	198	706	
2016 Net Demand or (Oversupply)	2,957	(102)	2,439	117	207	308	
<b>MEMORY CARE ASSISTED LIVING: MARKET-RATE</b>							
Memory care assisted living utilization rate - market-rate households <sup>(Demand 4)</sup>	1.66%	1.43%	1.65%	1.17%	1.40%	1.31%	
Memory Care Assisted Living Demand: Market-Rate	4,846	80	4,018	137	73	347	
2016 Supply	4,261	0	4,017	12	0	232	
2016 Net Demand or (Oversupply)	585	80	1	125	73	115	
<b>INDEPENDENT LIVING: MARKET-RATE</b>							
Independent living utilization rate <sup>(Demand 5)</sup>	8.00%	1.60%	8.00%	1.60%	1.60%	2.80%	
Independent Living Demand: Market-Rate	15,695	90	12,390	121	113	591	
2016 Supply	10,967	12	10,412	45	20	478	
2016 Net Demand or (Oversupply)	4,728	78	1,978	76	93	113	
<b>AGE-QUALIFIED RENTALS: MARKET-RATE</b>							
Age-qualified rentals utilization rate - market-rate households <sup>(Demand 6)</sup>	3.50%	2.45%	3.50%	2.45%	2.45%	2.45%	
Age-Qualified Rentals Demand: Market-Rate	6,594	89	5,475	186	87	419	
2016 Supply	3,524	0	3,428	0	0	96	
2016 Net Demand or (Oversupply)	3,070	89	2,047	186	87	323	
<b>AGE-QUALIFIED RENTALS: AFFORDABLE</b>							
Age-qualified rentals utilization rate - income-restricted households <sup>(Demand 7)</sup>	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	
Age-Qualified Rentals Demand: Affordable	28,433	528	23,793	900	1,067	2,259	
2016 Supply	20,797	176	18,377	547	134	1,563	
2016 Net Demand or (Oversupply)	7,636	352	5,416	353	933	696	
<b>FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES</b>							
Age-qualified, for-sale housing utilization rate - all prices <sup>(Demand 8)</sup>	3.00%	0.90%	3.00%	0.90%	0.90%	1.50%	
Age-Qualified, For-Sale Housing Demand - All Prices and Types	27,052	197	21,829	331	231	1,346	
2016 Supply	17,358	0	16,613	24	0	721	
2016 Net Demand or (Oversupply)	9,694	197	5,216	307	231	625	

Demographic Sources: Demography Section, Colorado Department of Local Affairs; The Nielsen Company; Ribbon Demographics LLC; U.S. Census.

# TRENDS, GAPS AND OPPORTUNITIES, STRATEGIES

## **Section Contents**

Trends Related to Housing and Care Needs of People Age 50+

Implications of These Trends for Housing and Care

Gaps and Opportunities

Strategies to Enhance Housing and Care Options in Colorado

# TRENDS RELATED TO HOUSING AND CARE NEEDS OF PEOPLE AGE 50+

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## Generational Trends

Of course, as in any generation, Baby Boomers are diverse in every way, born over a 20-year span between 1945 and 1964, living in urban, mountain, and rural areas; with high, low, and middle incomes; single and coupled; and varying widely in race/ethnicity, employment, political viewpoints, religion, health, living situations and housing preferences. Despite the diversity of baby boomers in Colorado and across the U.S., there are generational trends that are already impacting housing and care needs, choices, and options as baby boomers age. With the baby boomers now between the ages of 52 and 71, and accounting for nearly one-quarter of all Coloradoans, these generational trends will continue to influence approaches to housing and care for this large generation into the middle of this century.

**Some key generational trends impacting housing and care:** (Bibliography 7, 11, 13, 14,18, 21, 22, 23, 29, 30, 33, 34, 38, 39, 40, 47, 66, 69, 70, 76, 78)

1. Many want to stay engaged, relevant, current, and integrated into community and family life; most will have more time to do so after retirement or after the kids leave home (in public service, schools, neighborhoods, parks, college classes, non-profits, advocacy groups, caring for grandchildren).
2. This is the most social generation ever - people want to live and play near their friends.
3. This generation likes to think of itself as “unique” “cool”, and “rebellious”.
4. The majority want to stay in their own homes and not move elsewhere just because they need help or care at some point (although their “own home” may not be a long-term house or apartment, but may be a residence they chose as an empty nester or retiree). For a higher proportion of Latino and Asian elders, their “own homes” are more likely to be with children and grandchildren.
5. Most boomers indicate a strong aversion to the concept of being housed or “managed” in what they perceive as “institutional-type” settings, even if those are high-end retirement communities.
6. Boomers value interdependence with friends and family, with theme song messages such as “I’ll get by with a little help from my friends” and “Lean on me, when you’re not strong”.
7. Many boomers appear to be dreaming up their own brand of “cohousing” with friends, family, and colleagues for affordability, companionship, and support.
8. Many long-time suburbanites now report they want to live in walkable vibrant downtowns, suburban town centers, and mixed-use areas; reducing their dependence on automobile transportation.
9. A lower percentage of boomers are now homeowners than previously; fewer want to continue to own, desiring or needing more flexibility in where and how they live, as well as freedom from homeownership responsibilities. Also, fewer than in the past are living in a long-term home where they raised the kids.
10. Particularly since the recent recession, this generation has less trust that big financial institutions will ensure their pensions, savings, and retirement stock and bond funds.
11. Many boomers value green and sustainable, organic, local business/sourcing, although many don’t have these options due to cost or availability.

12. This generation has a strong value on looking and feeling healthy and younger and many are active, outdoors-oriented, and run, walk or exercise regularly.
13. Boomers spend significant money and time with grandchildren; many relocate to live near grandchildren, if they don't already live nearby.
14. Most boomers report they want to change laws to have individual choice about the timing and manner of their own deaths; many believe that disability and decline is far worse than death.

## Economic and Household Trends

### Families and Households (Bibliography 15, 24, 26, 28, 46, 51, 77, 79, 82, 83)

1. There is a significant population shift to those age 65 and over in Colorado, with a projected 61% increase just in this current decade (2010-2020) and another 39% between 2020 and 2030. (State Demographer)
2. The "White, Non-Hispanic" population age 65+ in Colorado is projected to grow at a much slower rate (61%) between now and 2030 than other racial/ethnic groups. The age 65+ population of the next largest racial/ethnic group, "Hispanic", is projected to increase by 107%, from about 79,000 now to 163,000 by 2030. Following a similar pattern, "Asian Non-Hispanic" population is projected to grow by 123%, Black Non-Hispanic" by 90%, and American Indian Non-Hispanic" by 102% by 2030. (State Demographer)
3. People will live longer, with many living well into their 90s, with more than 40,000 Coloradoans age 90+ by 2020 and over 56,000 projected by 2030. (State Demographer)
4. Boomer-aged people have less family and shorter-term or more distant family relationships than their parents' generation; also more complex and blended family structures: fewer adult children, more people living alone, more divorce among age 60+, more people in second and third marriages or relationships, step-children and grandchildren with multiple sets of parents and grandparents.
5. The adult children of boomers are needing and receiving more financial, childcare and housing support from their parents, with nearly one-third of young adults now living with their parents.

### Money - Income, Expenses, Assets (Bibliography 1, 8, 10, 16, 19, 27, 32, 41, 53, 64, 65, 72)

1. Many boomers who are able are working longer, either by necessity, or by choice, to afford a preferred lifestyle or to preserve assets for use later. Many have delayed Social Security benefits to obtain a larger monthly benefit for life.
2. Virtually every report or projection of retirement assets and income for baby boomers indicates that most do not have enough assets and income to live comfortably or for many years in retirement. Similarly, a large proportion of boomers report they do not believe they have enough assets or income to retire.
3. According to the Social Security Administration, among U.S. households age 55+, about 71% have retirement savings or a Defined Benefit (DB) plan and about 29% have neither.
4. Social Security provides most of the income for about half of households age 65+, with current projections that the Social Security trust funds will be depleted by 2034, when baby boomers are ages 70 to 89. Most retiree and near retirees anticipate that reductions in benefits will be made to keep Social Security solvent.

5. Boomers have less equity in their homes and a greater percentage have mortgages after age 65 than the previous generation. On the other hand, in strong housing markets, this is balanced at least partially by higher home values.
6. Earnings on retirement savings, as well as cost of living adjustments for Social Security and pensions, are not keeping pace with rising expenses. For those with retirement accounts and/or other stock and bond holdings, market performance has been somewhat volatile for several years.
7. Healthcare costs are increasing, with many experiencing shrinking company retiree health benefits, and increases in supplemental insurance premiums and prescription drug costs; many have fears about the stability of Medicare benefits going forward.
8. Relative to those who do not already own a home, housing prices and market rents continue strong growth in the urban/suburban portions of the state, increasing housing costs for current and future renters and future buyers.

### **Housing and Care Industry Trends** (Bibliography 1, 8, 11, 16, 31, 41, 54, 55, 56, 61, 64, 73, 80)

1. Rental housing costs have increased dramatically over the past two to three years, at least in Colorado's Front Range.
2. Home values have increased dramatically over the past two to three years, at least in Colorado's Front Range.
3. Costs of long-term care in skilled nursing and assisted living continue to increase at 3% to 4% per year, with private pay assisted living and skilled nursing costs in Colorado averaging \$4,000 per month and skilled nursing shared rooms averaging \$7,000 per month.
4. Shortages of home health workers, nursing assistants, nurses, and other positions necessary to provide quality long-term care will become acute. There are significant vacancies in senior housing and care jobs at this time, with even larger pending labor shortages over the next 20 years as the number of people over age 75+ swells, and due to general labor projections across many professions. Already, in 2016 nationally, the number of job openings in healthcare and social assistance was double the number of hires.
5. Just within the past 10 years, the majority of larger, for-profit senior housing and care communities (which are virtually all in urban/suburban areas) have been bought by Real Estate Investment Trusts ("REITs") and a new generation of smaller private equity firms focused on senior living. These are then leased to operators, creating a separation between the real estate business and the long-term care business. Also, since the end of the recession, many single-site properties that were locally owned have been sold to larger investment entities and shifted to new management, much of which is based out of state. The potential risks of this new focus on the real estate investment include: inflexible lease payments, potentially less ability to deliver care, less ability to respond to emergent needs, and, in some cases, less ability or motivation to renovate aging buildings.

### **Medicine, Health, and Technology** (Bibliography 32, 39, 42, 44, 59, 74)

1. Medical and health advances, such as joint and organ replacements and high-tech prosthetics, are increasingly improving and restoring function and lengthening life. Where these are available and affordable, these are already reducing levels of chronic disability and need for support services and care.
2. New monitoring and communications technologies are filtering into skilled nursing, assisted living, and private homes, where available and when affordable. These include devices such as: those that monitor a person's

vital signs and transmit to physicians; devices that report whether a person has taken medication, opened the refrigerator or gotten out of bed; and communications applications that link older persons with their families, senior services agencies, home care agencies, and other care providers.

3. Some medical advances are extending life without regard to the quality of life or the choices of the patient, increasing demand for long-term care beds, home health care, and family caregiving.

# IMPLICATIONS OF THESE TRENDS FOR HOUSING AND CARE

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## Housing Mix for Aging Communities

1. Overall, the existing housing inventory in most communities is largely based on past housing needs, when there was a greater proportion of families with children, and a lower proportion of older households. The existing housing inventory across the state will increasingly be a mismatch with the age and income mix of the population, not only due to the aging of the population, but also due to the preferences and financial realities of the Millennial generation.

There is now and will be a growing need for:

- a greater proportion of rental housing suitable for age 50+
  - more urban/walkable housing and less suburban/car-dependent
  - more multi-family/shared housing, fewer single-family homes
  - more housing suitable for multigenerational families
  - more affordable housing
  - more physically accessible housing
2. There is a need for increased accessibility of housing stock through: main floor bedrooms, elevator buildings, zero-step entries, and universal design in new housing, as well as modifications of homes and other multi-family properties.
  3. There is a need for new and retooled home designs that support sustainability: homes and apartments that are share-able, low-maintenance, energy-efficient, accessible, that support care provision, and/or that enable working from home - not just the typical/existing home types and apartment unit mix.
  4. There is a need for more housing choices that reduce dependence on cars and on expensive, paid specialized transportation.
  5. There is a need to find ways to facilitate and support mutual exchange of services, parent to child, peer to peer, old to young, community to individual.
  6. There is a need for affordable housing in new multifamily developments that supports self-employment and self-help (Internet, meeting spaces, garage/shop space, business services).
  7. There is an opportunity to make more single-family homes available for younger/larger families by providing good options for older owners who really do not want to stay in their large homes, but cannot find anything else that would be a fit for them.

## Long-Term Care and Support Services

### Traditional, Market-Rate Retirement and Care

1. There is a growing gap between market pricing and income/assets available to pay for traditional retirement living and care. Increasing proportions of people needing long-term care cannot afford to pay private pay rates, while asset and income thresholds for Medicaid eligibility for long-term care leave many people caught in the middle, with no access to either assisted living or skilled nursing facilities.
2. Of those who can afford to pay privately for independent living or assisted living, about one-third or fewer report that they pay their full monthly costs from their income (35% of independent living and 21% of assisted living residents), thus there is a strong dependence on assets to fund long-term care. (Bibliography 62)
3. New development of senior housing and care is increasingly skewed to higher-cost, market-rate properties and heavily skewed to urban/suburban areas; this is out of balance with the proportion of older people who can afford market rates and out of balance with needs in rural and mountain areas.
4. Increasing labor shortages in nurses, nursing assistants, home care workers, dietary and housekeeping staff will make it increasingly difficult to provide good care and will raise costs even higher over time.
5. Although 95% of non-institutional care now (and historically) is provided by families, going forward, with fewer spouses/partners, fewer adult children, and blended families, care from family caregivers will be increasingly less available. (Bibliography 81)
6. Increased availability of individual choice in timing and manner of death may reduce long-term stays in care facilities by people needing total assistance.

### Smaller and Informal Models

To effectively respond to affordability and local availability, as well as preferences, long-term care will need an increasing emphasis on self-help, family support and mutual support with friends and “chosen family”, rather than on those needing help being “cared for” and “managed” and “provided for” by formal systems:

1. There is a need to respect and support caregiving and support within families as the primary (and often preferred) source of care, whether spouses, multigenerational households, adult children living nearby.
2. There is a need for small, home-based, and mutual support options that are integrated with formal health and service systems and monitored.
3. There is a need for higher levels of community, neighbor, and volunteer involvement, “high-touch”, particularly in rural and mountain areas.
4. It will be critical to increase the availability of technologies that can provide good communications with friends and family, particularly in rural and mountain areas.
5. It will be critical to maximize technologies for cost-efficient and dependable remote medical communications and remote monitoring, as well as technologies for accessibility, for those receiving care at home.

# GAPS AND OPPORTUNITIES

Gaps/Opportunities	Rural/Mountain				Urban/Suburban			
	Younger Old (55 to 80)		Older Old (80+)		Younger Old (55 to 80)		Older Old (80+)	
	Affordable	Market-Rate	Affordable	Market-Rate	Affordable	Market-Rate	Affordable	Market-Rate
<p><b>1 Help People Stay in Their Homes:</b> The majority of people's first choice for where to receive care and support is in their own home or apartment. When this is a desired and feasible option, the greatest area of gaps and opportunities is in expanding ways to assist people to remain in their homes as they age, with support ranging from reliable contractors for home maintenance and modifications to dependable Internet service; and, as people need more support or care, transportation, technology, and the full range of home-based services.</p>	X	X	X	X	X	X	X	X
<p><b>2 Build More Good Rental Options:</b> There is a huge and growing need for more safe, accessible, age-qualified affordable and market-rate rental units. To better support people who can no longer drive, or prefer not to drive, there is opportunity to locate new accessible housing in town or other walkable neighborhoods, or, if available, near public transit.</p>	X	X	X	X	X	X	X	X
<p><b>3 Housing Providers Partner with Service Providers:</b> In communities where both housing and senior services agencies are present, there is opportunity for developers and operators of both affordable and market-rate rental communities to partner with health and service agencies serving seniors to help ensure that resident needs are met. As care needs increase over time, such partnerships could prevent or delay a resident move to assisted living or skilled nursing.</p>	X	X	X	X	X	X	X	X
<p><b>4 Offer More For-Sale Home Options:</b> For-sale options include mobile and manufactured homes, condominiums and semi-detached units, and single-family homes. In virtually every area, there is opportunity to develop a mix of age-qualified for-sale options appropriate to that community, from high-end homes in resort areas to moderately-priced homes in less affluent areas. While there is a broad range of types of for-sale, age-qualified housing in urban and suburban areas, in many rural and mountain areas, there is no age-qualified, for-sale housing available in any price range. Models that could be developed in rural and mountain areas include: small communities of manufactured homes, a small condominium development in town, or a few for-sale duplex units adjacent to an assisted living property.</p>	X	X			X	X		
<p><b>5 Design and Renovate Affordable Rental Properties To Support Economic Sustainability:</b> There is an opportunity to renovate or build and operate new subsidized/affordable rental properties in new and creative ways to support self-employment (meeting space, garage/shop, Internet, business center); sharing of resources with other residents, lower living cost costs (community gardens, buying co-ops, shared meal prep), alternative transportation, and support for maintaining health and wellness (walking paths, active stairs, fitness classes, bike garages).</p>	X		X		X		X	

Gaps/Opportunities	Rural/Mountain				Urban/Suburban			
	Younger Old (55 to 80)		Older Old (80+)		Younger Old (55 to 80)		Older Old (80+)	
	Affordable	Market-Rate	Affordable	Market-Rate	Affordable	Market-Rate	Affordable	Market-Rate
<p><b>6 Shared Homes, Cohousing, and "Multi-Gen" Housing:</b> There is an opportunity to create new types of housing, beyond the usual single-family home, condo, or rental apartment that promote mutual support, companionship, and resource sharing. These models can also replace family caregiving for those who do not have a spouse or adult children nearby. There are many models, including: sharing existing homes; new cooperatives; and new home models with "multigenerational" floor plans. Other models create mini-neighborhoods of homes, with private units surrounding shared greenspace and a commons house (cohousing or pocket neighborhoods). There is also an opportunity to adapt existing single-family homes to better fit multigenerational living, as well allowing other family situations that do not fit the typical zoning definition for single-family homes.</p>	X	X	X	X	X	X	X	X
<p><b>7 Preserve Existing Affordable Housing:</b> The advanced age of the great majority of existing, affordable senior apartment properties in Colorado presents an opportunity for some entity or group/s to take a coordinated, proactive approach to preserve these properties as affordable. As HUD contracts expire, and as buildings deteriorate and funds to maintain the buildings are scarce, some non-profit owners cannot find a solution. A number of such properties have been sold within the past few years, reducing the available inventory of affordable senior/age-qualified apartments.</p>	X		X		X		X	
<p><b>8 Need for More Affordable Assisted Living:</b> Existing homes are not always suitable, safe, or preferred places in which to receive care, so other affordable care options are needed. In most every area in Colorado, there is a sizeable gap in the availability of good-quality, Medicaid-certified or other affordable assisted living units. Many people on Medicaid who might otherwise be well cared for at an assisted living level at about \$2,200 per month are instead placed in skilled nursing facilities at a typical cost of about \$6,000 per month, solely because the skilled facility may be the only affordable option in their area. In addition, there is a significant gap in availability of moderately-priced assisted living for those caught in the middle. With base assisted living pricing now averaging \$4,000 per month in Colorado, many people have too much income or asset to qualify for Medicaid or PACE programs, and yet cannot afford private pay rates. Primarily, these are people without spouses and with incomes between about \$26,000 and \$35,000 who do not have significant home equity or other assets with which to supplement income to pay for assisted living.</p>			X				X	
<p><b>9 Need for Affordable Memory Care Assisted Living:</b> Much affordable memory care in assisted living settings is needed in Colorado. Affordable memory care in assisted living is virtually non-existent now, due to the high cost of providing secured memory care that cannot be supported with the level of reimbursement available through Medicaid. Most people who have Alzheimer's or a related dementia and who need an affordable out-of-home placement must utilize skilled nursing facilities, even though they might be more appropriately placed in assisted living. There are also many areas of the state where no memory care assisted living is offered even at market rate.</p>			X	X			X	X

Gaps/Opportunities	Rural/Mountain				Urban/Suburban			
	Younger Old (55 to 80)		Older Old (80+)		Younger Old (55 to 80)		Older Old (80+)	
	Affordable	Market-Rate	Affordable	Market-Rate	Affordable	Market-Rate	Affordable	Market-Rate
<p><b>10 New Generation of Skilled Nursing:</b> A new generation of skilled care residences accessible to people of all incomes is needed - not in the same numbers of beds as in the past - but new and of good quality. There is an overabundance of very dated facilities, many of which date back to the 1960s and 1970s and have had little to no renovation. Many of those older facilities are considered a last resort, or not an option at all, reflected in the high vacancy rates across the state. While a handful of new facilities have been built that will serve people on Medicaid, the majority of newer properties serve only Medicare and private pay residents. While much long-term care can now be provided in assisted living or home settings, there is still a need for new, good-quality skilled nursing facilities.</p>			X	X			X	X
<p><b>11 Support Family Caregiving:</b> Spouses, adult children, and other family are the major source of care and support for older relatives, yet many challenges hinder a family's ability to provide support; among them: loss of income for the caregiver, health of the caregiver, and housing that does not work well for extended families. For some Latino families, caring for family members is further complicated by immigration status if one or more family members are undocumented, often restricting access to help for which they may be qualified. Across all income groups, there is great need and opportunity to encourage and support family caregivers in a variety of ways: services support, financial assistance, job/leave flexibility, and housing options that can support family caregiving (such as home modification, multi-generational homes, or and accessory dwelling units).</p>			X	X			X	X
<p><b>12 Care Alternatives Needed in Rural and Mountain Areas:</b> Existing homes are not always suitable places to receive care, yet in many rural and mountain parts of Colorado, there are no other options. Many older people who need care have no nearby care facilities or retirement communities available, even though they might choose to and could afford to pay for housing and care in such properties. As detailed earlier, there are entire counties with no such properties, and large geographic areas within other counties with no such properties. The only options for people living in these areas are to either attempt to arrange enough care and support in their own homes, move in with family if present in the community, or move out of the community.</p>			X	X				

Gaps/Opportunities	Rural/Mountain				Urban/Suburban			
	Younger Old (55 to 80)		Older Old (80+)		Younger Old (55 to 80)		Older Old (80+)	
	Affordable	Market-Rate	Affordable	Market-Rate	Affordable	Market-Rate	Affordable	Market-Rate
<p><b>13 Small Homes and Other Options for Rural and Mountain Areas:</b> Because few options exist in rural and mountain areas for those who are not able to or wish to remain at home alone, there is opportunity to develop smaller-scale assisted living and memory care in smaller residential models. Also, there is an opportunity to create other small-scale models of home-based care that are appropriate to rural and mountain areas; for example, homeowners could be paid for taking care of one or two people in their homes, or a matching service could allow younger people to share older people's homes and provide services in exchange for rent. These smaller, more informal types of care-based housing fits areas with smaller populations, yet there are few developers attracted to these options.</p>			X	X				
<p><b>14 Build Coordinated Rural Networks:</b> There is a need to create strong networks for support, and care for rural and mountain elders who choose to remain in their homes. Local governments and state and local agencies can create coordinated networks that link people to health and support services, volunteers, neighbors, and wider, Internet-based communications and health networks.</p>	X	X	X	X				

# STRATEGIES TO ENHANCE HOUSING AND CARE OPTIONS IN COLORADO

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## Recommended Strategies: State Government (Highest priorities with red stars)

-  1. **Funding for Affordable Housing** - Continue and expand all sources of state-level funding for affordable rental housing, including the Colorado State Low Income Housing Tax Credit, and funding through the Colorado Division of Housing. Consider a new funding stream for pilot projects that integrate affordable housing with affordable services and/or that create new housing models with a focus on wellness and mutual support.
  
-  2. **Increase Availability of Affordable Assisted Living** - Affordable assisted living is needed throughout the state, as a less institutional and less costly option than skilled nursing. As noted earlier, between 2011 and 2016, the number of licensed assisted living beds in facilities accepting only private pay residents increased by 43%, compared to only 5% for facilities that accept at least some Medicaid residents. Of 2,200 units built or under construction statewide since 2012, all but 130 are all market-rate. To encourage development of more Medicaid-certified assisted living, a higher provider reimbursement rate is needed. States such as Oregon and Illinois, with higher rates than Colorado and tiered rates (higher rates for residents with greater needs), have far greater availability of affordable assisted living. Higher and/or tiered rates would also allow some providers to offer secured memory care in assisted living, now virtually non-existent for people on Medicaid.
  
-  3. **New Skilled Nursing Facilities that Accept Medicaid Residents** - For 20+ years, the Colorado Department of Health Care Policy and Financing has had a “moratorium” on Medicaid beds inside new skilled nursing properties, with exceptions for under-served areas and special programs. The definition of “under-served” assumes that existing beds should meet the needs of Medicaid residents, no matter how obsolete and poor-quality the facility. The result of the moratorium has been that the great majority of new, higher-quality skilled nursing beds built are not available to low-income people, but only to those paying privately or through other insurance, and those using Medicare for short-term stays. Also, while it is beyond the scope of this report to discuss the intricacies of a complex reimbursement system for skilled nursing care, it is our understanding that there is no financial incentive under Medicaid for older skilled nursing facility owners to complete significant renovations or to replace or renovate aging facilities.  
  
While other alternatives such as assisted living and home care are reducing the need for skilled nursing facilities, these alternatives are not workable for everyone, and new skilled nursing facilities are still needed, for people on Medicaid. A recommended strategy is to modify Department of Health Care Policy and Finance rules to allow more new skilled facilities to be built to replace very dated, poor-quality properties, particularly in areas where those older facilities are now the only option for low-income people needing long-term care.
  
-  4. **Construction Defects Legislation** - New, smaller and reasonably-priced, for-sale housing is needed for retirees throughout the state, providing a good option to remaining in or buying larger and more expensive homes than are needed. To encourage that development, pass legislation to modify the construction defects law so that new condominiums will be built to meet that need.
  
-  5. **Internet Availability and Affordability** - Take actions at the state level to ensure Internet availability to rural and mountain areas and to subsidize costs of Internet to low-income households. Internet availability is crucial to take full advantage of technologies to help people live in their own homes safely, allowing access to communications, telehealth/remote monitoring and connections to physicians’ offices, health agencies, families and other support people. Rural and mountain areas often have no service or inadequate service; also rural seniors and seniors in urban and suburban areas may not be able to afford service.

6. **Support Family Caregiving** - With over 90% of long-term care and support provided by family members (the great majority unpaid), this resource must be protected and encouraged. In a recent national poll, nearly 7 in 10 family caregivers say they have had to use their own money to help provide care for their relative. Nearly 4 in 10 felt financially strained, further, people who disrupt their careers for full-time caregiving responsibilities can lose substantial benefits and retirement security. Programs such as Colorado’s Consumer-Directed Attendant Support Services (CDASS) and could perhaps be improved by allowing a higher reimbursement rate for adult children and less restrictive rules for spousal caregivers. Another strategy is to find ways to encourage business to strengthen “family-friendly” workplace flexibility policies that accommodate employed family caregivers.
7. **Long-Term Care Workforce** - With current, significant labor shortages, and even bigger pending labor shortages, explore best approaches and implement programs that will increase the workforce available to provide long-term care to people in their homes, assisted living, and skilled nursing.
8. **End-of-Life Options Act** - A majority of baby boomers hold a strong belief that they have the right to make their own personal decisions about their own deaths, and some are already working actively to change Colorado law relative to end-of-life options. While acknowledging that this legislation is controversial and that some people have objections based on their religious beliefs, it is important to consider changes in state law that will allow more choice in death for those with terminal conditions, or who have no hope of a reasonable, pain-free quality of life (per their own definition).
9. **Expand and Support PACE Programs** - Continue to support expansion of PACE programs (Program of All-Inclusive Care for the Elderly) to serve the remainder of the state that is not now served. PACE, an HMO/managed care program, is a strong model of preventive care and coordinated short- and long-term care, strongly integrated with housing through in-home services, day centers, and contracts with assisted living and skilled nursing facilities.
10. **Facilitate Partnerships between Local Governments, Housing Providers, and Care Providers** - Examine rules and requirements attached to state and federal funding for housing, health care, and other senior services to look for barriers to creative partnerships between housing and care providers; also proactively seek ways to create strong partnerships. Strong service connections in affordable housing can meet needs not otherwise met in the community, and can prevent or delay a need for an assisted living or skilled nursing placement. In rural and mountain areas in particular, housing and service resources are typically quite scarce and may be widely-dispersed. It is critical that all resources are used cost-effectively, through coordination and sharing of transportation vans and maintenance facilities, and other expensive facilities such as commercial kitchens that prepare home delivered meals, congregate meals, or meals within skilled or assisted living facilities. Coordinated systems can also save resources through a centralized approach to assessment of client needs, health records, family and provider contact information, and service utilization.
11. **Ensure that New Affordable Housing Developed is Culturally Appropriate to its Setting** – Require affordable housing developers and providers to ensure appropriateness of housing and services offered in areas where a significant proportion of the population is non-majority (such as Latino or Jewish or LGBTQ or other group).
12. **Help Lower-Income Homeowners Stay in Their Homes if They So Choose** - Evaluate effectiveness of senior Property Tax Exemption and other state government programs already in place to support lower-income homeowners; modify and expand, as determined through review.

## Recommended Strategies: Local Governments

1. **Help Lower-Income Homeowners Stay in Their Homes if They So Choose** - Assist homeowners to remain in their homes, to the extent that is the best option and the preference of the person. Assist through direct, city-sponsored services, public and accessible transportation, home modifications, and access to affordable Internet. For those needing home modifications, assist through a streamlined permit process, as well as services to provide the modifications, and, for low-income seniors, rebates of permit fees or subsidization of costs.
2. **Provide Funding and Other Support for Affordable Senior Rental Housing** - Target local funds, loan programs, and local shares of federal and state funds to good-quality, affordable rental housing for seniors, both new housing and renovation/preservation of existing affordable properties. Offer waivers of development fees and reasonable exemptions to zoning rules in fair trade-offs for affordability.
3. **Locate New Housing in Walkable, Vibrant Areas** - To reduce need for cars and paid specialized transportation for older people, as well as to reduce isolation, adopt policies to encourage location of new age-qualified housing properties in or near downtowns or near access to public transit; in urban/suburban areas, in suburban town centers, new mixed-use and redevelopment areas.
4. **Increase Accessible Housing Inventory** - Adopt zoning planning rules to require higher levels of accessibility in new housing, for example, requirements for a percentage of homes with zero-step entries, universal design, and elevator-served buildings for seniors.
5. **Increase Availability of New Forms of Sustainable Housing** - Modify zoning and planning rules to allow more forms of shared housing that foster companionship, mutual support, resource sharing, and affordability. Engage skeptical citizens and neighborhoods in creative ways to increase zoning and planning opportunity reasonably, while minimizing impact on existing neighborhoods. These options include: changes to occupancy limits for age 55+ persons to allow home sharing by more than 3 people; purpose-built homes for sharing/cooperatives; cohousing; and creation of separate ancillary units inside single-family homes or on the property of a single-family home to provide convenient housing for parents or for a live-in caregiver (multi-generational houses and accessory dwelling units).
6. **Use Public-Private Partnerships to Increase Housing and Care Facility Availability** - Develop public-private partnerships to support and encourage development of housing that is not being adequately addressed by the private sector alone.
7. **Facilitate Partnerships between Local Governments, Housing Providers, and Care Providers** - As detailed in the state government section above, seek and participate in creative partnerships between housing and care providers. Such partnerships allow more collaborative, cost-effective approaches to meeting the needs of lower-income seniors.
8. **Create “Age-Friendly Communities” Partnerships** - Consider creation of a community-wide effort to make the local area work the best it can for people of all ages. There are a number of “age-friendly communities” or “livable-communities” partnerships around the country that bring together local government, not-for-profit and for-profit health and service providers, housing and care facilities, citizen advocates, faith communities, and others to enhance their communities. Larimer County’s “Partnership for Age-Friendly Communities” is a good example of such efforts.

## Some Strategies Specific to Small Cities and Towns

1. **Encourage Development of More Rental Options in Rural Areas** - There is typically very little rental housing of any type or at any price range in small towns and rural areas, particularly housing that is suitable for those older homeowners who wish to downsize or move into town. Small cities and towns could either develop or encourage development of smaller-scale rental housing options suitable for older persons. Ideally, these would be downtown, or adjacent to a senior center or a retail area.
2. **Small Cities and Towns in Rural and Mountain Areas Need to Play a Larger Role in Encouraging Development of Housing and Services Needed to Serve Their Older Citizens** - Because of smaller population numbers, there are few developers willing to build market-rate senior housing or care facilities in smaller communities. Local governments in many smaller cities and towns need to play a stronger role in encouraging development of any or all types of senior housing and care. Potential roles for local government can include options such as donations of public land, front-end planning work by public staff, front-end development funds or loans, and/or selection and coordination of private developers. Eagle County government's role in developing the nearly-completed Castle Peak Senior Care Community in Eagle (offering assisted living, memory care, and skilled nursing) is a good success story of such local government initiative.
3. **Play a Lead Role in Creation and Maintenance of Coordinated Support and Care Networks** - Maximize available local and regional resources by creating and/or participating in networks of housing and care providers to ensure: access to Internet; use of telehealth and communications technologies; and efficient sharing of expensive and scarce resources, such as transportation vans, kitchens, housing, and staff.

## Recommended Strategies: Self-Help, Mutual Support, and Neighborhood-Based

1. **Use Baby Boomers to Help Meet Needs and Solve Problems** - Understand that aging baby boomers are not a "silver tsunami", but rather are powerful community assets who generally want to be engaged, help solve problems, support their children and grandchildren, and care for others. To the extent that local or state governments see aging boomers simply as a needy group that will drain resources and impoverish those coming after them, this tremendous resource will not be realized to its fullest.
2. **Facilitate or Support Development of New Housing Options for Aging Boomers** - Many baby boomers are interested in new housing choices that are more naturally affordable, because the housing is smaller, and/or where the housing or common spaces are shared in a way that they have mutual support and companionship with old friends or new friends, as well as shared services as they age. Some of the new types of housing that boomers are "dreaming up" are simply not available; some forms are prohibited by local zoning rules. Because of the scale and risk of these types of housing options, there is no "natural" developer and little potential financial incentive for a developer to build or retool these new, smaller, alternative housing and care options. Yet, few boomers have the capacity to act as their own developer. A pilot program sponsored by foundations or government could fund a development entity to develop some examples of new types of sustainable housing models, and then those might be replicated more broadly.

3. **Identify Neighborhoods and Individual Buildings That Have Large Proportions of Older Residents and Create Local Support Networks** - There are two national models of informal or informal/formal support networks that have Colorado examples that can be studied and potentially expanded to other areas: The “Village” model and the “NORC” model. The “Village” model, is a neighborhood-based, grassroots organization that provides aging homeowners with volunteer help and connection, an example of which is “A Little Help” in the Washington Park neighborhood of Denver.

The second model, called “NORCs”, is a program that provides case management and social work services within communities that are not technically age-restricted, but which have large proportions of residents over age 60. In its publication, *Reaching Our Peak 2015: Scorecard for a Healthier Colorado*, Colorado Health Institute (CHI) reports that “Jewish Family Service (JFS) ...has been behind three NORCs in metro Denver and is partnering with other organizations to develop a NORC in Denver’s Capitol Hill neighborhood.” CHI further reports that Jewish Family Service is now “measuring the financial and social impact of NORCs”.

## Best Practice Examples

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The next few pages provide a small sampling of a few housing and housing-related services and advocacy programs or organizations in Colorado of which we are aware. In each case, the agency or organization appears to be successfully addressing some of the gaps, opportunities, and strategies discussed in this report.

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### **A Little Help, Washington Park neighborhood, Denver**

<https://www.alittlehelp.org/about/>

A Little Help, originally founded in 2008 as “Washington Park Cares”, is a neighborhood-based, grassroots organization that provides aging homeowners with “volunteer help for daily tasks”.

“Since our founding, A Little Help has served over 450 elders and have engaged more than 1,000 community volunteers. A Little Help is helping older adults age in their homes by connecting them to an important resource plentiful in every community, good neighbors. Many tasks around the house and yard chip away at independence, but with A Little Help, good neighbors can help elders with transportation, yard work, handiwork, home organization, and social engagement so they may thrive in the communities they have put down roots in for decades.”

This neighborhood-based volunteer program is called a “village network” concept, modeled after the most well-known program in Boston’s Beacon Hill neighborhood. A national network of ‘villages’ now has more than 70 established communities.

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### **Castle Peak Senior Care Community, Eagle**

<http://castlepeak.org>

In the early 2000s, the Eagle County Commissioners and county housing and human services staff began to explore ways to bring care options to the county, which had no skilled nursing, assisted living, or memory care of any type in the entire county. The Commissioners were committed to ensuring that county seniors did not have to move away when their needs increased and could not be met at home. Rather than simply hope a developer would emerge, in 2010 the Commissioners issued a Request for Proposals to qualified developer/operators of senior housing and care nationally. From that process, Eagle County selected Augustana Care, a 100-year old non-profit senior housing and care organization from Minnesota.

Castle Peak Senior Care Community, offering assisted living, secured memory care, and skilled nursing (Medicare, Medicaid, and private pay) began construction in Eagle in late 2015. The property was made possible through a strong partnership of county government and Augustana Care, and supported by numerous local organizations, agencies and individual donors. The new community is expected to open in October 2016.

## **Haven Assisted Living and Community Center, Hayden, Colorado**

<http://havenseniorliving.com/about/>

The Haven Assisted Living was developed by a group of local citizens as a non-profit, community-based assisted living residence, opened in July 1996 under the ownership of the West Routt Rural Health Council.

“Northwest Colorado Health (formerly Northwest Colorado Nurse Association – VNA) acquired The Haven in 2005. The nonprofit organization, which provides health services in Routt and Moffat counties, continues to operate The Haven as a 20-bed assisted living facility. In 2007, Northwest Colorado Health completed construction of The Haven Community Center, expanding opportunities for exercise classes, programs and social connection for Haven residents and seniors throughout the community. The Haven employs 15 full- and part-time staff and offers respite care in addition to assisted living services.”

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## **Larimer County Partnership for Age-Friendly Communities**

<http://www.foalarimer.org/about-foa/our-mission>

In May 2013, the “Foundation on Aging for Larimer County, in partnership with the Larimer County Office on Aging invited several agencies and organizations to come together with a shared mission to promote livable communities in Larimer County. The group established a formal collaboration, named Partnership for Age-Friendly Communities in Larimer County, to begin planning and implementing specific actions to further develop these aspects of livability.” Partners in this effort include:

Loveland Senior Advisory Board  
Loveland Senior Advisory Board  
CSU Center for Public Deliberation  
AARP Colorado  
UCHealth Aspen Club

Fort Collins Senior Advisory Board  
Fort Collins Area Interfaith Council  
Elder Care Network of Northern Colorado  
Fort Collins Human Relations Commission

In May 2015, the Partnership hosted the “*2015 Summit on Aging, Creating Age Friendly Communities*,” in partnership with the Larimer County Office on Aging, attended by more than 300 people. In late 2015, the Partnership joined the “AARP Network of Age-Friendly Communities. The Partnership has since been active in working toward a number of goals and initiatives.

## Latino Age Wave, Denver Metro Area

<http://latinocfc.org/latino-age-wave>

Colorado Latino Age Wave is “an initiative supporting the well-being of a rapidly growing Latino older adult population in Metro Denver through innovative services and programs....Through a partnership between Rose Community Foundation, Hispanics in Philanthropy, and the Latino Community Foundation of Colorado (LCFC), Metro Denver was selected in 2011 as the inaugural community in which to begin the initiative.” Latino Age Wave’s philosophy and values are: cultural relevancy, independence, intergenerational strength, and respect for elders.

Latino Age wave completed the *Comprehensive Community Assessment of Latino Older Adults in Metro Denver in 2012*, and *It, Too, Takes a Village: Caregiving for Metro Denver’s Latino Elders in 2014*, both of which have guided and supported its advocacy work.

As posted on its website, the objectives of Latino Age Wave are:

1. Gain a clear understanding of community assets, resources, gaps and barriers regarding services for Metro Denver’s Latino older adult population.
2. Raise awareness and support for Latino aging issues among key stakeholders including policymakers, institutional and community leaders, and funders.
3. Increase the net amount of philanthropic dollars flowing to Latino aging issues.
4. Increase the capacity of local nonprofit organizations that serve Latino older adult populations.
5. Engage more Latino adults 50+ as leaders and activists advocating for policies that improve the economic health and well-being of Latino older adults in Metro Denver.

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## Mirasol Senior Community, Loveland, Colorado

<http://www.mirasol seniorcommunity.com/>

Developed over the past 13 years by the Loveland Housing Authority in partnership with numerous state and local agencies, Mirasol Senior Community is a 25-acre “*service enriched 55+ community that is affordable to both income restricted as well as market-rate renters and owners*”. The community offers a “*built environment and provides a menu of services that promotes ‘Aging in Community’*”.

Mirasol offers for-sale and rental patio homes, both affordable and market-rate; two 49-unit affordable apartment buildings, an event/service/activity center, and 6 10-resident skilled nursing Green House ©homes. The operating partner for the Green House homes is Vivage Quality Health Partners, a skilled nursing management company.

The Loveland Housing Authority is continuing to expand and enhance Mirasol and the programs it offers.

## Village at Westerly Creek, Aurora, Colorado

<http://www.aurorahousing.org/>

The Aurora Housing Authority (AHA) has spent much of the past decade replacing its old Buckingham Gardens apartment buildings, first built in 1979. AHA described the older buildings as “rapidly deteriorating, and not handicap accessible”, and “an aging public housing complex that had exterior stairways and no elevators”.

The first two phases of the redevelopment, Village at Westerly Creek I and II, have 110 units total, with the second building opened in March 2015, at which point all of the residents in the old Buckingham Gardens buildings were able to move into their new units. With Federal Low Income Housing Tax Credits through the Colorado Housing and Finance Authority, a number of other funding sources, and additional subsidies from HUD, many of the residents fall into the “very low-income” bracket, earning a median income of \$8,500 per year.

The multiple award-winning community was designed to go well beyond minimum requirements for accessibility, and also had a strong focus on energy efficiency and natural light. In addition to plentiful and well-designed common spaces, AHA paid considerable attention to resident safety, installing a boiler that melts snow and ice from the entry sidewalks in winter and a secured entry and camera system.

The third phase of the Village at Westerly Creek, recently awarded Low Income Housing Tax Credits, will include 50, 2- to 4-bedroom townhome-style units for working families, as well as 24 one-bedroom senior homes.

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## Volunteers of America – Delta and Montrose Counties

<http://seniorcommunitycare.org/> <https://www.voa.org/findseniorcare>

Volunteers of America is a national, non-profit organization serving low-income people and seniors with housing and services for 120 years. This organization has chosen to have a particularly active and diverse presence in Delta and Montrose Counties, building a broad range of housing and long-term care options for seniors over the past 15 years, and continuing into the present and future planning.

VOA originally had only two older skilled nursing facilities (Montrose and Eckert), and some subsidized senior apartments. Seeing a need for other choices, in the early 2000s, VOA added adult day programs and a home health agency, and then built an assisted living facility in Montrose in 2005, serving both private pay and Medicaid residents. In 2008, VOA became the Western Slope’s first Program of All-Inclusive Care for the Elderly (PACE), called Senior CommUnity Care, serving dually-eligible Medicare and Medicaid participants, and with day/health centers in both Eckert and Montrose. From 1996 year to 2009, VOA successfully obtained HUD 202 funding for four affordable apartment properties in Delta and Montrose.

VOA also serves seniors in Grand Junction and Durango.

# COLORADO: STATEWIDE

## Section Contents

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# DEMOGRAPHICS: ESTIMATES AND PROJECTIONS RELATED TO NEED FOR HOUSING AND CARE, 2016 THROUGH 2030

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The next few pages contain a set of tables that provide demographic estimates and projections for the entire **State of Colorado**. Included are only those specific variables that are key to estimating the need for housing and care for different age and income groups.

Of course, Colorado is quite diverse and it is important to note that data in these tables represent statewide aggregates or medians of population, incomes, or housing values, when in fact, there are wide variations between counties, cities, towns, rural areas, and mountain areas within Colorado.

## **Demographic tables in this section include the following:**

General and Age-Targeted Demographics

Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

Presence of Self-Care and Independent Living Disabilities: Age 65+

Presence of Alzheimer's and Other Dementias: Age 65+

## General and Age-Targeted Demographics

This table displays general demographics projected for 2016 and 2021 for the general population and age groups 55 to 64, 65 to 74, and 75+; five-year change is also displayed.

Colorado Statewide				
	2016	2021	Five-Year Change 2016 to 2021	Percent Change 2016 to 2021
<b>General Demographics</b>				
Total population	5,538,581	6,037,681	499,100	9.0%
Total households	2,191,973	2,401,272	209,300	9.5%
Median household income	\$61,172	\$65,631	\$4,459	7.3%
Median owner housing value	\$272,025	\$302,123	\$30,098	11.1%
<b>Targeted Households</b>				
<b>Age 55-64 households</b>	419,275	429,020	9,745	2.3%
Number of individuals	702,861	725,966	23,105	3.3%
\$75,000+ household income	195,542	219,909	24,366	12.5%
Median household income	\$74,747	\$82,092	\$7,345	9.8%
<b>Age 65-74 households</b>	286,413	354,976	68,563	23.9%
Number of individuals	456,161	568,976	112,815	24.7%
\$50,000+ household income	155,001	203,465	48,464	31.3%
Median household income	\$54,886	\$59,390	\$4,504	8.2%
<b>Age 75+ households</b>	196,189	242,178	45,989	23.4%
Number of individuals	291,936	365,156	73,220	25.1%
Medicaid income-qualified (\$26,388)	78,713	91,165	12,452	15.8%
\$25,000+ household income	120,633	155,653	35,020	29.0%
\$35,000+ household income	91,061	120,425	29,365	32.2%
\$50,000+ household income	61,174	83,457	22,282	36.4%
Median household income	\$32,806	\$35,474	\$2,668	8.1%

Source: The Nielsen Company; Demography Section, Colorado Department of Local Affairs

- The statewide population is estimated at 5,538,581 in 2016, projected to grow by 9% by 2021.
- Median household income is estimated at \$61,172 in 2016, projected to grow to \$65,631 by 2021.
- Housing values vary widely, with median housing value estimated at \$272,025 for 2016 for all types of owner-occupied housing units.
- The highest percentage growth of individuals in these three age groups is in those 75+, with a projected 25.1% growth between 2016 and 2021, growing from 291,936 to 365,156.
- While the median income of all households is estimated at \$61,172 in 2016, median household income for the 75+ age group is just \$32,806; median household income for the 65 to 74 age group is \$54,886; and the highest median household incomes are found in the 55 to 64 age group at \$74,747.
- In 2016, an estimated 78,713 households age 75+ have incomes of less than \$26,388, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 15.8% by 2021, to 91,165 households.
- Over half of the age 65 to 74 households have incomes of \$50,000+ in 2016. Nearly half (46%) of 75+ age households have incomes of \$35,000+, a threshold considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement income with spend-down of assets).

## Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

This table displays projected growth in five-year increments between 2015 and 2030 for the general population and for age groups 55 to 64, 65 to 74, and 75+.

Colorado Statewide			
Age Group	Colorado Statewide	Sub-Area Totals by Five-Year Periods	
<b>All Ages Percent Growth and Sub-Area Totals</b>			
2010 to 2015	7.8%	2015	5,443,608
2015 to 2020	9.0%	2020	5,935,919
2020 to 2025	8.7%	2025	6,454,867
2025 to 2030	8.0%	2030	6,970,657
<b>Age 55-64 Percent Growth and Sub-Area Totals</b>			
2010 to 2015	13.9%	2015	689,219
2015 to 2020	5.7%	2020	728,368
2020 to 2025	-0.7%	2025	723,398
2025 to 2030	2.2%	2030	739,637
<b>Age 65-74 Percent Growth and Sub-Area Totals</b>			
2010 to 2015	37.9%	2015	432,477
2015 to 2020	26.6%	2020	547,571
2020 to 2025	14.5%	2025	627,230
2025 to 2030	6.4%	2030	667,436
<b>Age 75+ Percent Growth and Sub-Area Totals</b>			
2010 to 2015	16.9%	2015	281,979
2015 to 2020	23.5%	2020	348,298
2020 to 2025	32.7%	2025	462,269
2025 to 2030	27.4%	2030	588,878

Source: Demography Section, Colorado Department of Local Affairs

- The total population statewide is expected to grow by 28.1% from 2015 to 2030.
- The 55 to 64 age group population statewide is expected to grow by 7.3% from 2015 to 2030.
- The 65 to 74 age group population statewide is expected to grow by 54.3% from 2015 to 2030.
- The 75+ age group population statewide is expected to more than double between 2015 and 2030, in contrast to the 7.3% growth projected for the 55 to 64 age group.

## Owner and Renter Households: Age Groups 55 to 64, 65 to 74, and 75+ by Income and Household Size

The tables on the next three pages display demographics separately for the age groups: 55 to 64, 65 to 74, and 75+, both by income and by household size. It is important to understand home ownership and household composition of the age 55+ population for several reasons.

First, homeowners typically have a significantly higher level of assets than renter households, even in the same age groups, and even if they have the same annual incomes. Home equity generally makes up the major portion of the assets of older households, with a large proportion of older households owning homes free and clear, or with low levels of debt. Equity from the sale of a home is routinely used at a later age as a major source of payment for care that may be needed in assisted living or skilled nursing. Similarly, equity from the sale of a home is also routinely used to supplement annual income to pay for monthly rent in an apartment or for independent living in a retirement community.

Second, a substantial amount of research links marriage/domestic partnership with successful aging, and suggests that unmarried individuals and others in 1-person households are disadvantaged both in terms of the level of household income and assets, as well as in the absence of an unpaid, live-in family caregiver at older ages. The presence of large numbers of 1-person households in a market area typically translates to a greater current need for paid supportive services and care for those now age 75+, and also likely translates to a greater future need for paid supportive services for those who are now age 55 to 74 and who now live alone.

As a result of both of the owner/renter factor and the 1-person household/2+ person household factor, 1-person renter households are the most at risk of being housing cost-burdened (spending too high a percentage of annual income to pay for housing), of living in inadequate housing, and of spending down assets at younger retirement ages so that they outlive their resources and have few funds to pay for care and housing as they reach older ages. Single-person owner households with annual incomes of \$25,000 or below are also at great risk of being able to remain in their homes and of being able to obtain needed services as they age.

It should also be noted that, in urban and suburban areas, a percentage of the reported 1-person renter households already live in age-qualified apartments or retirement communities (both affordable and market-rate) where more support and companionship is available, and therefore, the dynamic relative to need and availability of support is different for those individuals. In rural areas, there are few age-qualified rental options for older persons, and the vast majority of older 1-person renter households do not live in age-qualified apartments or other supportive housing arrangements.

## Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

This table displays the number of age 55 to 64 owner and renter households by income group and by household size for 2016 and 2021.

Colorado Statewide												
Age 55 - 64 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	8,983	1,708	1,131	6,095	5,601	2,542	9,207	1,757	1,161	6,262	5,588	2,659
\$10,000-20,000	8,452	2,552	1,467	8,211	6,959	2,960	8,213	2,414	1,472	7,742	6,377	2,942
\$20,000-30,000	6,285	2,700	1,689	8,939	9,125	3,556	6,417	2,773	1,804	8,686	8,555	3,526
\$30,000-40,000	5,551	2,350	1,647	9,867	10,696	4,558	5,686	2,360	1,639	9,469	9,990	4,605
\$40,000-50,000	4,172	1,944	1,531	8,748	12,091	5,297	4,391	2,031	1,616	8,574	11,720	5,502
\$50,000-60,000	2,961	1,816	1,454	7,396	12,332	5,310	3,166	1,831	1,594	7,025	11,387	5,287
\$60,000-75,000	3,314	2,389	1,582	8,108	18,869	7,933	3,545	2,467	1,729	7,938	17,569	8,180
\$75,000-100,000	2,951	2,047	2,012	8,266	26,358	12,835	3,359	2,134	2,225	8,536	24,857	13,392
\$100,000-125,000	2,238	1,504	1,148	4,916	20,626	11,038	2,579	1,646	1,348	5,305	20,143	11,997
\$125,000-150,000	1,549	969	995	3,109	13,300	8,462	1,952	1,132	1,168	3,662	14,151	10,011
\$150,000-200,000	1,657	861	950	2,822	15,955	9,052	2,046	1,006	1,162	3,258	16,929	10,854
\$200,000+	1,484	1,016	866	3,209	17,591	9,625	2,101	1,391	1,184	4,320	22,186	13,542
<b>Total</b>	<b>49,597</b>	<b>21,855</b>	<b>16,472</b>	<b>79,687</b>	<b>169,504</b>	<b>83,168</b>	<b>52,663</b>	<b>22,941</b>	<b>18,103</b>	<b>80,775</b>	<b>169,452</b>	<b>92,496</b>
<i>Total Households</i>			87,924			332,358			93,707			342,724
<i>% of TH HH in Sub-Area</i>			21%			79%			21%			79%
<i>% of Total HH</i>	56%	25%	19%	24%	51%	25%	56%	24%	19%	24%	49%	27%
<i>Number of HH &gt; \$40k</i>	20,326	12,546	10,538	46,574	137,122	69,552	23,139	13,637	12,028	48,617	138,943	78,765
<i>% of HH &gt; \$40k</i>	41%	57%	64%	58%	81%	84%	44%	59%	66%	60%	82%	85%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 79% of those age 55 to 64 in Colorado are in owner households, with 332,358 owner households and 87,924 renter households.

**Owners** - In 2016, it is estimated that 24% of owner households live alone, 51% are 2-person households, and 25% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 56% of renter households live alone, 25% are 2-person households, and 19% are 3-person+ households. By 2021, these percentages are projected to be similar. Many of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 41%, compared to 58% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 57%, compared to 81% of 2-person owner households.

## Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

This table displays the number of age 65 to 74 owner and renter households by income group and by household size for 2016 and 2021.

Colorado Statewide												
Age 65 - 74 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	4,786	720	468	4,939	3,613	866	6,091	928	578	6,393	4,520	1,130
\$10,000-20,000	9,511	1,408	687	11,867	6,640	1,509	11,321	1,653	859	14,048	7,909	1,768
\$20,000-30,000	5,221	1,984	870	11,758	11,845	2,054	6,576	2,462	1,077	14,320	14,015	2,536
\$30,000-40,000	2,627	1,443	876	9,866	15,261	2,334	3,298	1,764	1,059	11,970	18,149	2,850
\$40,000-50,000	2,322	1,341	706	7,043	13,800	2,623	3,116	1,653	934	9,022	16,431	3,296
\$50,000-60,000	1,787	1,130	649	5,637	14,419	2,427	2,383	1,409	809	7,052	16,993	2,962
\$60,000-75,000	1,591	1,057	659	5,038	18,151	3,512	2,170	1,402	805	6,409	21,719	4,470
\$75,000-100,000	1,719	1,223	712	4,963	20,402	4,736	2,258	1,600	903	6,492	25,005	6,030
\$100,000-125,000	1,180	654	595	2,574	11,131	2,783	1,719	891	795	3,487	13,999	3,677
\$125,000-150,000	783	326	455	1,581	6,060	1,405	1,229	495	618	2,344	8,103	2,005
\$150,000-200,000	731	338	347	1,609	6,533	1,613	1,131	493	419	2,379	8,622	2,338
\$200,000+	782	531	338	1,573	8,424	1,794	1,312	869	497	2,449	12,735	2,865
<b>Total</b>	<b>33,041</b>	<b>12,155</b>	<b>7,363</b>	<b>68,448</b>	<b>136,278</b>	<b>27,658</b>	<b>42,604</b>	<b>15,619</b>	<b>9,354</b>	<b>86,364</b>	<b>168,199</b>	<b>35,925</b>
Total Households	52,559			232,385			67,578			290,489		
% of Ttl HH in Sub-Area	18%			82%			19%			81%		
% of Total HH	63%	23%	14%	29%	59%	12%	63%	23%	14%	30%	58%	12%
Number of HH > \$40k	10,896	6,601	4,461	30,019	98,919	20,894	15,319	8,813	5,781	39,633	123,607	27,642
% of HH > \$40k	33%	54%	61%	44%	73%	76%	36%	56%	62%	46%	73%	77%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 82% of those age 65 to 74 in the sub-area are in owner households, with 232,385 owner households and 52,559 renter households.

**Owners** - In 2016, it is estimated that 29% of owner households live alone, 59% are 2-person households, and 12% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 63% of renter households live alone, 23% are 2-person households, and 14% are 3-person+ households. By 2021, these percentages are projected to be similar. Many of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 33%, compared to 44% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 54%, compared to 73% of 2-person owner households.

## Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

The table below displays the number of age 75+ owner and renter households by income group and by household size for 2016 and 2021.

Colorado Statewide												
Age 75+ Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	5,044	758	589	6,531	3,252	951	6,136	918	684	8,281	3,969	1,255
\$10,000-20,000	12,910	1,847	851	18,255	7,355	1,743	14,560	2,090	1,026	20,840	8,555	2,174
\$20,000-30,000	6,445	1,646	827	13,277	10,676	1,714	7,578	2,024	1,027	15,735	12,566	2,167
\$30,000-40,000	3,729	1,219	713	7,968	9,907	2,009	4,401	1,454	871	9,585	11,444	2,429
\$40,000-50,000	2,335	926	586	5,438	8,257	1,722	2,895	1,133	688	6,743	9,987	2,260
\$50,000-60,000	1,407	563	509	3,207	4,979	1,346	1,669	711	635	3,950	5,894	1,706
\$60,000-75,000	1,743	665	562	3,363	5,980	1,516	2,102	768	665	4,238	7,270	1,998
\$75,000-100,000	1,409	639	533	2,923	5,833	1,566	1,829	807	636	3,757	7,296	2,008
\$100,000-125,000	856	324	393	1,359	2,287	783	1,163	425	485	1,817	2,951	1,091
\$125,000-150,000	517	181	299	872	1,348	519	765	246	364	1,281	1,903	746
\$150,000-200,000	437	172	262	815	1,305	344	654	229	333	1,240	1,799	485
\$200,000+	424	210	227	853	1,444	351	701	330	301	1,440	2,245	593
<b>Total</b>	<b>37,256</b>	<b>9,149</b>	<b>6,350</b>	<b>64,861</b>	<b>62,623</b>	<b>14,564</b>	<b>44,454</b>	<b>11,137</b>	<b>7,714</b>	<b>78,907</b>	<b>75,879</b>	<b>18,912</b>
<i>Total Households</i>			52,755			142,049			63,305			173,698
<i>% of Ttl HH in Sub-Area</i>			27%			73%			27%			73%
<i>% of Total HH</i>	71%	17%	12%	46%	44%	10%	70%	18%	12%	45%	44%	11%
<i>Number of HH &gt; \$40k</i>	9,128	3,679	3,370	18,830	31,433	8,147	11,778	4,651	4,107	24,466	39,345	10,887
<i>% of HH &gt; \$40k</i>	24%	40%	53%	29%	50%	56%	26%	42%	53%	31%	52%	58%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 73% of those age 75+ in the sub-area are in owner households, with 142,049 owner households and 52,755 renter households.

**Owners** - In 2016, it is estimated that 46% of owner households live alone, 44% are 2-person households, and 10% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 71% of renter households live alone, 17% are 2-person households, and 12% are 3-person+ households. By 2021, these percentages are projected to be similar. Many of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 24%, compared to 29% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 40%, compared to 50% of 2-person owner households.

## Presence of Self-Care and Independent Living Disabilities: Age 65+

This table displays the number of age 65+ individuals in Colorado who report “self-care” or “independent living difficulty” (as defined by the U.S. Census Bureau).

Colorado Statewide		
Disability: Self Care and Independent Living		
	2016	
Age 65+ Total	748,097	748,097
Age 65+ Non-Institutionalized (NI)	726,015	726,015
Age 65+ Institutionalized	22,082	22,082
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	6.6%	13.0%
Age 65+ With Disability (NI)	47,990	94,487

Source: The Nielsen Company and U.S. Census American Community Survey

The US Census Bureau’s American Community Survey estimates that about 6.6% of those age 65+ in Colorado not in nursing homes or otherwise institutionalized reported self-care disabilities, and about 13% reported independent living difficulties. Using these percentages, an estimated 47,990 non-institutionalized individuals in Colorado age 65+ are estimated to have self-care difficulties and 94,487 are estimated to have independent living difficulties.

## Presence of Alzheimer’s and Other Dementias: Age 65+

This table displays the incidence rates for Alzheimer’s disease and other dementias, for individuals age 65+, as estimated by the most current research. The incidence rates by age group are then used to estimate and project the number of Colorado residents likely to have or to develop Alzheimer’s Disease, 2016 to 2030.

Colorado Statewide								
Estimated/Projected Alzheimer's Incidence, 2016 - 2030								
	2016		2021		2025		2030	
Age Group	Incidence Rate	Number in Sub-Area						
65-74	3.0%	13,685	3.1%	17,638	3.2%	20,071	3.3%	22,025
75-84	17.0%	34,511	16.7%	44,080	17.0%	58,628	17.2%	75,388
85+	32.1%	28,546	32.2%	32,588	32.6%	37,883	32.9%	49,540
<b>Total 65+</b>	<b>10.3%</b>	<b>76,742</b>	<b>10.1%</b>	<b>94,306</b>	<b>10.7%</b>	<b>116,582</b>	<b>11.7%</b>	<b>146,953</b>

Sources: "Alzheimer disease in the United States (2010-2050) estimated using the 2010 census", *Neurology*, Hebert, Weuve, Scherr, et al, March 2013; The Nielsen Company; Demography Section, Colorado Department of Local Affairs

Using these incidence rates, there are an estimated 76,742 individuals with Alzheimer’s disease and related dementias in 2016 in Colorado, growing to 94,306 by 2021 and to 146,953 by 2030.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - TABLE

This table lists the estimated bed or unit count in **Colorado Statewide** for these eight age-qualified housing types and for care facilities that primarily serve older individuals. The total includes units/beds that are either open or are under construction as of mid-June 2016.

The housing and facility types listed are as defined by a seniors housing industry publication, "Classifications of Seniors Housing Types", an annotated version of which is appended to this report.

Existing and Under-Construction Inventory: Colorado Statewide and Sub-Areas						
	Colorado Statewide	Eastern Plains	Front Range	Mountain Resort	Southern Colorado	Western Slope
Skilled Nursing Beds: All Payer Sources	21,693	896	16,891	656	1,084	2,166
Assisted Living Beds: Market-Rate	10,538	94	9,479	50	122	793
Assisted Living Beds: Affordable/Medicaid	5,659	385	4,207	163	198	706
Memory Care Assisted Living Beds: Market-Rate	4,509	0	4,215	12	0	282
Independent Living Units: Market-Rate	11,361	12	10,806	45	20	478
Age-Qualified Rental Units: Market-Rate	3,623	0	3,527	0	0	96
Age-Qualified Rental Units: Affordable/Subsidized	21,675	176	19,191	547	134	1,627
Age-Qualified For-Sale Units: All Types and Pricing	19,538	0	18,743	24	0	771

See footnotes in Appendix for sources and methodology for tabulating inventory.

While there are additional properties under development that are expected to begin construction in 2016 or 2017, those are not included in these totals because it is uncertain if they will actually be constructed.

Methodology and sources for compiling these inventory estimates are described in *Inventory: Endnotes to Inventory Overview* in the Appendix.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - OVERVIEW

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## Skilled Nursing

There are 225 skilled nursing facilities in the **State of Colorado**, with a total of 21,003 licensed beds. The facilities range in size from 15 beds to 242 beds. As of March 31, 2016 census reports <sup>(Inventory 1)</sup>, total occupancy was 16,571 beds, which is equal to 79% occupancy. Of total occupied beds, 62% of beds in the state were occupied by people using Medicaid, 16% Medicare, and 22% private pay and other. Of the total licensed beds, 72 properties offer 2,092 beds in secure units for people with Alzheimer's disease and other dementias.

Of these 225 skilled nursing facilities, the majority (162) are located in the urban and suburban areas of the **Front Range** sub-area. The **Western Slope** sub-area's 26 properties are mostly located in Grand Junction, Delta, and Montrose. Six of the **Mountain Resort** sub-area's 7 facilities are located in Fremont County, with 5 in Cañon City and 1 in Florence and Salida. There are no existing skilled nursing facilities in the northern two-thirds of the **Mountain Resort** sub-area (Jackson, Eagle, Summit, Grand, Pitkin, or Lake Counties) or in Custer County. The **Eastern Plains** sub-area's 14 properties are dispersed throughout the sub-area, with 2 facilities in Brush and Sterling each. The **Southern Colorado** sub-area's 16 properties are more concentrated in Alamosa and Monte Vista (2 each) while the rest are dispersed throughout the sub-area.

**Statewide**, there are 5 skilled nursing facilities that serve veterans exclusively. Of these properties, 2 facilities are located in Huerfano and Rio Grande Counties in the **Southern Colorado** sub-area, with a total of 180 beds; 1 facility is located in Garfield County in the **Western Slope** sub-area, with 89 beds; 1 facility is located in Aurora in the **Front Range** sub-area with 180 beds; and 1 facility is located in Fremont County, in the southern portion of the **Mountain Resort** sub-area, with 105 beds.

**Statewide**, there are 11 skilled nursing properties known to be under construction, with an estimated total of 690 units, with nearly all new units dedicated to short term Medicare stays. Of these 11 under-construction skilled nursing properties statewide, only 3 properties will serve long-term Medicaid residents. In the **Eastern Plains** sub-area, there is 1 facility under construction in Akron that will offer 4 Green House© model, 10-room skilled nursing homes (40 private rooms), to replace the dated Washington County Nursing Home, serving Medicare, Medicaid, and private pay residents. The **Mountain Resort** sub-area has 1 property under construction in Eagle (Castle Peak Senior Living) that will offer 32 beds of skilled nursing, serving Medicare, Medicaid, and private pay clients. The **Southern Colorado** sub-area has 1 property under construction in Del Norte (River Valley Inn) that will offer 60 beds of skilled nursing, serving Medicare, Medicaid, and private pay clients. The **Front Range** and **Western Slope** sub-areas have the most development activity in the state and all 8 properties under construction in these two sub-areas will offer exclusively or primarily sub-acute/rehab care, targeted to short-term Medicare recipients.

## Assisted Living

There are 536 assisted living facilities in the State of Colorado, with an estimated capacity of approximately 9,611 beds/units available to private pay residents, and a rough estimate of up to 5,494 beds/units available to lower-income persons on Medicaid or in PACE programs. <sup>(Inventory 2)</sup> *These assisted living bed/unit totals do not include units that are secured for memory care, which are listed separately.* **Statewide**, 325 of these facilities are licensed to serve Medicaid residents, although the majority of these facilities also serve private pay residents. Of the Medicaid licensed facilities, 249 are located in the **Front Range** sub-area, 39 are located in the **Western Slope** sub-area, 21

are located in the **Eastern Plains** sub-area, and the **Mountain Resort** and **Southern Colorado** sub-areas each have 8 properties licensed to serve Medicaid residents.

Of the 536 total assisted living facilities, the **Front Range** sub-area has 449 properties that are generally dispersed throughout the urban and suburban portions of the counties, with the highest concentrations in the Denver metro area, in the north in Fort Collins, Loveland, and Greeley, and in the south in Colorado Springs and Pueblo. There are approximately 8,672 market-rate beds/units and approximately 4,082 beds/units available to lower-income persons on Medicaid or in PACE programs.

Most of the **Western Slope** sub-area's 48 properties are located in the central portion of the sub-area, including Grand Junction, Delta, and Montrose. The sub-area also has 7 properties in the south, in the Cortez and Durango area, and 5 properties in the eastern portion of the sub-area, in Glenwood Springs, Carbondale, and Rifle. There are approximately 693 market-rate beds/units and approximately 688 beds/units available to lower-income persons on Medicaid or in PACE programs.

The **Eastern Plains** sub-area has 22 properties dispersed throughout the sub-area, with approximately 94 market-rate beds/units and 379 beds/units available to lower-income persons on Medicaid or in PACE programs.

The **Mountain Resort** sub-area's 8 properties are mostly located in the southeastern portion of the sub-area, in Fremont County, and 2 properties are located in the northern portion of Grand and Pitkin Counties. There are approximately 30 market-rate beds/units and approximately 147 beds/units available to lower-income persons on Medicaid or in PACE programs.

The **Southern Colorado** sub-area's 9 properties are mostly located in the eastern portion of the sub-area, in Otero, Crowley, Baca, Prowers, and Kiowa Counties, with a few properties located in Alamosa, Buena Vista, and Walsenburg. There are approximately 122 market-rate beds/units and approximately 198 beds/units available to lower-income persons on Medicaid or in PACE programs.

**Statewide**, there are 19 assisted living properties known to be under construction, with an estimated total of 976 units. Of these 19 under-construction properties, 16 properties (856 units) are located in the **Front Range** sub-area, 2 properties (100 units) are located in the **Western Slope** sub-area, and 1 property (20 units) is located in the **Mountain Resort** sub-area. Nearly all these under-construction properties will be higher-end market-rate properties, offering 927 additional units. Only 1 of the under-construction properties will offer Medicaid or other affordable assisted living - Oakshire Commons, in Pueblo, with 49 new Medicaid assisted living units.

## Memory Care Assisted Living (Secured)

There are 155 assisted living properties in the State of Colorado that offer secured memory care (locked units for those with Alzheimer's or other dementias), either as a secured portion of a larger assisted living residence, or that offer secured memory care exclusively. These properties offer a total of 4,083 secured memory care units/beds. Of those, virtually all are available to private pay residents only. <sup>(Inventory 3)</sup>

Of the 155 properties, 144 are located in the **Front Range** sub-area, 1 is located in the **Eastern Plains** sub-area, 1 is located in the **Mountain Resort** sub-area, and 9 are located in the **Western Slope** sub-area. There are no existing memory care assisted living facilities in the **Southern Colorado** sub-area. Of these 155 properties, only 8 facilities accept lower-income persons on Medicaid, offering an estimate of 116 beds/units **statewide** to those residents.

**Statewide**, there are 19 properties that are known to be under construction that will offer memory care assisted living, with an estimated total of 541 units. Of these properties, 16 are located in the **Front Range** sub-area, 1 is in the **Mountain Resort** sub-area, and 2 are located in the **Western Slope** sub-area (1 in Grand Junction and 1 in Glenwood Springs). There is no known development activity for assisted living in the **Eastern Plains** or **Southern Colorado** sub-areas.

## Independent Living

Independent living properties are those that offer retirement apartments that include meals and many other bundled services in monthly rents. <sup>(Inventory 4)</sup> This is almost exclusively a market-rate and urban/suburban offering. Many independent living units are located in apartment buildings that are part of larger campuses that also offer assisted living or skilled nursing. In rural areas, independent living units are rare and are commonly offered as duplex or cottage-type units.

**Statewide**, there are 124 existing properties that offer independent living, with an estimated total of 10,887 units. Of these 124 independent living properties, 108 are located in the **Front Range** sub-area, with the greatest concentration in the Denver metro area (68 properties), 21 properties are located in Colorado Springs and Pueblo, and 19 properties are located in the Loveland, Fort Collins, Greeley, and Windsor area. Outside the **Front Range** sub-area, 11 properties are located in the **Western Slope** sub-area, mostly in Grand Junction, Delta, and Montrose; and 3 properties are located in the **Southern Colorado** sub-area, in La Junta, Trinidad and Monte Vista. There is only 1 independent living property in the **Eastern Plains** sub-area, in Sterling, that offers 12 independent living apartments on its campus with assisted living and skilled nursing. The **Mountain Resort** sub-area also has only 1 independent living property, Village at Cañon City, offering an estimated 45 units.

**Statewide**, there are 5 independent living properties known to be under construction, with an estimated total of 518 units. All 5 of these properties are in the **Front Range** sub-area; 4 are located in the Denver metro area and 1 is located in Colorado Springs. Of these properties, only 1 property in Colorado Springs is a stand-alone independent living property; the other 4 properties are being developed as part of continuing care communities.

## Age-Qualified Rentals

Age-qualified rental units, most commonly referred to as “senior apartments”, are rental units that are restricted to people either age 55+ or 62+ and can be either apartment-type units or duplex or cottage-type units. Age-qualified rental properties do not have commercial kitchens and do not include meals in rents, and generally have a minimal level of other services included or offered. This report separates age-qualified rental units into those that are priced at market-rates and those that are income- or rent-restricted (including properties that are older and that are no longer legally income-restricted, yet still operate as affordable).

### Market-Rate Rentals

**Statewide**, there are 44 properties that offer market-rate, age-qualified rental units, with a total of 3,335 units. Of these 44 properties, all but 1 is located in the **Front Range** sub-area. The majority of these properties are older properties with moderately-priced rents; there are 6 newer market-rate, age-qualified rental properties, with some offering mid-priced rents and some offering higher-end rents. The newer properties are located in Fort Collins, Loveland, Denver metro, and Colorado Springs. There is 1 other, older property, located in Grand Junction in the **Western Slope** sub-area.

**Statewide**, there are 3 market-rate, age-qualified rental properties known to be under construction, with an estimated total of 288 units. 5280 Senior Residences is an under-construction 99-unit, market-rate, age-qualified apartment property in downtown Denver, expected to open in 2017. Affinity at Loveland is an under-construction, 155-unit, moderately-priced, market-rate, age-qualified apartment property in Loveland, expected to open in October 2016. The third property, Columbine Commons, in Windsor, will offer 34 market-rate duplex units and is expected to open in November 2016.

### Affordable/Income-Restricted Rentals

**Statewide**, there are an estimated 313 age-qualified properties that offer income-restricted/affordable units, with a total of about 20,491 income-restricted/affordable units.

The majority of properties are older, with most having HUD contracts enabling the properties to charge rents equal to 30% of income. Some properties are newer, often funded by Low Income Housing Tax Credits; most requiring rent payments at 30% to 60% of Area Median Income. A few newer properties were funded with HUD Section 202, allowing rents equal to 30% of Area Median income.

Of these 313 properties, 248 are located in the **Front Range** sub-area, 12 are located in the **Mountain Resort** sub-area; 40 are located in the **Western Slope** sub-area; 7 are located in the **Eastern Plains** sub-area; and 6 are located in the **Southern Colorado** sub-area.

Most of the affordable apartment properties in the **Front Range** sub-area are located in the Denver metro area (168), with the rest dispersed evenly between the northern portion of the sub-area (Fort Collins, Loveland, and Greeley) and the southern portion of the sub-area (Colorado Springs and Pueblo). There are a few properties located in the western reaches of the Denver metro area, 1 property is located in Jefferson County and 1 property is located in Clear Creek County, and a few properties are located in the eastern edges of the sub-area.

In the **Mountain Resort** sub-area, the 12 properties are dispersed roughly half and half between the southeastern portion and the northern two-thirds of the sub-area, with a few located more centrally in Buena Vista and Salida.

In the **Southern Colorado** sub-area, 3 properties are located in Alamosa and the rest are dispersed throughout the sub-area.

In the **Western Slope** sub-area, 13 properties are located in the central portion of the sub-area, including Grand Junction, Montrose, Delta, and Gunnison. Additionally, there are 8 properties in the eastern portion of the sub-area, including Glenwood Springs, Carbondale, Rifle, and New Castle. Another 6 properties are located in the Durango/Cortez area to the south. The rest of the properties are dispersed throughout the sub-area.

In the **Eastern Plains** sub-area, the age-qualified, affordable rental properties are generally dispersed throughout the sub-area, with 4 located in Washington, Yuma, Phillips, and Morgan Counties in the northern portion of the sub-area, and 3 properties located in Lincoln and Kit Carson Counties in the southern portion of the sub-area.

**Statewide**, there are 14 age-qualified, income-restricted/affordable rental properties that are known to be under construction, with an estimated total of 1,140 units. In the **Front Range** sub-area, there are 8 age-qualified, income-restricted/affordable rental properties that are known to be under construction, with an estimated total of 642 units. Of these 8 properties, 6 are located in the Denver metro area, 1 is located in Colorado Springs and 1 is located in Pueblo. Also in the Front Range sub-area, there are 5 planned income-restricted properties with a total of 434 planned units that have already received low income housing tax credit awards and are expected to begin construction within 2016. These are included in the inventory listing. In the **Western Slope** sub-area, Grand Junction Housing Authority has begun construction on The Highlands 1, an age-qualified, income-restricted, rental apartment property that will offer 64 units. The property is expected to open in 2017.

## Age-Qualified For-Sale Units: All Types and Pricing

Age-qualified for-sale units include any type of unit that is located in an age-qualified community (also called “age-restricted or “active adult”), regardless of the housing types or level of pricing. Per HUD fair housing rules, at least 80% of buyers/owners in age-qualified communities must be at least age 55+, although some older communities have slightly different age restrictions. Age-qualified communities include all types and ages of housing: ranch or patio homes, townhomes, condominiums, and manufactured and mobile home parks and communities. <sup>(Inventory 5)</sup>

**Statewide**, there are approximately 16,868 homes of all types and price ranges in 80 age-qualified for-sale communities. Of the total units, approximately 6,150 are in manufactured or mobile home communities.

In the **Front Range** sub-area, the age-qualified for-sale inventory is quite diverse, with about 35% of total units in mobile and manufactured home communities, about 43% of units in older and lower-priced detached and attached home communities, and about 22% of units in newer detached and attached home communities (built since the early 2000s). Of the newer age-qualified for-sale home communities, all but a small fraction offer only single-family homes. Of the older communities, over 5,000 units (about 75% of the older inventory in the **Front Range** sub-area) are found within only two large moderately-priced condominium and townhome communities in the Denver area (Windsor Gardens south of the Lowry Air Force Base redevelopment in Denver and Heather Gardens in southeast Aurora). The mobile and manufactured home communities are spread throughout much of the sub-area, located in Adams, Arapahoe, Boulder, Douglas, El Paso, Gilpin, Jefferson, Larimer and Pueblo Counties.

In the **Western Slope** sub-area, there are currently an estimated 695 homes of all types and price ranges in 13 age-qualified for-sale communities. Of the total units, 536 are in 11 manufactured or mobile home communities. The other two properties offer new townhomes in Fruita.

In the **Mountain Resort** sub-area, there are no known age-qualified patio home, townhome, or condominium communities; however there is 1 age-qualified mobile home community located in Cañon City, Country Garden Estates, that has 24 spaces.

There are no known age-qualified for-sale units in the **Eastern Plains** or the **Southern Colorado** sub-areas.

**Statewide**, there are an additional estimated 2,670 homes under development in 13 age-qualified for-sale communities. In the **Front Range** sub-area, there are an estimated 2,594 homes under development in 12 age-qualified for-sale communities, nearly all within communities offering new single-family homes; 1 property is offering higher-end condominiums.

In the **Western Slope** sub-area, Village at Country Creek, in Fruita, is currently in the planning phase of its last 76 homes under development, expected to be completed by 2020.

There are no known manufactured or mobile home communities under development anywhere in the state.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - TABLE

This table displays estimates and projections of quantitative demand for **Colorado** statewide for the eight housing and care types covered in this report for current year (2016), 5 years (2021), and the years 2025 and 2030. Because current and near-future inventory can reasonably be estimated, inventory estimates are shown for the years 2016 and 2021 only, along with estimates of net demand or oversupply for those years. A narrative overview follows this table and notes detailing assumptions and sources for estimates and projections of demand are found in *Demand: Endnotes to Demand Tables* in the Appendix.

Colorado Statewide: Projected Utilization, Supply and Demand				
Projections by Housing and Care Type	2016	2021	2025	2030
<b>SKILLED NURSING: ALL PAYER SOURCES</b>				
Nursing home utilization rate - all payer sources <sup>(Demand 1)</sup>	5.83%	5.25%	4.83%	4.34%
Skilled Nursing Demand: All Payer Sources	17,020	19,160	22,315	25,584
2016/2021 Supply	21,479	21,693		
2016/2021 Net Demand or (Oversupply)	(4,459)	(2,533)		
<b>ASSISTED LIVING: MARKET-RATE</b>				
Assisted living utilization rate - market-rate households <sup>(Demand 2)</sup>	8.01% to 14.08%	8.01% to 14.08%	8.01% to 14.08%	8.01% to 14.08%
Assisted Living Demand: Market-Rate	10,773	13,311	16,216	19,677
2016/2021 Supply	9,980	10,538		
2016/2021 Net Demand or (Oversupply)	793	2,773		
<b>ASSISTED LIVING: AFFORDABLE</b>				
Assisted living utilization rate - low-income households <sup>(Demand 3)</sup>	9.44% to 11.34%	9.44% to 11.34%	9.44% to 11.34%	9.44% to 11.34%
Assisted Living Demand: Affordable and/or Medicaid	8,579	9,949	13,895	18,560
2016/2021 Supply	5,610	5,659		
2016/2021 Net Demand or (Oversupply)	2,969	4,290		
<b>MEMORY CARE ASSISTED LIVING: MARKET-RATE</b>				
Memory care assisted living utilization rate - market-rate households <sup>(Demand 4)</sup>	1.17% to 1.65%	1.17% to 1.65%	1.17% to 1.65%	1.17% to 1.65%
Memory Care Assisted Living Demand: Market-Rate	4,655	5,825	6,536	7,180
2016/2021 Supply	4,261	4,509		
2016/2021 Net Demand or (Oversupply)	394	1,316		
<b>INDEPENDENT LIVING: MARKET-RATE</b>				
Independent living utilization rate <sup>(Demand 5)</sup>	1.6% to 8.0%	1.52% to 7.6%	1.46% to 7.30%	1.39% to 6.93%
Independent Living Demand: Market-Rate	13,305	15,616	19,053	23,157
2016/2021 Supply	10,967	11,361		
2016/2021 Net Demand or (Oversupply)	2,338	4,255		
<b>AGE-QUALIFIED RENTALS: MARKET-RATE</b>				
Age-qualified rentals utilization rate - market-rate households <sup>(Demand 6)</sup>	2.45% to 3.5%	2.7% to 3.85%	2.91% to 4.16%	3.20% to 4.57%
Age-Qualified Rentals Demand: Market-Rate	6,255	8,534	10,791	13,767
2016/2021 Supply	3,524	3,623		
2016/2021 Net Demand or (Oversupply)	2,731	4,911		
<b>AGE-QUALIFIED RENTALS: AFFORDABLE</b>				
Age-qualified rentals utilization rate - income-restricted households <sup>(Demand 7)</sup>	50.00%	50.00%	50.00%	50.00%
Age-Qualified Rentals Demand: Affordable	28,548	34,849	39,741	44,370
2016/2021 Supply	20,797	21,675		
2016/2021 Net Demand or (Oversupply)	7,751	13,174		
<b>FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES</b>				
Age-qualified, for-sale housing utilization rate - all prices <sup>(Demand 8)</sup>	0.9% to 3.0%	0.9% to 3.0%	0.9% to 3.0%	0.9% to 3.0%
Age-Qualified, For-Sale Housing Demand - All Prices and Types	23,934	26,992	29,572	32,667
2016/2021 Supply	17,358	19,538		
2016/2021 Net Demand or (Oversupply)	6,576	7,454		

Demographic Sources: Demography Section, Colorado Department of Local Affairs; The Nielsen Company; Ribbon Demographics LLC; U.S. Census.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - OVERVIEW

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## Mixed-Age Housing

The vast majority of people age 65+ in **Colorado** statewide live in “regular” housing, that is, mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties in this sub-area that are either legally age-restricted (which is referred to throughout this report as “age-qualified”), or that serve people who need assisted living or skilled care, is estimated at 93,976 units/beds, compared to an estimated 2016 total age 65+ population of 748,097 individuals in 482,602 households. The total statewide capacity of age-qualified housing, assisted living, and skilled nursing facilities is equal to 19% of age 65+ households.

## Housing by Care and Service Need (*Generally for those age 80+, or those with Alzheimer’s or disabilities*)

### Skilled Nursing

The skilled nursing inventory statewide is a mix of newer and older properties of mixed quality, but with a preponderance of older properties - particularly those serving Medicaid residents. In calculating expected demand based on average statewide utilization by age 75+ individuals, there is an apparent oversupply of about 4,459 beds in 2016, consistent with the 4,432 statewide vacancies (occupancy rate of 78.9%) overall in Colorado as of the most recent state census report (March 31, 2016). By 2021, there is still an apparent oversupply of 2,533 beds statewide. There were also 11 new facilities under construction as of mid-June 2016 that will likely increase the statewide vacancy rate for older properties, while capturing strong market share in their areas.

In projecting demand to 2030, we have assumed that the percentage of those age 75+ in skilled nursing beds in Colorado (5.83% statewide as of December 31, 2015) will continue to decline by 10% per year. Despite that decline in percentage utilization, with dramatic population growth of age 75+ individuals, projected gross demand statewide goes from about 17,020 beds in 2016 to about 25,584 beds by 2030. With 21,479 beds in Colorado currently, this projection estimates demand for approximately 4,000 additional skilled nursing beds statewide out to 2030. It is critical to note, as well, that much of the existing skilled nursing supply is in older buildings dating back to the 1960s and earlier, therefore much of the apparent oversupply currently is in buildings that should be considered obsolete.

It is critically important to note two key dynamics relative to demand for skilled nursing. First, the newer, better- to higher-quality skilled nursing facilities run occupancies that are far higher than older, lesser-quality facilities, so the majority of vacant beds statewide are found in the older properties that have had no significant renovations. The second dynamic to note is that the state is quite diverse and the statewide “oversupply” masks individual differences and needs within the state. There are some areas that have no skilled nursing and other areas that are oversupplied. There are some areas that have several newer, higher-quality facilities, and other areas where only one older property is available. For example, a new skilled facility recently opened in Woodland Park to serve residents of Teller and Park Counties who previously only had access to a hard-to-reach skilled nursing facility in Cripple Creek or had to travel to Denver metro or into Colorado Springs. As another example, the River Valley Inn, under construction in Del Norte, will replace an older facility that closed in 2013.

The high numbers of vacancies in skilled nursing facilities statewide is primarily attributable to both the age and poor quality of the majority of the skilled nursing properties, combined with the development of thousands of assisted living units over the past two decades. A large proportion of the overall skilled nursing inventory is obsolete, built in the 1960s and 1970s, and the majority of those properties have had no significant renovation. Each year, these dated skilled nursing properties become less desirable, attract fewer private pay residents, and continue to maintain low occupancy rates, despite population growth. At the same time, assisted living has become the alternative of choice, and is readily available to those in urban and suburban areas for those able to pay privately, and somewhat less available for those seeking Medicaid or other affordable assisted living. Home care and in-home technologies are also allowing more people to remain in their homes to receive long-term care.

An even newer trend that is making traditional skilled nursing facilities even less viable and desirable is the emergence of a new generation of specialized facilities serving only or primarily short-term sub-acute/rehab patients on Medicare. Statewide, there are 15 facilities of this type that are either under construction or that have opened since 2012 (13 in the Front Range sub-area, and 2 in Grand Junction). These new facilities generally offer private rooms in state-of-the-art buildings, with a strong therapy and medical focus to return patients back home quickly. This new generation of specialized facilities is rapidly capturing a large percentage of the Medicare skilled nursing facility market in the Front Range sub-area and poised to do so in Grand Junction. As an example of market capture, four facilities of this type have opened in Colorado Springs since 2012, offering a total of 291 beds exclusively for Medicare residents; in comparison, the total Medicare census for all 23 skilled nursing facilities in El Paso County combined was 378 patients at March 31, 2016. Because short-term skilled nursing care is paid by Medicare and not out-of-pocket, these facilities are accessible to everyone with Medicare, regardless of income. Also, because many traditional skilled nursing facilities are financially dependent on maintaining a certain proportion of short-term Medicare patients (due to higher profitability), it is likely that older skilled facilities will see further census reductions and that more older properties will close as they become financially non-viable.

Unfortunately, those who can't afford to pay privately for long-term care have few choices, reflected in the fact that 62% of all skilled nursing facility residents statewide are Medicaid residents. Access to affordable long-term care is limited both by the low income and asset thresholds for Medicaid eligibility and limited by the availability of Medicaid assisted living both in urban/suburban and rural areas. Even for those who can pay privately, in some rural areas there are no facilities, or the only long-term care option is a dated skilled nursing facility, and local residents have to choose between accepting that facility or relocating out of their community for a newer facility or assisted living.

Looking further into the future, toward 2030, we project that the traditional skilled nursing facility will continue to give way both to assisted living and to new short-term rehabilitation facilities, to the extent those are available in a market area. Due to huge population growth to 2030 and beyond, there will be increasing demand for good-quality long-term care options for people of all incomes, some of whom will need a skilled nursing level of care. While much of the demand can be well met by other alternatives - such as high-acuity assisted living, home care with new technologies, and new forms of family and informal care - a new generation of skilled nursing facilities is also needed. Ideally, these should be innovative, state-of-the-art facilities such as those incorporating "neighborhood" models, the Green House® model, and other emerging models. These new facilities must be made available to those on Medicaid, rather than just to those who are private pay residents or short-term Medicare patients.

## **Market-Rate Assisted Living, Memory Care Assisted Living, and Independent Living**

Those living in and near the cities and suburban areas of the state have a plentiful supply of good- to high-quality market-rate independent living (high-service retirement apartments and/or cottage units), assisted living, and memory care assisted living properties, available to those who can afford market pricing. These properties range

from middle- to high-pricing levels that are directly related to the age, condition, quality, and location of the properties. Those living in the small towns, rural and mountain areas of the state typically do not have nearby properties, with some who need service and care-oriented housing choosing to relocate to the nearest facilities located in other towns, some choosing to relocate near adult children in further communities, and some choosing to remain at home.

Significant additional development of market-rate properties is underway throughout the urban and suburban portions of the state, with at least short-term overbuilding of assisted living and memory care assisted living in some areas at this time. Overall, supply and demand for market-rate independent living, assisted living, and memory care assisted living in urban and suburban portions areas appear to be in reasonable balance and will likely remain so over time through pure market forces.

**Assisted Living** - Most of the additional net demand (demand less supply) in the state for market-rate assisted living (about 793 units/beds statewide in 2016, increasing to about 2,773 additional units/beds by 2021) is in market areas that either have lower-income demographics or are too small to attract typical market-rate developers. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 75+ would need and select assisted living. Therefore, with significant population growth, projected gross demand (not subtracting supply) goes from about 10,773 units/beds in 2016 to about 19,677 units/beds by 2030.

**Memory Care Assisted Living** - Most of the additional net demand (demand less supply) in the state for market-rate memory care assisted living (about 394 units/beds statewide in 2016, increasing to about 1,316 additional units/beds by 2021) is in market areas that, as with assisted living, either have lower-income demographics or are too small to attract typical market-rate developers. In projecting demand to 2030, we have assumed that a similar percentage of those with Alzheimer's or other dementias would need and select memory care assisted living. Therefore, with significant population growth, projected gross demand goes from about 4,655 units/beds in 2016 to about 7,180 units/beds by 2030.

**Independent Living** - Significant additional net demand in the urban and suburban areas of the state is estimated for independent living in 2016 and 2021 (nearly 2,338 units currently and about 4,255 additional units by 2021). Independent living is generally an urban and suburban housing type because of the large scale required to support meal programs and other extensive services. As a result, only minimal demand is projected for this housing type in the small town, rural, and mountain areas of the state.

New independent living development has been much slower to return following the recession, with the great majority of new development occurring in assisted living and memory care; therefore, estimated net demand is higher than it is for assisted living at this time. That said, in projecting demand out to 2030, due to change in generational preferences, we have assumed a gradual reduction in the percentage of age 75+ households who would be likely to move into this traditional retirement type. Despite that percentage reduction, because of population growth, gross demand is still projected to increase from about 13,305 units in 2016 to nearly 23,157 units by 2030, again, nearly all of which will be in the urban and suburban portions of the state.

## **Affordable Assisted Living**

We estimate a current net demand for about 2,969 additional affordable assisted living units/beds statewide, projected to increase to net demand for about 4,290 units/beds by 2021. With costs for assisted living escalating at a higher rate than incomes, and due to population growth, gross demand for affordable assisted living units/beds is projected to grow from about 8,579 units/beds in 2016 to about 18,560 units/beds by 2030.

The supply of affordable assisted living funded through Medicaid and other sources appears to be inadequate throughout the state. Many people who need affordable long-term care and who could be appropriately cared for in assisted living are instead placed in skilled nursing beds because of this shortage; others choose to remain at home and may have inadequate services or oversight. Reimbursement for providers of Medicaid assisted living in Colorado is inadequate to encourage development, and that situation does not appear likely to change in the near future. Also, some assisted living properties that accept Medicaid residents are of very poor quality and could not be considered a desirable option.

As detailed in endnote “Inventory 2” located in *Inventory: Endnotes to Inventory Overview*, it is critical to note that the calculation of current supply is a rough estimate that assumes that the majority of units/beds in properties licensed and certified to accept Medicaid residents (Alternative Care Facilities) are actually available to Medicaid residents. In practice, virtually all assisted living properties that accept Medicaid also accept and seek a mix of private pay residents and that mix is variable. It is beyond the scope of this report to obtain an exact count for each facility of the number of its beds actually available to potential Medicaid recipients, and therefore, the demand for additional beds available to Medicaid residents may be understated. More in-depth review of each property would provide a closer estimate of actual capacity for Medicaid residents.

To further examine supply trends, we calculated 5-year numeric and percentage increases in licensed assisted living beds statewide (from Colorado Department of Public Health and Environment facility counts as of June 9, 2016). Since June 2011, the number of licensed assisted living beds in facilities accepting only private pay residents increased by 3,667 beds, or 43%, while the number of licensed assisted living beds in facilities that accept at least some Medicaid residents increased by 435 beds, or only 5%. We have also noted that, of approximately 45 new assisted living properties with a total of about 2,200 units built or under construction statewide since 2012, all are market-rate with the exception of 2 Colorado Springs properties with a total of 132 units that are income-restricted for low-income/Medicaid residents (both funded using Federal Low Income Housing Tax Credits). One additional property is pending groundbreaking, adding 49 additional affordable assisted living units in Pueblo, using Federal and State Low Income Housing Tax Credits. A few group homes offering Medicaid beds have also opened or closed during that time, but the increase to actual capacity in small group homes has been small.

## **Housing by Affordability (*Broad range of ages 55 to 80+, cannot afford market pricing, and not in need of care-based housing*)**

### **Age-Qualified, Affordable/Income-Restricted Rental Units**

There is significant unmet demand for age-qualified, affordable (“senior”) rental units, with virtually every existing property reporting full occupancy with wait lists. Given ongoing funding constraints, unmet demand for affordable rental units is expected to grow dramatically as the 62+ population grows rapidly over the next 15 years.

We estimate a current net demand (demand less supply) of about 7,751 additional age-qualified, affordable rental units throughout the state, projected to increase to net demand of about 13,174 units by 2021. With owner and renter housing costs escalating at a higher rate than incomes, and as a result of significant population growth, gross demand for age-qualified, affordable rental units is projected to grow from about 28,548 in 2016 to nearly 44,370 units by 2030. This demand projection defines affordability as annual incomes below 60% of Area Median Income for age 62+, 1- and 2-person renter households.

We also note that around 50% of the 20,000+ existing age-qualified, affordable apartments statewide were built prior to 1980. It is critical to renovate and preserve these existing properties, in addition to building new properties.

## **Housing by Choice (Generally for ages 55 to 80, not care based, offering a range of market-pricing)**

### **Age-Qualified, Market-Rate Rental Units**

We estimate a current net demand (gross demand less supply) of about 2,731 additional age-qualified, market-rate rental units statewide, projected to increase to net demand of about 4,911 units by 2021. The great majority of projected demand is for urban and suburban areas, not simply due to their larger populations, but also, a lower utilization rate is assumed for rural areas because rental apartments and cottages appears to be atypical or less desirable as a housing choice in rural areas. With significant population growth and shifts in generational preferences and household composition, gross demand for age-qualified, market-rate rental units is projected to grow from about 6,255 in 2016 to about 13,767 units by 2030, again, primarily in urban and suburban areas.

In smaller towns and rural areas, age-qualified, market-rate rental properties are rare. Where they do exist, they are typically smaller-scale properties offering duplex or cottage-type units, sometimes as an adjunct to assisted living, or other senior housing. According to *Housing an Aging Rural America: Rural Seniors and Their Homes (2014)*, rental options in small towns are scarce, but could be of great benefit to provide an option for those seniors who wish to remain in the community, but who can no longer maintain a home. That report encourages additional development of rental options suitable for seniors in rural areas. To that end, we have estimated a modest level of demand for age-qualified, market-rate rental units in the smaller cities and towns, rural, and mountain areas of the state.

In urban and suburban areas, market-rate, age-qualified rental apartment properties are similar to mixed-age multifamily properties, offering individual apartments and community lifestyle amenities, but designed to match the needs and preferences of age 55+ households. Those who choose this product over mixed-age multifamily properties generally do so because they are seeking a lifestyle change that provides the opportunity for new friendships and connections with age peers, in addition to freedom from the responsibilities of homeownership. In comparison to traditional “independent living” properties, age-qualified rentals offer many of the same benefits of traditional retirement communities, yet at a much lower price point because meals and other bundled services are not included.

Existing inventory of age-qualified, market-rate rentals in the urban and suburban areas of the state includes a modest number of older and moderately-priced apartment properties in urban and suburban areas, small numbers of cottage or duplex units on senior campuses, a few good-quality apartment properties built in the early to mid-2000s and a new generation of middle- to higher-end apartment properties targeted to baby boomers and younger seniors, opened between 2012 and 2016. The newest generation of market-rate rentals is thus far limited to relatively few properties, all of which are located within the Front Range sub-area, in Broomfield, Colorado Springs, Denver, and Lafayette. Other new age-qualified, market-rate rental properties are now under construction in uptown Denver, Fort Collins, Littleton, and Loveland.

### **Age-Qualified, For-Sale Housing (Restricted to Households Age 55+)**

Nearly all existing and under-development age-qualified, for-sale home communities in Colorado are located in the Front Range sub-area (96% of existing for-sale units). The communities vary widely in age, price range, and type - from mobile and manufactured home communities to condominiums to newer patio homes. As noted in the *Inventory* section above, of an estimated total of about 17,000 total age-qualified, for-sale units statewide, about 43% are in older and lower-priced detached and attached home communities, about 36% are in mobile and manufactured home communities, and about 21% are in newer detached and attached home communities (built

since the early 2000s). This diversity in pricing and housing type provides ownership accessibility (and at least some community connection) to a broad range of age 55+ households, from low income to affluent.

We estimate a current net demand (demand less supply) of about 6,576 additional age-qualified, for-sale housing units for the state overall, projected to increase to net demand of about 7,454 units by 2021. As a result of significant population growth, gross demand for age-qualified, for-sale housing units is projected to grow from about 23,934 in 2016 to just about 32,667 units by 2030. These demand projections assume that new supply will also be diverse, offering for-sale options from mobile and manufactured communities to high-end patio homes.

The great majority of that projected demand is for urban and suburban areas, not simply due to population, but a lower utilization rate is assumed for rural areas because age-qualified, for-sale housing appears to be atypical or less desirable as a housing choice in rural areas and because it is less financially feasible to develop. In fact, the total supply in the state is located almost exclusively in the Front Range and Western Slope sub-areas, with no identified age-qualified, for-sale communities in either the Southern Colorado sub-area or the Eastern Plains sub-area, and only 1 identified mobile home community in the Mountain Resort sub-area.

# EASTERN PLAINS SUB-AREA

## Section Contents

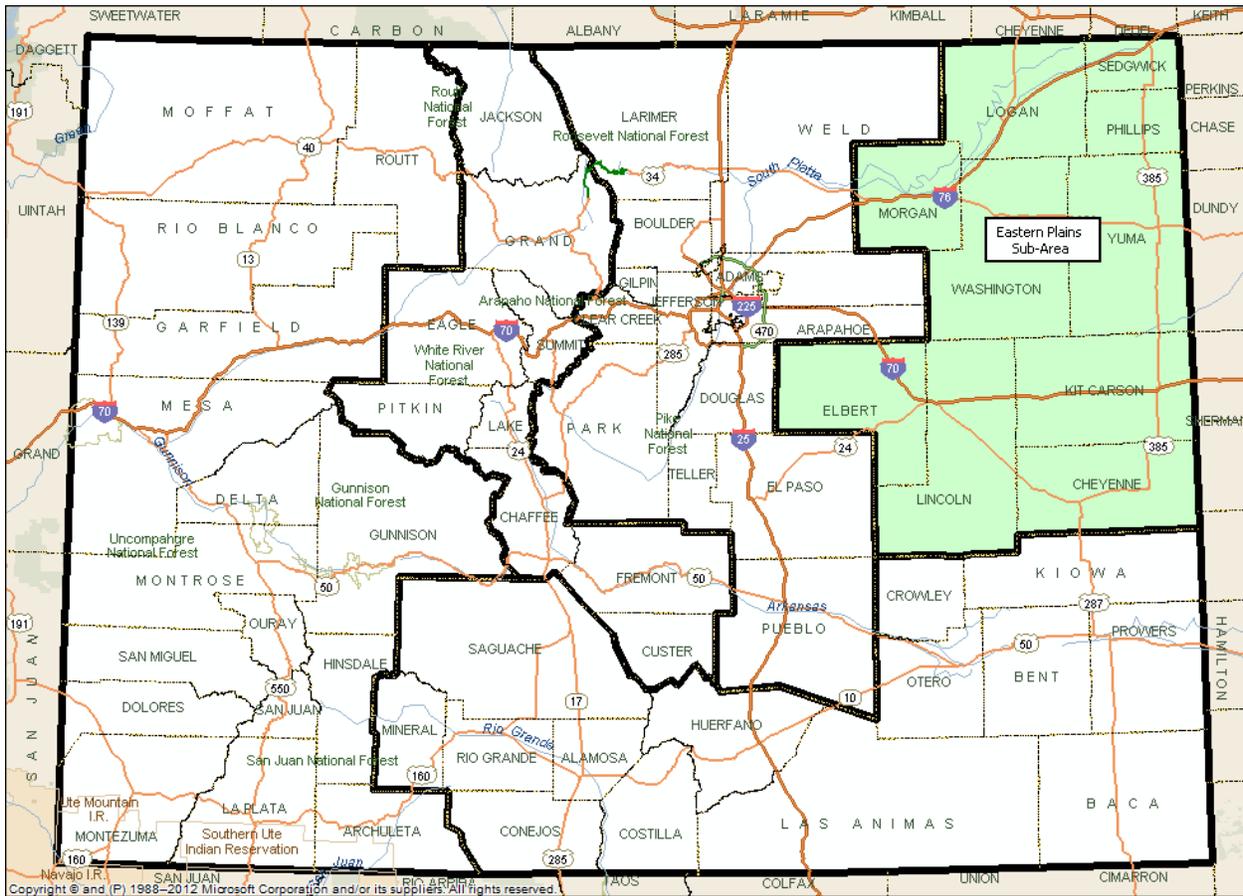
Sub-Area:	Definition and Map
Demographics:	Estimates and Projections Related to Need for Housing and Care, 2016 through 2030
Inventory:	Existing and Under-Construction Age-Qualified Housing and Care Facilities - Table  Existing and Under-Construction Age-Qualified Housing and Care Facilities - Overview
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# SUB-AREA: DEFINITION AND MAP

The **Eastern Plains** sub-area is comprised of Colorado Planning and Management Regions 1 and 5, located in the northeastern/eastern section of Colorado, and includes the following counties:

- |            |        |            |          |
|------------|--------|------------|----------|
| Cheyenne   | Elbert | Kit Carson | Lincoln  |
| Logan      | Morgan | Phillips   | Sedgwick |
| Washington | Yuma   |            |          |

The Eastern Plains sub-area is highlighted in green on this map.



# DEMOGRAPHICS: ESTIMATES AND PROJECTIONS RELATED TO NEED FOR HOUSING AND CARE, 2016 THROUGH 2030

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The next few pages contain a set of tables that provide demographic estimates and projections for the entire **Eastern Plains** sub-area as a whole. Included are specific variables that are key to estimating the need for housing and care for different age and income groups.

The sub-areas are quite large and diverse, including multiple counties. As a result, it is important to note that data in these tables represent aggregate or medians of population, incomes, or housing values, when in fact, there are wide variations between counties, cities, towns, rural areas, and mountain areas within the sub-areas.

## **Demographic tables in this section include the following:**

General and Age-Targeted Demographics

Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

Presence of Self-Care and Independent Living Disabilities: Age 65+

Presence of Alzheimer's and Other Dementias: Age 65+

## General and Age-Targeted Demographics

This table displays general demographics projected for 2016 and 2021 for the general population and age groups 55 to 64, 65 to 74, and 75+; five-year change is also displayed.

Eastern Plains Sub-Area				
	2016	2021	Five-Year Change 2016 to 2021	Percent Change 2016 to 2021
<b>General Demographics</b>				
Total population	114,894	128,306	13,412	11.7%
Total households	43,439	48,840	5,401	12.4%
Median household income	\$53,910	\$58,690	\$4,780	8.9%
Median owner housing value	\$167,645	\$175,870	\$8,225	4.9%
<b>Targeted Households</b>				
<b>Age 55-64 households</b>	9,743	9,911	168	1.7%
Number of individuals	16,995	17,335	340	2.0%
\$75,000+ household income	4,183	4,873	690	16.5%
Median household income	\$69,518	\$77,180	\$7,662	11.0%
<b>Age 65-74 households</b>	6,526	7,987	1,461	22.4%
Number of individuals	10,477	12,810	2,333	22.3%
\$50,000+ household income	3,179	4,253	1,074	33.8%
Median household income	\$48,799	\$53,943	\$5,144	10.5%
<b>Age 75+ households</b>	5,632	6,181	549	9.7%
Number of individuals	8,263	9,093	830	10.0%
Medicaid income-qualified (\$26,388)	2,498	2,486	-12	-0.5%
\$25,000+ household income	3,237	3,826	589	18.2%
\$35,000+ household income	2,305	2,848	542	23.5%
\$50,000+ household income	1,464	1,881	416	28.4%
Median household income	\$29,665	\$32,565	\$2,900	9.8%

Source: The Nielsen Company; Demography Section, Colorado Department of Local Affairs

- The sub-area population is estimated at 114,894 in 2016, projected to grow by 11.7% by 2021.
- Median household income is estimated at \$53,910 in 2016, projected to grow to \$58,690 by 2021.
- Housing values vary widely, with median housing value estimated at \$167,645 for 2016 for all types of owner-occupied housing units.
- The highest percentage and numeric growth of individuals in these three age groups is in those 65 to 74, with a projected 22.3% growth rate between 2016 and 2021, growing from 10,477 to 12,810.
- While the median income of all households is estimated at \$53,910 in 2016, median household income for the 75+ age group is just \$29,665; median household income for the 65 to 74 age group is \$48,799; and the highest median household incomes are found in the 55 to 64 age group at \$69,518.
- In 2016, an estimated 2,498 households age 75+ have incomes of less than \$26,388, the threshold of income eligibility for Medicaid long-term care, with that number projected to remain relatively flat between 2016 and 2021.
- Just under half of the age 65 to 74 households have incomes of \$50,000+ in 2016. About 41% of the 75+ age households have incomes of \$35,000+, a threshold considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement income with spend-down of assets).

## Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

This table displays projected growth in five-year increments between 2015 and 2030 for the general population and for age groups 55 to 64, 65 to 74, and 75+ and compares sub-area growth to statewide growth.

Eastern Plains Sub-Area				
Age Group	Eastern Plains Sub-Area	Statewide Percent Growth	Sub-Area Totals by Five-Year Periods	
<b>All Ages Percent Growth and Sub-Area Totals</b>				
2010 to 2015	1.7%	7.8%	2015	112,870
2015 to 2020	11.3%	9.0%	2020	125,570
2020 to 2025	10.9%	8.7%	2025	139,222
2025 to 2030	8.6%	8.0%	2030	151,242
<b>Age 55-64 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	17.4%	13.9%	2015	16,625
2015 to 2020	5.4%	5.7%	2020	17,523
2020 to 2025	-7.3%	-0.7%	2025	16,252
2025 to 2030	-6.4%	2.2%	2030	15,204
<b>Age 65-74 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	19.9%	37.9%	2015	10,087
2015 to 2020	21.7%	26.6%	2020	12,275
2020 to 2025	18.0%	14.5%	2025	14,483
2025 to 2030	5.5%	6.4%	2030	15,273
<b>Age 75+ Percent Growth and Sub-Area Totals</b>				
2010 to 2015	5.7%	16.9%	2015	8,137
2015 to 2020	9.4%	23.5%	2020	8,898
2020 to 2025	16.9%	32.7%	2025	10,406
2025 to 2030	19.7%	27.4%	2030	12,455

Source: Demography Section, Colorado Department of Local Affairs

- The total population in the sub-area is expected to grow by 34% between 2015 and 2030, from 112,870 in 2015 to 151,242 in 2030.
- The 55 to 64 age group population is expected to decline by 8.5%, between 2015 and 2030, from 16,625 in 2015 to 15,204 in 2030.
- The 65 to 74 age group population is expected to grow by 51.4% between 2015 and 2030, from 10,087 in 2015 to 15,273 in 2030.
- The 75+ age group population is expected increase by 53.1% between 2015 and 2030, in contrast to the decline of 8.5% projected for the 55 to 64 age group.
- While projected growth rates 2015 to 2030 for the total population for the sub-area are higher than statewide growth rates, growth rates for the three age-targeted groups are lower than projected statewide growth rates.

## **Owner and Renter Households: Age Groups 55 to 64, 65 to 74, and 75+ by Income and Household Size**

The tables on the next three pages display demographics separately for the age groups: 55 to 64, 65 to 74, and 75+, both by income and by household size. It is important to understand home ownership and household composition of the age 55+ population for several reasons.

First, homeowners typically have a significantly higher level of assets than renter households, even in the same age groups, and even if they have the same annual incomes. Home equity generally makes up the major portion of the assets of older households, with a large proportion of older households owning homes free and clear, or with low levels of debt. Equity from the sale of a home is routinely used at a later age as a major source of payment for care that may be needed in assisted living or skilled nursing. Similarly, equity from the sale of a home is also routinely used to supplement annual income to pay for monthly rent in an apartment or for independent living in a retirement community.

Second, a substantial amount of research links marriage/domestic partnership with successful aging, and suggests that unmarried individuals and others in 1-person households are disadvantaged both in terms of the level of household income and assets, as well as in the absence of an unpaid, live-in family caregiver at older ages. The presence of large numbers of 1-person households in a market area typically translates to a greater current need for paid supportive services and care for those now age 75+, and also likely translates to a greater future need for paid supportive services for those who are now age 55 to 74 and who now live alone.

As a result of both of the owner/renter factor and the 1-person household/2+ person household factor, 1-person renter households are the most at risk of being housing cost-burdened (spending too high a percentage of annual income to pay for housing), of living in inadequate housing, and of spending down assets at younger retirement ages so that they outlive their resources and have few funds to pay for care and housing as they reach older ages. Single-person owner households with annual incomes of \$25,000 or below are also at great risk of being able to remain in their homes and of being able to obtain needed services as they age.

It should also be noted that, in urban and suburban areas, a percentage of the reported 1-person renter households already live in age-qualified apartments or retirement communities (both affordable and market-rate) where more support and companionship is available, and therefore, the dynamic relative to need and availability of support is different for those individuals. In rural areas, there are few age-qualified rental options for older persons, and the vast majority of older 1-person renter households do not live in age-qualified apartments or other supportive housing arrangements.

## Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

This table displays the number of age 55 to 64 owner and renter households by income group and by household size for 2016 and 2021.

Eastern Plains Sub-Area												
Age 55 - 64 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	123	14	26	81	97	22	159	21	30	110	142	33
\$10,000-20,000	229	63	35	256	197	75	288	74	33	311	266	108
\$20,000-30,000	74	86	53	173	296	107	81	95	67	195	366	132
\$30,000-40,000	81	119	60	290	388	118	96	143	65	353	497	164
\$40,000-50,000	101	22	17	258	395	246	86	10	21	243	403	268
\$50,000-60,000	62	34	30	114	518	75	55	35	26	126	541	81
\$60,000-75,000	28	73	13	111	605	219	23	74	14	105	633	256
\$75,000-100,000	44	35	64	90	951	335	32	35	50	54	962	352
\$100,000-125,000	41	25	24	124	505	279	20	17	15	89	382	247
\$125,000-150,000	13	15	13	45	209	173	5	5	10	30	122	133
\$150,000-200,000	19	10	18	27	265	90	8	11	16	16	181	104
\$200,000+	14	17	15	40	203	69	10	15	14	28	161	53
<b>Total</b>	<b>829</b>	<b>512</b>	<b>369</b>	<b>1,610</b>	<b>4,629</b>	<b>1,808</b>	<b>863</b>	<b>535</b>	<b>361</b>	<b>1,661</b>	<b>4,657</b>	<b>1,931</b>
<i>Total Households</i>	1,709			8,046			1,759			8,248		
<i>% of TH HH in Sub-Area</i>	18%			82%			18%			82%		
<i>% of Total HH</i>	49%	30%	22%	20%	58%	22%	49%	30%	21%	20%	56%	23%
<i>Number of HH &gt; \$40k</i>	323	230	195	810	3,651	1,486	239	202	167	692	3,385	1,494
<i>% of HH &gt; \$40k</i>	39%	45%	53%	50%	79%	82%	28%	38%	46%	42%	73%	77%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 82% of those age 55 to 64 in the sub-area are in owner households, with 8,046 owner households and 1,709 renter households.

**Owners** - In 2016, it is estimated that 20% of owner households live alone, 58% are 2-person households, and 22% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 49% of renter households live alone, 30% are 2-person households, and 22% are 3-person+ households. By 2021, these percentages are projected to be similar. Few of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 39%, compared to 50% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 45%, compared to 79% of 2-person owner households.

## Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

This table displays the number of age 65 to 74 owner and renter households by income group and by household size for 2016 and 2021.

Eastern Plains Sub-Area												
Age 65 - 74 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	93	12	3	115	137	30	139	12	2	180	207	57
\$10,000-20,000	243	29	5	384	224	22	320	40	7	514	331	38
\$20,000-30,000	121	36	7	272	414	72	138	55	10	339	578	111
\$30,000-40,000	21	68	11	287	401	57	28	87	13	395	548	83
\$40,000-50,000	58	57	5	127	465	33	64	64	4	128	560	45
\$50,000-60,000	22	22	8	51	405	81	31	20	6	56	502	104
\$60,000-75,000	6	4	8	66	422	123	4	9	11	58	523	159
\$75,000-100,000	7	45	24	56	446	118	5	32	29	48	478	133
\$100,000-125,000	5	3	2	22	153	54	2	4	3	15	139	56
\$125,000-150,000	16	9	6	18	104	21	16	2	6	6	83	20
\$150,000-200,000	9	7	4	11	104	22	10	7	0	9	104	22
\$200,000+	10	2	1	17	61	6	10	0	3	10	43	6
<b>Total</b>	<b>612</b>	<b>296</b>	<b>85</b>	<b>1,427</b>	<b>3,339</b>	<b>641</b>	<b>767</b>	<b>333</b>	<b>95</b>	<b>1,760</b>	<b>4,097</b>	<b>835</b>
Total Households	993			5,407			1,195			6,691		
% of Ttl HH in Sub-Area	16%			84%			15%			85%		
% of Total HH	62%	30%	9%	26%	62%	12%	64%	28%	8%	26%	61%	12%
Number of HH > \$40k	134	149	59	369	2,162	459	142	139	63	331	2,433	546
% of HH > \$40k	22%	51%	69%	26%	65%	72%	19%	42%	66%	19%	59%	65%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 84% of those age 65 to 74 in the sub-area are in owner households, with 5,407 owner households and 993 renter households.

**Owners** - In 2016, it is estimated that 26% of owner households live alone, 62% are 2-person households, and 12% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 62% of renter households live alone, 30% are 2-person households, and 9% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 22%, compared to 26% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 51%, compared to 65% of 2-person owner households.

## Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

The table below displays the number of age 75+ owner and renter households by income group and by household size for 2016 and 2021.

Eastern Plains Sub-Area												
Age 75+ Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	158	27	12	255	58	9	207	32	14	332	85	17
\$10,000-20,000	323	42	32	822	149	59	349	49	42	933	204	82
\$20,000-30,000	124	109	35	413	389	13	130	118	47	454	454	21
\$30,000-40,000	137	71	12	228	290	18	147	90	14	241	341	23
\$40,000-50,000	34	36	12	185	272	17	30	34	16	160	293	23
\$50,000-60,000	28	15	13	107	103	27	20	10	17	110	107	31
\$60,000-75,000	41	13	15	82	128	40	41	11	15	81	133	45
\$75,000-100,000	18	7	13	103	131	29	10	8	12	90	111	27
\$100,000-125,000	6	2	7	28	31	7	3	4	10	13	22	4
\$125,000-150,000	10	1	6	24	12	10	2	0	5	14	6	9
\$150,000-200,000	5	0	5	24	21	3	6	0	8	22	15	4
\$200,000+	1	2	3	15	12	2	0	2	1	8	7	3
<b>Total</b>	<b>885</b>	<b>326</b>	<b>164</b>	<b>2,286</b>	<b>1,596</b>	<b>233</b>	<b>944</b>	<b>358</b>	<b>202</b>	<b>2,459</b>	<b>1,778</b>	<b>287</b>
Total Households	1,376			4,115			1,505			4,525		
% of Totl HH in Sub-Area	25%			75%			25%			75%		
% of Total HH	64%	24%	12%	56%	39%	6%	63%	24%	13%	54%	39%	6%
Number of HH > \$40k	142	77	73	567	710	134	112	69	86	499	694	145
% of HH > \$40k	16%	24%	45%	25%	44%	58%	12%	19%	42%	20%	39%	50%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 75% of those age 75+ in the sub-area are in owner households, with 4,115 owner households and 1,376 renter households.

**Owners** - In 2016, it is estimated that 56% of owner households live alone, 39% are 2-person households, and 6% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 64% of renter households live alone, 24% are 2-person households, and 12% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 16%, compared to 25% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 24%, compared to 44% of 2-person owner households.

## Presence of Self-Care and Independent Living Disabilities: Age 65+

This table displays the number of age 65+ individuals in the sub-area who report “self-care” or “independent living difficulty” (as defined by the U.S. Census Bureau).

Eastern Plains Sub-Area		
Disability: Self Care and Independent Living		
	2016	
Age 65+ Total	18,740	18,740
Age 65+ Non-Institutionalized (NI)	18,132	18,132
Age 65+ Institutionalized	608	608
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	7.8%	13.3%
Age 65+ With Disability (NI)	1,407	2,417

Source: The Nielsen Company and U.S. Census American Community Survey

The US Census Bureau’s American Community Survey estimates that about 7.8% of those age 65+ in the sub-area not in nursing homes or otherwise institutionalized reported self-care disabilities, and about 13.3% reported independent living difficulties. Using these percentages, an estimated 1,407 non-institutionalized individuals in the sub-area age 65+ are estimated to have self-care difficulties and 2,417 are estimated to have independent living difficulties.

## Presence of Alzheimer’s and Other Dementias: Age 65+

This table displays the incidence rates for Alzheimer’s disease and other dementias, as estimated by the most current research. The incidence rates by age group are then used to estimate and project the number of sub-area residents likely to have or to develop Alzheimer’s Disease, 2016 to 2030.

Eastern Plains Sub-Area								
Estimated/Projected Alzheimer's Incidence, 2016 - 2030								
	2016		2021		2025		2030	
Age Group	Incidence Rate	Number in Sub-Area						
65-74	3.0%	314	3.1%	397	3.2%	463	3.3%	504
75-84	17.0%	943	16.7%	1,053	17.0%	1,260	17.2%	1,556
85+	32.1%	872	32.2%	898	32.6%	968	32.9%	1,121
<b>Total 65+</b>	<b>11.4%</b>	<b>2,129</b>	<b>10.7%</b>	<b>2,348</b>	<b>10.8%</b>	<b>2,691</b>	<b>11.5%</b>	<b>3,181</b>

Sources: "Alzheimer disease in the United States (2010-2050) estimated using the 2010 census", *Neurology*, Hebert, Weuve, Scherr, et al, March 2013; The Nielsen Company; Demography Section, Colorado Department of Local Affairs

Using these incidence rates, there are an estimated 2,129 individuals with Alzheimer’s disease in 2016 in the sub-area, growing to 2,348 by 2021 and to 3,181 by 2030.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - TABLE

This table lists the estimated bed or unit count in this sub-area for these eight age-qualified housing types and for care facilities that primarily serve older individuals. The total includes units/beds that are either open or are under construction as of mid-June 2016.

The housing and facility types listed are as defined by a seniors housing industry publication, "Classifications of Seniors Housing Types", an annotated version of which is appended to this report.

<b>Eastern Plains Sub-Area</b>			
	<b>Total Existing or Opening in 2016</b>	<b>Under Construction Opening after 2016</b>	<b>Total Existing and Under Construction</b>
Skilled Nursing Beds: All Payer Sources	896	0	896
Assisted Living Beds: Market-Rate	94	0	94
Assisted Living Beds: Affordable/Medicaid	385	0	385
Memory Care Assisted Living Beds: Market-Rate	0	0	0
Independent Living Units: Market-Rate	12	0	12
Age-Qualified Rental Units: Market-Rate	0	0	0
Age-Qualified Rental Units: Affordable/Subsidized	176	0	176
Age-Qualified For-Sale Units: All Types and Pricing	0	0	0

While there may be additional properties in earlier stages of development in the sub-area, those are not included in these totals because it is uncertain if they will actually be constructed.

Methodology and sources for compiling these inventory estimates are described in *Inventory: Endnotes to Inventory Overview* in the *Appendix*.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - OVERVIEW

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## Overall Note

There is one property of note serving the **Eastern Plains** sub-area that is atypical in rural areas, offering a range of housing and care services. Eben Ezer Lutheran Care Center in Brush is a large continuing care community that was founded in 1905 by Lutheran immigrants from Denmark and expanded and renovated over the next 100 years. Because of its faith-based roots and sponsorship, Eben Ezer Lutheran Care Center has attracted residents from beyond the sub-area over the years. As a result, the proportion of people living in skilled nursing, assisted living, memory care, and age-qualified affordable apartments in the sub-area is larger than might be expected by simply calculating potential demand based on the local population alone.

## Skilled Nursing

There are 14 skilled nursing facilities in the **Eastern Plains** sub-area, with a total of 890 licensed beds. As of March 31, 2016 census reports <sup>(Inventory 1)</sup>, total occupancy was 647 beds, which is equal to 73% occupancy. Of total occupied beds, 64% of beds in the sub-area were occupied by people using Medicaid, 10% Medicare, and 26% private pay and other. Of the total licensed beds, 4 properties offer 89 beds in secure units for people with Alzheimer's disease and other dementias. The facilities range in size from 30 beds to 125 beds.

Of these 14 properties, Brush and Sterling have 2 facilities each, and the remaining 10 facilities are dispersed throughout the sub-area. The largest facility is at Eben Ezer Lutheran Care Center, with 125 beds.

In this sub-area, there is only 1 skilled nursing property known to be under construction. That property, in Akron, will offer 4 Green House<sup>®</sup> model 10-room skilled nursing homes (40 private rooms) to replace the dated, 34-bed, Washington County Nursing Home, serving Medicare, Medicaid, and private pay residents.

## Assisted Living

There are 22 assisted living facilities in the sub-area, with an estimated capacity of approximately 94 beds/units available to private pay residents, and a rough estimate of up to 379 beds/units available to lower-income persons on Medicaid or in PACE programs. <sup>(Inventory 2)</sup> *These assisted living bed/unit totals do not include units that are secured for memory care, which, if any, are listed separately.* These facilities range in size from 8 beds/units to 65 beds/units. Of these 22 facilities, 21 are licensed to serve Medicaid residents, although these facilities also serve private pay residents.

Of these 22 facilities, 4 are located in Sterling, 3 are located in Brush, and the rest are dispersed throughout the sub-area.

In this sub-area, there are no assisted living properties known to be under construction.

## Memory Care Assisted Living (Secured)

There is 1 assisted living property in the sub-area that offers secured memory care (locked units for those with Alzheimer's or other dementias), Carla's Cluster Care, in Limon, with 6 secured memory care units/beds, all of which are available for Medicaid residents. <sup>(Inventory 3)</sup>

In this sub-area, there are no properties that will offer memory care assisted living that are known to be under construction.

## Independent Living

Independent living properties are those that offer retirement apartments that include meals and many other bundled services in monthly rents. <sup>(Inventory 4)</sup> This is almost exclusively a market-rate and urban/suburban offering. Many independent living units are located in apartment buildings that are part of larger campuses that also offer assisted living or skilled nursing. In rural areas, independent living units are rare and are commonly offered as duplex or cottage-type units.

In this sub-area, there is only 1 existing property that offers independent living. Devonshire Acres, in Sterling, offers 12 independent living apartments on its campus with assisted living and skilled nursing.

In this sub-area, there are no independent living properties that are known to be under construction.

## Age-Qualified Rentals

Age-qualified rental units, most commonly referred to as "senior apartments", are rental units that are restricted to people either age 55+ or 62+ and can be either apartment-type units or duplex or cottage-type units. Age-qualified rental properties do not have commercial kitchens and do not include meals in rents, and generally have a minimal level of other services included or offered. This report separates age-qualified rental units into those that are priced at market-rates and those that are income- or rent-restricted (including properties that are older and that are no longer legally income-restricted, yet still operate as affordable).

### Market-Rate Rentals

In this sub-area, there are no known properties that offer market-rate, age-qualified rental units and no market-rate, age-qualified rental properties that are known to be under construction.

### Affordable/Income-Restricted Rentals

In this sub-area, there are 7 age-qualified properties that offer income-restricted/affordable rental units, with a total of about 176 income-restricted/affordable units.

Of these 7 affordable, age-qualified properties, 2 properties are located in Brush, and the rest are dispersed throughout the sub-area. Of these 7 properties, 4 are located in Washington, Yuma, Phillips, and Morgan Counties in the northern portion of the sub-area, and 3 properties are located in Lincoln and Kit Carson Counties in the southern portion of the sub-area. The majority of properties are older, with most having HUD contracts that enable the properties to charge rents equal to 30% of income.

In this sub-area, there are no age-qualified, income-restricted/affordable rental properties that are known to be under construction.

## **Age-Qualified For-Sale Units: All Types and Pricing**

Age-qualified for-sale units include any type of unit that is located in an age-qualified community where the homes are owned by individuals (also called “age-restricted, “active adult”, or “55+” communities), regardless of the housing types or level of pricing. Per HUD fair housing rules, at least 80% of buyers/owners in age-qualified communities must be at least age 55+, although some older communities have slightly different age restrictions. Age-qualified communities include all types and ages of housing: ranch or patio homes, townhomes, condominiums, and manufactured and mobile home parks and communities. <sup>(Inventory 5)</sup>

In this sub-area, there are no known age-qualified for-sale communities.

In this sub-area, there are no age-qualified for-sale communities known to be under development.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - TABLE

This table displays estimates and projections of quantitative demand for the eight housing and care types covered in this report for current year (2016), 5 years (2021), and the years 2025 and 2030. Because current and near-future inventory can reasonably be estimated, inventory estimates are shown for the years 2016 and 2021 only, along with estimates of net demand or oversupply for those years. A narrative overview follows this table and notes detailing assumptions and sources for estimates and projections of demand are found in *Demand: Endnotes to Demand Tables* in the *Appendix*.

Eastern Plains Sub-Area: Projected Utilization, Supply and Demand				
Projections by Housing and Care Type	2016	2021	2025	2030
<b>SKILLED NURSING: ALL PAYER SOURCES</b>				
Nursing home utilization - all payer sources <sup>(Demand 1)</sup>	5.83%	5.25%	4.83%	4.34%
<b>Skilled Nursing Demand: All Payer Sources</b>	<b>482</b>	<b>477</b>	<b>502</b>	<b>541</b>
<b>2016/2021 Supply</b>	<b>896</b>	<b>896</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>(414)</b>	<b>(419)</b>		
<b>ASSISTED LIVING: MARKET-RATE</b>				
Assisted living utilization - market-rate households <sup>(Demand 2)</sup>	9.30%	9.30%	9.30%	9.30%
<b>Assisted Living Demand: Market-Rate</b>	<b>180</b>	<b>198</b>	<b>217</b>	<b>247</b>
<b>2016/2021 Supply</b>	<b>94</b>	<b>94</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>86</b>	<b>104</b>		
<b>ASSISTED LIVING: AFFORDABLE</b>				
Assisted living utilization - low-income households <sup>(Demand 3)</sup>	11.34%	11.34%	11.34%	11.34%
<b>Assisted Living Demand: Affordable and/or Medicaid</b>	<b>283</b>	<b>282</b>	<b>370</b>	<b>465</b>
<b>2016/2021 Supply</b>	<b>385</b>	<b>385</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>(102)</b>	<b>(103)</b>		
<b>MEMORY CARE ASSISTED LIVING: MARKET-RATE</b>				
Memory care assisted living utilization - market-rate households <sup>(Demand 4)</sup>	1.43%	1.43%	1.43%	1.43%
<b>Memory Care Assisted Living Demand: Market-Rate</b>	<b>80</b>	<b>93</b>	<b>102</b>	<b>107</b>
<b>2016/2021 Supply</b>	<b>0</b>	<b>0</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>80</b>	<b>93</b>		
<b>INDEPENDENT LIVING: MARKET-RATE</b>				
Independent living utilization <sup>(Demand 5)</sup>	1.60%	1.52%	1.46%	1.39%
<b>Independent Living Demand: Market-Rate</b>	<b>90</b>	<b>94</b>	<b>103</b>	<b>117</b>
<b>2016/2021 Supply</b>	<b>12</b>	<b>12</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>78</b>	<b>82</b>		
<b>AGE-QUALIFIED RENTALS: MARKET-RATE</b>				
Age-qualified rentals utilization - market-rate households <sup>(Demand 6)</sup>	2.45%	2.70%	2.91%	3.20%
<b>Age-Qualified Rentals Demand: Market-Rate</b>	<b>89</b>	<b>113</b>	<b>138</b>	<b>171</b>
<b>2016/2021 Supply</b>	<b>0</b>	<b>0</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>89</b>	<b>113</b>		
<b>AGE-QUALIFIED RENTALS: AFFORDABLE</b>				
Age-qualified rentals utilization - income-restricted households <sup>(Demand 7)</sup>	50.00%	50.00%	50.00%	50.00%
<b>Age-Qualified Rentals Demand: Affordable</b>	<b>528</b>	<b>618</b>	<b>685</b>	<b>733</b>
<b>2016/2021 Supply</b>	<b>176</b>	<b>176</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>352</b>	<b>442</b>		
<b>FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES</b>				
Age-qualified, for-sale housing utilization - all prices <sup>(Demand 8)</sup>	0.90%	0.90%	0.90%	0.90%
<b>Age-Qualified, For-Sale Housing Demand - All Prices and Types</b>	<b>197</b>	<b>218</b>	<b>229</b>	<b>239</b>
<b>2016/2021 Supply</b>	<b>0</b>	<b>0</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>197</b>	<b>218</b>		

Demographic Sources: Demography Section, Colorado Department of Local Affairs; The Nielsen Company; Ribbon Demographics LLC; U.S. Census.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED DEMAND TO 2030 - OVERVIEW

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## Mixed-Age Housing

The vast majority of people age 65+ in the **Eastern Plains** sub-area live in “regular” housing, that is, mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties in this sub-area that are either legally age-restricted (which is referred to throughout this report as “age-qualified”), or that serve people who need assisted living or skilled care, is estimated at 1,563 units/beds, compared to an estimated 2016 total age 65+ population of 18,740 individuals and 12,158 households. The total sub-area capacity of age-qualified housing, assisted living, and skilled nursing facilities is equal to approximately 13% of age 65+ households.

As already detailed in the *Inventory* section above, the great majority of senior housing and care units/beds within the sub-area are located within the largest population centers, with the majority of sub-area unit/beds in the northern portion of the sub-area in Sterling, Fort Morgan, and Brush.

## Housing by Care and Service Need (*Generally for those age 80+, or those with Alzheimer’s or disabilities*)

### Skilled Nursing

The skilled nursing inventory in the sub-area is generally comprised of older properties that have not had significant renovations, primarily serving Medicaid residents. In calculating expected demand based on average statewide utilization by age 75+ individuals, there is an apparent oversupply of about 414 beds in 2016; however, of the 896 beds in the 14 facilities in the sub-area, there were only 243 vacancies (an occupancy rate of 72.7%) as of the most recent state census report (March 31, 2016). By 2021, there is still an apparent oversupply of 419 beds in the sub-area.

In projecting demand to 2030, we have assumed that the average percentage of those age 75+ in skilled nursing beds in the Colorado will continue to decline by 10% per year. Despite that decline and with very modest population growth of age 75+ individuals, gross demand in the sub-area is projected to increase from about 482 beds in 2016 to about 541 beds by 2030. With 896 beds in the sub-area now, this projection still represents an oversupply of skilled nursing beds in the sub-area out to 2030. It is critical to note, however, that much of the existing skilled nursing supply is in older buildings dating back to the 1960s and earlier, many of which should be considered obsolete.

Where the average utilization statewide is 5.83% of all age 75+ individuals, 12.8% of age 75+ individuals in the sub-area were in skilled nursing facilities as of March 31, 2016. We believe the major reason for higher utilization is the rural nature of the sub-area, in which the only long-term care option in some areas is a skilled nursing facility. Another contributor to the higher skilled nursing facility utilization rate in this sub-area is likely the presence of Eben Ezer Lutheran Care Center, which, as explained earlier, appears to have historically drawn residents from further away who were connected to that faith community and found it to be a good choice when they needed long-term care. Also, it is important to note that the utilization of and availability of skilled nursing beds is not consistent throughout the market area, and the total/apparent oversupply masks individual differences and needs within the sub-area. There are some areas that have no skilled nursing and other areas that may be oversupplied.

For example, more than 120 of the total 243 vacancies in the sub-area are in only 3 skilled facilities (in Sterling, Fort Morgan, and Cheyenne) that have extremely low occupancy rates (between 51% and 62%).

The high numbers of vacancies in skilled nursing facilities in this sub-area and statewide is primarily attributable to both the age and poor quality of the majority of the skilled nursing properties, combined with the development of several hundred assisted living units over the past two decades (in larger properties in Fort Morgan, Brush, and Sterling, and in many smaller properties distributed throughout the sub-area, except Washington and Cheyenne Counties).

Unfortunately, those who can't afford to pay privately for long-term care have few choices, reflected in the fact that about 64% of all skilled nursing facility residents in the sub-area are Medicaid residents. Access to other affordable long-term care options is limited both by the low income and asset thresholds for Medicaid eligibility and limited by the availability of Medicaid assisted living both in urban/suburban and rural areas. Even for those who can pay privately, in some rural areas there are no facilities, or the only long-term care option is a dated skilled nursing facility, and local residents have to choose between accepting that facility or relocating out of their community for a newer facility or assisted living.

Looking further into the future, toward 2030, we project that the traditional skilled nursing facility will continue to give way both to assisted living and to new short-term rehabilitation centers, particularly in urban and suburban areas, and that options will continue to be limited in rural areas. The newest trend in urban and suburban areas, development of a new generation of specialized skilled nursing facilities serving only or primarily short-term sub-acute/rehab patients on Medicare, has not occurred in the Eastern Plains sub-area and does not seem likely to occur, although a smaller facility of this type could perhaps be supported in the Sterling/Fort Morgan area.

Due to population growth to 2030 and beyond, there will be increasing demand for good-quality long-term care options for people of all incomes who live in smaller cities, towns, and rural areas, some of whom will require a skilled nursing level of care. While some of the demand can potentially be met by other alternatives that could be developed in this sub-area (such as smaller-sized but high-acuity assisted living homes, home care with new technologies, and new forms of family and informal care), a new generation of skilled nursing facilities is also needed. Ideally, these should be innovative, state-of-the-art facilities such as those incorporating "neighborhood" models, the Green House<sup>®</sup> model, and other emerging models. These new facilities must be made available to those on Medicaid, rather than just to those who are private pay residents or short-term Medicare patients.

### **Market-Rate Assisted Living, Memory Care Assisted Living, and Independent Living**

Those living in and near the biggest population centers in the sub-area, (particularly Sterling, Fort Morgan, and Brush) have a moderate and mixed-quality supply of assisted living properties, but almost no memory care assisted living or independent living available, even for those who can afford market pricing. These properties range from middle- to higher-pricing levels that are directly related to the age, condition, quality, and location of the properties. Some portions of the sub-area do not have nearby properties, with some who need service and care-oriented housing choosing to relocate to the nearest facilities located in other towns, some choosing to relocate near adult children in further communities, and some choosing to remain at home.

While there is significant additional development of market-rate properties underway in the larger urban and suburban parts of the state, there are no known assisted living, memory care, or independent living properties under development in this sub-area, with demand projected to grow for all of these options.

**Assisted Living** - Additional net demand (demand less supply) in the sub-area is estimated for market-rate assisted living for about 86 units/beds in 2016, projected to increase to about 104 units/beds by 2021. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 75+ would need

and select assisted living. Therefore, with significant population growth, projected gross demand goes from about 180 units/beds in 2016 to about 247 units/beds by 2030.

**Memory Care Assisted Living** - There are virtually no market-rate memory care assisted living units/beds in the market area, although Carla's Cluster Care in Limon does have a 6-bed secured unit in which private pay residents are accepted in addition to those on Medicaid. Net demand (demand less supply) in the sub-area is estimated for market-rate, memory care assisted living for about 80 units/beds in 2016, projected to increase to about 93 units/beds by 2021. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 65+ with Alzheimer's or other dementias would need and select memory care assisted living. Therefore, with only modest population growth, projected gross demand goes from about 80 units/beds in 2016 to about 107 units/beds by 2030.

**Independent Living** - In smaller towns and rural areas, independent living properties are rare. Where they do exist, they are typically smaller-scale properties offering duplex or cottage-type units, sometimes as an adjunct to assisted living, or other senior housing. At this time, there appears to be only one property in the sub-area offering independent living duplex units, Devonshire Acres in Sterling.

According to *Housing an Aging Rural America: Rural Seniors and Their Homes (2014)*, rental options in small towns are scarce, but could be of great benefit to provide an option for those seniors who wish to remain in the community, but who can no longer maintain a home. That report encourages additional development of rental options suitable for seniors in rural areas.

Because independent living apartments or cottages with a range of included services could be a good option for a number of older couples and singles, allowing them to remain in smaller towns and rural areas as they age, we have estimated a modest level of demand for independent living units in this sub-area. For that reason, we have calculated additional net demand in the sub-area for about 78 independent living units in 2016, increasing slightly to about 82 units by 2021. In projecting demand out to 2030, due to change in generational preferences, we have assumed a gradual statewide reduction in the percentage of age 75+ households who would choose to move into this traditional retirement type. Despite that percentage reduction, because of population growth, gross demand is still projected to increase slightly in the sub-area from about 90 units in 2016 to 117 units by 2030.

### **Affordable Assisted Living**

We estimate a current mathematical oversupply (demand less supply) of about 102 affordable assisted living units/beds throughout the sub-area, projected to remain the same to 2021. With costs for assisted living escalating at a higher rate than incomes, and due to population growth, gross demand for affordable assisted living units/beds is projected to grow from about 283 in 2016 to about 465 units by 2030.

In considering supply and demand in this sub-area, it is important to note two dynamics. First, the availability of affordable assisted living is inconsistent, and the total/apparent oversupply masks individual differences and needs within the sub-area. Second, as detailed in endnote "Inventory 2" (located in *Inventory: Endnotes to Inventory Overview*), it is critical to note that the calculation of current supply is a rough estimate that assumes that the majority of units/beds in properties licensed and certified to accept Medicaid residents (Alternative Care Facilities) are actually available to Medicaid residents. In practice, virtually all assisted living properties that accept Medicaid also accept and seek a mix of private pay residents and that mix is variable. It is beyond the scope of this report to obtain an exact count for each facility of the number of its beds actually available to potential Medicaid recipients, and therefore, the oversupply of beds available to Medicaid residents may be overstated. More in-depth review of each property would provide a closer estimate of actual capacity for Medicaid residents in the sub-area.

## **Housing by Affordability (*Broad range of ages 55 to 80+, cannot afford market pricing, and not in need of care-based housing*)**

### **Age-Qualified, Affordable/Income-Restricted Rental Units**

There is significant unmet demand for age-qualified, affordable (“senior”) rental units, with virtually every existing property reporting full occupancy with wait lists. Given ongoing funding constraints, unmet demand for affordable rental units is expected to grow dramatically as the older population grows over the next 15 years.

We estimate a current net demand (demand less supply) of about 352 age-qualified, affordable rental units in the sub-area, projected to increase to net demand of about 442 units by 2021. With owner and renter housing costs escalating at a higher rate than incomes, and as a result of significant population growth, gross demand for age-qualified, affordable rental units is projected to grow from about 528 in 2016 to about 733 units by 2030. This demand projection defines affordability as annual incomes below 60% of Area Median Income for age 62+, 1- and 2-person renter households.

We also note that some or most of the inventory of existing age-qualified affordable apartments in the sub-area is older. It is critical to renovate and preserve these existing properties, in addition to building new properties.

## **Housing by Choice (*Generally for ages 55 to 80, not care based, offering a range of market-pricing*)**

### **Age-Qualified, Market-Rate Rental Units**

We estimate a current net demand (demand less supply) for about 89 age-qualified, market-rate rental units for the sub-area overall, projected to increase to net demand for about 113 units by 2021. With population growth and shifts in generational preferences and household composition, gross demand for age-qualified, market-rate rental units is projected to grow from about 89 in 2016 to about 171 units by 2030.

In smaller cities, towns, and rural areas, age-qualified, market-rate rental properties are rare. Where they do exist, they are typically smaller-scale properties offering duplex or cottage-type units, sometimes as an adjunct to assisted living or other senior housing. In this sub-area, there are currently no known age-qualified, market-rate rental options. As discussed in the *Independent Living* section above, additional rental options for those living in smaller cities and towns could allow more rural seniors to remain in their home communities as they age.

### **Age-Qualified, For-Sale Housing (Restricted to Households Age 55+)**

The definition of age-qualified, for-sale housing includes all such communities, regardless of type of housing and price level, from mobile and manufactured home communities to condominiums to newer patio homes. This diversity in pricing and type can provide ownership accessibility (and at least some community connection) to a broad range of age 55+ households, from low income to affluent.

In this sub-area, there are no known age-qualified, for-sale housing communities of any type, and none are known to be under construction.

We estimate a current net demand (demand less supply) of about 197 age-qualified, for-sale housing units for the sub-area overall, projected to increase to net demand of about 218 units by 2021. As a result of significant population growth, gross demand for age-qualified, for-sale housing units is projected to grow from about 197 in 2016 to about 239 units by 2030. These demand projections assume that new supply will also be diverse, offering for-sale options from mobile and manufactured communities to high-end patio homes.

# FRONT RANGE SUB-AREA

## Section Contents

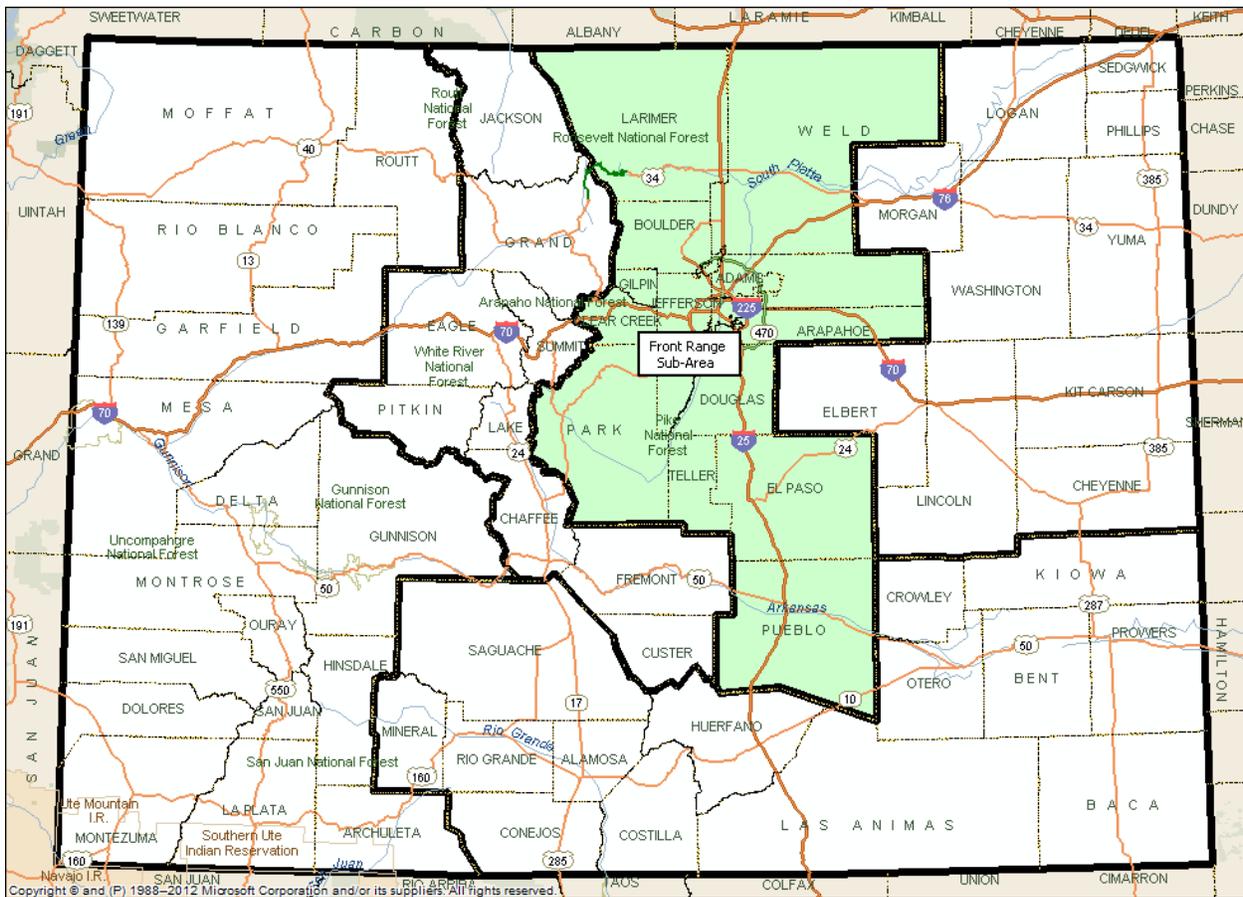
Sub-Area:	Definition and Map
Demographics:	Estimates and Projections Related to Need for Housing and Care, 2016 through 2030
Inventory:	Existing and Under-Construction Age-Qualified Housing and Care Facilities - Table  Existing and Under-Construction Age-Qualified Housing and Care Facilities - Overview
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# SUB-AREA: DEFINITION AND MAP

The **Front Range** sub-area is comprised of Colorado Planning and Management Regions 2, 3, 4 and 7, located in the central section of Colorado, stretching from the northern state border south through Pueblo County. The Front Range sub-area includes the following counties:

- |             |           |         |            |
|-------------|-----------|---------|------------|
| Adams       | Arapahoe  | Boulder | Broomfield |
| Clear Creek | Denver    | Douglas | El Paso    |
| Gilpin      | Jefferson | Larimer | Park       |
| Pueblo      | Teller    | Weld    |            |

The Front Range sub-area is highlighted in green on this map.



# DEMOGRAPHICS: ESTIMATES AND PROJECTIONS RELATED TO NEED FOR HOUSING AND CARE, 2016 THROUGH 2030

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The next few pages contain a set of tables that provide demographic estimates and projections for the entire **Front Range** sub-area. Included are specific variables that are key to estimating the need for housing and care for different age and income groups.

The sub-areas are quite large and diverse, including multiple counties. As a result, it is important to note that data in these tables represent aggregate or medians of population, incomes, or housing values, when in fact, there are wide variations between counties, cities, towns, rural areas, and mountain areas within the sub-area.

## **Demographic tables in this section include the following:**

General and Age-Targeted Demographics

Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

Presence of Self-Care and Independent Living Disabilities: Age 65+

Presence of Alzheimer's and Other Dementias: Age 65+

## General and Age-Targeted Demographics

This table displays general demographics projected for 2016 and 2021 for the general population and age groups 55 to 64, 65 to 74, and 75+; five-year change is also displayed.

Front Range Sub-Area				
	2016	2021	Five-Year Change 2016 to 2021	Percent Change 2016 to 2021
<b>General Demographics</b>				
Total population	4,653,646	5,070,307	416,661	9.0%
Total households	1,838,478	2,012,989	174,511	9.5%
Median household income	\$63,227	\$68,007	\$4,780	7.6%
Median owner housing value	\$278,243	\$313,058	\$34,815	12.5%
<b>Targeted Households</b>				
<b>Age 55-64 households</b>	343,766	355,984	12,218	3.6%
Number of individuals	574,182	600,800	26,618	4.6%
\$75,000+ household income	167,679	190,442	22,763	13.6%
Median household income	\$77,949	\$85,976	\$8,027	10.3%
<b>Age 65-74 households</b>	229,079	285,840	56,760	24.8%
Number of individuals	365,500	459,253	93,753	25.7%
\$50,000+ household income	127,450	168,062	40,611	31.9%
Median household income	\$56,682	\$61,223	\$4,541	8.0%
<b>Age 75+ households</b>	154,872	191,325	36,453	23.5%
Number of individuals	231,237	289,877	58,640	25.4%
Medicaid income-qualified (\$26,388)	59,920	69,462	9,542	15.9%
\$25,000+ household income	97,417	125,473	28,056	28.8%
\$35,000+ household income	74,358	98,012	23,654	31.8%
\$50,000+ household income	50,526	68,541	18,015	35.7%
Median household income	\$34,069	\$36,742	\$2,674	7.8%

Source: The Nielsen Company; Demography Section, Colorado Department of Local Affairs

- The sub-area population is estimated at nearly 5 million in 2016, projected to grow by 9% by 2021.
- Median household income is estimated at \$63,227 in 2016, projected to grow to \$68,007 by 2021.
- Housing values vary widely, with median housing value estimated at \$278,243 for 2016 for all types of owner-occupied housing units.
- The highest percentage and numeric growth of individuals in these three age groups is in those 65 to 74, with a projected 25.7% growth between 2016 and 2021, growing from 365,500 to 459,253.
- While the median income of all households is estimated at \$63,227 in 2016, median household income for the 75+ age group is just \$34,069; median household income for the 65 to 74 age group is \$56,682; and the highest median household incomes are found in the 55 to 64 age group at \$77,949.
- In 2016, an estimated 59,920 households age 75+ have incomes of less than \$26,388, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 15.9% by 2021, to 69,462 households.
- Over half of the age 65 to 74 households have incomes of \$50,000+ in 2016. About half (48%) of the 75+ age households have incomes of \$35,000+, a threshold considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement income with spend-down of assets).

## Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

This table displays projected growth in five-year increments between 2015 and 2030 for the general population and for age groups 55 to 64, 65 to 74, and 75+ and compares sub-area growth to statewide growth.

Front Range Sub-Area				
Age Group	Front Range Sub-Area	Statewide Percent Growth	Sub-Area Totals by Five-Year Periods	
<b>All Ages Percent Growth and Sub-Area Totals</b>				
2010 to 2015	9.0%	7.8%	2015	4,571,632
2015 to 2020	9.1%	9.0%	2020	4,986,351
2020 to 2025	8.5%	8.7%	2025	5,411,061
2025 to 2030	7.8%	8.0%	2030	5,832,423
<b>Age 55-64 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	15.5%	13.9%	2015	561,712
2015 to 2020	7.1%	5.7%	2020	601,443
2020 to 2025	0.4%	-0.7%	2025	603,799
2025 to 2030	2.6%	2.2%	2030	619,669
<b>Age 65-74 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	40.3%	37.9%	2015	345,746
2015 to 2020	27.7%	26.6%	2020	441,418
2020 to 2025	15.4%	14.5%	2025	509,381
2025 to 2030	7.6%	6.4%	2030	548,247
<b>Age 75+ Percent Growth and Sub-Area Totals</b>				
2010 to 2015	17.3%	16.9%	2015	223,446
2015 to 2020	23.6%	23.5%	2020	276,173
2020 to 2025	33.6%	32.7%	2025	368,938
2025 to 2030	28.1%	27.4%	2030	472,709

Source: Demography Section of Colorado Department of Local Affairs

- The total population in the sub-area is expected to grow 27.6% from 2015 to 2030.
- The 55 to 64 age group population is expected to grow by 10.3% from 2015 to 2030.
- The 65 to 74 age group population is expected to grow by 58.6% from 2015 to 2030.
- The 75+ age group population is expected to more than double between 2015 and 2030, in contrast to the 10.3% growth projected for the 55 to 64 age group in that time frame.
- Projected growth rates to 2030 for the total population and all age-targeted groups closely parallel statewide growth rates.

## **Owner and Renter Households: Age Groups 55 to 64, 65 to 74, and 75+ by Income and Household Size**

The tables on the next three pages display demographics separately for the age groups: 55 to 64, 65 to 74, and 75+, both by income and by household size. It is important to understand home ownership and household composition of the age 55+ population for several reasons.

First, homeowners typically have a significantly higher level of assets than renter households, even in the same age groups, and even if they have the same annual incomes. Home equity generally makes up the major portion of the assets of older households, with a large proportion of older households owning homes free and clear, or with low levels of debt. Equity from the sale of a home is routinely used at a later age as a major source of payment for care that may be needed in assisted living or skilled nursing. Similarly, equity from the sale of a home is also routinely used to supplement annual income to pay for monthly rent in an apartment or for independent living in a retirement community.

Second, a substantial amount of research links marriage/domestic partnership with successful aging, and suggests that unmarried individuals and others in 1-person households are disadvantaged both in terms of the level of household income and assets, as well as in the absence of an unpaid, live-in family caregiver at older ages. The presence of large numbers of 1-person households in a market area typically translates to a greater current need for paid supportive services and care for those now age 75+, and also likely translates to a greater future need for paid supportive services for those who are now age 55 to 74 and who now live alone.

As a result of both of the owner/renter factor and the 1-person household/2+ person household factor, 1-person renter households are the most at risk of being housing cost-burdened (spending too high a percentage of annual income to pay for housing), of living in inadequate housing, and of spending down assets at younger retirement ages so that they outlive their resources and have few funds to pay for care and housing as they reach older ages. Single-person owner households with annual incomes of \$25,000 or below are also at great risk of being able to remain in their homes and of being able to obtain needed services as they age.

It should also be noted that, in urban and suburban areas, a percentage of the reported 1-person renter households already live in age-qualified apartments or retirement communities (both affordable and market-rate) where more support and companionship is available, and therefore, the dynamic relative to need and availability of support is different for those individuals. In rural areas, there are few age-qualified rental options for older persons, and the vast majority of older 1-person renter households do not live in age-qualified apartments or other supportive housing arrangements.

## Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

This table displays the number of age 55 to 64 owner and renter households by income group and by household size for 2016 and 2021.

Front Range Sub-Area												
Age 55 - 64 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	7,273	1,423	961	4,414	4,056	1,985	7,161	1,421	945	4,163	3,552	1,831
\$10,000-20,000	6,865	1,989	1,211	5,917	4,918	2,309	6,452	1,794	1,188	5,258	3,957	2,046
\$20,000-30,000	5,424	2,149	1,348	6,835	6,389	2,750	5,425	2,104	1,409	6,317	5,321	2,500
\$30,000-40,000	4,814	1,829	1,384	7,587	7,447	3,650	4,897	1,813	1,377	7,083	6,296	3,411
\$40,000-50,000	3,411	1,648	1,232	7,118	8,702	3,934	3,670	1,749	1,294	6,941	8,060	3,941
\$50,000-60,000	2,585	1,538	1,163	6,109	9,278	4,394	2,816	1,563	1,292	5,879	8,229	4,262
\$60,000-75,000	2,838	1,935	1,242	6,908	14,430	6,376	3,161	2,069	1,409	6,971	13,575	6,602
\$75,000-100,000	2,580	1,631	1,695	7,305	20,877	10,847	3,053	1,786	1,936	7,844	20,356	11,555
\$100,000-125,000	1,915	1,265	1,014	4,192	17,655	9,586	2,346	1,454	1,228	4,843	17,994	10,807
\$125,000-150,000	1,352	839	873	2,749	11,727	7,737	1,834	1,049	1,070	3,474	13,198	9,525
\$150,000-200,000	1,486	720	832	2,497	14,240	8,389	1,947	902	1,059	3,063	15,853	10,298
\$200,000+	1,317	922	750	2,751	16,144	9,026	2,003	1,319	1,083	4,021	21,086	12,990
<b>Total</b>	<b>41,862</b>	<b>17,888</b>	<b>13,706</b>	<b>64,381</b>	<b>135,864</b>	<b>70,985</b>	<b>44,766</b>	<b>19,023</b>	<b>15,291</b>	<b>65,855</b>	<b>137,478</b>	<b>79,767</b>
Total Households	73,455			271,229			79,079			283,100		
% of Ttl HH in Sub-Area	21%			79%			22%			78%		
% of Total HH	57%	24%	19%	24%	50%	26%	57%	24%	19%	23%	49%	28%
Number of HH > \$40k	17,486	10,498	8,802	39,628	113,054	60,290	20,830	11,891	10,371	43,035	118,352	69,979
% of HH > \$40k	42%	59%	64%	62%	83%	85%	47%	63%	68%	65%	86%	88%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 79% of those age 55 to 64 in the sub-area are in owner households, with 271,229 owner households and 73,455 renter households.

**Owners** - In 2016, it is estimated that 24% of owner households live alone, 50% are 2-person households, and 26% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 57% of renter households live alone, 24% are 2-person households, and 19% are 3-person+ households. By 2021, these percentages are projected to be similar. Few of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 42%, compared to 62% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 59%, compared to 83% of 2-person owner households.

## Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

This table displays the number of age 65 to 74 owner and renter households by income group and by household size for 2016 and 2021.

Front Range Sub-Area												
Age 65 - 74 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	3,714	593	379	3,532	2,593	698	4,529	741	466	4,347	2,926	838
\$10,000-20,000	7,531	1,186	597	8,379	4,736	1,208	8,853	1,361	716	9,526	5,076	1,330
\$20,000-30,000	4,427	1,496	802	9,193	8,662	1,484	5,521	1,860	976	11,006	9,610	1,752
\$30,000-40,000	2,328	1,088	771	8,011	11,328	1,783	2,938	1,359	916	9,766	12,897	2,096
\$40,000-50,000	2,054	1,078	579	5,896	10,552	2,053	2,796	1,339	753	7,626	12,487	2,556
\$50,000-60,000	1,643	834	561	4,699	11,150	1,956	2,194	1,051	711	5,964	13,040	2,353
\$60,000-75,000	1,384	919	563	4,364	14,576	2,864	1,943	1,210	698	5,724	17,648	3,701
\$75,000-100,000	1,497	919	612	4,259	16,667	4,108	2,045	1,276	780	5,807	21,166	5,303
\$100,000-125,000	1,068	598	538	2,171	9,579	2,415	1,601	833	723	3,123	12,571	3,295
\$125,000-150,000	693	289	416	1,360	5,158	1,237	1,159	461	570	2,156	7,321	1,838
\$150,000-200,000	646	283	284	1,370	5,509	1,461	1,045	436	371	2,183	7,721	2,168
\$200,000+	679	478	295	1,255	6,990	1,598	1,217	803	449	2,173	11,307	2,615
<b>Total</b>	<b>27,663</b>	<b>9,762</b>	<b>6,396</b>	<b>54,490</b>	<b>107,497</b>	<b>22,865</b>	<b>35,840</b>	<b>12,729</b>	<b>8,129</b>	<b>69,401</b>	<b>133,771</b>	<b>29,845</b>
Total Households	43,821			184,852			56,698			233,017		
% of Ttl HH in Sub-Area	19%			81%			20%			80%		
% of Total HH	63%	22%	15%	29%	58%	12%	63%	22%	14%	30%	57%	13%
Number of HH > \$40k	9,664	5,398	3,846	25,374	80,179	17,693	13,999	7,408	5,055	34,756	103,261	23,829
% of HH > \$40k	35%	55%	60%	47%	75%	77%	39%	58%	62%	50%	77%	80%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 81% of those age 65 to 74 in the sub-area are in owner households, with 184,852 owner households and 43,821 renter households.

**Owners** - In 2016, it is estimated that 29% of owner households live alone, 58% are 2-person households, and 12% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 63% of renter households live alone, 22% are 2-person households, and 15% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 35%, compared to 47% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 55%, compared to 75% of 2-person owner households.

## Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

The table below displays the number of age 75+ owner and renter households by income group and by household size for 2016 and 2021.

Front Range Sub-Area												
Age 75+ Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	3,945	603	494	4,585	2,519	790	4,630	705	551	5,585	2,845	959
\$10,000-20,000	10,349	1,493	715	13,268	5,140	1,356	11,468	1,637	837	14,766	5,516	1,559
\$20,000-30,000	5,413	1,192	654	10,435	7,758	1,383	6,302	1,442	790	12,320	8,749	1,629
\$30,000-40,000	3,098	955	586	6,359	7,434	1,623	3,659	1,119	701	7,688	8,388	1,904
\$40,000-50,000	1,991	764	503	4,323	6,410	1,425	2,484	942	568	5,533	7,812	1,836
\$50,000-60,000	1,165	452	418	2,644	3,879	1,113	1,428	577	510	3,344	4,566	1,403
\$60,000-75,000	1,468	543	472	2,716	4,941	1,292	1,812	650	541	3,545	6,104	1,701
\$75,000-100,000	1,200	533	452	2,359	4,908	1,341	1,607	692	530	3,217	6,333	1,764
\$100,000-125,000	749	288	337	1,162	1,987	686	1,051	381	409	1,677	2,672	983
\$125,000-150,000	455	157	261	745	1,178	444	694	232	320	1,202	1,756	649
\$150,000-200,000	376	150	218	695	1,110	297	589	210	266	1,151	1,619	435
\$200,000+	378	190	193	742	1,179	300	644	302	255	1,347	1,958	529
<b>Total</b>	<b>30,588</b>	<b>7,319</b>	<b>5,304</b>	<b>50,031</b>	<b>48,444</b>	<b>12,049</b>	<b>36,367</b>	<b>8,890</b>	<b>6,278</b>	<b>61,374</b>	<b>58,318</b>	<b>15,352</b>
Total Households			43,212			110,524			51,535			135,044
% of Ttl HH in Sub-Area			28%			72%			28%			72%
% of Total HH	71%	17%	12%	45%	44%	11%	71%	17%	12%	45%	43%	11%
Number of HH > \$40k	7,783	3,077	2,856	15,384	25,592	6,897	10,308	3,986	3,400	21,016	32,819	9,301
% of HH > \$40k	25%	42%	54%	31%	53%	57%	28%	45%	54%	34%	56%	61%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 72% of those age 75+ in the sub-area are in owner households, with 110,524 owner households and 43,212 renter households.

**Owners** - In 2016, it is estimated that 45% of owner households live alone, 44% are 2-person households, and 11% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 71% of renter households live alone, 17% are 2-person households, and 12% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 25%, compared to 31% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 42%, compared to 53% of 2-person owner households.

## Presence of Self-Care and Independent Living Disabilities: Age 65+

This table displays the number of age 65+ individuals in the sub-area who report “self-care” or “independent living difficulty” (as defined by the U.S. Census Bureau).

Front Range Sub-Area		
Disability: Self Care and Independent Living		
	2016	
Age 65+ Total	596,737	596,737
Age 65+ Non-Institutionalized (NI)	581,994	581,994
Age 65+ Institutionalized	14,743	14,743
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	6.5%	12.9%
Age 65+ With Disability (NI)	37,561	75,103

Source: The Nielsen Company and U.S. Census American Community Survey

The US Census Bureau’s American Community Survey estimates that about 6.5% of those age 65+ in the sub-area not in nursing homes or otherwise institutionalized reported self-care disabilities, and about 12.9% reported independent living difficulties. Using these percentages, an estimated 37,561 non-institutionalized individuals in the sub-area age 65+ are estimated to have self-care difficulties and 75,103 are estimated to have independent living difficulties.

## Presence of Alzheimer’s and Other Dementias: Age 65+

This table displays the incidence rates for Alzheimer’s disease and other dementias, as estimated by the most current research. The incidence rates by age group are then used to estimate and project the number of sub-area residents likely to have or to develop Alzheimer’s Disease, 2016 to 2030.

Front Range Sub-Area								
Estimated/Projected Alzheimer's Incidence, 2016 - 2030								
	2016		2021		2025		2030	
Age Group	Incidence Rate	Number in Sub-Area						
65-74	3.0%	10,965	3.1%	14,237	3.2%	16,300	3.3%	18,092
75-84	17.0%	27,269	16.7%	34,965	17.0%	46,918	17.2%	60,786
85+	32.1%	22,737	32.2%	25,923	32.6%	29,990	32.9%	39,250
<b>Total 65+</b>	<b>10.2%</b>	<b>60,971</b>	<b>10.0%</b>	<b>75,125</b>	<b>10.6%</b>	<b>93,208</b>	<b>11.6%</b>	<b>118,129</b>

Sources: "Alzheimer disease in the United States (2010-2050) estimated using the 2010 census", *Neurology*, Hebert, Weuve, Scherr, et al, March 2013; The Nielsen Company; Demography Section, Colorado Department of Local Affairs

Using these incidence rates, there are an estimated 60,971 individuals with Alzheimer’s disease in 2016 in the sub-area, growing to 75,125 by 2021 and to 118,129 by 2030.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - TABLE

This table lists the estimated bed or unit count in this sub-area for the eight age-qualified housing types and care facilities that primarily serve older individuals. The total includes units/beds that are either open or are under construction as of mid-June 2016.

The housing and facility types listed are as defined by a seniors housing industry publication, "Classifications of Seniors Housing Types", an annotated version of which is appended to this report.

Front Range Sub-Area			
	Total Existing or Opening in 2016	Under Construction Opening after 2016*	Total Existing and Under Construction
Skilled Nursing Beds: All Payer Sources	16,791	100	16,891
Assisted Living Beds: Market-Rate	9,021	458	9,479
Assisted Living Beds: Affordable/Medicaid	4,158	49	4,207
Memory Care Assisted Living Beds: Market-Rate	4,017	198	4,215
Independent Living Units: Market-Rate	10,412	394	10,806
Age-Qualified Rental Units: Market-Rate	3,428	99	3,527
Age-Qualified Rental Units: Affordable/Subsidized	18,377	814	19,191
Age-Qualified For-Sale Units: All Types and Pricing	16,613	2,130	18,743

*\*Also includes 5 affordable senior properties that were awarded Low-Income Housing Tax Credits in 2014 or 2015 that have not yet begun construction*

While there are additional properties under development that are expected to begin construction in 2016 or 2017, those are not included in these totals because it is uncertain if they will actually be constructed.

Methodology and sources for compiling these inventory estimates are described in *Inventory: Endnotes to Overview* in the *Appendix*.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - OVERVIEW

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## Skilled Nursing

There are 162 skilled nursing facilities in the **Front Range** sub-area, with a total of 16,403 licensed beds. As of March 31, 2016 census reports <sup>(Inventory 1)</sup>, total occupancy was 13,041 beds, which is equal to 80% occupancy. Of total occupied beds, 62% of beds in the sub-area were occupied by people using Medicaid, 17% Medicare, and 21% private pay and other. Of the total licensed beds, 45 properties offer 1,507 beds in secure units for people with Alzheimer's disease and other dementias. Many of these facilities are older and dated and range in size from 15 beds to 242 beds.

These 162 facilities are generally dispersed throughout the urban and suburban portions of the counties in the Front Range sub-area. The highest concentration of facilities is in Denver and Aurora (with 41 properties and 4,349 beds) followed by Colorado Springs (with 24 properties and 2,208 beds). The rest of the facilities are dispersed throughout the sub-area in the larger cities and communities. There are a few skilled nursing facilities in the western foothills and mountain areas of the sub-area, including Estes Park, Evergreen, Cripple Creek, and Woodland Park. There is 1 skilled facility in Aurora that serves veterans exclusively, operated by the Colorado Department of Human Services, and accounting for 180 of the total licensed skilled nursing beds in the sub-area.

In this sub-area, there are 6 known under-construction skilled nursing properties, with an estimated total of 488 units. All of these under-construction properties will offer only sub-acute/rehab care, targeted to short-term Medicare recipients; there are no known properties under construction in this sub-area that will serve long-term Medicaid or private pay residents.

## Assisted Living

There are 449 assisted living facilities in the sub-area, with an estimated capacity of approximately 8,672 beds/units available to private pay residents, and a rough estimate of up to 4,082 beds/units available to lower-income persons on Medicaid or in PACE programs. <sup>(Inventory 2)</sup> *These assisted living bed/unit totals do not include units that are secured for memory care, which, if any, are listed separately.* These facilities range in size from 5 beds/units to 140 beds/units. Of the 449 facilities, 249 are licensed to serve Medicaid residents, although those facilities also serve private pay residents.

The assisted living properties in the sub-area are generally dispersed throughout the urban and suburban portions of the counties in the Front Range. Of the 449 facilities, approximately 310 (69%) are located in the Denver metro, approximately 45 (10%) are located in the northern portion of the sub-area, including Fort Collins, Loveland, and Greeley primarily, and approximately 88 (18%) are located in Colorado Springs and Pueblo. The rest of the properties are dispersed in the smaller towns and cities throughout the sub-area. There are a few assisted living properties in the western foothills and mountain areas, within Estes Park and Evergreen. There are no assisted living properties in Gilpin or Clear Creek Counties. There are a few properties in the eastern portions of Arapahoe, Adams, and Weld Counties, including Byers and Strasburg with 1 facility each, and Keenesburg with 2 facilities.

In this sub-area, there are 16 assisted living properties known to be under construction, with an estimated 856 units. Of these 16 properties, 12 are located in the Denver metro area, 4 properties are located in the southern portion of the sub-area, in Monument, Colorado Springs, Pueblo, and Woodland Park, and 1 property is located in Fort Collins. Only 1 other property under construction in the sub-area will offer Medicaid/affordable assisted living; Oakshire Commons, in Pueblo, will offer 49 new Medicaid units.

## Memory Care Assisted Living (Secured)

There are 144 assisted living properties in the sub-area that offer secured memory care (locked units for those with Alzheimer's or other dementias), either as a secured portion of a larger assisted living residence, or that offer secured memory care exclusively. The properties offer a total of 3,811 secured memory care units/beds and range in size from 5 beds/units to 81 beds/units. Virtually all are available to private pay residents only. <sup>(Inventory 3)</sup>

The memory care assisted living properties in the sub-area are generally dispersed throughout the urban and suburban portions of the counties in the **Front Range** sub-area. Of these 144 properties, 108 are located in the Denver metro area, approximately 14 are located in the northern portion of the sub-area, including Fort Collins, Loveland, and Greeley primarily, approximately 21 are located in Colorado Springs and Pueblo, and the rest are dispersed in the smaller towns and cities throughout the sub-area. There are no memory care assisted living properties in the eastern portion of the sub-area or the western foothills and mountain portions of the sub-area.

In this sub-area, there are 16 properties that are known to be under construction that will offer memory care assisted living, with an estimated total of 479 new units. Of the 16 properties under construction, 1 is located in Monument, 1 is located in Colorado Springs, and the remaining 14 properties are located in the Denver metro area. All of these new properties will accept private pay residents only.

## Independent Living

Independent living properties are those that offer retirement apartments that include meals and many other bundled services in monthly rents. <sup>(Inventory 4)</sup> This is almost exclusively a market-rate offering. Many independent living units are located in apartment buildings that are part of larger campuses that also offer assisted living or skilled nursing. In rural areas, independent living units are rare and are commonly offered as duplex or cottage-type units as an adjunct to an adjacent assisted living or skilled nursing facility.

In this sub-area, there are 108 existing properties that offer independent living, with an estimated total of 10,332 units. Of these properties, 68 are located in the Denver metro area, 21 are located in the southern portion of the sub-area in Colorado Springs and Pueblo, and 18 are located in northern Colorado in Loveland, Fort Collins, Greeley, and Windsor. There is one independent living property in Estes Park. There are no independent living properties in the eastern portion of the sub-area.

In this sub-area, there are 5 independent living properties that are known to be under construction, with an estimated total of 518 units. Except for 1 under-construction 160-unit independent living property in Colorado Springs, all the other under-construction properties are in the Denver metro area.

## Age-Qualified Rentals

Age-qualified rental units, most commonly referred to as "senior apartments", are rental units that are restricted to people either age 55+ or 62+ and can be either apartment-type units or duplex or cottage-type units. Age-qualified rental properties do not have commercial kitchens and do not include meals in rents, and generally have a minimal level of other services included or offered. This report separates age-qualified rental units into those that are priced at market-rates and those that are income- or rent-restricted (including properties that are older and that are no longer legally income-restricted, yet still operate as affordable).

### Market-Rate Rentals

In this sub-area, there are 43 properties that offer market-rate, age-qualified rental units, with a total of 3,239 units. Most of the properties are located in the Denver metro area (34); 8 properties are located in Colorado Springs, and 1 property, The Willows Senior Housing, is located in Loveland. There are no market-rate, age-qualified apartment properties in the eastern portion of the sub-area or the western foothills and mountain portions of the sub-area. The majority of these properties in the **Front Range** sub-area are older properties with moderately-priced rents; there are 6 newer market-rate, age-qualified rental properties, with some offering mid-priced rents and some offering higher-end rents. The newer properties are located in Fort Collins, Loveland, Denver metro and Colorado Springs.

There are only 3 market-rate, age-qualified rental properties that are known to be under construction in the sub-area, with an estimated total of 288 units. 5280 Senior Residences is an under-construction 99-unit, market-rate, age-qualified apartment property in downtown Denver, expected to open in 2017. Affinity at Loveland is an under-construction 155-unit, moderately-priced, market-rate, age-qualified apartment property, in Loveland, expected to open in October 2016. The third property, Columbine Commons, in Windsor, will offer 34 market-rate duplex units and is expected to open in November 2016.

### Affordable/Income-Restricted Rentals

In this sub-area, there are an estimated 248 age-qualified apartment properties that offer income-restricted/affordable units, with a total of about 18,071 income-restricted/affordable units.

The majority of properties are older, with most having HUD contracts enabling the properties to charge rents equal to 30% of income. Some properties are newer, often funded by Low Income Housing Tax Credits; most requiring rent payments at 30% to 60% of Area Median Income. A few newer properties were funded with HUD Section 202, allowing rents equal to 30% of Area Median Income.

Of the 248 age-qualified apartment properties in the sub-area, most are located in the Denver metro (168), with the rest split almost evenly between the northern portion of the sub-area (Fort Collins, Loveland, and Greeley) and the southern portion of the sub-area (Colorado Springs and Pueblo). There are a few properties in the foothills and mountains, in Estes Park, Evergreen and Idaho Springs, and a few properties in the eastern edges of the sub-area.

In this sub-area, there are 8 age-qualified, income-restricted/affordable rental properties that are known to be under construction, with an estimated total of 642 units. Of these 8 properties, 6 are in the Denver metro area, 1 is in Colorado Springs and 1 is in Pueblo. Additionally, there are 5 planned income-restricted properties with a total of 434 planned units that have already received low income housing tax credit awards and are expected to begin construction within 2016. These are included in the inventory listing.

## **Age-Qualified For-Sale Units: All Types and Pricing**

Age-qualified for-sale units include any type of unit that is located in an age-qualified community where the homes are owned by individuals (also called “age-restricted, “active adult”, or “55+” communities), regardless of the housing types or level of pricing. Per HUD fair housing rules, at least 80% of buyers/owners in age-qualified communities must be at least age 55+, although some older communities have slightly different age restrictions. Age-qualified communities include all types and ages of housing: ranch or patio homes, townhomes, condominiums, and manufactured and mobile home parks and communities. <sup>(Inventory 5)</sup>

In this sub-area, there are currently an estimated 16,149 homes of all types and price ranges in 66 age-qualified for-sale communities. Of the total units noted, approximately 5,590 are in manufactured or mobile home communities.

In the Front Range sub-area, the age-qualified for-sale inventory is quite diverse, with about 35% of total units in mobile and manufactured home communities, about 43% of units in older and lower-priced detached and attached home communities, and about 22% of units in newer detached and attached home communities (built since the early 2000s). Of the newer age-qualified for-sale home communities, all but a small fraction offer only single-family homes. Of the older communities, over 5,000 units (or about 75% of the older inventory in the sub-area) are moderately-priced condominiums and townhomes within only two large communities in the Denver area (Windsor Gardens south of the Lowry Air Force Base redevelopment in Denver and Heather Gardens in southeast Aurora). The mobile and manufactured home communities are spread throughout much of the sub-area, located in Adams, Arapahoe, Boulder, Douglas, El Paso, Gilpin, Jefferson, Larimer and Pueblo Counties.

In this sub-area, there are an additional estimated 2,594 homes under development in 12 age-qualified for-sale communities, nearly all within communities offering new single-family homes; 1 property is offering higher-end condominiums. There are no known manufactured or mobile home communities under development.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - TABLE

This table displays estimates and projections of quantitative demand for the eight housing and care types covered in this report for current year (2016), 5 years (2021), and the years 2025 and 2030. Because current and near-future inventory can reasonably be estimated, inventory estimates are shown for the years 2016 and 2021 only, along with estimates of net demand or oversupply for those years. A narrative overview follows this table and footnotes detailing assumptions and sources for estimates and projections of demand are found in *Demand: Endnotes to Demand Tables* in the *Appendix*.

Front Range Sub-Area: Projected Utilization, Supply and Demand				
Projections by Housing and Care Type	2016	2021	2025	2030
<b>SKILLED NURSING: ALL PAYER SOURCES</b>				
Nursing home utilization - all payer sources <sup>(Demand 1)</sup>	5.83%	5.25%	4.83%	4.34%
<b>Skilled Nursing Demand: All Payer Sources</b>	<b>13,481</b>	<b>15,210</b>	<b>17,810</b>	<b>20,537</b>
2016/2021 Supply	16,791	16,891		
2016/2021 Net Demand or (Oversupply)	(3,310)	(1,681)		
<b>ASSISTED LIVING: MARKET-RATE</b>				
Assisted living utilization - market-rate households <sup>(Demand 2)</sup>	14.08%	14.08%	14.08%	14.08%
<b>Assisted Living Demand: Market-Rate</b>	<b>9,366</b>	<b>11,571</b>	<b>14,138</b>	<b>17,209</b>
2016/2021 Supply	9,021	9,479		
2016/2021 Net Demand or (Oversupply)	345	2,092		
<b>ASSISTED LIVING: AFFORDABLE</b>				
Assisted living utilization - low-income households <sup>(Demand 3)</sup>	11.01%	11.01%	11.01%	11.01%
<b>Assisted Living Demand: Affordable and/or Medicaid</b>	<b>6,597</b>	<b>7,648</b>	<b>10,788</b>	<b>14,513</b>
2016/2021 Supply	4,158	4,207		
2016/2021 Net Demand or (Oversupply)	2,439	3,441		
<b>MEMORY CARE ASSISTED LIVING: MARKET-RATE</b>				
Memory care assisted living utilization - market-rate households <sup>(Demand 4)</sup>	1.65%	1.65%	1.65%	1.65%
<b>Memory Care Assisted Living Demand: Market-Rate</b>	<b>4,018</b>	<b>5,044</b>	<b>5,678</b>	<b>6,270</b>
2016/2021 Supply	4,017	4,215		
2016/2021 Net Demand or (Oversupply)	1	829		
<b>INDEPENDENT LIVING: MARKET-RATE</b>				
Independent living utilization <sup>(Demand 5)</sup>	8.00%	7.60%	7.30%	6.93%
<b>Independent Living Demand: Market-Rate</b>	<b>12,390</b>	<b>14,541</b>	<b>17,766</b>	<b>21,625</b>
2016/2021 Supply	10,412	10,806		
2016/2021 Net Demand or (Oversupply)	1,978	3,735		
<b>AGE-QUALIFIED RENTALS: MARKET-RATE</b>				
Age-qualified rentals utilization - market-rate households <sup>(Demand 6)</sup>	3.50%	3.85%	4.16%	4.57%
<b>Age-Qualified Rentals Demand: Market-Rate</b>	<b>5,475</b>	<b>7,485</b>	<b>9,498</b>	<b>12,166</b>
2016/2021 Supply	3,428	3,527		
2016/2021 Net Demand or (Oversupply)	2,047	3,958		
<b>AGE-QUALIFIED RENTALS: AFFORDABLE</b>				
Age-qualified rentals utilization - income-restricted households <sup>(Demand 7)</sup>	50.00%	50.00%	50.00%	50.00%
<b>Age-Qualified Rentals Demand: Affordable</b>	<b>23,793</b>	<b>29,233</b>	<b>33,521</b>	<b>37,684</b>
2016/2021 Supply	18,377	19,191		
2016/2021 Net Demand or (Oversupply)	5,416	10,042		
<b>FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES</b>				
Age-qualified, for-sale housing utilization - all prices <sup>(Demand 8)</sup>	3.00%	3.00%	3.00%	3.00%
<b>Age-Qualified, For-Sale Housing Demand - All Prices and Types</b>	<b>21,829</b>	<b>24,700</b>	<b>27,118</b>	<b>30,018</b>
2016/2021 Supply	16,613	18,743		
2016/2021 Net Demand or (Oversupply)	5,216	5,957		

Demographic Sources: Demography Section, Colorado Department of Local Affairs; The Nielsen Company; Ribbon Demographics LLC; U.S. Census.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - OVERVIEW

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## Mixed-Age Housing

The vast majority of people age 65+ in the **Front Range** sub-area live in “regular” housing, that is, mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties in this sub-area that are either legally age-restricted (which is referred to throughout this report as “age-qualified”), or that serve people who need assisted living or skilled care, is estimated at 82,815 units/beds, compared to an estimated 2016 total age 65+ population of 596,737 individuals and 383,951 households. The total sub-area capacity of age-qualified housing, assisted living, and skilled nursing facilities is equal to approximately 22% of age 65+ households.

## Housing by Care and Service Need (*Generally for those age 80+, or those with Alzheimer’s or disabilities*)

### Skilled Nursing

The skilled nursing inventory in the sub-area is a mix of newer and older properties of mixed quality, but with a preponderance of older properties - particularly those serving Medicaid residents. In calculating expected demand based on average statewide utilization by age 75+ individuals, there is an overall sub-area oversupply of about 3,310 beds, consistent with the 3,362 vacancies in the sub-area’s facilities (occupancy rate of 79.5%) as of the most recent state census report (March 31, 2016). By 2021, there is still an apparent oversupply of 1,681 beds in the sub-area. There were 6 new facilities under construction as of mid-June 2016 that will likely increase the sub-area vacancy rate for older properties, while capturing strong market share in their areas.

In projecting demand to 2030, we have assumed that the percentage of those age 75+ in skilled nursing beds in Colorado (5.83% statewide as of December 31, 2015) will continue to decline by 10% per year. Despite that decline in percentage utilization, with dramatic population growth of age 75+ individuals, projected gross demand for the Front Range sub-area goes from about 13,481 beds in 2016 to about 20,537 beds by 2030. With 16,791 beds in the sub-area currently, this projection estimates net demand of approximately 3,600 additional skilled nursing beds out to 2030. It is critical to note, as well, that much of the existing skilled nursing supply is in older buildings dating back to the 1960s and earlier, therefore much of the apparent oversupply currently is in buildings that should be considered obsolete.

It is important to note two market dynamics relative to sub-area oversupply. First, the newer, better- to higher-quality skilled nursing facilities run occupancies that are far higher than older, lesser-quality facilities, so the majority of vacant beds in the sub-area are found in the older properties that have had no significant renovations. The second dynamic to note is that this sub-area is large and diverse and the total oversupply masks individual differences and needs within the sub-area. There are some areas that have no skilled nursing and other areas that are oversupplied. There are some areas that have several newer, higher-quality facilities, and other areas where only one older property is available. For example, a new skilled facility recently opened in Woodland Park to serve residents of Teller and Park Counties who previously only had access to a hard-to-reach, older skilled facility in Cripple Creek or had to relocate to Denver metro or into Colorado Springs.

The high numbers of vacancies in skilled nursing facilities in this sub-area and statewide is primarily attributable to both the age and poor quality of the majority of the skilled nursing properties, combined with the development of thousands of assisted living units over the past two decades. A large proportion of the overall skilled nursing inventory is obsolete, built in the 1960s and 1970s, and the majority of those properties have had no significant renovation. Each year, these dated skilled nursing properties become less desirable, attract fewer private pay residents, and continue to maintain low occupancy rates, despite population growth. At the same time, assisted living has become the alternative of choice, and is readily available to those in urban and suburban areas for those able to pay privately, and somewhat less available for those seeking Medicaid or other affordable assisted living. Home care and in-home technologies are also allowing more people to remain in their homes to receive long-term care.

An even newer trend that is making traditional skilled nursing facilities even less viable and desirable is the emergence of a new generation of specialized facilities serving only or primarily short-term sub-acute/rehab patients on Medicare. In this sub-area, there are 13 facilities of this type that are either under construction or that have opened since 2012. These new facilities generally offer private rooms in state-of-the-art buildings, with a strong therapy and medical focus to return patients back home quickly. This new generation of specialized facilities is rapidly capturing a large percentage the Medicare skilled nursing facility market in the Front Range sub-area. As an example of market capture, 4 facilities of this type have opened in Colorado Springs since 2012, offering a total of 291 beds exclusively for Medicare residents, when the total Medicare census for the 23 skilled nursing facilities in El Paso County was 378 patients at March 31, 2016. Because short-term skilled nursing care is paid by Medicare and not out-of-pocket, these facilities are accessible to everyone with Medicare, regardless of income. Also, because many traditional skilled nursing facilities are financially dependent on maintaining a certain proportion of short-term Medicare patients (due to higher profitability), it is likely that older skilled facilities will see further census reductions and that more older properties will close as they become financially non-viable.

Unfortunately, those who can't afford to pay privately for long-term care have few choices, reflected in the fact that 62% of all skilled nursing facility residents in the Front Range sub-area are Medicaid residents. Access to other affordable long-term care options is limited both by the low income and asset thresholds for Medicaid eligibility and limited by the availability of Medicaid assisted living both in urban/suburban and rural areas. Even for those who can pay privately, in some rural areas there are no facilities, or the only long-term care option is a dated skilled nursing facility, and local residents have to choose between accepting that facility or relocating out of their community for a newer facility or assisted living.

Looking further into the future, toward 2030, we project that the traditional skilled nursing facility will continue to give way both to assisted living and to new short-term rehabilitation centers, to the extent those are available in a market area. Due to huge population growth to 2030 and beyond, there will be increasing demand for good-quality long-term care options for people of all incomes, some of whom will need a skilled nursing level of care. While much of the demand can be well met by other alternatives - such as high-acuity assisted living, home care with new technologies and new forms of family and informal care - a new generation of skilled nursing facilities is also needed. Ideally, these should be innovative, state-of-the-art facilities such as those incorporating "neighborhood" models, the Green House<sup>®</sup> model, and other emerging models. These new facilities must be made available to those on Medicaid, rather than just to those who are private pay residents or short-term Medicare patients.

### **Market-Rate Assisted Living, Memory Care Assisted Living, and Independent Living**

Those living in and near the cities and suburban areas of the Front Range sub-area have a plentiful supply of good-to high-quality market-rate independent living (high-service retirement apartments and/or cottage units), assisted living, and memory care assisted living properties, available to those who can afford market pricing. These

properties range from middle- to high-pricing levels that are directly related to the age, condition, quality, and location of the properties. Those living in the rural and mountain areas of the Front Range counties generally do not have nearby properties, with some who need service and care-oriented housing choosing to relocate to the nearest facilities located in other towns, some choosing to relocate near adult children in further communities, and some choosing to remain at home.

Significant additional development of market-rate properties is underway throughout the urban and suburban portions of the sub-area, with at least short-term overbuilding of assisted living and memory care assisted living in many areas at this time. Overall, supply and demand for market-rate independent living, assisted living, and memory care assisted living in urban and suburban areas appear to be in reasonable balance and will likely remain so over time through pure market forces.

**Assisted Living** - Most of the minimal remaining current net demand (demand less supply) in the sub-area for market-rate assisted living (about 345 units/beds for the entire sub-area in 2016, increasing to over 2,000 additional units/beds by 2021) is in market areas that either have lower-income demographics or are too small to attract typical market-rate developers. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 75+ would need and select assisted living. Therefore, with significant population growth, projected gross demand (not subtracting supply) goes from about 9,000 units/beds in 2016 to about 17,000 units/beds by 2030.

**Memory Care Assisted Living** - No additional demand is estimated for market-rate memory care assisted living in 2016, with net demand (demand less supply) projected to grow to over 800 additional units/beds by 2021 in the sub-area (although, as with assisted living, much of the unmet demand is likely to be in areas that have not yet been able to attract much, if any, new market-rate development). In projecting demand to 2030, we have assumed that a similar percentage of those with Alzheimer's or other dementias would need and select memory care assisted living. Therefore, with significant population growth, projected gross demand goes from about 4,000 units/beds in 2016 to about 6,300 units/beds by 2030.

**Independent Living** - Significant additional net demand in the sub-area is estimated for independent living in 2016 and 2021 (nearly 2,000 units currently and over 3,500 additional units by 2021). As independent living retirement apartments and cottages are generally an urban and suburban housing type, only minimal demand is projected for this housing type in the small town, rural, and mountain areas of the sub-area.

New independent living development has been much slower to return following the recession, with the great majority of new development occurring in assisted living and memory care, therefore estimated net demand is higher than it is for assisted living or memory care at this time. That said, in projecting demand out to 2030, due to change in generational preferences, we have assumed a gradual reduction in the percentage of age 75+ households who would be likely to choose this traditional retirement type. Despite that percentage reduction, because of population growth, gross demand is still projected to increase in the sub-area from about 12,000 units in 2016 to nearly 27,000 units by 2030.

### **Affordable Assisted Living**

We estimate a current net demand for over 2,400 additional affordable assisted living units/beds throughout the sub-area, projected to increase to net demand for 3,400 units/beds by 2021. With costs for assisted living escalating at a higher rate than incomes, and due to population growth, gross demand for affordable assisted living units/beds is projected to grow from about 6,500 units/beds in 2016 to over 14,000 units/beds by 2030.

The supply of affordable assisted living funded through Medicaid and other sources appears to be inadequate throughout the sub-area. Many people who need affordable long-term care and who could be appropriately cared for in assisted living are instead placed in skilled nursing beds because of this shortage; others choose to remain at

home and may have inadequate services or oversight. Reimbursement for providers of Medicaid assisted living in Colorado is inadequate to encourage development, and that situation does not appear likely to change in the near future. Also, some assisted living properties that accept Medicaid residents are of very poor quality and could not be considered a desirable option.

As detailed in endnote “Inventory 2” (located in *Inventory: Endnotes to Inventory Overview*), it is critical to note that the calculation of current supply is a rough estimate that assumes that the majority of units/beds in properties licensed and certified to accept Medicaid residents (Alternative Care Facilities) are actually available to Medicaid residents. In practice, virtually all assisted living properties that accept Medicaid also accept and seek a mix of private pay residents and that mix is variable. It is beyond the scope of this report to obtain an exact count for each facility of the number of its beds actually available to potential Medicaid recipients, and therefore, the demand for additional beds available to Medicaid residents may be understated. More in-depth review of each property would provide a closer estimate of actual capacity for Medicaid residents.

To further examine supply trends, we calculated 5-year numeric and percentage increases in licensed assisted living beds statewide (from Colorado Department of Public Health and Environment facility counts as of June 9, 2016). Since June 2011, the number of licensed assisted living beds in facilities accepting only private pay residents increased by 3,667 beds, or 43%, while the number of licensed assisted living beds in facilities that accept at least some Medicaid residents increased by 435 beds, or only 5%. We have also noted that, of approximately 45 new assisted living properties with a total of 2,200 units built or under construction statewide since 2012, all are market-rate with the exception of 2 Colorado Springs properties with a total of 132 units that are income-restricted for low-income/Medicaid residents (both funded using Federal Low Income Housing Tax Credits). One additional property is pending groundbreaking, adding 49 additional affordable assisted living units in Pueblo, using Federal and State Low Income Housing Tax Credits. A few group homes offering Medicaid beds have also opened or closed during that time, but the increase to actual capacity in small group homes has been small.

## **Housing by Affordability (*Broad range of ages 55 to 80+, cannot afford market pricing, and not in need of care-based housing*)**

### **Age-Qualified, Affordable/Income-Restricted Rental Units**

There is significant unmet demand for age-qualified, affordable (“senior”) rental units, with virtually every existing property reporting full occupancy with wait lists. Given ongoing funding constraints, unmet demand for affordable rental units is expected to grow dramatically as the older population grows rapidly over the next 15 years.

We estimate a current net demand (demand less supply) of over 5,400 additional age-qualified, affordable rental units in the sub-area, projected to increase to net demand of over 10,000 units by 2021. With owner and renter housing costs escalating at a higher rate than incomes, and as a result of significant population growth, gross demand for age-qualified, affordable rental units is projected to grow from about 23,000 in 2016 to nearly 38,000 units by 2030. This demand projection defines affordability as annual incomes below 60% of Area Median Income for age 62+, 1- and 2-person renter households.

We also note that around 50% of the existing 18,000+ unit inventory of existing age-qualified affordable apartments in the sub-area was built prior to 1980. It is critical to renovate and preserve these existing properties, in addition to building new properties.

## **Housing by Choice (Generally for ages 55 to 80, not care based, offering a range of market-pricing)**

### **Age-Qualified, Market-Rate Rental Units**

We estimate a current net demand (demand less supply) of over 2,000 additional age-qualified, market-rate rental units for the sub-area overall, projected to increase to net demand of 4,000 units by 2021. The great majority of projected demand is for urban and suburban areas, not simply due to their larger populations, but also a lower utilization rate is assumed for rural areas because rental apartments and cottages appears to be atypical or less desirable as a housing choice in rural areas. With significant population growth and shifts in generational preferences and household composition, gross demand for age-qualified, market-rate rental units is projected to grow from about 5,400 in 2016 to over 12,000 units by 2030, again, primarily in urban and suburban areas.

In smaller towns and rural portions of the Front Range sub-area, age-qualified, market-rate rental properties are rare. Where they do exist, they are typically smaller-scale properties offering duplex or cottage-type units, sometimes as an adjunct to assisted living or other senior housing. According to *Housing an Aging Rural America: Rural Seniors and Their Homes (2014)*, rental options in small towns are scarce, but could be of great benefit to provide an option for those seniors who wish to remain in the community, but who can no longer maintain a home. That report encourages additional development of rental options suitable for seniors in rural areas. To that end, we have estimated a modest level of demand in the rural and mountain portions of the sub-area.

Existing inventory of age-qualified, market-rate rentals in the urban and suburban areas of the Front Range sub-area includes a modest number of older and moderately-priced apartment properties in urban and suburban areas, small numbers of cottage or duplex units on senior campuses, a few good-quality apartment properties built in the early- to mid-2000s, and a newer generation of middle- to higher-end apartment properties targeted to baby boomers and younger seniors, opened between 2012 and 2016. The newest generation of market-rate rentals is thus far limited to relatively few properties, all of which are located within the Front Range sub-area, in Broomfield, Colorado Springs, Denver, and Lafayette. Other new age-qualified, market-rate rental properties are now under construction in uptown Denver, Fort Collins, Littleton, and Loveland.

### **Age-Qualified, For-Sale Housing (Restricted to Households Age 55+)**

Age-qualified, for-sale communities in the sub-area vary widely in age, price range, and type - from mobile and manufactured home communities to condominiums to newer patio homes. As listed in the *Inventory* section above, of an estimated total of about 16,000 units in the sub-area, about 43% are in older and lower-priced detached and attached home communities, about 35% are in mobile and manufactured home communities, and about 22% are in newer detached and attached home communities (built since the early 2000s). The total supply in the sub-area is also widely dispersed geographically. This diversity in pricing provides ownership accessibility (and at least some community connection) to a broad range of age 55+ households, from low income to affluent.

We estimate a current net demand (demand less supply) of over 5,000 additional age-qualified, for-sale housing units for the sub-area overall, projected to increase to net demand of about 6,000 units by 2021. As a result of significant population growth, gross demand for age-qualified, for-sale housing units is projected to grow from about 22,000 in 2016 to just over 30,000 units by 2030. These demand projections assume that new supply will also be diverse, offering for-sale options from mobile and manufactured communities to high-end patio homes.

The great majority of that projected demand is for urban and suburban portions of the sub-area, not simply due to population, but a lower utilization rate is assumed for rural and mountain areas because age-qualified, for-sale housing appears to be atypical or less desirable as a housing choice in rural areas, and because it is less financially feasible to develop. In fact, 96% of the total supply in the state is located in the Front Range sub-area.

# MOUNTAIN RESORT SUB-AREA

## Section Contents

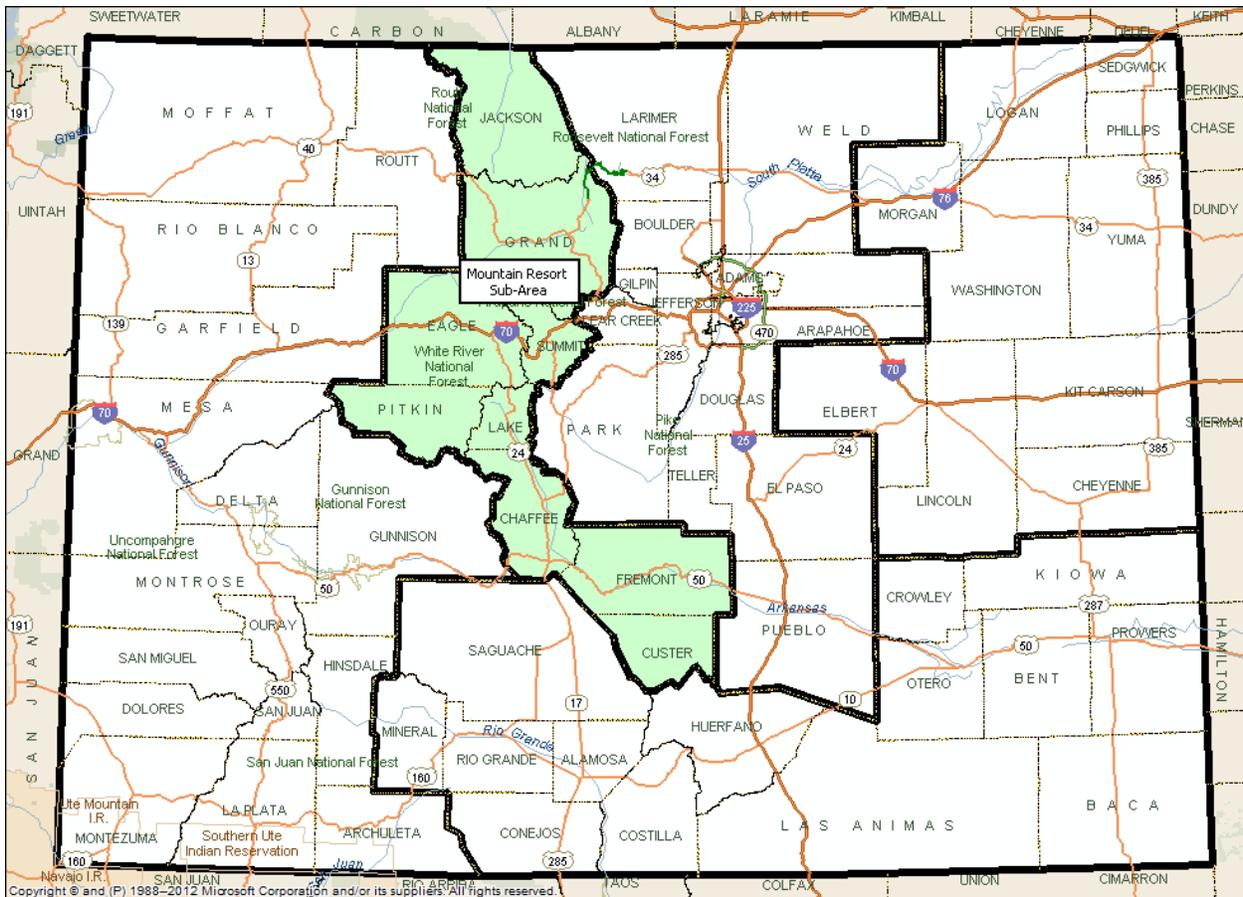
Sub-Area:	Definition and Map
Demographics:	Estimates and Projections Related to Need for Housing and Care, 2016 through 2030
Inventory:	Existing and Under-Construction Age-Qualified Housing and Care Facilities - Table Existing and Under-Construction Age-Qualified Housing and Care Facilities - Overview
Demand:	Current Supply and Demand; Projected Utilization to 2030 - Table Current Supply and Demand; Projected Utilization to 2030 - Overview

# SUB-AREA: DEFINITION AND MAP

The **Mountain Resort** sub-area is comprised of Colorado Planning and Management Regions 12 and 13, located in the central section of Colorado, and includes the following counties:

- |         |         |       |         |
|---------|---------|-------|---------|
| Chaffee | Custer  | Eagle | Fremont |
| Grand   | Jackson | Lake  | Pitkin  |
| Summit  |         |       |         |

The Mountain Resort sub-area is highlighted in green on this map.



# DEMOGRAPHICS: ESTIMATES AND PROJECTIONS RELATED TO NEED FOR HOUSING AND CARE, 2016 THROUGH 2030

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The next few pages contain a set of tables that provide demographic estimates and projections for the entire **Mountain Resort** sub-area. Included are specific variables that are key to estimating the need for housing and care for different age and income groups.

The sub-areas are quite large and diverse, including multiple counties. As a result, it is important to note that data in these tables represent aggregate or medians of population, incomes, or housing values, when in fact, there are wide variations between counties, cities, towns, rural areas, and mountain areas within the sub-area.

## **Demographic tables in this section include the following:**

General and Age-Targeted Demographics

Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

Presence of Self-Care and Independent Living Disabilities: Age 65+

Presence of Alzheimer's and Other Dementias: Age 65+

## General and Age-Targeted Demographics

This table displays general demographics projected for 2016 and 2021 for the general population and age groups 55 to 64, 65 to 74, and 75+; five-year change is also displayed.

Mountain Resort Sub-Area				
	2016	2021	Five-Year Change 2016 to 2021	Percent Change 2016 to 2021
<b>General Demographics</b>				
Total population	197,223	216,213	18,990	9.6%
Total households	79,541	88,003	8,462	10.6%
Median household income	\$57,953	\$60,026	\$2,073	3.6%
Median owner housing value	\$306,577	\$314,837	\$8,260	2.7%
<b>Targeted Households</b>				
<b>Age 55-64 households</b>	16,396	15,764	-632	-3.9%
Number of individuals	28,253	27,364	-889	-3.1%
\$75,000+ household income	6,283	6,457	174	2.8%
Median household income	\$63,956	\$66,902	\$2,946	4.6%
<b>Age 65-74 households</b>	12,814	14,980	2,166	16.9%
Number of individuals	20,406	23,962	3,556	17.4%
\$50,000+ household income	7,010	8,594	1,585	22.6%
Median household income	\$56,375	\$60,375	\$4,000	7.1%
<b>Age 75+ households</b>	7,571	10,343	2,772	36.6%
Number of individuals	11,096	15,319	4,223	38.1%
Medicaid income-qualified (\$26,388)	2,969	3,811	842	28.4%
\$25,000+ household income	4,741	6,779	2,038	43.0%
\$35,000+ household income	3,412	5,057	1,645	48.2%
\$50,000+ household income	2,310	3,564	1,254	54.3%
Median household income	\$32,324	\$34,828	\$2,504	7.7%

Source: The Nielsen Company; Demography Section, Colorado Department of Local Affairs

- The sub-area population is estimated at 197,223 in 2016, projected to grow by 9.6% by 2021.
- Median household income is estimated at \$57,953 in 2016, projected to grow to \$60,026 by 2021.
- Housing values vary widely, with median housing value estimated at \$306,577 for 2016 for all types of owner-occupied housing units.
- The highest percentage and numeric growth of individuals in these three age groups is in those 75+, with a projected 36.6% growth between 2016 and 2021, growing from 7,571 to 10,343.
- While the median income of all households is estimated at \$57,953 in 2016, median household income for the 75+ age group is just \$32,324; median household income for the 65 to 74 age group is \$56,375; and the highest median household incomes are found in the 55 to 64 age group at \$63,956.
- In 2016, an estimated 2,969 households age 75+ have incomes of less than \$26,388, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 28.4% by 2021, to 3,811 households.
- Over half of the age 65 to 74 households have incomes of \$50,000+ in 2016. Nearly half (45%) of the 75+ age households have incomes of \$35,000+, a threshold considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement income with spend-down of assets).

## Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

This table displays projected growth in five-year increments between 2015 and 2030 for the general population and for age groups 55 to 64, 65 to 74, and 75+ and compares sub-area growth to statewide growth.

Mountain Resort Sub-Area				
Age Group	Mountain Resort Sub-Area	Statewide Percent Growth	Sub-Area Totals by Five-Year Periods	
<b>All Ages Percent Growth and Sub-Area Totals</b>				
2010 to 2015	2.6%	7.8%	2015	194,591
2015 to 2020	8.9%	9.0%	2020	211,882
2020 to 2025	11.2%	8.7%	2025	235,638
2025 to 2030	10.5%	8.0%	2030	260,336
<b>Age 55-64 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	6.0%	13.9%	2015	28,117
2015 to 2020	-1.3%	5.7%	2020	27,749
2020 to 2025	-3.9%	-0.7%	2025	26,663
2025 to 2030	1.8%	2.2%	2030	27,149
<b>Age 65-74 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	37.0%	37.9%	2015	19,563
2015 to 2020	18.9%	26.6%	2020	23,266
2020 to 2025	8.0%	14.5%	2025	25,137
2025 to 2030	0.5%	6.4%	2030	25,253
<b>Age 75+ Percent Growth and Sub-Area Totals</b>				
2010 to 2015	27.8%	16.9%	2015	10,455
2015 to 2020	38.2%	23.5%	2020	14,446
2020 to 2025	37.1%	32.7%	2025	19,801
2025 to 2030	25.3%	27.4%	2030	24,808

Source: Demography Section, Colorado Department of Local Affairs

- The total population in the sub-area is expected to grow by 33.8% between 2015 and 2030, from 194,591 in 2015 to 260,336 by 2030.
- The 55 to 64 age group population is expected to decline by 3.4% between 2015 and 2030, from 28,117 in 2015 to 27,149 by 2030.
- The 65 to 74 age group population is expected to grow by 29.1% between 2015 and 2030, from 19,563 in 2015 to 25,253 by 2030.
- The 75+ age group population is expected to more than double between 2015 and 2030, in contrast to the 3.4% reduction projected for the 55 to 64 age group.
- Projected growth rates to 2030 for the total population and all age-targeted groups are generally lower than statewide growth rates, with the exception of the 75+ age group.

## Owner and Renter Households: Age Groups 55 to 64, 65 to 74, and 75+ by Income and Household Size

The tables on the next three pages display demographics separately for the age groups: 55 to 64, 65 to 74, and 75+, both by income and by household size. It is important to understand home ownership and household composition of the age 55+ population for several reasons.

First, homeowners typically have a significantly higher level of assets than renter households, even in the same age groups, and even if they have the same annual incomes. Home equity generally makes up the major portion of the assets of older households, with a large proportion of older households owning homes free and clear, or with low levels of debt. Equity from the sale of a home is routinely used at a later age as a major source of payment for care that may be needed in assisted living or skilled nursing. Similarly, equity from the sale of a home is also routinely used to supplement annual income to pay for monthly rent in an apartment or for independent living in a retirement community.

Second, a substantial amount of research links marriage/domestic partnership with successful aging, and suggests that unmarried individuals and others in 1-person households are disadvantaged both in terms of the level of household income and assets, as well as in the absence of an unpaid, live-in family caregiver at older ages. The presence of large numbers of 1-person households in a market area typically translates to a greater current need for paid supportive services and care for those now age 75+, and also likely translates to a greater future need for paid supportive services for those who are now age 55 to 74 and who now live alone.

As a result of both of the owner/renter factor and the 1-person household/2+ person household factor, 1-person renter households are the most at risk of being housing cost-burdened (spending too high a percentage of annual income to pay for housing), of living in inadequate housing, and of spending down assets at younger retirement ages so that they outlive their resources and have few funds to pay for care and housing as they reach older ages. Single-person owner households with annual incomes of \$25,000 or below are also at great risk of being able to remain in their homes and of being able to obtain needed services as they age.

It should also be noted that, in urban and suburban areas, a percentage of the reported 1-person renter households already live in age-qualified apartments or retirement communities (both affordable and market-rate) where more support and companionship is available, and therefore, the dynamic relative to need and availability of support is different for those individuals. In rural areas, there are few age-qualified rental options for older persons, and the vast majority of older 1-person renter households do not live in age-qualified apartments or other supportive housing arrangements.

## Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

This table displays the number of age 55 to 64 owner and renter households by income group and by household size for 2016 and 2021.

Mountain Resort Sub-Area												
Age 55 - 64 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	304	83	36	388	377	149	389	103	55	517	513	219
\$10,000-20,000	407	102	40	465	365	93	469	151	49	531	474	129
\$20,000-30,000	235	66	27	607	513	127	298	85	34	749	668	181
\$30,000-40,000	196	98	30	770	565	176	204	105	32	784	649	240
\$40,000-50,000	143	78	23	422	797	225	126	74	31	456	924	278
\$50,000-60,000	93	60	96	202	586	174	90	64	118	177	666	198
\$60,000-75,000	152	87	95	349	1,086	255	108	79	90	250	953	250
\$75,000-100,000	68	84	52	256	965	404	52	63	54	161	720	383
\$100,000-125,000	57	68	31	224	544	299	41	46	25	98	292	229
\$125,000-150,000	31	38	31	114	260	139	17	22	22	47	161	96
\$150,000-200,000	30	47	30	98	381	152	11	26	26	49	144	91
\$200,000+	39	31	27	221	380	132	17	19	17	120	236	93
<b>Total</b>	<b>1,757</b>	<b>843</b>	<b>520</b>	<b>4,116</b>	<b>6,817</b>	<b>2,326</b>	<b>1,823</b>	<b>838</b>	<b>554</b>	<b>3,939</b>	<b>6,399</b>	<b>2,385</b>
Total Households	3,119			13,259			3,214			12,723		
% of Ttl HH in Sub-Area	19%			81%			20%			80%		
% of Total HH	56%	27%	17%	31%	51%	18%	57%	26%	17%	31%	50%	19%
Number of HH > \$40k	615	494	386	1,886	4,997	1,781	463	393	384	1,358	4,094	1,617
% of HH > \$40k	35%	59%	74%	46%	73%	77%	25%	47%	69%	34%	64%	68%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 81% of those age 55 to 64 in the sub-area are in owner households, with 13,259 owner households and 3,119 renter households.

**Owners** - In 2016, it is estimated that 31% of owner households live alone, 51% are 2-person households, and 18% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 56% of renter households live alone, 27% are 2-person households, and 17% are 3-person+ households. By 2021, these percentages are projected to be similar. Few of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 35%, compared to 46% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 59%, compared to 73% of 2-person owner households.

## Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

This table displays the number of age 65 to 74 owner and renter households by income group and by household size for 2016 and 2021.

Mountain Resort Sub-Area												
Age 65 - 74 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	97	13	6	308	205	24	140	21	8	469	348	48
\$10,000-20,000	319	63	31	669	347	21	398	86	53	884	577	34
\$20,000-30,000	171	185	18	523	785	86	235	231	29	722	1,148	132
\$30,000-40,000	43	31	22	421	867	102	44	25	28	465	1,148	144
\$40,000-50,000	86	29	4	196	761	35	88	32	11	220	900	54
\$50,000-60,000	30	122	13	248	738	51	35	167	14	287	915	77
\$60,000-75,000	24	54	9	277	646	97	26	78	14	261	700	104
\$75,000-100,000	72	148	19	240	886	46	66	185	21	216	879	70
\$100,000-125,000	15	10	11	112	402	32	15	8	14	88	293	30
\$125,000-150,000	14	6	8	86	178	52	7	8	14	71	153	35
\$150,000-200,000	22	29	12	103	265	11	21	25	13	53	186	16
\$200,000+	19	20	9	100	659	63	18	21	6	75	577	71
<b>Total</b>	<b>913</b>	<b>710</b>	<b>163</b>	<b>3,284</b>	<b>6,740</b>	<b>621</b>	<b>1,092</b>	<b>885</b>	<b>225</b>	<b>3,812</b>	<b>7,826</b>	<b>814</b>
Total Households	1,786			10,644			2,203			12,452		
% of Ttl HH in Sub-Area	14%			86%			15%			85%		
% of Total HH	51%	40%	9%	31%	63%	6%	50%	40%	10%	31%	63%	7%
Number of HH > \$40k	282	419	85	1,363	4,535	388	276	523	108	1,271	4,605	456
% of HH > \$40k	31%	59%	52%	42%	67%	62%	25%	59%	48%	33%	59%	56%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 86% of those age 65 to 74 in the sub-area are in owner households, with 10,644 owner households and 1,786 renter households.

**Owners** - In 2016, it is estimated that 31% of owner households live alone, 63% are 2-person households, and 6% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 51% of renter households live alone, 40% are 2-person households, and 9% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 31%, compared to 42% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 59%, compared to 67% of 2-person owner households.

## Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

The table below displays the number of age 75+ owner and renter households by income group and by household size for 2016 and 2021.

Mountain Resort Sub-Area												
Age 75+ Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	171	11	17	294	154	24	300	23	31	474	264	48
\$10,000-20,000	463	51	28	594	520	74	636	91	33	810	801	152
\$20,000-30,000	166	75	20	525	666	120	223	119	36	686	1,073	217
\$30,000-40,000	89	71	19	329	467	52	111	99	34	415	628	86
\$40,000-50,000	37	15	14	265	324	31	35	22	19	287	399	67
\$50,000-60,000	29	47	16	110	210	38	26	55	33	106	306	72
\$60,000-75,000	50	20	13	91	236	14	63	30	20	109	247	24
\$75,000-100,000	31	39	15	72	213	72	35	53	21	63	243	82
\$100,000-125,000	10	8	12	33	72	16	4	3	22	13	61	15
\$125,000-150,000	8	3	7	24	36	19	15	3	7	7	27	28
\$150,000-200,000	9	8	9	14	57	14	8	6	14	4	50	11
\$200,000+	9	5	10	20	129	11	10	10	7	11	142	11
<b>Total</b>	<b>1,071</b>	<b>352</b>	<b>179</b>	<b>2,371</b>	<b>3,084</b>	<b>485</b>	<b>1,467</b>	<b>513</b>	<b>277</b>	<b>2,985</b>	<b>4,240</b>	<b>812</b>
Total Households			1,602			5,940			2,257			8,038
% of Ttl HH in Sub-Area			21%			79%			22%			78%
% of Total HH	67%	22%	11%	40%	52%	8%	65%	23%	12%	37%	53%	10%
Number of HH > \$40k	183	145	95	629	1,276	215	197	180	143	600	1,474	309
% of HH > \$40k	17%	41%	53%	27%	41%	44%	13%	35%	51%	20%	35%	38%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 79% of those age 75+ in the sub-area are in owner households, with 5,940 owner households and 1,602 renter households.

**Owners** - In 2016, it is estimated that 40% of owner households live alone, 52% are 2-person households, and 8% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 67% of renter households live alone, 22% are 2-person households, and 11% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 17%, compared to 27% of 1-person owner households. In contrast to all other areas of the state, in this sub-area, the percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 41%, compared to 41% of 2-person owner households.

## Presence of Self-Care and Independent Living Disabilities: Age 65+

This table displays the number of age 65+ individuals in the sub-area who report “self-care” or “independent living difficulty” (as defined by the U.S. Census Bureau).

Mountain Resort Sub-Area		
Disability: Self Care and Independent Living		
	2016	
Age 65+ Total	31,502	31,502
Age 65+ Non-Institutionalized (NI)	30,575	30,575
Age 65+ Institutionalized	927	927
	<b>Self-Care Difficulty</b>	<b>Independent Living Difficulty</b>
Age 65+ Disability % of Age 65+ (NI)	4.8%	6.8%
Age 65+ With Disability (NI)	1,482	2,091

Source: The Nielsen Company and U.S. Census American Community Survey

The US Census Bureau’s American Community Survey estimates that about 4.8% of those age 65+ in the sub-area not in nursing homes or otherwise institutionalized reported self-care disabilities, and about 6.8% reported independent living difficulties. Using these percentages, an estimated 1,482 non-institutionalized individuals in the sub-area age 65+ are estimated to have self-care difficulties and 2,091 are estimated to have independent living difficulties.

## Presence of Alzheimer’s and Other Dementias: Age 65+

This table displays the incidence rates for Alzheimer’s disease and other dementias, as estimated by the most current research. The incidence rates by age group are then used to estimate and project the number of sub-area residents likely to have or to develop Alzheimer’s Disease, 2016 to 2030.

Mountain Resort Sub-Area								
Estimated/Projected Alzheimer's Incidence, 2016 - 2030								
	2016		2021		2025		2030	
Age Group	Incidence Rate	Number in Sub-Area						
65-74	3.0%	612	3.1%	743	3.2%	804	3.3%	833
75-84	17.0%	1,411	16.7%	1,943	17.0%	2,573	17.2%	3,124
85+	32.1%	898	32.2%	1,186	32.6%	1,505	32.9%	2,186
<b>Total 65+</b>	<b>9.3%</b>	<b>2,921</b>	<b>9.9%</b>	<b>3,872</b>	<b>10.9%</b>	<b>4,882</b>	<b>12.3%</b>	<b>6,143</b>

Sources: "Alzheimer disease in the United States (2010-2050) estimated using the 2010 census", *Neurology*, Hebert, Weuve, Scherr, et al, March 2013; The Nielsen Company; Demography Section, Colorado Department of Local Affairs

Using these incidence rates, there are an estimated 2,921 individuals with Alzheimer’s disease in 2016 in the sub-area, growing to 3,872 by 2021 and to 6,143 by 2030.

## INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - TABLE

This table lists the estimated bed or unit count in this sub-area for these eight age-qualified housing types and for care facilities that primarily serve older individuals. The total includes units/beds that are either open or are under construction as of mid-June 2016.

The housing and facility types listed are as defined by a seniors housing industry publication, "Classifications of Seniors Housing Types", an annotated version of which is appended to this report.

<b>Mountain Resort Sub-Area</b>			
	<b>Total Existing or Opening in 2016</b>	<b>Under Construction Opening after 2016</b>	<b>Total Existing and Under Construction</b>
Skilled Nursing Beds: All Payer Sources	656	0	656
Assisted Living Beds: Market-Rate	50	0	50
Assisted Living Beds: Affordable/Medicaid	163	0	163
Memory Care Assisted Living Beds: Market-Rate	12	0	12
Independent Living Units: Market-Rate	45	0	45
Age-Qualified Rental Units: Market-Rate	0	0	0
Age-Qualified Rental Units: Affordable/Subsidized	547	0	547
Age-Qualified For-Sale Units: All Types and Pricing	24	0	24

While there may be additional properties in earlier stages of development in the sub-area, those are not included in these totals because it is uncertain if they will actually be constructed.

Methodology and sources for compiling these inventory estimates are described in *Inventory: Endnotes to Inventory Overview* in the *Appendix*.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - OVERVIEW

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## Skilled Nursing

There are 7 skilled nursing facilities in the **Mountain Resort** sub-area, with a total of 624 licensed beds. As of March 31, 2016 census reports <sup>(Inventory 1)</sup>, total occupancy was 464 beds, which is equal to 74% occupancy. Of total occupied beds, 66% of beds in the sub-area were occupied by people using Medicaid, 11% Medicare, and 23% private pay and other. The facilities range in size from 60 beds to 116 beds. Of the total licensed beds, 4 properties offer 112 beds in secure units for people with Alzheimer's disease and other dementias.

Of these 7 facilities, 6 are located in the southeastern portion of the sub-area (5 in Cañon City and 1 in Florence, all in Fremont County) with a total of 512 beds. The only other existing skilled nursing facility in the sub-area is located in Salida, in Chaffee County (112 beds). There are no existing skilled facilities in the northern two-thirds of the sub-area (Jackson, Eagle, Summit, Grand, Pitkin, or Lake Counties), nor in Custer County, the southernmost county in the sub-area. There is 1 skilled nursing facility in Florence serving veterans exclusively, operated by the Colorado Department of Human Services and accounting for 105 of the total licensed skilled nursing beds in the sub-area.

There is 1 property under construction in Eagle, Castle Peak Senior Living Community, expected to open in late 2016. Castle Peak, developed by Augustana Care in partnership with Eagle County government, will offer 32 beds of skilled nursing, serving Medicare, Medicaid, and private pay clients (also offering assisted living and memory care).

## Assisted Living

There are 8 assisted living facilities in the sub-area, with an estimated capacity of approximately 30 beds/units available to private pay residents, and a rough estimate up to 147 beds/units available to lower-income persons on Medicaid or in PACE programs. <sup>(Inventory 2)</sup> *These assisted living bed/unit totals do not include units that are secured for memory care, which, if any, are listed separately.* The facilities range in size from 10 beds/units to 40 beds/units. All 8 facilities are licensed to serve Medicaid residents, although these facilities also serve private pay residents.

Of these 8 facilities, 6 are located in the southeastern portion of the sub-area (4 in Cañon City, 1 in Florence and 1 in Silver Cliff). The other 2 facilities are located in the northern two-thirds of the sub-area, in Kremmling (Grand County) and Aspen (Pitkin County). Castle Peak Senior Care Community, now under construction in Eagle, will offer 20 units of market-rate assisted living.

## Memory Care Assisted Living (Secured)

There is 1 assisted living property, Forgetmenot Care Home, located in Florence, offering 16 units/beds of secured memory care (locked units for those with Alzheimer's or other dementias). All of the beds at Forgetmenot Care Home are available to Medicaid residents. <sup>(Inventory 3)</sup>

Castle Peak Senior Care Community, now under construction in Eagle, will offer 12 units of secured memory care.

## Independent Living

Independent living properties are those that offer retirement apartments that include meals and many other bundled services in monthly rents. <sup>(Inventory 4)</sup> This is almost exclusively a market-rate and urban/suburban offering. Many independent living units are located in apartment buildings that are part of larger campuses that also offer assisted living or skilled nursing. In rural areas, independent living units are rare and are commonly offered as duplex or cottage-type units.

In this sub-area, there is only 1 existing independent living property, Village at Cañon City, offering an estimated total of 45 units.

In this sub-area, there are no independent living properties that are known to be under construction.

## Age-Qualified Rentals

Age-qualified rental units, most commonly referred to as “senior apartments”, are rental units that are restricted to people either age 55+ or 62+ and can be either apartment-type units or duplex or cottage-type units. Age-qualified rental properties do not have commercial kitchens and do not include meals in rents, and generally have a minimal level of other services included or offered. This report separates age-qualified rental units into those that are priced at market-rates and those that are income- or rent-restricted (including properties that are older and that are no longer legally income-restricted, yet still operate as affordable).

### Market-Rate Rentals

In this sub-area, there are no known properties that offer market-rate, age-qualified rental units and there are no market-rate, age-qualified rental properties that are known to be under construction.

### Affordable/Income-Restricted Rentals

In this sub-area, there are 12 age-qualified properties that offer income-restricted/affordable units, with a total of about 547 units. Of these 12 properties, 5 are located in in the southeastern portion of the sub-area (4 in Cañon City and 1 in Florence), while 5 other properties are dispersed throughout the northern two-thirds of the sub-area, in Kremmling, Granby, Eagle, Leadville, and Aspen. Additionally, there is 1 property in Buena Vista and 1 in Salida. The majority of properties are older, with most having HUD contracts enabling the properties to charge rents equal to 30% of income.

In this sub-area, there are no age-qualified, income-restricted/affordable rental properties that are known to be under construction.

## Age-Qualified For-Sale Units: All Types and Pricing

Age-qualified for-sale units include any type of unit that is located in an age-qualified community where the homes are owned by individuals (also called “age-restricted, “active adult”, or “55+”), regardless of the housing types or level of pricing. Per HUD fair housing rules, at least 80% of buyers/owners in age-qualified communities must be at least age 55+, although some older communities have slightly different age restrictions. Age-qualified communities include all types and ages of housing: ranch or patio homes, townhomes, condominiums, and manufactured and mobile home parks and communities. <sup>(Inventory 5)</sup>

In this sub-area, there are no known age-qualified patio home, townhome or condominium communities. There is 1 age-qualified mobile home community located in Cañon City, Country Garden Estates, that has 24 spaces.

In the sub-area, there are no age-qualified for-sale communities known to be under development.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - TABLE

This table displays estimates and projections of quantitative demand for the eight housing and care types covered in this report for current year (2016), 5 years (2021), and the years 2025 and 2030. Because current and near-future inventory can reasonably be estimated, inventory estimates are shown for the years 2016 and 2021 only, along with estimates of net demand or oversupply for those years. A narrative overview follows this table and footnotes detailing assumptions and sources for estimates and projections of demand are found in *Demand: Endnotes to Demand Tables* in the *Appendix*.

Mountain Resort Sub-Area: Projected Utilization, Supply and Demand				
Projections by Housing and Care Type	2016	2021	2025	2030
<b>SKILLED NURSING: ALL PAYER SOURCES</b>				
Nursing home utilization - all payer sources <sup>(Demand 1)</sup>	5.83%	5.25%	4.83%	4.34%
<b>Skilled Nursing Demand: All Payer Sources</b>	<b>647</b>	<b>804</b>	<b>956</b>	<b>1,078</b>
2016/2021 Supply	656	656		
2016/2021 Net Demand or (Oversupply)	(9)	148		
<b>ASSISTED LIVING: MARKET-RATE</b>				
Assisted living utilization - market-rate households <sup>(Demand 2)</sup>	8.01%	8.01%	8.01%	8.01%
<b>Assisted Living Demand: Market-Rate</b>	<b>233</b>	<b>319</b>	<b>395</b>	<b>470</b>
2016/2021 Supply	50	50		
2016/2021 Net Demand or (Oversupply)	183	269		
<b>ASSISTED LIVING: AFFORDABLE</b>				
Assisted living utilization - low-income households <sup>(Demand 3)</sup>	9.44%	9.44%	9.44%	9.44%
<b>Assisted Living Demand: Affordable and/or Medicaid</b>	<b>280</b>	<b>360</b>	<b>515</b>	<b>677</b>
2016/2021 Supply	163	163		
2016/2021 Net Demand or (Oversupply)	117	197		
<b>MEMORY CARE ASSISTED LIVING: MARKET-RATE</b>				
Memory care assisted living utilization - market-rate households <sup>(Demand 4)</sup>	1.17%	1.17%	1.17%	1.17%
<b>Memory Care Assisted Living Demand: Market-Rate</b>	<b>137</b>	<b>171</b>	<b>188</b>	<b>199</b>
2016/2021 Supply	12	12		
2016/2021 Net Demand or (Oversupply)	125	159		
<b>INDEPENDENT LIVING: MARKET-RATE</b>				
Independent living utilization <sup>(Demand 5)</sup>	1.60%	1.52%	1.46%	1.39%
<b>Independent Living Demand: Market-Rate</b>	<b>121</b>	<b>157</b>	<b>195</b>	<b>232</b>
2016/2021 Supply	45	45		
2016/2021 Net Demand or (Oversupply)	76	112		
<b>AGE-QUALIFIED RENTALS: MARKET-RATE</b>				
Age-qualified rentals utilization - market-rate households <sup>(Demand 6)</sup>	2.45%	2.70%	2.91%	3.20%
<b>Age-Qualified Rentals Demand: Market-Rate</b>	<b>186</b>	<b>255</b>	<b>315</b>	<b>389</b>
2016/2021 Supply	0	0		
2016/2021 Net Demand or (Oversupply)	186	255		
<b>AGE-QUALIFIED RENTALS: AFFORDABLE</b>				
Age-qualified rentals utilization - income-restricted households <sup>(Demand 7)</sup>	50.00%	50.00%	50.00%	50.00%
<b>Age-Qualified Rentals Demand: Affordable</b>	<b>900</b>	<b>1,082</b>	<b>1,204</b>	<b>1,310</b>
2016/2021 Supply	547	547		
2016/2021 Net Demand or (Oversupply)	353	535		
<b>FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES</b>				
Age-qualified, for-sale housing utilization - all prices <sup>(Demand 8)</sup>	0.90%	0.90%	0.90%	0.90%
<b>Age-Qualified, For-Sale Housing Demand - All Prices and Types</b>	<b>331</b>	<b>356</b>	<b>383</b>	<b>413</b>
2016/2021 Supply	24	24		
2016/2021 Net Demand or (Oversupply)	307	332		

Demographic Sources: Demography Section, Colorado Department of Local Affairs; The Nielsen Company; Ribbon Demographics LLC; U.S. Census.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - OVERVIEW

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## Mixed-Age Housing

The vast majority of people age 65+ in the **Mountain Resort** sub-area live in “regular” housing, that is, mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties in this sub-area that are either legally age-restricted (which is referred to throughout this report as “age-qualified”), or that serve people who need assisted living or skilled care, is estimated at 1,497 units/beds, compared to an estimated 2016 total age 65+ population of 31,502 individuals and 20,386 households. The total sub-area capacity of age-qualified housing, assisted living, and skilled nursing facilities is equal to approximately 7% of age 65+ households.

As detailed in the *Inventory* section above, the great majority of senior housing and care units/beds within the sub-area are located in the southern portion of the sub-area, in Cañon City, Florence, and Salida. Few age-qualified housing and care options exist in the northern two-thirds of the sub-area.

## Housing by Care and Service Need (*Generally for those age 80+, or those with Alzheimer’s or disabilities*)

### Skilled Nursing

Most notably, all of the existing skilled nursing supply is found in the southern third of the sub-area, and no skilled nursing facilities are yet located in Eagle, Grand, Jackson, Lake, or Summit Counties in the north, or in Custer County in the south. There is 1 new skilled facility under construction in Eagle that will open in fall 2016. The skilled nursing inventory in the sub-area is otherwise generally comprised of older properties that have not had significant renovations, primarily serving Medicaid residents.

In projecting demand to 2030, we have assumed that the average percentage of those age 75+ in skilled nursing beds in Colorado will continue to decline by 10% per year. Despite that utilization percentage decline and with significant population growth of age 75+ individuals, projected gross demand in the sub-area would go from about 647 beds in 2016 to about 1,078 beds by 2030. In 2016, supply and demand are roughly in equilibrium, with an estimated oversupply (demand less supply) of about 9 skilled nursing beds, changing to net demand for about 148 beds by 2021, due to population growth. It is critical to note, however, that the Cañon City/Florence area is most likely oversupplied with skilled nursing, while the remainder of the sub-area is most likely undersupplied. We also note that one of the facilities in the sub-area serves veterans exclusively and it is likely that facility draws its residents from greater distances than a typical skilled facility.

Unfortunately, those who can’t afford to pay privately for long-term care have few choices, reflected in the fact that 66% of all skilled nursing facility residents in the sub-area are Medicaid residents. Access to other affordable long-term care options is limited both by the low-income and asset thresholds for Medicaid eligibility and limited by the availability of Medicaid assisted living both in urban/suburban and rural areas. Even for those who can pay privately, in some rural areas there are no facilities, or the only long-term care option is a dated skilled nursing facility, and local residents have to choose between accepting that facility or relocating out of their community for a newer facility or assisted living.

Looking further into the future, toward 2030, we project that the traditional skilled nursing facility will continue to give way both to assisted living and to new short-term rehabilitation centers, particularly in urban and suburban areas, and that options will continue to be limited in rural areas. The newest trend in urban and suburban areas, development of a new generation of specialized skilled nursing facilities serving only or primarily short-term sub-acute/rehab patients on Medicare, has not occurred in the Mountain Resort sub-area and does not seem likely to occur, except that smaller facility of this type could perhaps be supported in the Cañon City/Florence area. That said, the new facility in Eagle will offer a state-of-the-art short-term/Medicare section.

Due to population growth to 2030 and beyond, there will be increasing demand for good-quality long-term care options for people of all incomes who live in smaller cities, towns, rural and mountain areas, some of whom will require a skilled nursing level of care. While some of the demand can potentially be met by other alternatives that could be developed in this sub-area (such as smaller-sized but high-acuity assisted living homes, home care with new technologies, and new forms of family and informal care), a new generation of skilled nursing facilities is also needed. Ideally, these should be innovative, state-of-the-art facilities such as those incorporating “neighborhood” models, the Green House<sup>®</sup> model, and other emerging models. These new facilities must be made available to those on Medicaid, rather than just to those who are private pay residents or short-term Medicare patients.

### **Market-Rate Assisted Living, Memory Care Assisted Living, and Independent Living**

Those living in the Cañon City/Florence portion of the sub-area, have a moderate and mixed-quality supply of assisted living properties, and two assisted living properties are located in Aspen and Kremmling. There is only one property offering a few private pay memory care units (Florence) and an under-construction property in Eagle that will offer both private pay assisted living and memory care. There is only one property offering independent living in the sub-area (Cañon City). The older properties in the southern portion of the sub-area have generally moderate- to middle-pricing levels that are directly related to the age, condition, quality, and location of the properties, while the new property in Eagle will be priced at a higher level. Many portions of the sub-area do not have nearby properties, with some who need service- and care-oriented housing choosing to relocate to the nearest facilities located in other towns, some choosing to relocate near adult children in further communities, and some choosing to remain at home.

While there is significant additional development of market-rate properties underway in the larger urban and suburban parts of the state, there is only 1 known assisted living and memory care property under development in this sub-area.

**Assisted Living** - Additional, net demand (demand less supply) in the sub-area is estimated for market-rate assisted living for about 183 units/beds in 2016, projected to increase to about 269 units/beds by 2021. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 75+ would need and select assisted living. Therefore, with significant population growth, projected gross demand goes from about 233 units/beds in 2016 to about 470 units/beds by 2030.

**Memory Care Assisted Living** - There are no existing market-rate memory care assisted living units/beds in the market area, but the under-construction property in Eagle will offer 12 new memory care units. Factoring those 12 units, net demand (demand less supply) in the sub-area is estimated for market-rate, memory care assisted living for about 125 units/beds in 2016, projected to increase to about 159 units/beds by 2021. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 65+ with Alzheimer’s or other dementias would need and select memory care assisted living. Therefore, with only modest population growth, projected gross demand goes from about 137 units/beds in 2016 to about 199 units/beds by 2030.

**Independent Living** - In smaller towns and rural areas, independent living properties are rare. Where they do exist, they are typically smaller-scale properties offering duplex or cottage-type units, sometimes as an adjunct to assisted living, or other senior housing. At this time, there appears to be only 1 property in the sub-area offering independent living duplex units, Village at Cañon City.

According to *Housing an Aging Rural America: Rural Seniors and Their Homes (2014)*, rental options in small towns are scarce, but could be of great benefit to provide an option for those seniors who wish to remain in the community, but who can no longer maintain a home. That report encourages additional development of rental options suitable for seniors in rural areas. That report encourages additional development of rental options suitable for seniors in rural areas.

Because independent living apartments or cottages, with a range of included services, could be a good option for a number of older couples and singles, allowing them to remain in smaller towns and rural areas as they age, we have estimated a modest level of demand for independent living units in this sub-area. For that reason, we have calculated additional, net demand in the sub-area for independent living of about 76 units in 2016, increasing to about 112 units by 2021. In projecting demand out to 2030, due to change in generational preferences, we have assumed a gradual statewide reduction in the percentage of age 75+ households who would be likely to choose this traditional retirement type. Despite that percentage reduction, because of population growth, gross demand is projected to increase in the sub-area from about 121 units in 2016 to about 232 units by 2030.

### **Affordable Assisted Living**

We estimate a current net demand (demand less supply) for about 117 affordable assisted living units/beds throughout the sub-area, projected to increase to net demand of about 197 units/beds by 2021. With costs for assisted living escalating at a higher rate than incomes, and due to population growth, gross demand for affordable assisted living units/beds is projected to grow from about 280 units/beds in 2016 to 677 units/beds by 2030.

As stated earlier, the majority of existing units are located in the Cañon City/Florence area, with only a few affordable units in Salida, Kremmling, and Aspen. This concentration in the geographic location of the properties masks individual differences and needs within the sub-area.

As detailed in note "Inventory 2" (located in *Inventory: Endnotes to Inventory Overview*), it is critical to note that the calculation of current supply is a rough estimate that assumes that the majority of units/beds in properties licensed and certified to accept Medicaid residents (Alternative Care Facilities) are actually available to Medicaid residents. In practice, virtually all assisted living properties that accept Medicaid also accept and seek a mix of private pay residents and that mix is variable. It is beyond the scope of this report to obtain an exact count for each facility of the number of its beds actually available to potential Medicaid recipients, and therefore, the demand for additional beds available to Medicaid residents may be understated. More in-depth review of each property would provide a closer estimate of actual capacity for Medicaid residents.

## **Housing by Affordability (*Broad range of ages 55 to 80+, cannot afford market pricing, and not in need of care-based housing*)**

### **Age-Qualified, Affordable/Income-Restricted Rental Units**

There is significant unmet demand for age-qualified, affordable (“senior”) rental units, with virtually every existing property reporting full occupancy with wait lists. Given ongoing funding constraints, unmet demand for affordable rental units is expected to grow dramatically as the older population grows over the next 15 years.

We estimate a current net demand (demand less supply) of about 353 additional age-qualified, affordable rental units in the sub-area, projected to increase to net demand of about 535 units by 2021. With owner and renter housing costs escalating at a higher rate than incomes, and as a result of significant population growth, gross demand for age-qualified, affordable rental units is projected to grow from about 900 in 2016 to 1,310 units by 2030. This demand projection defines affordability as annual incomes below 60% of Area Median Income for age 62+, 1- and 2-person renter households.

We also note that some or most of the inventory of existing age-qualified affordable apartments in the sub-area is older. It is critical to renovate and preserve these existing properties, in addition to building new properties.

## **Housing by Choice (*Generally for ages 55 to 80, not care based, offering a range of market-pricing*)**

### **Age-Qualified, Market-Rate Rental Units**

We estimate a current net demand (demand less supply) for about 186 age-qualified, market-rate rental units for the sub-area overall, projected to increase to net demand for about 255 units by 2021. With significant population growth and shifts in generational preferences and household composition, gross demand for age-qualified, market-rate rental units is projected to grow from about 186 in 2016 to about 389 units by 2030.

In smaller cities, towns, and rural and mountain areas, age-qualified, market-rate rental properties are rare. Where they do exist, they are typically smaller-scale properties offering duplex or cottage-type units, sometimes as an adjunct to assisted living or other senior housing. In this sub-area, there are no known age-qualified, market-rate rental options. As discussed in the *Independent Living* section above, additional rental options for those living in smaller cities and towns could allow more rural seniors to remain in their home communities as they age.

### **Age-Qualified, For-Sale Housing (Restricted to Households Age 55+)**

The definition of age-qualified, for-sale housing includes all such communities, regardless of type of housing and price level, from mobile and manufactured home communities to condominiums to newer patio homes. This diversity in pricing and type can provide ownership accessibility (and at least some community connection) to a broad range of age 55+ households, from low income to affluent.

In this sub-area, there is only one known age-qualified, mobile home community, Country Garden Estates, in Cañon City. There are no known age-qualified condominium or patio home communities.

We estimate a current net demand (demand less supply) of about 307 age-qualified, for-sale housing units for the sub-area overall, projected to increase to net demand of about 332 units by 2021. As a result of significant population growth, gross demand for age-qualified, for-sale housing units is projected to grow from about 331 in 2016 to about 413 units by 2030. These demand projections assume that new supply will also be diverse, offering for-sale options from mobile and manufactured communities to high-end patio homes.

# SOUTHERN COLORADO SUB-AREA

## Section Contents

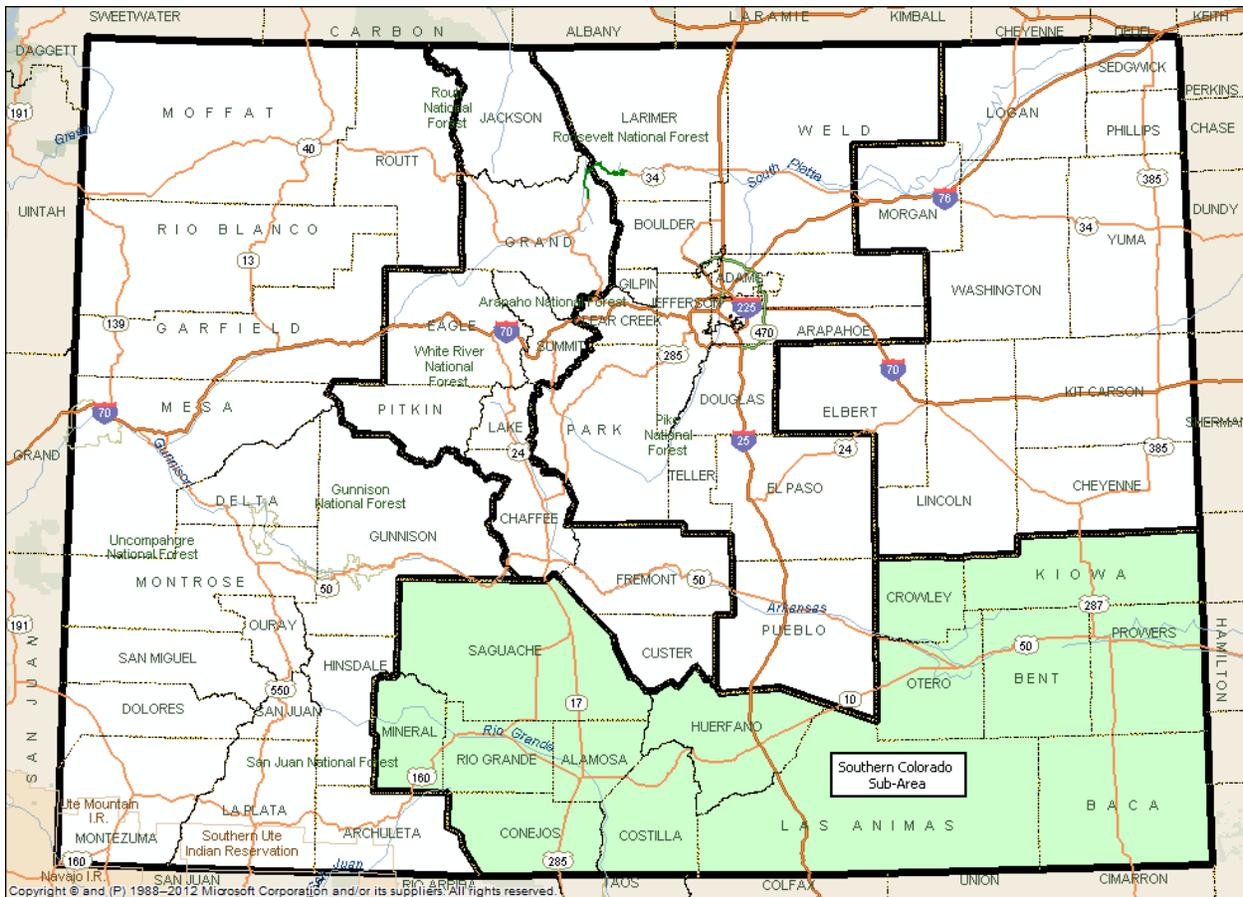
Sub-Area:	Definition and Map
Demographics:	Estimates and Projections Related to Need for Housing and Care, 2016 through 2030
Inventory:	Existing and Under-Construction Age-Qualified Housing and Care Facilities - Table  Existing and Under-Construction Age-Qualified Housing and Care Facilities - Overview
Demand:	Current Supply and Demand; Projected Utilization to 2030 - Table  Current Supply and Demand; Projected Utilization to 2030 - Overview

# SUB-AREA: DEFINITION AND MAP

The **Southern Colorado** sub-area is comprised of Colorado Planning and Management Regions 6, 8, and 14, located in the southeastern/southern section of Colorado, and includes the following counties:

- |            |          |          |         |
|------------|----------|----------|---------|
| Alamosa    | Baca     | Bent     | Conejos |
| Costilla   | Crowley  | Huerfano | Kiowa   |
| Las Animas | Mineral  | Otero    | Prowers |
| Rio Grande | Saguache |          |         |

The Southern Colorado sub-area is highlighted in green on this map.



# DEMOGRAPHIC ESTIMATES AND PROJECTIONS RELATED TO NEED FOR HOUSING AND CARE, 2016 THROUGH 2030

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The next few pages contain a set of tables that provide demographic estimates and projections for the entire **Southern Colorado** sub-area. Included are specific variables that are key to estimating the need for housing and care for different age and income groups.

The sub-areas are quite large and diverse, including multiple counties. As a result, it is important to note that data in these tables represent aggregate or medians of population, incomes, or housing values, when in fact, there are wide variations between counties, cities, towns, rural areas, and mountain areas within the sub-areas.

## **Demographic tables in this section include the following:**

General and Age-Targeted Demographics

Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

Presence of Self-Care and Independent Living Disabilities: Age 65+

Presence of Alzheimer's and Other Dementias: Age 65+

## General and Age-Targeted Demographics

This table displays general demographics projected for 2016 and 2021 for the general population and age groups 55 to 64, 65 to 74, and 75+; five-year change is also displayed.

Southern Colorado Sub-Area				
	2016	2021	Five-Year Change 2016 to 2021	Percent Change 2016 to 2021
<b>General Demographics</b>				
Total population	114,516	119,270	4,754	4.2%
Total households	46,047	48,506	2,459	5.3%
Median household income	\$38,746	\$42,078	\$3,332	8.6%
Median owner housing value	\$116,194	\$119,065	\$2,871	2.5%
<b>Targeted Households</b>				
<b>Age 55-64 households</b>	10,329	9,512	-817	-7.9%
Number of individuals	16,965	15,530	-1,435	-8.5%
\$75,000+ household income	2,785	3,042	257	9.2%
Median household income	\$47,363	\$52,974	\$5,610	11.8%
<b>Age 65-74 households</b>	8,340	9,509	1,169	14.0%
Number of individuals	12,783	14,470	1,687	13.2%
\$50,000+ household income	3,161	3,977	816	25.8%
Median household income	\$38,328	\$42,096	\$3,768	9.8%
<b>Age 75+ households</b>	7,039	7,990	951	13.5%
Number of individuals	9,910	11,181	1,271	12.8%
Medicaid income-qualified (\$26,388)	3,903	4,199	296	7.6%
\$25,000+ household income	3,237	3,929	692	21.4%
\$35,000+ household income	2,284	2,849	565	24.8%
\$50,000+ household income	1,335	1,767	432	32.3%
Median household income	\$23,582	\$25,188	\$1,607	6.8%

Source: The Nielsen Company; Demography Section, Colorado Department of Local Affairs

- The sub-area population is estimated at 114,516 in 2016, projected to grow by 4.2% by 2021.
- Median household income is estimated at \$38,746 in 2016, projected to grow to \$42,078 by 2021.
- Housing values vary widely, with median housing value estimated at \$116,194 for 2016 for all types of owner-occupied housing units.
- The highest percentage and numeric growth of individuals in these three age groups is in those 65 to 74, with a projected 13.2% growth between 2016 and 2021, growing from 12,783 to 14,470.
- While the median income of all households is estimated at \$38,746 in 2016, median income for the 75+ age group is just \$23,582; median household income for the 65 to 74 age group is \$38,328; and the highest median household incomes are found in the 55 to 64 age group at \$47,363.
- In 2016, an estimated 3,903 households age 75+ have incomes of less than \$26,388, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 7.6% by 2021, to 4,199 households.
- Nearly 38% of the age 65 to 74 households have incomes of \$50,000+ in 2016. About 32% of the 75+ age households have incomes of \$35,000+, a threshold considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement income with spend-down of assets).

## Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

This table displays projected growth in five-year increments between 2015 and 2030 for the general population and for age groups 55 to 64, 65 to 74, and 75+ and compares sub-area growth to statewide growth.

Southern Colorado Sub-Area				
Age Group	Southern Colorado Sub-Area	Statewide Percent Growth	Sub-Area Totals by Five-Year Periods	
<b>All Ages Percent Growth and Sub-Area Totals</b>				
2010 to 2015	-2.8%	7.8%	2015	113,786
2015 to 2020	3.9%	9.0%	2020	118,224
2020 to 2025	4.5%	8.7%	2025	123,524
2025 to 2030	4.0%	8.0%	2030	128,475
<b>Age 55-64 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	1.8%	13.9%	2015	17,005
2015 to 2020	-6.0%	5.7%	2020	15,982
2020 to 2025	-14.0%	-0.7%	2025	13,747
2025 to 2030	-8.9%	2.2%	2030	12,526
<b>Age 65-74 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	18.0%	37.9%	2015	12,470
2015 to 2020	14.1%	26.6%	2020	14,232
2020 to 2025	3.3%	14.5%	2025	14,703
2025 to 2030	-5.3%	6.4%	2030	13,930
<b>Age 75+ Percent Growth and Sub-Area Totals</b>				
2010 to 2015	10.5%	16.9%	2015	9,679
2015 to 2020	12.7%	23.5%	2020	10,913
2020 to 2025	18.2%	32.7%	2025	12,897
2025 to 2030	15.5%	27.4%	2030	14,899

Source: Demography Section, Colorado Department of Local Affairs

- The total population in the sub-area is expected to grow by 12.9% between 2015 and 2030, from 113,786 in 2015 to 128,475 by 2030.
- The 55 to 64 age group population is expected to decline by 26.3% between 2015 and 2030, from 17,005 in 2015 to 12,526 by 2030.
- The 65 to 74 age group population is expected to grow by 11.7% between 2015 and 2030, from 12,470 in 2015 to 13,930 by 2030.
- The 75+ age group population is expected to increase by nearly 54% between 2015 and 2030, in contrast to the 26.3% reduction projected for the 55 to 64 age group in that time frame.
- Projected growth rates to 2030 for the total population and all age-targeted groups are significantly lower than statewide growth rates.

## **Owner and Renter Households: Age Groups 55 to 64, 65 to 74, and 75+ by Income and Household Size**

The tables on the next three pages display demographics separately for the age groups: 55 to 64, 65 to 74, and 75+, both by income and by household size. It is important to understand home ownership and household composition of the age 55+ population for several reasons.

First, homeowners typically have a significantly higher level of assets than renter households, even in the same age groups, and even if they have the same annual incomes. Home equity generally makes up the major portion of the assets of older households, with a large proportion of older households owning homes free and clear, or with low levels of debt. Equity from the sale of a home is routinely used at a later age as a major source of payment for care that may be needed in assisted living or skilled nursing. Similarly, equity from the sale of a home is also routinely used to supplement annual income to pay for monthly rent in an apartment or for independent living in a retirement community.

Second, a substantial amount of research links marriage/domestic partnership with successful aging, and suggests that unmarried individuals and others in 1-person households are disadvantaged both in terms of the level of household income and assets, as well as in the absence of an unpaid, live-in family caregiver at older ages. The presence of large numbers of 1-person households in a market area typically translates to a greater current need for paid supportive services and care for those now age 75+, and also likely translates to a greater future need for paid supportive services for those who are now age 55 to 74 and who now live alone.

As a result of both of the owner/renter factor and the 1-person household/2+ person household factor, 1-person renter households are the most at risk of being housing cost-burdened (spending too high a percentage of annual income to pay for housing), of living in inadequate housing, and of spending down assets at younger retirement ages so that they outlive their resources and have few funds to pay for care and housing as they reach older ages. Single-person owner households with annual incomes of \$25,000 or below are also at great risk of being able to remain in their homes and of being able to obtain needed services as they age.

It should also be noted that, in urban and suburban areas, a percentage of the reported 1-person renter households already live in age-qualified apartments or retirement communities (both affordable and market-rate) where more support and companionship is available, and therefore, the dynamic relative to need and availability of support is different for those individuals. In rural areas, there are few age-qualified rental options for older persons, and the vast majority of older 1-person renter households do not live in age-qualified apartments or other supportive housing arrangements.

## Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

This table displays the number of age 55 to 64 owner and renter households by income group and by household size for 2016 and 2021.

Southern Colorado Sub-Area												
Age 55 - 64 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	554	41	34	351	408	145	659	47	39	433	563	212
\$10,000-20,000	301	151	18	418	375	129	320	157	22	444	456	165
\$20,000-30,000	151	97	70	288	589	151	150	109	65	306	666	172
\$30,000-40,000	112	90	79	213	472	152	103	77	66	204	508	187
\$40,000-50,000	92	43	23	215	349	272	68	43	19	191	344	281
\$50,000-60,000	23	28	41	109	518	148	25	20	28	79	480	141
\$60,000-75,000	66	36	15	78	526	265	44	27	7	51	390	201
\$75,000-100,000	40	66	14	81	594	190	30	42	12	34	434	155
\$100,000-125,000	32	26	15	31	285	144	11	15	10	21	158	86
\$125,000-150,000	21	12	7	24	194	78	7	5	4	8	97	31
\$150,000-200,000	21	15	8	46	157	45	8	10	5	19	88	27
\$200,000+	32	9	7	38	123	26	14	7	3	25	76	22
<b>Total</b>	<b>1,446</b>	<b>614</b>	<b>332</b>	<b>1,892</b>	<b>4,592</b>	<b>1,746</b>	<b>1,437</b>	<b>557</b>	<b>279</b>	<b>1,815</b>	<b>4,259</b>	<b>1,681</b>
Total Households	2,392			8,231			2,273			7,756		
% of Ttl HH in Sub-Area	23%			77%			23%			77%		
% of Total HH	60%	26%	14%	23%	56%	21%	63%	25%	12%	23%	55%	22%
Number of HH > \$40k	327	235	131	622	2,748	1,169	205	167	87	428	2,066	944
% of HH > \$40k	23%	38%	40%	33%	60%	67%	14%	30%	31%	24%	49%	56%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 77% of those age 55 to 64 in the sub-area are in owner households, with 8,231 owner households and 2,392 renter households.

**Owners** - In 2016, it is estimated that 23% of owner households live alone, 56% are 2-person households, and 21% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 60% of renter households live alone, 26% are 2-person households, and 14% are 3-person+ households. By 2021, these percentages are projected to be similar. Few of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 23%, compared to 33% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 38%, compared to 60% of 2-person owner households.

## Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

This table displays the number of age 65 to 74 owner and renter households by income group and by household size for 2016 and 2021.

Southern Colorado Sub-Area												
Age 65 - 74 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	370	65	8	342	145	30	527	95	8	479	241	55
\$10,000-20,000	441	33	15	733	364	98	536	43	22	964	557	137
\$20,000-30,000	77	82	4	444	473	170	90	91	3	517	651	222
\$30,000-40,000	58	53	28	315	443	124	57	53	35	345	597	150
\$40,000-50,000	54	19	5	126	474	137	55	19	6	120	539	156
\$50,000-60,000	28	8	1	112	387	143	22	5	1	98	419	172
\$60,000-75,000	9	5	14	73	468	54	8	6	9	48	407	64
\$75,000-100,000	33	9	6	68	423	117	21	9	8	58	369	118
\$100,000-125,000	12	9	4	48	178	67	8	0	3	28	138	46
\$125,000-150,000	17	6	3	30	63	8	1	2	1	10	34	3
\$150,000-200,000	4	0	4	19	57	17	2	1	2	20	48	15
\$200,000+	21	6	2	32	66	26	7	3	4	18	54	24
<b>Total</b>	<b>1,125</b>	<b>294</b>	<b>93</b>	<b>2,341</b>	<b>3,542</b>	<b>991</b>	<b>1,335</b>	<b>327</b>	<b>101</b>	<b>2,705</b>	<b>4,053</b>	<b>1,164</b>
Total Households	1,512			6,874			1,764			7,923		
% of Ttl HH in Sub-Area	18%			82%			18%			82%		
% of Total HH	74%	19%	6%	34%	52%	14%	76%	19%	6%	34%	51%	15%
Number of HH > \$40k	178	61	37	508	2,117	568	125	45	33	402	2,008	600
% of HH > \$40k	16%	21%	40%	22%	60%	57%	9%	14%	33%	15%	50%	52%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 82% of those age 65 to 74 in the sub-area are in owner households, with 6,874 owner households and 1,512 renter households.

**Owners** - In 2016, it is estimated that 34% of owner households live alone, 52% are 2-person households, and 14% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 74% of renter households live alone, 19% are 2-person households, and 6% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 16%, compared to 22% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 21%, compared to 60% of 2-person owner households.

## Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

The table below displays the number of age 75+ owner and renter households by income group and by household size for 2016 and 2021.

Southern Colorado Sub-Area												
Age 75+ Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	259	25	21	624	173	33	352	34	30	832	258	54
\$10,000-20,000	507	85	11	1,035	573	96	610	102	20	1,235	790	145
\$20,000-30,000	113	112	53	482	499	37	121	159	64	513	596	36
\$30,000-40,000	57	28	30	297	293	79	54	31	36	321	330	86
\$40,000-50,000	61	25	10	137	310	25	49	24	15	134	314	31
\$50,000-60,000	56	8	19	77	133	30	42	12	16	81	138	23
\$60,000-75,000	40	32	11	88	107	19	29	20	12	56	83	29
\$75,000-100,000	17	10	6	87	101	29	17	5	12	64	75	15
\$100,000-125,000	12	3	6	32	40	13	0	6	6	17	32	7
\$125,000-150,000	2	4	6	8	17	4	0	1	2	4	2	4
\$150,000-200,000	3	0	3	12	7	4	1	0	2	7	5	8
\$200,000+	9	1	1	11	10	3	3	3	1	6	6	7
<b>Total</b>	<b>1,136</b>	<b>333</b>	<b>176</b>	<b>2,891</b>	<b>2,263</b>	<b>374</b>	<b>1,278</b>	<b>397</b>	<b>217</b>	<b>3,270</b>	<b>2,630</b>	<b>445</b>
Total Households			1,645			5,529			1,892			6,345
% of Totl HH in Sub-Area			23%			77%			23%			77%
% of Total HH	69%	20%	11%	52%	41%	7%	68%	21%	11%	52%	41%	7%
Number of HH > \$40k	201	83	60	454	725	129	141	71	68	369	656	124
% of HH > \$40k	18%	25%	34%	16%	32%	34%	11%	18%	31%	11%	25%	28%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 77% of those age 75+ in the sub-area are in owner households, with 5,529 owner households and 1,645 renter households.

**Owners** - In 2016, it is estimated that 52% of owner households live alone, 41% are 2-person households, and 7% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 69% of renter households live alone, 20% are 2-person households, and 11% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. In contrast to all other areas of the state, in this sub-area, it is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 18%, compared to 16% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 25%, compared to 32% of 2-person owner households.

## Presence of Self-Care and Independent Living Disabilities: Age 65+

This table displays the number of age 65+ individuals in the sub-area who report “self-care” or “independent living difficulty” (as defined by the U.S. Census Bureau).

Southern Colorado Sub-Area		
Disability: Self Care and Independent Living		
	2016	
Age 65+ Total	22,693	22,693
Age 65+ Non-Institutionalized (NI)	21,967	21,967
Age 65+ Institutionalized	726	726
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	8.0%	14.3%
Age 65+ With Disability (NI)	1,760	3,150

Source: The Nielsen Company and U.S. Census American Community Survey

The US Census Bureau’s American Community Survey estimates that about 8.0% of those age 65+ in the sub-area not in nursing homes or otherwise institutionalized reported self-care disabilities, and about 14.3% reported independent living difficulties. Using these percentages, an estimated 1,760 non-institutionalized individuals in the sub-area age 65+ are estimated to have self-care difficulties and 3,150 are estimated to have independent living difficulties.

## Presence of Alzheimer’s and Other Dementias: Age 65+

This table displays the incidence rates for Alzheimer’s disease and other dementias, as estimated by the most current research. The incidence rates by age group are then used to estimate and project the number of sub-area residents likely to have or to develop Alzheimer’s Disease, 2016 to 2030.

Southern Colorado Sub-Area								
Estimated/Projected Alzheimer's Incidence, 2016 - 2030								
	2016		2021		2025		2030	
Age Group	Incidence Rate	Number in Sub-Area						
65-74	3.0%	383	3.1%	449	3.2%	470	3.3%	460
75-84	17.0%	1,163	16.7%	1,316	17.0%	1,562	17.2%	1,824
85+	32.1%	985	32.2%	1,063	32.6%	1,198	32.9%	1,414
<b>Total 65+</b>	<b>11.2%</b>	<b>2,531</b>	<b>11.0%</b>	<b>2,828</b>	<b>11.7%</b>	<b>3,230</b>	<b>12.8%</b>	<b>3,697</b>

Sources: “Alzheimer disease in the United States (2010-2050) estimated using the 2010 census”; *Neurology*, Hebert, Weuve, Scherr, et al, March 2013; The Nielsen Company; Demography Section, Colorado Department of Local Affairs

Using these incidence rates, there are an estimated 2,531 individuals with Alzheimer’s disease in 2016 in the sub-area, growing to 2,828 by 2021 and to 3,697 by 2030.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES

This table lists the estimated bed or unit count in this sub-area for these eight age-qualified housing types and for care facilities that primarily serve older individuals. The total includes units/beds that are either open or are under construction as of mid-June 2016.

The housing and facility types listed are as defined by a seniors housing industry publication, "Classifications of Seniors Housing Types", an annotated version of which is appended to this report.

<b>Southern Colorado Sub-Area</b>			
	<b>Total Existing or Opening in 2016</b>	<b>Under Construction Opening after 2016</b>	<b>Total Existing and Under Construction</b>
Skilled Nursing Beds: All Payer Sources	1,024	60	1,084
Assisted Living Beds: Market-Rate	122	0	122
Assisted Living Beds: Affordable/Medicaid	198	0	198
Memory Care Assisted Living Beds: Market-Rate	0	0	0
Independent Living Units: Market-Rate	20	0	20
Age-Qualified Rental Units: Market-Rate	0	0	0
Age-Qualified Rental Units: Affordable/Subsidized	134	0	134
Age-Qualified For-Sale Units: All Types and Pricing	0	0	0

While there may be additional properties in earlier stages of development in the sub-area, those are not included in these totals because it is uncertain if they will actually be constructed.

Methodology and sources for compiling these inventory estimates are described in *Inventory: Endnotes to Inventory Overview* in the *Appendix*.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - OVERVIEW

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## Skilled Nursing

There are 16 skilled nursing facilities in the **Southern Colorado** sub-area, with a total of 1,024 licensed beds. As of March 31, 2016 census reports <sup>(Inventory 1)</sup>, total occupancy was 809 beds, which is equal to 79% occupancy. Of total occupied beds, 69% of beds in the sub-area were occupied by people using Medicaid, 8% Medicare, and 23% private pay and other. Of the total licensed beds, 7 properties offer 181 beds in secure units for people with Alzheimer's disease and other dementias. These facilities range in size from 30 beds to 120 beds.

Of these 16 properties, 2 are located in Alamosa and Monte Vista each and the remaining 12 properties are dispersed throughout the sub-area. There are 2 skilled nursing facilities serving veterans exclusively, operated by the Colorado Department of Human Services and located in Monte Vista and Walsenburg, accounting for 180 of the total licensed skilled nursing beds in the sub-area.

There is 1 property under-construction in Del Norte (Rio Grande County). River Valley Inn, expected to open in 2017, will offer 60 beds of skilled nursing, serving Medicare, Medicaid, and private pay clients.

## Assisted Living

There are 9 assisted living facilities in the sub-area, with an estimated capacity of approximately 122 beds/units available to private pay residents, and a rough estimate of up to 198 beds/units available to lower-income persons on Medicaid or in PACE programs. <sup>(Inventory 2)</sup> The facilities range in size from 16 beds/units to 85 beds/units. *These assisted living bed/unit totals do not include units that are secured for memory care, which, if any, are listed separately.* Of these 9 facilities, 8 are licensed to serve Medicaid residents, although these facilities also serve private pay residents.

These 9 properties are dispersed throughout the sub-area. The Bridge at Alamosa, with 85 beds/units available for private pay residents only, is not only the largest property in the sub-area, but also accounts for almost all of the market-rate beds/units in the entire sub-area. Six properties, accounting for 171 beds/units, are located in the eastern portions of the sub-area (Walsh, Las Animas, Eads, Rocky Ford, La Junta, and Lamar). The other 2 properties are located in Monte Vista (Rio Grande County) and Trinidad (Las Animas County). Additionally, the Veterans Community Living Center at Homelake, in Monte Vista, reports that it offers "assisted living-like" services to residents of 48 cottage units, located on the same campus as the skilled nursing facility.

In this sub-area, there are no assisted living properties known to be under construction.

## Memory Care Assisted Living (Secured)

There are no assisted living properties in the sub-area that offer secured memory care (locked units for those with Alzheimer's or other dementias). <sup>(Inventory 3)</sup>

In this sub-area, there are no properties that will offer memory care assisted living that are known to be under construction.

## Independent Living

Independent living properties are those that offer retirement apartments that include meals and many other bundled services in monthly rents. <sup>(Inventory 4)</sup> This is almost exclusively a market-rate and urban/suburban offering. Many independent living units are located in apartment buildings that are part of larger campuses that also offer assisted living or skilled nursing. In rural areas, independent living units are rare and are commonly offered as duplex or cottage-type units.

In this sub-area, there are 3 existing properties that offer independent living, with an estimated total of 20 units; Legacy at Trinidad offers 4 independent living duplex units; Evergreen Gardens at La Junta offers 12 independent living duplex units; and Legacy at Monte Vista offers 4 independent living duplex units. All the duplex units are adjacent to assisted living facilities.

In this sub-area, there are no independent living properties that are known to be under construction.

## Age-Qualified Rentals

Age-qualified rental units, most commonly referred to as “senior apartments”, are rental units that are restricted to people either age 55+ or 62+ and can be either apartment-type units or duplex or cottage-type units. Age-qualified rental properties do not have commercial kitchens and do not include meals in rents, and generally have a minimal level of other services included or offered. This report separates age-qualified rental units into those that are priced at market-rates and those that are income- or rent-restricted (including properties that are older and that are no longer legally income-restricted, yet still operate as affordable).

### Market-Rate Rentals

In this sub-area, there are no known properties that offer market-rate, age-qualified rental units.

In this sub-area, there are no market-rate, age-qualified rental properties that are known to be under construction.

### Affordable/Income-Restricted Rentals

In this sub-area, there are 6 age-qualified properties that offer income-restricted/affordable units, with a total of about 134 income-restricted/affordable units. Of these, 5 properties are located in the western portion of the sub-area (3 in Alamosa, 1 in Monte Vista, and 1 in Center) and 1 is located in Springfield, in the northeastern portion of the sub-area. The majority of properties are older, with most having HUD contracts enabling the properties to charge rents equal to 30% of income.

In this sub-area, there are no age-qualified, income-restricted/affordable rental properties that are known to be under construction.

## Age-Qualified For-Sale Units: All Types and Pricing

Age-qualified for-sale units include any type of unit that is located in an age-qualified community where the homes are owned by individuals (also called “age-restricted”, “active adult”, or “55+” communities), regardless of the housing types or level of pricing. Per HUD fair housing rules, at least 80% of buyers/owners in age-qualified communities must be at least age 55+, although some older communities have slightly different age restrictions. Age-qualified communities include all types and ages of housing: ranch or patio homes, townhomes, condominiums, and manufactured and mobile home parks and communities. <sup>(Inventory 5)</sup>

In this sub-area, there are currently no known age-qualified for-sale communities. Also, there are no age-qualified for-sale communities known to be under development.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - TABLE

This table displays estimates and projections of quantitative demand in the **Southern Colorado** sub-area for the eight housing and care types covered in this report for current year, 5 years (2021), and the years 2025 and 2030. Because current and near-future inventory can reasonably be estimated, inventory estimates are shown for the years 2016 and 2021 only, along with estimates of net demand or oversupply for those years. A narrative overview follows this table and footnotes detailing assumptions and sources for estimates and projections of demand are found in *Demand: Endnotes to Demand Tables* in the *Appendix*.

Southern Colorado Sub-Area: Projected Utilization, Supply and Demand				
Projections by Housing and Care Type	2016	2021	2025	2030
<b>SKILLED NURSING: ALL PAYER SOURCES</b>				
Nursing home utilization - all payer sources <sup>(Demand 1)</sup>	5.83%	5.25%	4.83%	4.34%
<b>Skilled Nursing Demand: All Payer Sources</b>	<b>578</b>	<b>587</b>	<b>623</b>	<b>647</b>
<b>2016/2021 Supply</b>	<b>1,024</b>	<b>1,084</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>(446)</b>	<b>(497)</b>		
<b>ASSISTED LIVING: MARKET-RATE</b>				
Assisted living utilization - market-rate households <sup>(Demand 2)</sup>	9.16%	9.16%	9.16%	9.16%
<b>Assisted Living Demand: Market-Rate</b>	<b>170</b>	<b>193</b>	<b>214</b>	<b>235</b>
<b>2016/2021 Supply</b>	<b>122</b>	<b>122</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>48</b>	<b>71</b>		
<b>ASSISTED LIVING: AFFORDABLE</b>				
Assisted living utilization - low-income households <sup>(Demand 3)</sup>	10.37%	10.37%	10.37%	10.37%
<b>Assisted Living Demand: Affordable and/or Medicaid</b>	<b>405</b>	<b>435</b>	<b>551</b>	<b>668</b>
<b>2016/2021 Supply</b>	<b>198</b>	<b>198</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>207</b>	<b>237</b>		
<b>MEMORY CARE ASSISTED LIVING: MARKET-RATE</b>				
Memory care assisted living utilization - market-rate households <sup>(Demand 4)</sup>	1.40%	1.40%	1.40%	1.40%
<b>Memory Care Assisted Living Demand: Market-Rate</b>	<b>73</b>	<b>83</b>	<b>85</b>	<b>85</b>
<b>2016/2021 Supply</b>	<b>0</b>	<b>0</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>73</b>	<b>83</b>		
<b>INDEPENDENT LIVING: MARKET-RATE</b>				
Independent living utilization <sup>(Demand 5)</sup>	1.60%	1.52%	1.46%	1.39%
<b>Independent Living Demand: Market-Rate</b>	<b>113</b>	<b>121</b>	<b>134</b>	<b>148</b>
<b>2016/2021 Supply</b>	<b>20</b>	<b>20</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>93</b>	<b>101</b>		
<b>AGE-QUALIFIED RENTALS: MARKET-RATE</b>				
Age-qualified rentals utilization - market-rate households <sup>(Demand 6)</sup>	2.45%	2.70%	2.91%	3.20%
<b>Age-Qualified Rentals Demand: Market-Rate</b>	<b>87</b>	<b>108</b>	<b>123</b>	<b>141</b>
<b>2016/2021 Supply</b>	<b>0</b>	<b>0</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>87</b>	<b>108</b>		
<b>AGE-QUALIFIED RENTALS: AFFORDABLE</b>				
Age-qualified rentals utilization - income-restricted households <sup>(Demand 7)</sup>	50.00%	50.00%	50.00%	50.00%
<b>Age-Qualified Rentals Demand: Affordable</b>	<b>1,067</b>	<b>1,176</b>	<b>1,239</b>	<b>1,246</b>
<b>2016/2021 Supply</b>	<b>134</b>	<b>134</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>933</b>	<b>1,042</b>		
<b>FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES</b>				
Age-qualified, for-sale housing utilization - all prices <sup>(Demand 8)</sup>	0.90%	0.90%	0.90%	0.90%
<b>Age-Qualified, For-Sale Housing Demand - All Prices and Types</b>	<b>231</b>	<b>241</b>	<b>242</b>	<b>242</b>
<b>2016/2021 Supply</b>	<b>0</b>	<b>0</b>		
<b>2016/2021 Net Demand or (Oversupply)</b>	<b>231</b>	<b>241</b>		

Demographic Sources: Demography Section, Colorado Department of Local Affairs; The Nielsen Company; Ribbon Demographics LLC; U.S. Census.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - OVERVIEW

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## Mixed-Age Housing

The vast majority of people age 65+ in the **Southern Colorado** sub-area live in “regular” housing, that is: mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties in this sub-area that are either legally age-restricted (which is referred to throughout this report as “age-qualified”), or that serve people who need assisted living or skilled care, is estimated at 1,498 units/beds, compared to an estimated 2016 total age 65+ population of 22,693 individuals and 15,379 households. The total sub-area capacity of age-qualified housing, assisted living, and skilled nursing facilities is equal to approximately 10% of age 65+ households.

As detailed in the *Inventory* section above, the majority of senior housing and care units/beds within the sub-area are located in the Alamosa/Monte Vista area, with fewer options dispersed in the eastern portion of the sub-area.

## Housing by Care and Service Need (*Generally for those age 80+, or those with Alzheimer’s or disabilities*)

### Skilled Nursing

The skilled nursing inventory in the sub-area is generally comprised of older properties that have not had significant renovations, primarily serving Medicaid residents. The facilities are dispersed throughout the sub-area. It is also notable that there are 2 skilled nursing facilities in the sub-area operated by the Colorado Department of Human Services that serve veterans exclusively. There is 1 new 60-bed skilled nursing facility that recently began construction in Del Norte.

In projecting demand to 2030, we have assumed that the average percentage of those age 75+ in skilled nursing beds in the Colorado will continue to decline by 10% per year. Despite this decline and with minimal population growth of age 75+ individuals, projected gross demand in the sub-area is projected to increase from about 578 beds in 2016 to about 647 beds by 2030. There is an apparent oversupply of about 446 beds in 2016; however, of the 1,024 beds in the 14 facilities in the sub-area, there were only 215 vacancies (an occupancy rate of 68.6%) as of the most recent state census report (March 31, 2016). By 2021, there is still an apparent oversupply of about 497 beds in the sub-area. With 1,024 beds in the sub-area now, this projection still represents a mathematical oversupply of skilled nursing beds in the sub-area out to 2030. It is critical to note, however, that the 2 veterans skilled nursing facilities (Walsenburg and Monte Vista), with a combined bed count of 180, most likely draw their residents from greater distances than a typical skilled facility, perhaps resulting in a higher average utilization rate for the sub-area.

Unfortunately, those who can’t afford to pay privately for long-term care have few choices, reflected in the fact that 69% of all skilled nursing facility residents in the sub-area are Medicaid residents. Access to other affordable long-term care options is limited both by the low income and asset thresholds for Medicaid eligibility and limited by the availability of Medicaid assisted living both in urban/suburban and rural areas. Even for those who can pay privately, in some rural areas there are no facilities, or the only long-term care option is a dated skilled nursing

facility, and local residents have to choose between accepting that facility or relocating out of their community for a newer facility or assisted living.

Looking further into the future, toward 2030, we project that the traditional skilled nursing facility will continue to give way both to assisted living and to new short-term rehabilitation centers, particularly in urban and suburban areas, and that options will continue to be limited in rural areas. The newest trend in urban and suburban areas, development of a new generation of specialized skilled nursing facilities serving only or primarily short-term sub-acute/rehab patients on Medicare, has not occurred in the Southern Colorado sub-area and does not seem likely to occur, except a smaller facility of this type could perhaps be supported in the Alamosa/Monte Vista area.

Due to population growth to 2030 and beyond, there will be increasing demand for good-quality long-term care options for people of all incomes who live in smaller cities, towns, rural and mountain areas, some of whom will continue to require a skilled nursing level of care. While some of the demand can potentially be met by other alternatives that could be developed in this sub-area (such as smaller-sized but high-acuity assisted living homes, home care with new technologies, and new forms of family and informal care), a new generation of skilled nursing facilities is also needed. Ideally, these should be innovative, state-of-the-art facilities such as those incorporating “neighborhood” models, the Green House<sup>®</sup> model, and other emerging models. These new facilities must be made available to those on Medicaid, rather than just to those who are private pay residents or short-term Medicare patients.

### **Market-Rate Assisted Living, Memory Care Assisted Living, and Independent Living**

Those living in the Alamosa/Monte Vista portion of the sub-area have a moderate and mixed-quality supply of assisted living properties, with the Bridge at Alamosa accounting for nearly all of the market-rate assisted living units in the entire sub-area. A few other assisted living properties are located in the eastern portion of the sub-area. No secured memory care assisted living properties are offered in the entire sub-area. There are three properties in the sub-area that offer a few independent living duplex units adjacent to assisted living.

The properties in the sub-area have generally moderate- to middle-pricing levels that are directly related to the age, condition, quality, and location of the properties. Many portions of the sub-area do not have nearby properties, with some who need service- and care-oriented housing choosing to relocate to the nearest facilities located in other towns, some choosing to relocate near adult children in further communities, and some choosing to remain at home.

While there is significant additional development of market-rate properties underway in the larger urban and suburban parts of the state, there are no known assisted living, memory care, or independent living properties under development in this sub-area, with demand projected to grow for all of these options.

**Assisted Living** - Additional, net demand (demand less supply) in the sub-area is estimated for market-rate assisted living for about 48 units/beds in 2016, projected to increase to about 71 units/beds by 2021. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 75+ would need and select assisted living. Therefore, with significant population growth, projected gross demand goes from about 170 units/beds in 2016 to about 235 market-rate assisted living units/beds by 2030.

**Memory Care Assisted Living** - There are no existing market-rate memory care assisted living units/beds in the market area. Net demand (demand less supply) in the sub-area is estimated for market-rate, memory care assisted living for about 73 units/beds in 2016, projected to increase to about 83 units/beds by 2021. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 65+ with Alzheimer’s or other dementias would need and select memory care assisted living. Therefore, with minimal population growth of age 65+ individuals, projected gross demand remains relatively flat, moving from about 73 units/beds in 2016 to about 85 units/beds by 2030.

**Independent Living** - In smaller towns and rural areas, independent living properties are rare. Where they do exist, they are typically smaller-scale properties offering duplex or cottage-type units, sometimes as an adjunct to assisted living, or other senior housing. At this time, there are 3 properties in the sub-area (La Junta, Monte Vista, and Trinidad) offering a few independent living duplex units each.

According to *Housing an Aging Rural America: Rural Seniors and Their Homes (2014)*, rental options in small towns are scarce, but could be of great benefit to provide an option for those seniors who wish to remain in the community, but who can no longer maintain a home. That report encourages additional development of rental options suitable for seniors in rural areas.

Because independent living apartments or cottages, with a range of included services, could be a good option for a number of older couples and singles, allowing them to remain in smaller towns and rural areas as they age, we have estimated a modest level of demand for independent living units in this sub-area. For that reason, we have calculated additional, net demand in the sub-area for independent living for about 93 units in 2016, increasing to about 101 units by 2021. In projecting demand out to 2030, due to change in generational preferences, we have assumed a gradual statewide reduction in the percentage of age 75+ households who would be likely to choose this traditional retirement type. Despite that percentage reduction, because of modest population growth, gross demand is projected to increase in the sub-area from about 113 units in 2016 to about 148 units by 2030.

### **Affordable Assisted Living**

We estimate a current net demand (demand less supply) for about 207 affordable assisted living units/beds throughout the sub-area, projected to increase to net demand of about 237 units/beds by 2021. With costs for assisted living escalating at a higher rate than incomes, and due to population growth, gross demand for affordable assisted living units/beds is projected to grow from about 405 units/beds in 2016 to about 668 units/beds by 2030.

As stated earlier, the majority of existing units are located in the eastern portions of the sub-area (Walsh, Las Animas, Eads, Rocky Ford, La Junta, and Lamar) and Monte Vista and Trinidad. This geographic concentration in the location of properties masks individual differences and needs within the sub-area.

As detailed in footnote "Inventory 2" (located in *Inventory: Endnotes to Inventory Overview*), it is critical to note that the calculation of current supply is a rough estimate that assumes that the majority of units/beds in properties licensed and certified to accept Medicaid residents (Alternative Care Facilities) are actually available to Medicaid residents. In practice, virtually all assisted living properties that accept Medicaid also accept and seek a mix of private pay residents and that mix is variable. It is beyond the scope of this report to obtain an exact count for each facility of the number of its beds actually available to potential Medicaid recipients, and therefore, the demand for additional beds available to Medicaid residents may be understated. More in-depth review of each property would provide a closer estimate of actual capacity for Medicaid residents.

## **Housing by Affordability (*Broad range of ages 55 to 80+, cannot afford market pricing, and not in need of care-based housing*)**

### **Age-Qualified, Affordable/Income-Restricted Rental Units**

There is significant unmet demand for age-qualified, affordable ("senior") rental units, with virtually every existing property reporting full occupancy with wait lists. Given ongoing funding constraints, unmet demand for affordable rental units is expected to grow dramatically as the older population grows over the next 15 years.

We estimate a current net demand (demand less supply) for about 933 age-qualified, affordable rental units in the sub-area, projected to increase to net demand of about 1,042 units by 2021. With owner and renter housing costs

escalating at a higher rate than incomes, and as a result of significant population growth, gross demand for age-qualified, affordable rental units is projected to grow from about 1,067 in 2016 to about 1,246 units by 2030. This demand projection defines affordability as annual incomes below 60% of Area Median Income for age 62+, 1- and 2-person renter households.

We also note that some or most of the inventory of existing age-qualified affordable apartments in the sub-area is older. It is critical to renovate and preserve these existing properties, in addition to building new properties.

## **Housing by Choice (Generally for ages 55 to 80, not care based, offering a range of market-pricing)**

### **Age-Qualified, Market-Rate Rental Units**

We estimate a current net demand (demand less supply) for about 87 age-qualified, market-rate rental units for the sub-area overall, projected to increase to net demand for about 108 units by 2021. With significant population growth and shifts in generational preferences and household composition, gross demand for age-qualified, market-rate rental units is projected to grow from about 87 units in 2016 to about 141 units by 2030.

In smaller cities, towns, and rural and mountain areas, age-qualified, market-rate rental properties are rare. Where they do exist, they are typically smaller-scale properties offering duplex or cottage-type units, sometimes as an adjunct to assisted living or other senior housing. In this sub-area, there are currently no known age-qualified, market-rate rental options. As discussed in the *Independent Living* section above, additional rental options for those living in smaller cities and towns could allow more rural seniors to remain in their home communities as they age.

### **Age-Qualified, For-Sale Housing (Restricted to Households Age 55+)**

The definition of age-qualified, for-sale housing includes all such communities, regardless of type of housing and price level, from mobile and manufactured home communities to condominiums to newer patio homes. This diversity in pricing and type can provide ownership accessibility (and at least some community connection) to a broad range of age 55+ households, from low-income to affluent.

In this sub-area, there are no known age-qualified, for-sale housing communities of any type, and none are known to be under construction.

We estimate a current net demand (demand less supply) for about 231 age-qualified, for-sale housing units for the sub-area overall, projected to increase to net demand of about 241 units by 2021. As a result of relatively flat population growth, combined with projected higher utilization rates for age-qualified, for-sale housing, gross demand for age-qualified, for-sale housing units is projected to remain relatively flat, moving from about 231 in 2016 to about 242 units by 2030. These demand projections assume that new supply will also be diverse, offering for-sale options from mobile and manufactured communities to high-end patio homes.

# WESTERN SLOPE SUB-AREA

## Section Contents

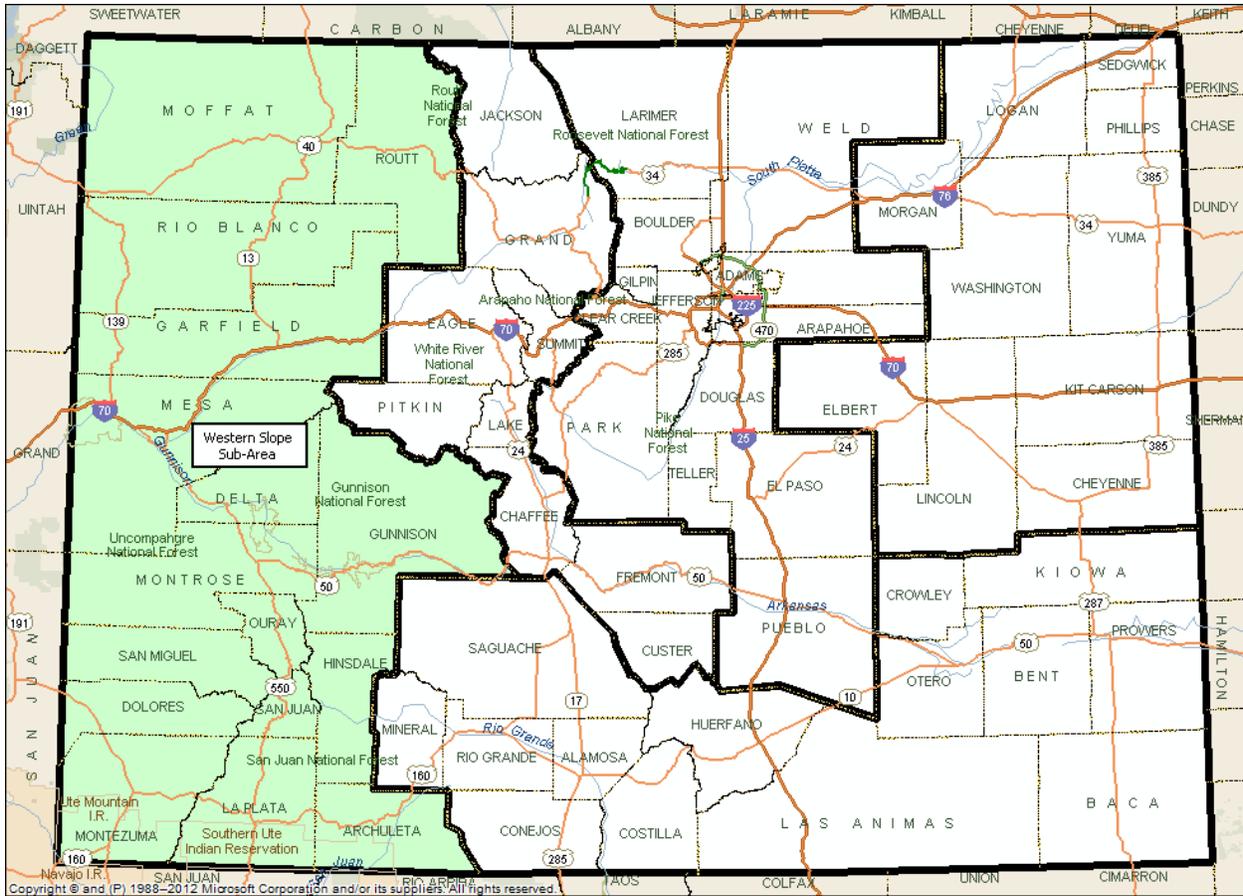
Sub-Area:	Definition and Map
Demographics:	Estimates and Projections Related to Need for Housing and Care, 2016 through 2030
Inventory:	Existing and Under-Construction Age-Qualified Housing and Care Facilities - Table  Existing and Under-Construction Age-Qualified Housing and Care Facilities - Overview
Demand:	Current Supply and Demand; Projected Utilization to 2030 - Table  Current Supply and Demand; Projected Utilization to 2030 - Overview

# SUB-AREA: DEFINITION AND MAP

The **Western Slope** sub-area is comprised of Colorado Planning and Management Regions 9, 10, and 11, located in the western section of Colorado, and includes the following counties:

- |            |           |          |            |
|------------|-----------|----------|------------|
| Archuleta  | Delta     | Dolores  | Garfield   |
| Gunnison   | Hinsdale  | La Plata | Mesa       |
| Moffat     | Montezuma | Montrose | Ouray      |
| Rio Blanco | Routt     | San Juan | San Miguel |

The Western Slope sub-area is highlighted in green on this map.



# DEMOGRAPHICS: ESTIMATES AND PROJECTIONS RELATED TO NEED FOR HOUSING AND CARE, 2016 THROUGH 2030

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The next few pages contain a set of tables that provide demographic estimates and projections for the entire **Western Slope** sub-area. Included are specific variables that are key to estimating the need for housing and care for different age and income groups.

The sub-areas are quite large and diverse, including multiple counties. As a result, it is important to note that data in these tables represent aggregate or medians of population, incomes, or housing values, when in fact, there are wide variations between counties, cities, towns, rural areas, and mountain areas within the sub-areas.

## **Demographic tables in this section include the following:**

General and Age-Targeted Demographics

Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

Presence of Self-Care and Independent Living Disabilities: Age 65+

Presence of Alzheimer's and Other Dementias: Age 65+

## General and Age-Targeted Demographics

This table displays general demographics projected for 2016 and 2021 for the general population and age groups 55 to 64, 65 to 74, and 75+; five-year change is also displayed.

Western Slope Sub-Area				
	2016	2021	Five-Year Change 2016 to 2021	Percent Change 2016 to 2021
<b>General Demographics</b>				
Total population	458,302	503,585	45,283	9.9%
Total households	184,485	203,058	18,573	10.1%
Median household income	\$51,411	\$53,293	\$1,882	3.7%
Median owner housing value	\$256,963	\$270,157	\$13,194	5.1%
<b>Targeted Households</b>				
<b>Age 55-64 households</b>	39,026	37,830	-1,196	-3.1%
Number of individuals	66,466	64,937	-1,529	-2.3%
\$75,000+ household income	14,547	14,989	442	3.0%
Median household income	\$61,759	\$64,458	\$2,700	4.4%
<b>Age 65-74 households</b>	29,656	36,679	7,022	23.7%
Number of individuals	46,995	58,481	11,486	24.4%
\$50,000+ household income	14,178	18,386	4,208	29.7%
Median household income	\$47,831	\$50,207	\$2,376	5.0%
<b>Age 75+ households</b>	21,112	26,436	5,323	25.2%
Number of individuals	31,430	39,686	8,256	26.3%
Medicaid income-qualified (\$26,388)	9,564	11,548	1,984	20.7%
\$25,000+ household income	11,903	15,418	3,515	29.5%
\$35,000+ household income	8,590	11,374	2,785	32.4%
\$50,000+ household income	5,437	7,445	2,008	36.9%
Median household income	\$29,259	\$30,460	\$1,201	4.1%

Source: The Nielsen Company; Demography Section, Colorado Department of Local Affairs

- The sub-area population is estimated at 458,302 in 2016, projected to grow by 9.9% by 2021.
- Median household income is estimated at \$51,411 in 2016, projected to grow to \$53,293 by 2021.
- Housing values vary widely, with median housing value estimated at \$256,963 for 2016 for all types of owner-occupied housing units.
- The highest percentage and numeric growth of individuals in these three age groups is in those 75+, with a projected 26.3% growth between 2016 and 2021, growing from 31,430 to 39,686.
- While the median income of all households is estimated at \$51,411 in 2016, median household income for the 75+ age group is just \$29,259; median household income for the 65 to 74 age group is \$47,831; and the highest median household incomes are found in the 55 to 64 age group at \$61,759.
- In 2016, an estimated 9,564 households age 75+ have incomes of less than \$26,388, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 20.7% by 2021, to 11,548 households.
- Nearly half of the age 65 to 74 households have incomes of \$50,000+ in 2016. About 41% of 75+ age households have incomes of \$35,000+, a threshold considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement income with spend-down of assets).

## Short- and Long-Range Projected Population Growth: Total Population and Age Groups 55 to 64, 65 to 74, and 75+

This table displays projected growth in five-year increments between 2015 and 2030 for the general population and for age groups 55 to 64, 65 to 74, and 75+ and compares sub-area growth to statewide growth.

Western Slope Sub-Area				
Age Group	Western Slope Sub-Area	Statewide Percent Growth	Sub-Area Totals by Five-Year Periods	
<b>All Ages Percent Growth and Sub-Area Totals</b>				
2010 to 2015	2.8%	7.8%	2015	450,729
2015 to 2020	9.6%	9.0%	2020	493,892
2020 to 2025	10.4%	8.7%	2025	545,422
2025 to 2030	9.7%	8.0%	2030	598,181
<b>Age 55-64 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	7.5%	13.9%	2015	65,760
2015 to 2020	-0.1%	5.7%	2020	65,671
2020 to 2025	-4.2%	-0.7%	2025	62,937
2025 to 2030	3.4%	2.2%	2030	65,089
<b>Age 65-74 Percent Growth and Sub-Area Totals</b>				
2010 to 2015	31.0%	37.9%	2015	44,611
2015 to 2020	26.4%	26.6%	2020	56,380
2020 to 2025	12.7%	14.5%	2025	63,526
2025 to 2030	1.9%	6.4%	2030	64,733
<b>Age 75+ Percent Growth and Sub-Area Totals</b>				
2010 to 2015	15.8%	16.9%	2015	30,262
2015 to 2020	25.1%	23.5%	2020	37,868
2020 to 2025	32.6%	32.7%	2025	50,227
2025 to 2030	27.4%	27.4%	2030	64,007

Source: Demography Section, Colorado Department of Local Affairs

- The total population in the sub-area is expected to grow by 32.7% between 2015 and 2030, from 450,729 in 2015 to 598,181 by 2030.
- The 55 to 64 age group population is expected to decline by 1% between 2015 and 2030, from 65,760 in 2015 to 65,089 by 2030.
- The 65 to 74 age group population is expected to grow by 45.1% between 2015 and 2030, from 44,611 in 2015 to 64,733 by 2030.
- The 75+ age group population is expected to more than double between 2015 and 2030. In contrast, a reduction is projected for the 55 to 64 age group, remains relatively flat, decreasing by about 1%.
- Projected growth rates between 2015 and 2030 for the total population and the age groups 65 to 74 and 75+ closely parallel statewide growth rates, while growth for the 55 to 64 age group is generally negative and lower than statewide growth until 2025.

## Owner and Renter Households: Age Groups 55 to 64, 65 to 74, and 75+ by Income and Household Size

The tables on the next three pages display demographics separately for the age groups: 55 to 64, 65 to 74, and 75+, both by income and by household size. It is important to understand home ownership and household composition of the age 55+ population for several reasons.

First, homeowners typically have a significantly higher level of assets than renter households, even in the same age groups, and even if they have the same annual incomes. Home equity generally makes up the major portion of the assets of older households, with a large proportion of older households owning homes free and clear, or with low levels of debt. Equity from the sale of a home is routinely used at a later age as a major source of payment for care that may be needed in assisted living or skilled nursing. Similarly, equity from the sale of a home is also routinely used to supplement annual income to pay for monthly rent in an apartment or for independent living in a retirement community.

Second, a substantial amount of research links marriage/domestic partnership with successful aging, and suggests that unmarried individuals and others in 1-person households are disadvantaged both in terms of the level of household income and assets, as well as in the absence of an unpaid, live-in family caregiver at older ages. The presence of large numbers of 1-person households in a market area typically translates to a greater current need for paid supportive services and care for those now age 75+, and also likely translates to a greater future need for paid supportive services for those who are now age 55 to 74 and who now live alone.

As a result of both of the owner/renter factor and the 1-person household/2+ person household factor, 1-person renter households are the most at risk of being housing cost-burdened (spending too high a percentage of annual income to pay for housing), of living in inadequate housing, and of spending down assets at younger retirement ages so that they outlive their resources and have few funds to pay for care and housing as they reach older ages. Single-person owner households with annual incomes of \$25,000 or below are also at great risk of being able to remain in their homes and of being able to obtain needed services as they age.

It should also be noted that, in urban and suburban areas, a percentage of the reported 1-person renter households already live in age-qualified apartments or retirement communities (both affordable and market-rate) where more support and companionship is available, and therefore, the dynamic relative to need and availability of support is different for those individuals. In rural areas, there are few age-qualified rental options for older persons, and the vast majority of older 1-person renter households do not live in age-qualified apartments or other supportive housing arrangements.

## Owner and Renter Households: Age 55 to 64 by Income and Household Size, 2016 and 2021

This table displays the number of age 55 to 64 owner and renter households by income group and by household size for 2016 and 2021.

Western Slope Sub-Area												
Age 55 - 64 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	733	145	72	854	658	234	857	166	93	1,027	808	353
\$10,000-20,000	654	253	166	1,157	1,106	357	699	246	184	1,206	1,234	504
\$20,000-30,000	392	310	196	1,022	1,342	426	451	398	240	1,090	1,546	550
\$30,000-40,000	336	223	94	994	1,830	463	374	233	99	1,027	2,071	609
\$40,000-50,000	429	151	238	735	1,841	633	446	151	260	737	1,982	754
\$50,000-60,000	191	158	121	859	1,448	514	168	148	126	767	1,494	601
\$60,000-75,000	222	261	220	651	2,219	823	196	220	213	550	2,027	885
\$75,000-100,000	215	232	188	526	2,999	1,062	179	210	172	430	2,444	953
\$100,000-125,000	191	117	61	343	1,647	737	151	109	64	253	1,333	633
\$125,000-150,000	128	62	68	175	913	338	79	46	57	98	564	221
\$150,000-200,000	96	67	58	151	911	370	59	52	49	106	657	326
\$200,000+	77	31	65	153	736	369	42	21	61	115	604	369
<b>Total</b>	<b>3,664</b>	<b>2,011</b>	<b>1,548</b>	<b>7,621</b>	<b>17,649</b>	<b>6,326</b>	<b>3,701</b>	<b>2,000</b>	<b>1,619</b>	<b>7,405</b>	<b>16,763</b>	<b>6,759</b>
Total Households	7,223			31,596			7,320			30,928		
% of Ttl HH in Sub-Area	19%			81%			19%			81%		
% of Total HH	51%	28%	21%	24%	56%	20%	51%	27%	22%	24%	54%	22%
Number of HH > \$40k	1,548	1,081	1,020	3,595	12,713	4,845	1,320	957	1,003	3,055	11,104	4,742
% of HH > \$40k	42%	54%	66%	47%	72%	77%	36%	48%	62%	41%	66%	70%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 81% of those age 55 to 64 in the sub-area are in owner households, with 31,596 owner households and 7,223 renter households.

**Owners** - In 2016, it is estimated that 24% of owner households live alone, 56% are 2-person households, and 20% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 51% of renter households live alone, 28% are 2-person households, and 21% are 3-person+ households. By 2021, these percentages are projected to be similar. Few of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 42%, compared to 47% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 54%, compared to 72% of 2-person owner households.

## Owner and Renter Households: Age 65 to 74 by Income and Household Size, 2016 and 2021

This table displays the number of age 65 to 74 owner and renter households by income group and by household size for 2016 and 2021.

Western Slope Sub-Area												
Age 65 - 74 Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	520	32	77	645	534	84	802	50	104	939	820	135
\$10,000-20,000	991	91	34	1,706	967	158	1,269	115	52	2,212	1,406	231
\$20,000-30,000	428	172	36	1,327	1,516	240	591	217	49	1,754	2,080	327
\$30,000-40,000	173	215	40	829	2,225	268	213	271	58	995	3,016	383
\$40,000-50,000	51	167	121	693	1,551	362	71	217	177	920	1,970	489
\$50,000-60,000	56	143	68	528	1,740	193	74	168	77	640	2,140	257
\$60,000-75,000	175	73	66	263	2,032	370	187	90	74	301	2,445	440
\$75,000-100,000	104	91	51	341	1,980	338	98	81	63	344	2,084	392
\$100,000-125,000	79	29	40	222	818	212	77	37	48	222	820	242
\$125,000-150,000	41	16	21	88	554	87	33	18	21	91	488	102
\$150,000-200,000	48	16	47	109	600	101	41	19	35	105	539	108
\$200,000+	50	22	31	170	664	101	48	30	32	165	718	139
<b>Total</b>	<b>2,715</b>	<b>1,068</b>	<b>631</b>	<b>6,921</b>	<b>15,182</b>	<b>2,515</b>	<b>3,506</b>	<b>1,313</b>	<b>789</b>	<b>8,686</b>	<b>18,526</b>	<b>3,245</b>
Total Households	4,414			24,619			5,608			30,457		
% of Ttl HH in Sub-Area	15%			85%			16%			84%		
% of Total HH	62%	24%	14%	28%	62%	10%	63%	23%	14%	29%	61%	11%
Number of HH > \$40k	603	557	445	2,414	9,940	1,765	630	660	526	2,787	11,205	2,169
% of HH > \$40k	22%	52%	70%	35%	65%	70%	18%	50%	67%	32%	60%	67%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 85% of those age 65 to 74 in the sub-area are in owner households, with 24,619 owner households and 4,414 renter households.

**Owners** - In 2016, it is estimated that 28% of owner households live alone, 62% are 2-person households, and 10% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 62% of renter households live alone, 24% are 2-person households, and 14% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 22%, compared to 35% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 52%, compared to 65% of 2-person owner households.

## Owner and Renter Households: Age 75+ by Income and Household Size, 2016 and 2021

The table below displays the number of age 75+ owner and renter households by income group and by household size for 2016 and 2021.

Western Slope Sub-Area												
Age 75+ Income Groups	2016						2021					
	Renter Households			Owner Households			Renter Households			Owner Households		
	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH	1-Person HH	2-Person HH	3-Person+ HH
\$0-10,000	534	95	41	795	354	98	723	129	57	1,122	551	191
\$10,000-20,000	1,268	182	68	2,551	1,015	152	1,544	229	96	3,183	1,373	238
\$20,000-30,000	590	183	67	1,423	1,378	165	732	240	99	1,776	1,787	288
\$30,000-40,000	332	107	67	758	1,442	246	387	139	90	918	1,834	348
\$40,000-50,000	194	83	43	525	944	228	249	101	65	621	1,175	314
\$50,000-60,000	124	45	42	264	666	140	128	63	59	287	808	179
\$60,000-75,000	136	58	51	389	570	148	131	55	77	439	692	193
\$75,000-100,000	131	49	45	297	477	94	124	47	57	299	503	110
\$100,000-125,000	67	20	28	103	154	63	75	22	36	83	145	82
\$125,000-150,000	34	14	21	68	107	40	35	7	30	39	101	53
\$150,000-200,000	38	12	25	68	110	26	36	9	42	40	99	24
\$200,000+	21	10	18	63	116	36	26	5	32	51	126	42
<b>Total</b>	<b>3,469</b>	<b>858</b>	<b>517</b>	<b>7,305</b>	<b>7,332</b>	<b>1,436</b>	<b>4,188</b>	<b>1,046</b>	<b>739</b>	<b>8,858</b>	<b>9,197</b>	<b>2,063</b>
Total Households	4,844			16,072			5,973			20,117		
% of Totl HH in Sub-Area	23%			77%			23%			77%		
% of Total HH	72%	18%	11%	45%	46%	9%	70%	18%	12%	44%	46%	10%
Number of HH > \$40k	745	292	273	1,777	3,143	775	802	310	397	1,859	3,650	998
% of HH > \$40k	21%	34%	53%	24%	43%	54%	19%	30%	54%	21%	40%	48%

Source: Ribbon Demographics, LLC; Demography Section, Colorado Department of Local Affairs

In 2016, it is estimated that 77% of those age 75+ in the sub-area are in owner households, with 16,072 owner households and 4,844 renter households.

**Owners** - In 2016, it is estimated that 45% of owner households live alone, 46% are 2-person households, and 9% are 3-person+ households. By 2021, these percentages are projected to be similar. It should be noted that some of these owners live in age-qualified homes (patio homes, condominiums, and mobile home communities) rather than in mixed-age communities.

**Renters** - In 2016, it is estimated that 72% of renter households live alone, 18% are 2-person households, and 11% are 3-person+ households. By 2021, these percentages are projected to be similar. Some of these renter households live in age-qualified/senior apartments or retirement communities.

**Income Differences** - This table also demonstrates the disparity of income between renter and owner households, and between 1- and 2-person households. It is estimated that the percentage of 1-person renter households with annual incomes greater than \$40,000 is 21%, compared to 24% of 1-person owner households. The percentage of 2-person renter households with annual incomes greater than \$40,000 is estimated to be 34%, compared to 43% of 2-person owner households.

## Presence of Self-Care and Independent Living Disabilities: Age 65+

This table displays the number of age 65+ individuals in the sub-area who report “self-care” or “independent living difficulty” (as defined by the U.S. Census Bureau).

Western Slope Sub-Area		
Disability: Self Care and Independent Living		
	2016	
Age 65+ Total	78,425	78,425
Age 65+ Non-Institutionalized (NI)	76,440	76,440
Age 65+ Institutionalized	1,985	1,985
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	6.6%	12.7%
Age 65+ With Disability (NI)	5,027	9,693

Source: The Nielsen Company and U.S. Census American Community Survey

The US Census Bureau’s American Community Survey estimates that about 6.6% of those age 65+ in the sub-area not in nursing homes or otherwise institutionalized reported self-care disabilities, and about 12.7% reported independent living difficulties. Using these percentages, an estimated 5,027 non-institutionalized individuals in the sub-area age 65+ are estimated to have self-care difficulties and 9,693 are estimated to have independent living difficulties.

## Presence of Alzheimer’s and Other Dementias: Age 65+

This table displays the incidence rates for Alzheimer’s disease and other dementias, as estimated by the most current research. The incidence rates by age group are then used to estimate and project the number of sub-area residents likely to have or to develop Alzheimer’s Disease, 2016 to 2030.

Western Slope Sub-Area								
Estimated/Projected Alzheimer's Incidence, 2016 - 2030								
	2016		2021		2025		2030	
Age Group	Incidence Rate	Number in Sub-Area						
65-74	3.0%	1,410	3.1%	1,813	3.2%	2,033	3.3%	2,136
75-84	17.0%	3,726	16.7%	4,803	17.0%	6,314	17.2%	8,097
85+	32.1%	3,054	32.2%	3,518	32.6%	4,223	32.9%	5,570
<b>Total 65+</b>	<b>10.4%</b>	<b>8,190</b>	<b>10.3%</b>	<b>10,134</b>	<b>11.1%</b>	<b>12,570</b>	<b>12.3%</b>	<b>15,803</b>

Sources: "Alzheimer disease in the United States (2010-2050) estimated using the 2010 census", *Neurology*, Hebert, Weuve, Scherr, et al, March 2013; The Nielsen Company; Demography Section, Colorado Department of Local Affairs

Using these incidence rates, there are an estimated 8,190 individuals with Alzheimer’s disease in 2016 in the sub-area, growing to 10,134 by 2021 and to 15,803 by 2030.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES

This table lists the estimated bed or unit count in the **Western Slope** sub-area for these eight age-qualified housing types and for care facilities that primarily serve older individuals. The total includes units/beds that are either open or are under construction as of mid-June 2016.

The housing and facility types listed are as defined by a seniors housing industry publication, "Classifications of Seniors Housing Types", an annotated version of which is appended to this report.

<b>Western Slope Sub-Area</b>			
	<b>Total Existing or Opening in 2016</b>	<b>Under Construction Opening after 2016</b>	<b>Total Existing and Under Construction</b>
Skilled Nursing Beds: All Payer Sources	2,112	114	2,226
Assisted Living Beds: Market-Rate	693	100	793
Assisted Living Beds: Affordable/Medicaid	706	0	706
Memory Care Assisted Living Beds: Market-Rate	232	50	282
Independent Living Units: Market-Rate	478	0	478
Age-Qualified Rental Units: Market-Rate	96	0	96
Age-Qualified Rental Units: Affordable/Subsidized	1,563	64	1,627
Age-Qualified For-Sale Units: All Types and Pricing	721	50	771

While there are additional properties under development that are expected to begin construction in 2016 or 2017, those are not included in these totals because it is uncertain if they will actually be constructed.

Methodology and sources for compiling these inventory estimates are described in *Inventory: Endnotes to Inventory Overview* in the *Appendix*.

# INVENTORY: EXISTING AND UNDER-CONSTRUCTION AGE-QUALIFIED HOUSING AND CARE FACILITIES - OVERVIEW

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## Skilled Nursing

There are 26 skilled nursing facilities in the **Western Slope** sub-area, with a total of 2,062 licensed beds. As of March 31, 2016 census reports <sup>(Inventory 1)</sup>, total occupancy was 1,610 beds, which is equal to 78% occupancy. Of total occupied beds, 61% of beds in the sub-area were occupied by people using Medicaid, 16% Medicare, and 23% private pay and other. Of the total licensed skilled nursing beds, 11 properties offer 203 beds in secure units for people with Alzheimer's disease and other dementias. The facilities in this sub-area range in size from 30 beds to 158 beds.

Of the 26 properties, 5 are in Grand Junction. Montrose, Durango, and Rifle all have 2 properties each, and the remaining properties are dispersed throughout the sub-area, including 1 new property in Steamboat Springs. There is 1 skilled nursing facility in Rifle serving veterans exclusively, operated by the Colorado Department of Human Services, and accounting for 89 of the total licensed skilled nursing beds in the sub-area.

In this sub-area, there are 2 new skilled nursing properties under construction in Grand Junction, with an estimated total of 104 beds. Center at Foresight is an under-construction 54-bed subacute/skilled nursing rehab facility, expected to open in January 2017. Center at Foresight will offer only sub-acute/rehab care, targeted to short-term Medicare recipients. Welbrook Grand Junction Transitional Rehabilitation is an under-construction 50-bed skilled nursing facility, expected to open in October 2016, that will focus on short-term sub-acute rehab patients, and also offer long-term care for private pay residents.

## Assisted Living

There are 48 assisted living facilities in the sub-area, with an estimated capacity of approximately 693 beds/units available to private pay residents, and approximately 688 beds/units available to lower-income persons on Medicaid or in PACE programs. <sup>(Inventory 2)</sup> These facilities range in size from 6 beds/units to 84 beds/units. *These assisted living bed/unit totals do not include assisted living units that are secured for memory care, which, if any, are listed separately.* Of these 48 facilities, 39 are licensed to serve Medicaid residents, although those facilities also serve private pay residents.

Of the total assisted living facilities, the majority are in the central portion of the sub-area, in Grand Junction, Delta, and Montrose, accounting for 31 properties. Additionally, there are 7 properties in the Durango and Cortez area in the south, and 5 properties located in the Glenwood Springs, Carbondale, and Rifle area, in the eastern portion of the sub-area.

There are 2 properties that will offer assisted living that are known to be under construction, with an estimated total of 100 units. The first, Cappella of Grand Junction, is an under-construction, assisted living and memory care property in Grand Junction (Mesa County), expected to open in 2017. Cappella of Grand Junction will offer 40 units of market-rate assisted living. The second, Stoney River, is an under-construction assisted living and memory care property in Glenwood Springs (Garfield County), expected to open in 2017. Stoney River will offer 60 units of market-rate assisted living.

## Memory Care Assisted Living (Secured)

There are 9 assisted living properties in the sub-area that offer secured memory care (locked units for those with Alzheimer's or other dementias), either as a secured portion of a larger assisted living residence, or that offer secured memory care exclusively. These properties offer a total of 250 secured memory care units/beds. Of those, virtually all are available to private pay residents only. <sup>(Inventory 3)</sup>

Of these 9 properties, 7 are located in the central portion of the sub-area, including Grand Junction, Delta, Fruita, and Montrose. The other 2 properties are located in Steamboat Springs in the north and Cortez in the south.

In this sub-area, there are 2 properties that are known to be under construction that will offer memory care assisted living, with an estimated total of 50 units. Cappella of Grand Junction will offer 26 memory care assisted living units and Stoney River, in Glenwood Springs, will offer 24 memory care assisted living units.

## Independent Living

Independent living properties are those that offer retirement apartments that include meals and many other bundled services in monthly rents. <sup>(Inventory 4)</sup> This is almost exclusively a market-rate and urban/suburban offering. Many independent living units are located in apartment buildings that are part of larger campuses that also offer assisted living or skilled nursing. In rural areas, independent living units are rare, and are commonly offered as duplex or cottage-type units as an adjunct to assisted living or other senior housing.

In this sub-area, there are 11 existing properties that offer independent living, with an estimated total of 478 units.

Of these 11 properties, 10 properties are located in the central portion of the sub-area - 5 are located in Grand Junction, 3 are located in and around Delta, and 2 are located in Montrose. Additionally, there is 1 independent living property located in Steamboat Springs.

In this sub-area, there are no independent living properties that are known to be under construction.

## Age-Qualified Rentals

Age-qualified rental units, most commonly referred to as "senior apartments", are rental units that are restricted to people either age 55+ or 62+ and can be either apartment-type units or duplex or cottage-type units. Age-qualified rental properties do not have commercial kitchens and do not include meals in rents, and generally have a minimal level of other services included or offered. This report separates age-qualified rental units into those that are priced at market-rates and those that are income- or rent-restricted (including properties that are older and that are no longer legally income-restricted, yet still operate as affordable).

### Market-Rate Rentals

In this sub-area, there is only 1 known market-rate, age-qualified rental property, Nellie Bechtel Gardens, an older property located in Grand Junction, offering 96 units.

In this sub-area, there are no market-rate, age-qualified rental properties that are known to be under construction.

### Affordable/Income-Restricted Rentals

In this sub-area, there are 40 age-qualified rental properties that offer income-restricted/affordable units, with a total of 1,563 units. Most of these properties are located in the central portion of the sub-area, in the Grand Junction, Montrose, Delta, and Gunnison areas, accounting for 884 units, more than half of the income-restricted/affordable units in the sub-area. In the Glenwood Springs/Carbondale area there are approximately 332 age-qualified, income-restricted/affordable units and there are approximately 142 income-restricted/affordable units in the Durango and Cortez area to the south. The other properties are dispersed throughout the sub-area. While the majority of properties are older, with most having HUD contracts enabling the properties to charge rents equal to 30% of income, there are a few properties in the sub-area that are funded by Low Income Housing Tax Credits, most requiring rent payment at 30% to 60% of Area Median Income.

In this sub-area, the Grand Junction Housing Authority has begun construction of The Highlands 1, an age-qualified, income-restricted, rental apartment property that will offer 64 units. The property is expected to open in 2017.

## **Age-Qualified For-Sale Units: All Types and Pricing**

Age-qualified for-sale units include any type of unit that is located in an age-qualified community where the homes are owned by individuals (also called “age-restricted”, “active adult”, or “55+” communities), regardless of the housing types or level of pricing. Per HUD fair housing rules, at least 80% of buyers/owners in age-qualified communities must be at least age 55+, although some older communities have slightly different age restrictions. Age-qualified communities include all types and ages of housing: ranch or patio homes, townhomes, condominiums, and manufactured and mobile home parks and communities. <sup>(Inventory 5)</sup>

In this sub-area, there are currently an estimated 695 homes of all types and price ranges in 13 age-qualified for-sale communities, with the majority of the homes located in Mesa County. Of the total units listed, the vast majority (an estimated 536 units) are in 11 manufactured or mobile home communities. The other 2 age-restricted for-sale communities, Gewont Townhomes and Village at Country Creek, both located in Fruita, account for 159 existing homes.

Village at Country Creek is planning to build up to another 76 patio homes, expected to be completed by 2020. There are no known manufactured or mobile home communities under development.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - TABLE

This table displays estimates and projections of quantitative demand in the **Western Slope** sub-area for the eight housing and care types covered in this report for current year (2016), 5 years (2021), and the years 2025 and 2030. Because current and near-future inventory can reasonably be estimated, inventory estimates are shown for the years 2016 and 2021 only, along with estimates of net demand or oversupply for those years. A narrative overview follows this table and footnotes detailing assumptions and sources for estimates and projections of demand are found in *Demand: Endnotes to Demand Tables* in the *Appendix*.

Western Slope Sub-Area: Projected Utilization, Supply and Demand				
Projections by Housing and Care Type	2016	2021	2025	2030
<b>SKILLED NURSING: ALL PAYER SOURCES</b>				
Nursing home utilization - all payer sources <sup>(Demand 1)</sup>	5.83%	5.25%	4.83%	4.34%
<b>Skilled Nursing Demand: All Payer Sources</b>	<b>1,832</b>	<b>2,082</b>	<b>2,424</b>	<b>2,781</b>
2016/2021 Supply	2,112	2,166		
2016/2021 Net Demand or (Oversupply)	(280)	(84)		
<b>ASSISTED LIVING: MARKET-RATE</b>				
Assisted living utilization - market-rate households <sup>(Demand 2)</sup>	10.31%	10.31%	10.31%	10.31%
<b>Assisted Living Demand: Market-Rate</b>	<b>823</b>	<b>1,031</b>	<b>1,252</b>	<b>1,516</b>
2016/2021 Supply	693	793		
2016/2021 Net Demand or (Oversupply)	130	238		
<b>ASSISTED LIVING: AFFORDABLE</b>				
Assisted living utilization - low-income households <sup>(Demand 3)</sup>	10.60%	10.60%	10.60%	10.60%
<b>Assisted Living Demand: Affordable and/or Medicaid</b>	<b>1,014</b>	<b>1,224</b>	<b>1,671</b>	<b>2,236</b>
2016/2021 Supply	706	706		
2016/2021 Net Demand or (Oversupply)	308	518		
<b>MEMORY CARE ASSISTED LIVING: MARKET-RATE</b>				
Memory care assisted living utilization - market-rate households <sup>(Demand 4)</sup>	1.31%	1.31%	1.31%	1.31%
<b>Memory Care Assisted Living Demand: Market-Rate</b>	<b>347</b>	<b>434</b>	<b>483</b>	<b>519</b>
2016/2021 Supply	232	282		
2016/2021 Net Demand or (Oversupply)	115	152		
<b>INDEPENDENT LIVING: MARKET-RATE</b>				
Independent living utilization <sup>(Demand 5)</sup>	2.80%	2.66%	2.55%	2.43%
<b>Independent Living Demand: Market-Rate</b>	<b>591</b>	<b>703</b>	<b>854</b>	<b>1,034</b>
2016/2021 Supply	478	478		
2016/2021 Net Demand or (Oversupply)	113	225		
<b>AGE-QUALIFIED RENTALS: MARKET-RATE</b>				
Age-qualified rentals utilization - market-rate households <sup>(Demand 6)</sup>	2.45%	2.70%	2.91%	3.20%
<b>Age-Qualified Rentals Demand: Market-Rate</b>	<b>419</b>	<b>573</b>	<b>717</b>	<b>900</b>
2016/2021 Supply	96	96		
2016/2021 Net Demand or (Oversupply)	323	477		
<b>AGE-QUALIFIED RENTALS: AFFORDABLE</b>				
Age-qualified rentals utilization - income-restricted households <sup>(Demand 7)</sup>	50.00%	50.00%	50.00%	50.00%
<b>Age-Qualified Rentals Demand: Affordable</b>	<b>2,259</b>	<b>2,741</b>	<b>3,092</b>	<b>3,398</b>
2016/2021 Supply	1,563	1,627		
2016/2021 Net Demand or (Oversupply)	696	1,114		
<b>FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES</b>				
Age-qualified, for-sale housing utilization - all prices <sup>(Demand 8)</sup>	1.50%	1.50%	1.50%	1.50%
<b>Age-Qualified, For-Sale Housing Demand - All Prices and Types</b>	<b>1,346</b>	<b>1,477</b>	<b>1,600</b>	<b>1,755</b>
2016/2021 Supply	721	771		
2016/2021 Net Demand or (Oversupply)	625	706		

Demographic Sources: Demography Section, Colorado Department of Local Affairs; The Nielsen Company; Ribbon Demographics LLC; U.S. Census.

# DEMAND: CURRENT SUPPLY AND DEMAND; PROJECTED UTILIZATION TO 2030 - OVERVIEW

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## Mixed-Age Housing

The vast majority of people age 65+ in the **Western Slope** sub-area live in “regular” housing, that is, mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties in this sub-area that are either legally age-restricted (which is referred to throughout this report as “age-qualified”), or that serve people who need assisted living or skilled care, is estimated at 6,601 units/beds, compared to an estimated 2016 total age 65+ population of 78,425 individuals in 50,769 households. The total sub-area capacity of age-qualified housing, assisted living, and skilled nursing facilities is equal to approximately 13% of age 65+ households.

The majority of properties and units/beds are located in Grand Junction, with a number of housing and care properties also located in Delta and Montrose Counties, Durango, and Rifle. A number of properties are under construction, most in Grand Junction and one in Glenwood Springs.

## Housing by Care and Service Need (*Generally for those age 80+, or those with Alzheimer’s or disabilities*)

### Skilled Nursing

The skilled nursing inventory in the sub-area is a mix of newer and older properties of mixed quality, but with a preponderance of older properties - particularly those serving Medicaid residents. It is also notable that there is 1 skilled nursing facility in Rifle operated by the Colorado Department of Human Services that serves veterans exclusively.

In projecting demand to 2030, we have assumed that the percentage of those age 75+ in skilled nursing beds in Colorado (5.83% statewide as of December 31, 2015) will continue to decline by 10% per year. There is an apparent sub-area oversupply of about 280 beds in 2016; however, of the 2,062 beds in the 26 facilities in the sub-area, there were 452 vacancies (an occupancy rate of 78.1%) as of the most recent state census report (March 31, 2016), an indicator of perhaps even greater oversupply than statewide averages would predict. By 2021, there is still an apparent oversupply of 84 beds in the sub-area. Despite the expected decline in percentage utilization, with dramatic population growth of age 75+ individuals, projected gross demand for the Western Slope sub-area goes from about 1,832 beds in 2016 to about 2,781 beds by 2030. With 2,112 beds in the sub-area currently, this projection estimates additional demand for approximately 600 skilled nursing beds out to 2030. It is critical to note, as well, that much of the existing skilled nursing supply is in older buildings dating back to the 1960s and earlier, therefore much of the apparent oversupply currently is in buildings that should be considered obsolete.

There is one new facility (Casey’s Pond) in Steamboat Springs, serving Medicare, Medicaid, and private pay clients. Two under-construction facilities in Grand Junction will serve short term, sub-acute patients almost exclusively. These new facilities will certainly increase the vacancy rates for older properties, while capturing strong Medicare market share.

It is important to note two market dynamics relative to sub-area oversupply. First, the newer, better- to higher-quality skilled nursing facilities run occupancies that are higher than older, lesser-quality facilities, so the majority

of vacant beds in the sub-area are found in the older properties that have had no significant renovations. The second dynamic to note is that this sub-area is large and diverse and the total oversupply masks individual differences and needs within the sub-area. There are some areas that have no skilled nursing and other areas that are oversupplied.

The high numbers of vacancies in skilled nursing facilities in this sub-area and statewide is primarily attributable to both the age and poor quality of the majority of the skilled nursing properties, combined with the development of hundreds of assisted living units over the past two decades. A large proportion of the overall skilled nursing inventory is obsolete, built in the 1960s and 1970s, and the majority of those properties have had no significant renovation. Each year, these dated skilled nursing properties become less desirable, attract fewer private pay residents, and continue to maintain low occupancy rates, despite population growth. At the same time, assisted living has become the alternative of choice, and is readily available to those in the more urbanized portion of the sub-area for those able to pay privately, and somewhat less available for those seeking Medicaid or other affordable assisted living. Home care and in-home technologies are also allowing more people to remain in their homes to receive long-term care.

An even newer trend that is making traditional skilled nursing facilities even less viable and desirable is the emergence of a new generation of specialized facilities serving only or primarily short-term sub-acute/rehab patients on Medicare. In this sub-area, there are 2 facilities of this type under construction. These new facilities generally offer private rooms in state-of-the-art buildings, with a strong therapy and medical focus to return patients back home quickly. Because short-term skilled nursing care is paid by Medicare and not out-of-pocket, these facilities are accessible to everyone with Medicare, regardless of income. Also, because many traditional skilled nursing facilities are financially dependent on maintaining a certain proportion of short-term Medicare patients (due to higher profitability), it is likely that older skilled facilities will see further census reductions and that more older properties will close as they become financially non-viable.

Unfortunately, those who can't afford to pay privately for long-term care have few choices, reflected in the fact that 61% of all skilled nursing facility residents in the Western Slope sub-area are Medicaid residents. Access to other affordable long-term care options is limited both by the low income and asset thresholds for Medicaid eligibility and limited by the availability of Medicaid assisted living both in urban/suburban and rural areas. Even for those who can pay privately, in some rural areas there are no facilities, or the only long-term care option is a dated skilled nursing facility, and local residents have to choose between accepting that facility or relocating out of their community for a newer facility or assisted living.

Looking further into the future, toward 2030, we project that the traditional skilled nursing facility will continue to give way both to assisted living and to new short-term rehabilitation centers in more urbanized areas. Due to dramatic population growth to 2030 and beyond, there will be increasing demand for good-quality long-term care options for people of all incomes, some of whom will need a skilled nursing level of care. While much of the demand can be well met by other alternatives (such as high-acuity assisted living, home care with new technologies, and new forms of family and informal care), a new generation of skilled nursing facilities is also needed. Ideally, these should be innovative, state-of-the-art facilities such as those incorporating "neighborhood" models, the Green House<sup>®</sup> model, and other emerging models. These new facilities must be made available to those on Medicaid, rather than just to those who are private pay residents or short-term Medicare patients.

## Market-Rate Assisted Living, Memory Care Assisted Living, and Independent Living

Those living in the Grand Junction, Delta, Montrose and Durango areas generally have a plentiful supply of good-to high-quality independent living (high-service retirement apartments and/or cottage units), assisted living, and memory care assisted living properties, available to those who can afford market pricing. These properties range from middle- to high-pricing levels that are directly related to the age, condition, quality, and location of the properties. Those living in the rural and mountain portions of the sub-area generally do not have nearby properties, with some who need service- and care-oriented housing choosing to relocate to the nearest facilities located in other towns, some choosing to relocate near adult children in further communities, and some choosing to remain at home. A new, upscale property in Steamboat Springs is unique in the sub-area, offering assisted living, memory care, independent living and skilled nursing in an affluent resort community.

Significant development of additional market-rate properties is underway in Grand Junction, Glenwood Springs, and planned for Montrose. Overall, supply and demand for market-rate independent living, assisted living, and memory care assisted living in those areas will remain in reasonable balance over time through pure market forces.

**Assisted Living** - Most of the current net demand (demand less supply) in the sub-area for market-rate assisted living (130 units/beds for the sub-area in 2016, increasing to about 238 additional units/beds by 2021) is for the remainder of the sub-area excluding Grand Junction. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 75+ would need and select assisted living. Therefore, with significant population growth, projected gross demand goes from about 823 units/beds in 2016 to about 1,516 units/beds by 2030.

**Memory Care Assisted Living** - Net demand (demand less supply) in the sub-area is estimated for market-rate, memory care assisted living for about 115 units/beds in 2016, projected to increase to about 152 units/beds by 2021. Looking longer-range, in projecting demand to 2030, we have assumed that a similar percentage of people age 65+ with Alzheimer's or other dementias would need and select memory care assisted living. Therefore, with strong population growth of age 65+ individuals, projected gross demand increases from about 347 units/beds in 2016 to about 519 units/beds by 2030.

**Independent Living** - This sub-area is a mix of more urbanized areas, smaller cities and towns, and rural and mountain areas. Because independent living is essentially an urban/suburban housing type, both utilization rates and supply are variable throughout the sub-area; highest in Grand Junction and lowest in the most rural/mountain areas.

Looking at the sub-area as a whole, net demand (demand less supply) in the sub-area for independent living is estimated at about 113 units in 2016, increasing to about 225 units by 2021. In projecting demand out to 2030, due to change in generational preferences, we have assumed a gradual statewide reduction in the percentage of age 75+ households who would be likely to move into this traditional retirement type. Despite that percentage reduction, because of modest population growth, gross demand is projected to increase in the sub-area from about 591 units in 2016 to about 1,034 units by 2030.

Because developers of independent living are typically drawn to more urbanized areas and there is very little independent living in the rural and mountain areas of the sub-area, it could be helpful to encourage development of independent living in rural and mountain areas. According to *Housing an Aging Rural America: Rural Seniors and Their Homes (2014)*, rental options in small towns are scarce, but could be of great benefit to provide an option for those seniors who wish to remain in the community, but who can no longer maintain a home.

## **Affordable Assisted Living**

We estimate a current net demand (demand less supply) for about 308 affordable assisted living units/beds throughout the sub-area, projected to increase to net demand of about 518 units/beds by 2021. With costs for assisted living escalating at a higher rate than incomes, and due to significant population growth, gross demand for affordable assisted living units/beds is projected to grow from about 1,014 units/beds in 2016 to 2,236 units/beds by 2030.

As stated earlier, the majority of existing units are located in Mesa, Delta, and Montrose Counties, as well as the Durango area. This concentration of properties in certain geographic locations masks individual differences and needs within the sub-area.

As detailed in footnote “Inventory 2” (located in *Inventory: Endnotes to Inventory Overview*), it is critical to note that the calculation of current supply is a rough estimate that assumes that the majority of units/beds in properties licensed and certified to accept Medicaid residents (Alternative Care Facilities) are actually available to Medicaid residents. In practice, virtually all assisted living properties that accept Medicaid also accept and seek a mix of private pay residents and that mix is variable. It is beyond the scope of this report to obtain an exact count for each facility of the number of its beds actually available to potential Medicaid recipients, and therefore, the demand for additional beds available to Medicaid residents may be understated. More in-depth review of each property would provide a closer estimate of actual capacity for Medicaid residents.

## **Housing by Affordability (*Broad range of ages 55 to 80+, cannot afford market pricing, and not in need of care-based housing*)**

### **Age-Qualified, Affordable/Income-Restricted Rental Units**

There is significant unmet demand for age-qualified, affordable (“senior”) rental units, with virtually every existing property reporting full occupancy with wait lists. Given ongoing funding constraints, unmet demand for affordable rental units is expected to grow dramatically as the older population grows over the next 15 years.

We estimate a current net demand (demand less supply) for about 696 additional age-qualified, affordable rental units in the sub-area, projected to increase to net demand of about 1,114 units by 2021. With owner and renter housing costs escalating at a higher rate than incomes, and as a result of significant population growth, gross demand for age-qualified, affordable rental units is projected to grow from about 2,259 in 2016 to about 3,398 units by 2030. This demand projection defines affordability as annual incomes below 60% of Area Median Income for age 62+, 1- and 2-person renter households.

We also note that some or most of the inventory of existing age-qualified affordable apartments in the sub-area is older. It is critical to renovate and preserve these existing properties, in addition to building new properties.

## **Housing by Choice (Generally for ages 55 to 80, not care based, offering a range of market-pricing)**

### **Age-Qualified, Market-Rate Rental Units**

This sub-area is a mix of more urbanized areas, smaller cities and towns, and rural and mountain areas. Because age-qualified, market-rate rental properties are essentially an urban/suburban housing type, both utilization rates and supply are variable throughout the sub-area; highest in Grand Junction and lowest in the most rural/mountain areas.

Looking at the sub-area as a whole, we estimate a current net demand (demand less supply) for about 323 age-qualified, market-rate rental units for the sub-area overall, projected to increase to net demand for about 477 units by 2021. With significant population growth and shifts in generational preferences and household composition, gross demand for age-qualified, market-rate rental units is projected to grow from about 419 in 2016 to about 900 units by 2030.

In smaller cities, towns, and rural and mountain areas, age-qualified, market-rate rental properties are rare. Where they do exist, they are typically smaller-scale properties offering duplex or cottage-type units, sometimes as an adjunct to assisted living or other senior housing. In this sub-area, there are no known age-qualified, market-rate rental options outside of Grand Junction (which appears to only 1 property). As discussed in the *Independent Living* section above, additional rental options for those living in smaller cities and towns could allow more rural seniors to remain in their home communities as they age.

### **Age-Qualified, For-Sale Housing (Restricted to Households Age 55+)**

The definition of age-qualified, for-sale housing includes all such communities, regardless of type of housing and price level, from mobile and manufactured home communities to condominiums to newer patio homes. This diversity in pricing and type can provide ownership accessibility (and at least some community connection) to a broad range of age 55+ households, from low income to affluent.

In this sub-area, there are nearly 700 homes in 13 age-qualified for-sale communities, 11 of which are manufactured or mobile home communities in Mesa, Delta, La Plata, Montrose, and Montezuma Counties. There are also 2 communities in Fruita that offer townhomes and patio/single-family homes.

We estimate a current net demand (demand less supply) of 625 age-qualified, for-sale housing units for the sub-area overall, projected to increase to net demand of about 706 units by 2021. As a result of significant population growth, gross demand for age-qualified, for-sale housing units is projected to grow from about 1,346 in 2016 to just about 1,755 units by 2030. These demand projections assume that new supply will also be diverse, offering for-sale options from mobile and manufactured communities to high-end patio homes.

# APPENDIX

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# CLASSIFICATIONS OF SENIORS HOUSING TYPES

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The senior housing and care property classifications listed below have been endorsed by all of the major national industry associations: LeadingAge; American Health Care Association (AHCA); American Seniors Housing Association (ASHA); Argentum (formerly known as Assisted Living Federation of America (ALFA)); National Center for Assisted Living (NCAL); and the National Investment Center for the Seniors Housing & Care Industry, Inc. (NIC). Throughout this report, we have used these classifications, with some modification in property names (shown in parentheses after the industry's name). The definitions are verbatim.

**Active Adult Communities (For-Sale):** For-sale single-family homes, townhomes, cluster homes, mobile homes and condominiums with no specialized services, restricted to adults at least 55 years of age or older. Rental housing is not included in this category. Residents generally lead an independent lifestyle; projects are not equipped to provide increased care as the individual ages. May include amenities such as clubhouse, golf course and recreational spaces. Outdoor maintenance is normally included in the monthly homeowner's association or condominium fee.

**Senior Apartments (Age-Qualified Apartments):** Multifamily residential rental properties restricted to adults at least 55 years of age or older. These properties do not have central kitchen facilities and generally do not provide meals to residents, but may offer community rooms, social activities, and other amenities.

**Independent Living Communities:** Age-restricted multifamily rental properties with central dining facilities that provide residents, as part of their monthly fee, access to meals and other services such as housekeeping, linen service, transportation, and social and recreational activities. Such properties do not provide, in a majority of the units, assistance with activities of daily living (ADLs) such as supervision of medication, bathing, dressing, toileting, etc.

**Assisted Living Residences:** State regulated rental properties that provide the same services as independent living communities listed above, but also provide, in a majority of the units, supportive care from trained employees to residents who are unable to live independently and require assistance with activities of daily living (ADLs) including management of medications, bathing, dressing, toileting, ambulating and eating.

**Memory Care Assisted Living:** Many of these assisted living properties include wings or floors dedicated to residents with Alzheimer's or other forms of dementia. A property that specializes in the care of residents with Alzheimer's or other forms of dementia that is not a licensed nursing facility should be considered an assisted living property. *(THG note: Since the publication of these classifications, new communities that only offer secured memory care assisted living have emerged and are now common.)*

**Nursing Homes (Skilled Nursing):** Licensed daily rate or rental properties that are technically referred to as skilled nursing facilities (SNF) or nursing facilities (NF) where the majority of individuals require 24-hour nursing and/or medical care. In most cases, these properties are licensed for Medicaid and/or Medicare reimbursement.

# KEY DEMOGRAPHIC VARIABLES RELATIVE TO DEMAND: ENDNOTES TO TABLES

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The tables on the next 6 pages display key age and income demographic variables that are used throughout this report to calculate demand for different housing and care types. There is one table for Colorado statewide and one table for each of the 5 sub-areas.

**(Demographic 1)** - Uses The Nielsen Company estimates and projections of the proportion of households for each age group for current year and 5 years out, then assumes the ratio of households by age group remains constant between 2021 and 2030.

**(Demographic 2)** - For independent living and assisted living (both market-rate), the percentage of age 75+ households who would be income-eligible, based on minimum annual income of \$35,000 for homeowner households and \$50,000 for renter households, in current year and 5 years out, assuming homeowner households spend down assets to help pay for housing or care. Then, in future years, projects that the percentage of households who can afford market-rate will decrease by 1% per year, assuming costs of independent living and assisted living will continue to increase at a higher rate than the income and assets of older households.

**(Demographic 3)** - For affordable assisted living, the percentage of age 75+ households that would be Medicaid income-eligible, based on the percentage with a maximum income of \$26,388 in current year and 5 years out. Then, in future years, projects that the percentage of income-eligible households will increase by 1% per year, assuming cost of assisted living will increase at a higher rate than the income and assets of older households.

**(Demographic 4)** - For memory care, the number of age 65+ households who would be income-eligible, based on minimum annual incomes of \$50,000 for homeowner households and \$75,000 for renter households, for current year and 5 years out, assuming homeowner households spend down assets to help pay for housing or care. Then, in future years, projects that the percentage of income-eligible households will decrease by 1% per year, assuming costs of memory care assisted living will continue to increase at a higher rate than the income and assets of older households.

**(Demographic 5)** - For age-qualified, market-rate rentals, the number of age 65+ households who would be income-eligible, based on minimum annual incomes of \$50,000 for homeowner households and \$75,000 for renter households, for current year and 5 years out, assuming households will spend a maximum of 30% of income for rent. Then, in future years, projects that the percentage of income-eligible households will decrease by 1% per year, assuming rents will continue to increase at a higher rate than the income and assets of older households.

**(Demographic 6)** - For age-qualified, affordable (income-restricted/subsidized) rentals, the number of age 62+ households who are currently renters, who are in 1- or 2-person households, and who have household incomes at or below 60% of the Area Median Income (AMI) for the sub-area (based on a weighted average of the median incomes of the counties included in the sub-area). Assumes the percentage of age 62+ 1- and 2-person renter households at or below 60% AMI will remain constant into the future. The use of the minimum age 62+ and 1- and 2-person renter households is consistent with the Colorado Housing and Finance Authority's guidelines for capture rate calculations within market studies for applications for low income housing tax credits.

# KEY DEMOGRAPHIC VARIABLES RELATIVE TO DEMAND: COLORADO STATEWIDE

Colorado Statewide: Key Demographic Variables, 2016 to 2030				
Key Variables Used in Demand Calculations	2016	2021	2025	2030
Projected number of total 75+ individuals	291,936	365,156	462,265	588,876
Projected percent 75+ households relative to individuals <sup>(Demographic 1)</sup>	67.2%	66.3%	66.3%	66.3%
Projected number of total 75+ households	196,189	242,178	306,582	390,553
Projected percentage 75+ households who could afford market-rate <sup>(Demographic 2)</sup>	41.4%	41.4%	39.8%	37.8%
Projected number of market-rate 75+ households	81,258	100,306	121,901	147,525
Projected number of age 75+ households Medicaid income-eligible	78,713	91,165	127,924	171,110
Projected percentage of age 75+ households Medicaid income-eligible <sup>(Demographic 3)</sup>	40.1%	40.1%	41.7%	43.8%
Projected number of total 65+ individuals	748,097	934,132	1,089,493	1,256,308
Projected growth rate of age 65+ individuals		24.9%	21.6%	21.7%
Projected number of total 65+ households <sup>(Demographic 1)</sup>	482,602	597,154	726,221	883,801
Projected number of age 65+ households who could afford market-rate <sup>(Demographic 4) (Demographic 5)</sup>	188,392	233,109	272,152	314,646
Projected percent of 65+ individuals in market-rate households	39.0%	39.0%	37.5%	35.6%
Projected number of 65+ individuals in market-rate households	292,032	364,654	408,289	447,263
Projected number of total 62+ individuals	939,265	1,146,578	1,307,073	1,458,637
Projected number of 62+, 1- and 2-person renter households under 60% of Area Median Income <sup>(Demographic 6)</sup>	56,865	69,416	79,133	88,309
Projected number of total 55+ individuals	1,450,958	1,660,098	1,812,897	1,995,951
Projected percent 55+ households relative to individuals <sup>(Demographic 1)</sup>	62.1%	61.0%	61.0%	61.0%
Projected number of age 55+ households	901,737	1,012,196	1,105,360	1,216,972

# KEY DEMOGRAPHIC VARIABLES RELATIVE TO DEMAND: EASTERN PLAINS

Eastern Plains Sub-Area: Key Demographic Variables, 2016 to 2030				
Key Variables Used in Demand Calculations	2016	2021	2025	2030
Projected number of total 75+ individuals	8,263	9,093	10,407	12,453
Projected percent 75+ households relative to individuals <sup>(Demographic 1)</sup>	68.2%	68.0%	68.0%	68.0%
Projected number of total 75+ households	5,632	6,181	7,074	8,465
Projected percentage 75+ households who could afford market-rate <sup>(Demographic 2)</sup>	34.4%	34.4%	33.0%	31.4%
Projected number of market-rate 75+ households	1,938	2,127	2,337	2,657
Projected number of age 75+ households Medicaid income-eligible	2,498	2,486	3,263	4,100
Projected percentage of age 75+ households Medicaid income-eligible <sup>(Demographic 3)</sup>	44.4%	44.4%	46.1%	48.4%
Projected number of total 65+ individuals	18,740	21,903	24,889	27,724
Projected growth rate of age 65+ individuals		16.9%	17.6%	18.4%
Projected number of total 65+ households <sup>(1)</sup>	12,158	14,168	16,654	19,722
Projected number of age 65+ households who could afford market-rate <sup>(Demographic 4) (Demographic 5)</sup>	3,614	4,211	4,752	5,346
Projected percent of 65+ individuals in market-rate households	29.7%	29.7%	28.5%	27.1%
Projected number of 65+ individuals in market-rate households	5,570	6,511	7,102	7,516
Projected number of total 62+ individuals	23,205	27,135	30,096	32,200
Projected number of 62+, 1- and 2-person renter households under 60% of Area Median Income <sup>(Demographic 6)</sup>	1,056	1,235	1,370	1,466
Projected number of total 55+ individuals	35,735	39,238	41,141	42,932
Projected percent 55+ households relative to individuals <sup>(Demographic 1)</sup>	61.4%	61.8%	61.8%	61.8%
Projected number of age 55+ households	21,926	24,257	25,434	26,541

# KEY DEMOGRAPHIC VARIABLES RELATIVE TO DEMAND: FRONT RANGE

Front Range Sub-Area: Key Demographic Variables, 2016 to 2030				
Key Variables Used in Demand Calculations	2016	2021	2025	2030
Projected number of total 75+ individuals	231,237	289,877	368,938	472,712
Projected percent 75+ households relative to individuals <sup>(Demographic 1)</sup>	67.0%	66.0%	66.0%	66.0%
Projected number of total 75+ households	154,872	191,325	243,507	312,000
Projected percentage 75+ households who could afford market-rate <sup>(Demographic 2)</sup>	43.0%	43.0%	41.2%	39.2%
Projected number of market-rate 75+ households	66,527	82,186	100,417	122,229
Projected number of age 75+ households Medicaid income-eligible	59,920	69,462	97,981	131,818
Projected percentage of age 75+ households Medicaid income-eligible <sup>(Demographic 3)</sup>	38.7%	38.7%	40.2%	42.2%
Projected number of total 65+ individuals	596,737	749,130	878,320	1,020,959
Projected growth rate of age 65+ individuals		25.5%	22.4%	22.6%
Projected number of total 65+ households <sup>(Demographic 1)</sup>	383,951	477,165	584,041	715,869
Projected number of age 65+ households who could afford market-rate <sup>(Demographic 4) (Demographic 5)</sup>	156,429	194,406	228,432	265,993
Projected percent of 65+ individuals in market-rate households	40.7%	40.7%	39.1%	37.2%
Projected number of 65+ individuals in market-rate households	243,122	305,210	343,531	379,354
Projected number of total 62+ individuals	751,087	922,797	1,058,162	1,189,570
Projected number of 62+, 1- and 2-person renter households under 60% of Area Median Income <sup>(Demographic 6)</sup>	47,586	58,465	67,042	75,367
Projected number of total 55+ individuals	1,170,919	1,349,930	1,482,118	1,640,625
Projected percent 55+ households relative to individuals <sup>(Demographic 1)</sup>	62.1%	61.0%	61.0%	61.0%
Projected number of age 55+ households	727,620	823,322	903,943	1,000,617

# KEY DEMOGRAPHIC VARIABLES RELATIVE TO DEMAND: MOUNTAIN RESORT

Mountain Resort Sub-Area: Key Demographic Variables, 2016 to 2030				
Key Variables Used in Demand Calculations	2016	2021	2025	2030
Projected number of total 75+ individuals	11,096	15,319	19,802	24,807
Projected percent 75+ households relative to individuals <sup>(Demographic 1)</sup>	68.2%	67.5%	67.5%	67.5%
Projected number of total 75+ households	7,571	10,343	13,370	16,749
Projected percentage 75+ households who could afford market-rate <sup>(Demographic 2)</sup>	38.5%	38.5%	36.9%	35.1%
Projected number of market-rate 75+ households	2,913	3,979	4,937	5,876
Projected number of age 75+ households Medicaid income-eligible	2,969	3,811	5,453	7,172
Projected percentage of age 75+ households Medicaid income-eligible <sup>(Demographic 3)</sup>	39.2%	39.2%	40.8%	42.8%
Projected number of total 65+ individuals	31,502	39,281	44,939	50,058
Projected growth rate of age 65+ individuals		24.7%	19.2%	18.2%
Projected number of total 65+ households <sup>(Demographic 1)</sup>	20,386	25,323	30,176	35,666
Projected number of age 65+ households who could afford market-rate <sup>(Demographic 4) (Demographic 5)</sup>	7,609	9,452	10,813	12,141
Projected percent of 65+ individuals in market-rate households	37.3%	37.3%	35.8%	34.0%
Projected number of 65+ individuals in market-rate households	11,758	14,662	16,103	17,040
Projected number of total 62+ individuals	39,579	47,606	52,978	57,628
Projected number of 62+, 1- and 2-person renter households under 60% of Area Median Income <sup>(Demographic 6)</sup>	1,799	2,164	2,408	2,620
Projected number of total 55+ individuals	59,755	66,645	71,601	77,210
Projected percent 55+ households relative to individuals <sup>(Demographic 1)</sup>	61.5%	59.4%	59.4%	59.4%
Projected number of age 55+ households	36,741	39,566	42,508	45,838

# KEY DEMOGRAPHIC VARIABLES RELATIVE TO DEMAND: SOUTHERN COLORADO

Southern Colorado Sub-Area: Key Demographic Variables, 2016 to 2030				
Key Variables Used in Demand Calculations	2016	2021	2025	2030
Projected number of total 75+ individuals	9,910	11,181	12,896	14,897
Projected percent 75+ households relative to individuals <sup>(Demographic 1)</sup>	71.0%	71.5%	71.5%	71.5%
Projected number of total 75+ households	7,039	7,990	9,216	10,646
Projected percentage 75+ households who could afford market-rate <sup>(Demographic 2)</sup>	26.4%	26.4%	25.3%	24.0%
Projected number of market-rate 75+ households	1,855	2,106	2,332	2,559
Projected number of age 75+ households Medicaid income-eligible	3,903	4,199	5,315	6,446
Projected percentage of age 75+ households Medicaid income-eligible <sup>(Demographic 3)</sup>	55.5%	55.5%	57.7%	60.6%
Projected number of total 65+ individuals	22,693	25,651	27,595	28,826
Projected growth rate of age 65+ individuals		13.0%	9.8%	9.8%
Projected number of total 65+ households <sup>(Demographic 1)</sup>	15,379	17,499	19,208	21,096
Projected number of age 65+ households who could afford market-rate <sup>(Demographic 4) (Demographic 5)</sup>	3,531	4,018	4,233	4,417
Projected percent of 65+ individuals in market-rate households	23.0%	23.0%	22.0%	20.9%
Projected number of 65+ individuals in market-rate households	5,210	5,889	6,082	6,036
Projected number of total 62+ individuals	27,732	30,564	32,206	32,381
Projected number of 62+, 1- and 2-person renter households under 60% of Area Median Income <sup>(Demographic 6)</sup>	2,134	2,352	2,479	2,492
Projected number of total 55+ individuals	39,658	41,181	41,347	41,355
Projected percent 55+ households relative to individuals <sup>(Demographic 1)</sup>	64.8%	65.0%	65.0%	65.0%
Projected number of age 55+ households	25,711	26,772	26,880	26,885

# KEY DEMOGRAPHIC VARIABLES RELATIVE TO DEMAND: WESTERN SLOPE

Western Slope Sub-Area: Key Demographic Variables, 2016 to 2030				
Key Variables Used in Demand Calculations	2016	2021	2025	2030
Projected number of total 75+ individuals	31,430	39,686	50,222	64,008
Projected percent 75+ households relative to individuals <sup>(Demographic 1)</sup>	67.2%	66.6%	66.6%	66.6%
Projected number of total 75+ households	21,112	26,436	33,454	42,637
Projected percentage 75+ households who could afford market-rate <sup>(Demographic 2)</sup>	37.8%	37.8%	36.3%	34.5%
Projected number of market-rate 75+ households	7,982	9,994	12,142	14,701
Projected number of age 75+ households Medicaid income-eligible	9,564	11,548	15,761	21,092
Projected percentage of age 75+ households Medicaid income-eligible <sup>(Demographic 3)</sup>	45.3%	45.3%	47.1%	49.5%
Projected number of total 65+ individuals	78,425	98,167	113,750	128,741
Projected growth rate of age 65+ individuals		25.2%	20.7%	20.2%
Projected number of total 65+ households <sup>(Demographic 1)</sup>	50,769	63,114	76,176	91,550
Projected number of age 65+ households who could afford market-rate <sup>(Demographic 4) (Demographic 5)</sup>	17,093	21,249	24,621	28,111
Projected percent of 65+ individuals in market-rate households	33.7%	33.7%	32.3%	30.7%
Projected number of 65+ individuals in market-rate households	26,404	33,051	36,766	39,530
Projected number of total 62+ individuals	97,662	118,476	133,631	146,858
Projected number of 62+, 1- and 2-person renter households under 60% of Area Median Income <sup>(Demographic 6)</sup>	4,519	5,482	6,183	6,795
Projected number of total 55+ individuals	144,891	163,104	176,690	193,829
Projected percent 55+ households relative to individuals <sup>(Demographic 1)</sup>	62.0%	60.4%	60.4%	60.4%
Projected number of age 55+ households	89,764	98,478	106,681	117,029

# PROJECTED UTILIZATION RATES, 2016 TO 2030

The following six tables display the projected utilization rates for 2016, 2021, 2025, and 2030 for the age-, need- and/or income-qualified population for each age-qualified housing and care type for Colorado Statewide and for each sub-area.

Colorado Statewide: Projected Utilization Rates, 2016-2030						
Housing/Care Types	Age, Need and/or Income-Qualified Population	Projected Utilization Rate				Expected Change in Utilization Rate Over Time
		2016	2021	2025	2030	
<b>Skilled Nursing: All Payer Sources</b>	All age 75+ individuals	5.83%	5.25%	4.83%	4.34%	↓
<b>Assisted Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	13.93%	13.93%	13.93%	13.93%	=
<b>Assisted Living: Affordable/Medicaid</b>	Age 75+ households with less than \$26,388 annual income	10.88%	10.88%	10.88%	10.88%	=
<b>Memory Care Assisted Living: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	1.66%	1.66%	1.66%	1.66%	=
<b>Independent Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	8.00%	7.60%	7.30%	6.93%	↓
<b>Age-Qualified Rental: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	3.50%	3.85%	4.16%	4.57%	↑
<b>Age-Qualified Rental: Affordable</b>	Age 62+ 1 & 2-person renter households with incomes <60% of Area Median Income	50.00%	50.00%	50.00%	50.00%	=
<b>For-Sale Homes: All Types and Pricing</b>	All age 55+ households	3.00%	3.00%	3.00%	3.00%	=

Eastern Plains Sub-Area: Projected Utilization Rates, 2016-2030						
Housing/Care Types	Age, Need and/or Income-Qualified Population	Projected Utilization Rate				Expected Change in Utilization Rate Over Time
		2016	2021	2025	2030	
<b>Skilled Nursing: All Payer Sources</b>	All age 75+ individuals	5.83%	5.25%	4.83%	4.34%	↓
<b>Assisted Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	9.30%	9.30%	9.30%	9.30%	=
<b>Assisted Living: Affordable/Medicaid</b>	Age 75+ households with less than \$26,388 annual income	11.34%	11.34%	11.34%	11.34%	=
<b>Memory Care Assisted Living: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	1.43%	1.43%	1.43%	1.43%	=
<b>Independent Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	1.60%	1.52%	1.46%	1.39%	↓
<b>Age-Qualified Rental: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	2.45%	2.70%	2.91%	3.20%	↑
<b>Age-Qualified Rental: Affordable</b>	Age 62+ 1 & 2-person renter households with incomes <60% of Area Median Income	50.00%	50.00%	50.00%	50.00%	=
<b>For-Sale Homes: All Types and Pricing</b>	All age 55+ households	0.90%	0.90%	0.90%	0.90%	=

Front Range Sub-Area: Projected Utilization Rates, 2016-2030						
Housing/Care Types	Age, Need and/or Income-Qualified Population	Projected Utilization Rate				Expected Change in Utilization Rate Over Time
		2016	2021	2025	2030	
<b>Skilled Nursing: All Payer Sources</b>	All age 75+ individuals	5.83%	5.25%	4.83%	4.34%	↓
<b>Assisted Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	14.08%	14.08%	14.08%	14.08%	=
<b>Assisted Living: Affordable/Medicaid</b>	Age 75+ households with less than \$26,388 annual income	11.01%	11.01%	11.01%	11.01%	=
<b>Memory Care Assisted Living: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	1.65%	1.65%	1.65%	1.65%	=
<b>Independent Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	8.00%	7.60%	7.30%	6.93%	↓
<b>Age-Qualified Rental: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	3.50%	3.85%	4.16%	4.57%	↑
<b>Age-Qualified Rental: Affordable</b>	Age 62+ 1 & 2-person renter households with incomes <60% of Area Median Income	50.00%	50.00%	50.00%	50.00%	=
<b>For-Sale Homes: All Types and Pricing</b>	All age 55+ households	3.00%	3.00%	3.00%	3.00%	=

Mountain Resort Sub-Area: Projected Utilization Rates, 2016-2030						
Housing/Care Types	Age, Need and/or Income-Qualified Population	Projected Utilization Rate				Expected Change in Utilization Rate Over Time
		2016	2021	2025	2030	
<b>Skilled Nursing: All Payer Sources</b>	All age 75+ individuals	5.83%	5.25%	4.83%	4.34%	↓
<b>Assisted Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	8.01%	8.01%	8.01%	8.01%	=
<b>Assisted Living: Affordable/Medicaid</b>	Age 75+ households with less than \$26,388 annual income	9.44%	9.44%	9.44%	9.44%	=
<b>Memory Care Assisted Living: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	1.17%	1.17%	1.17%	1.17%	=
<b>Independent Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	1.60%	1.52%	1.46%	1.39%	↓
<b>Age-Qualified Rental: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	2.45%	2.70%	2.91%	3.20%	↑
<b>Age-Qualified Rental: Affordable</b>	Age 62+ 1 & 2-person renter households with incomes <60% of Area Median Income	50.00%	50.00%	50.00%	50.00%	=
<b>For-Sale Homes: All Types and Pricing</b>	All age 55+ households	0.90%	0.90%	0.90%	0.90%	=

Southern Colorado Sub-Area: Projected Utilization Rates, 2016-2030						
Housing/Care Types	Age, Need and/or Income-Qualified Population	Projected Utilization Rate				Expected Change in Utilization Rate Over Time
		2016	2021	2025	2030	
<b>Skilled Nursing: All Payer Sources</b>	All age 75+ individuals	5.83%	5.25%	4.83%	4.34%	↓
<b>Assisted Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	9.16%	9.16%	9.16%	9.16%	=
<b>Assisted Living: Affordable/Medicaid</b>	Age 75+ households with less than \$26,388 annual income	10.37%	10.37%	10.37%	10.37%	=
<b>Memory Care Assisted Living: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	1.40%	1.40%	1.40%	1.40%	=
<b>Independent Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	1.60%	1.52%	1.46%	1.39%	↓
<b>Age-Qualified Rental: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	2.45%	2.70%	2.91%	3.20%	↑
<b>Age-Qualified Rental: Affordable</b>	Age 62+ 1 & 2-person renter households with incomes <60% of Area Median Income	50.00%	50.00%	50.00%	50.00%	=
<b>For-Sale Homes: All Types and Pricing</b>	All age 55+ households	0.90%	0.90%	0.90%	0.90%	=

Western Slope Sub-Area: Projected Utilization Rates, 2016-2030						
Housing/Care Types	Age, Need and/or Income-Qualified Population	Projected Utilization Rate				Expected Change in Utilization Rate Over Time
		2016	2021	2025	2030	
<b>Skilled Nursing: All Payer Sources</b>	All age 75+ individuals	5.83%	5.25%	4.83%	4.34%	↓
<b>Assisted Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	10.31%	10.31%	10.31%	10.31%	=
<b>Assisted Living: Affordable/Medicaid</b>	Age 75+ households with less than \$26,388 annual income	10.60%	10.60%	10.60%	10.60%	=
<b>Memory Care Assisted Living: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	1.31%	1.31%	1.31%	1.31%	=
<b>Independent Living: Market-Rate</b>	Age 75+ owner households with \$35,000+ annual income; renter households with \$50,000+ annual income	2.80%	2.66%	2.55%	2.43%	↓
<b>Age-Qualified Rental: Market-Rate</b>	Age 65+ owner households with \$50,000+ annual income; Age 65+ renter households with \$75,000+ annual income	2.45%	2.70%	2.91%	3.20%	↑
<b>Age-Qualified Rental: Affordable</b>	Age 62+ 1 & 2-person renter households with incomes <60% of Area Median Income	50.00%	50.00%	50.00%	50.00%	=
<b>For-Sale Homes: All Types and Pricing</b>	All age 55+ households	1.50%	1.50%	1.50%	1.50%	=

# INVENTORY: ENDNOTES TO INVENTORY OVERVIEW

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**(Inventory 1) - Skilled Nursing Facilities:** The Colorado Department of Public Health and Environment (CDPHE) requires each skilled nursing facility in the state to report its census as of the last day of each quarter, providing total occupancy, and number of residents/patients as of the last day of the quarter by: Medicare, Medicare HMO, Medicaid, Medicaid HMO, and Private Pay/Other. CDPHE then produces a statewide quarterly report including the total licensed beds, occupancy counts, number of vacant beds and vacancy percentage for each skilled nursing facility in the state.

**(Inventory 2) - Assisted Living - Market-Rate and Medicaid:** The Medicaid Home and Community Based Services Program is a Federal waiver program that allows Medicaid long-term care funding to be used to provide both home based and assisted living services to those in need of care who might otherwise be eligible to receive services in a skilled nursing facility. Assisted living providers in Colorado who choose to accept Medicaid residents are certified by the Colorado Department of Health Care Policy and Financing and licensed by the Colorado Department of Public Health and Environment as Assisted Living Residences that are also “Alternative Care Facilities (ACFs)”. Some low-income residents also reside in assisted living facilities as participants in the PACE (Program of All Inclusive Care for the Elderly), an HMO program that covers not only all medical and hospital care, but also long-term care.

The Highland Group adjusted assisted living bed capacities because the number of actual beds/units that are actually available for potential Medicaid residents would be dramatically overstated if one simply added up the total licensed beds in all assisted living facilities that are licensed as Alternative Care Facilities. There are three reasons this is true. The first reason is that providers often choose to maximize their licensed capacity by assuming every unit would be shared/double-occupied, even though the provider has no intention of actually leasing all or even most of its units as shared units. For example, a facility with 50 private studio units may license the property for 100 units, but not actually have any shared units or few shared units in practice. The second reason is that the majority of ACFs take a mix of private pay and Medicaid residents and limit the number of Medicaid residents they accept; their ratios also vary somewhat over time. Some ACFs even require an initial 2-year residency on private pay before a person can be in the facility on Medicaid. Except for data held by the Colorado Department of Health Care Policy and Financing, it is not known exactly how many Medicaid residents are actually in each facility at any given time. The third reason that the actual Medicaid capacity in assisted living is overstated is that there are a few large properties that are ACFs and that have licensed the entire building as assisted living, while actually leasing half or more of its units as independent living. For example, Winslow Court in Colorado Springs has 128 licensed ACF beds, but typically reports it has about 55 to 65 independent living residents, about 25 to 35 private pay residents, and about 30 to 40 Medicaid residents, or an actual Medicaid resident capacity closer to 30 or 40, rather than its 128 licensed beds.

Because of these dynamics relative to capacity, in estimating bed/unit count capacity, this report began with actual licensed bed counts from the Colorado Department of Public Health and Environment and then adjusted capacity to our best estimate of actual capacity. The counts in this report rely heavily on actual Medicaid vs. private pay counts and on actual unit/bed counts as reported to The Highland Group in recent phone calls to the properties. The count of private pay units versus Medicaid units are considered most reliable for the larger assisted living properties, with a larger margin of error for the smaller, group home facilities.

**(Inventory 3) - Memory Care Assisted Living:** “Memory Care” is a type of assisted living residence that is either standalone and entirely secured (locked) for those needing secured memory care, or is a secured unit that is part of a larger assisted living residence, a majority of which is un-secured. Memory care assisted living also offers specialized programming and higher staffing levels (often twice the caregiver/resident ratio of assisted living). This is almost entirely a market-rate care type, and there is almost no secured memory care statewide that is available

to people on Medicaid. This is because of the high cost of providing memory care, combined with a reimbursement approach in Colorado that provides a flat rate for all ACF/Medicaid assisted living residents. That rate cannot support memory care in an assisted living setting.

It is also noted that there are secured memory care sections within some skilled nursing facilities and the majority of beds in those secured sections are occupied by Medicaid residents, rather than private pay residents. These skilled nursing memory care beds are not included in this memory care assisted living category, but are included in the skilled nursing facility bed counts.

**(Inventory 4) - Independent Living:** There are a few “hybrid” properties that are not readily classified as either independent living or age-qualified apartments and, those properties have been classified by The Highland Group based on the type of property they most closely fit. For example, there are a few age-qualified, rental properties that are income-restricted and also offer meal programs and other services, but these are classified as age-qualified, income-restricted properties, rather than independent living.

**(Inventory 5) - Age-Qualified For-Sale:** Inventory estimated in the age-qualified for-sale category includes all known units that exist in any age-qualified communities, rather than units that are currently available for-sale. In fact, nearly all units listed represent units that have already been purchased. Also, some units within these 55+ communities are renter-occupied rather than owner-occupied, although no data exists by which to estimate the number of such renter households. A few units listed for 2016 and 2021 are those that are currently under development in established age-qualified home communities, and the inventory counts are estimates of expected sales, provided by sales staff or developers of these communities.

As we do not track data for age-qualified (55+) mobile home parks and communities, we have relied on senior housing directories and Internet searches to identify mobile home communities throughout the state. In some cases, the number of units/spaces was available from staff at the communities or on the Internet. When the number of spaces was not available otherwise, we calculated a rough estimate of the number of units by counting spaces from a close up image of the community on Google Earth.

## DEMAND: ENDNOTES TO DEMAND TABLES

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The following endnotes detail assumptions and sources for estimates and projections of demand for projected utilization for all housing and care type tables found in the demand section of each sub-area and statewide.

**(Demand 1) - Skilled Nursing: All Payer Sources** - Based on actual statewide SNF occupancy per 1,000 individuals age 75+ per Colorado Department of Public Health and Environment's nursing home census reports for December 31, 2015 and state demographer estimates. The projected utilization trend is per the same sources between 2000 and 2015, indicating an average 10% decline each year in the percentage of age 75+ individuals in SNFs. Assumes same utilization rate for all sub-areas, based on statewide averages.

**(Demand 2) - Assisted Living: Market-Rate** - Assisted living (market-rate) utilization is based on rates of actual utilization of assisted living where it is available, as well as projections of disability and need for services, and assumes the level of need remains stable over time. Assumes more than 90% of assisted living residents will be from 1-person households and all need 24-hour oversight, meals, and a range of other services. For sub-areas with a predominance of smaller cities and towns, rural and mountain areas, the expected utilization was reduced to 70% or less of the expected urban/suburban utilization.

**(Demand 3) - Assisted Living: Affordable/Medicaid** - Assisted living (Medicaid or other affordable) utilization is based on rates of actual utilization of affordable assisted living where it is available, as well as projections of disability and need for services, and assumes the level of need remains stable over time. Assumes more than 90% of assisted living residents will be from 1-person households and all need 24-hour oversight, meals, and a range of other services. Because a higher-proportion of 1-person households than 2-person households are lower income, a larger utilization factor is assumed for affordable assisted living than is for market-rate assisted living. For sub-areas with a predominance of smaller cities and towns, rural and mountain areas, the expected utilization was reduced to 60% or less of the expected urban/suburban utilization.

**(Demand 4) - Memory Care Assisted Living: Market-Rate** - Memory care utilization is based on the incidence rates of dementias by age group and by the rate of out-of-home placement that is appropriate for assisted living (as opposed to those needing skilled nursing care); assumes the level of need remains stable over time. For sub-areas with a predominance of smaller cities and towns, rural and mountain areas, the expected utilization was reduced to 70% or less of the expected urban/suburban utilization.

**(Demand 5) - Independent Living: Market-Rate (with bundled services)** - For the Front Range sub-area, based on actual penetration rates for independent living in that area; assumes a slight decline in 5-year span, and declining penetration over time, based on generational trend preferences. For sub-areas with a predominance of smaller cities and towns, rural and mountain areas, the expected utilization was reduced to 35% or less of the expected urban/suburban utilization, as this housing type is quite rare in rural areas.

**(Demand 6) - Age-Qualified Rentals: Market-Rate** - For age-qualified, market-rate rentals (both apartment units and cottage-type units), assumes in larger cities and suburbs that 3.5% of age- and income-qualified households would utilize age-qualified rental units in current year, then in future years, increasing by 10% every five years, because this housing type is newer, with few properties developed to date, and increasing demand due to generational preferences. For sub-areas with a predominance of smaller cities and towns, rural and mountain areas, the expected utilization was reduced to 70% or less of the expected urban/suburban utilization.

**(Demand 7) - Age-Qualified Rentals: Affordable** - The utilization factor for age-qualified, affordable rentals (both apartment units and cottage-type units) is based on actual penetration rates and waitlists for income-restricted apartments; then assumes the proportion of low-income renters choosing age- and income-restricted rental units remains stable over time. As the calculation assumes the entire potential low-income renter pool are already renter households, there is no adjustment between urban/suburban and rural/mountain areas.

**(Demand 8) - For-Sale Homes: All Types** - Based on U.S. percent 55+ households in age-qualified, for-sale housing, 2005 - 2009 trend per U. S. Census Bureau, American Housing Survey; then assumes the proportion of age 55+ households choosing age-qualified, for-sale options will remain stable over time. For sub-areas with a predominance of smaller cities and towns, rural and mountain areas, the expected utilization was reduced to 50% or less of the expected urban/suburban utilization. This demand estimate includes all price ranges and types of age-qualified, for-sale units and communities - from new patio homes to condominiums to new manufactured home communities to older mobile home parks.

# GLOSSARY

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## Terminology for Housing and Care Alternatives

**Accessory Dwelling Unit** - An accessory dwelling unit is a second smaller dwelling on the same property (or attached to) a regular single-family house, such as an apartment over a garage, a tiny house (on a foundation) in the backyard, or a basement apartment.

**ALR Only and ALR/ACF** - ALR Only and ALR/ACF are designations of the Colorado Department of Public Health and Environment for properties licensed as assisted properties. Properties licensed as ALR Only (Assisted Living Residence) do not accept Medicaid residents. Properties licensed as ALR/ACF (Assisted Living Residence/Alternative Care Facility) are certified to accept Medicaid residents.

**Cohousing** - Cohousing is an intentional community of private homes clustered around shared common space. Each attached or single family home has traditional amenities, including a private kitchen. Members typically buy a townhouse or condo in a community and share some outdoor and inside space. Residents shape the community and make decisions by consensus. The majority of the 150 or so cohousing projects nationwide are multigenerational, although a handful are restricted to age 50+ (referred to as "elder" or "senior cohousing"). Shared spaces typically feature a common house, which may include a large kitchen and dining area, laundry, and recreational spaces.

**Continuing Care Community** - Continuing care communities are defined inconsistently, but generally this term refers to a property that has at least independent living and assisted living, but may also have memory care assisted living and/or skilled nursing.

**Green House**<sup>®</sup> - A Green House<sup>®</sup> is a newer and innovative skilled nursing home model replacing traditional, institutional nursing home structures with groupings of individual single-family type homes for 10 or 12 residents. The Green House Project has specific standards for Green Houses, and all developers must utilize the project's consultants and meet all standards for development and operations. Each elder has a private bedroom and bathroom connected to a common dining room, an open country kitchen where all the meals are prepared, a living room, and an indoor porch or backyard. Everyone eats together at a long wooden table (unless they're unable). Residents do not have strict schedules and are encouraged to interact with staff and other residents. Staff members and residents develop personal relationships with one another because of the small community and home atmosphere.

**Green Space or Greenspace** - Greenspace or green space is defined as an area of grass, trees, or other vegetation that is part of or adjacent to a housing community and is set apart for recreational or aesthetic purposes in an otherwise urban environment.

**Home Sharing** - Home sharing is defined here as two or more people (generally unrelated), sharing a home for economy and companionship. Generally the home is owned by one of the parties. Matching services in some areas assist older people seeking others to share their homes with those who are seeking a shared living situation.

**Intentional Community** - An intentional community is a planned residential community designed from the start to have a high degree of social cohesion and teamwork. The members of an intentional community typically hold a common social, political, religious, or spiritual vision and often follow an alternative lifestyle.

**Lock-and-Leave** - Lock-and-leave is a term used by developers of low-maintenance patio homes, townhomes, condominiums, and apartments, referring to the freedom of the owner or renter to travel without having to worry about the responsibilities of home care and maintenance, because maintenance and security is handled by an HOA or management company.

**Memory Care or Secured Memory Care** - A memory care or secured memory care community (or a secured unit that is a portion of a larger property) that provides care for people with Alzheimer's and other dementias in a locked area to prevent or limit access by a resident outside the designated or separated area. Secured memory care is most commonly licensed as assisted living residences, particularly if they serve private pay residents. Secured memory care units are also found in skilled nursing facilities, primarily serving Medicaid residents. Secured memory care is also referred to as **locked memory care, Alzheimer's care, or dementia care.**

**Multi-Gen or Multigenerational Homes** - Multi-gen or multigenerational homes are new "single-family homes" that include an additional separate, smaller unit inside the home with a separate entrance, sometimes offered by homebuilders as one optional model for potential buyers. This home model is designed to meet the needs of families who want to live inter-generationally. Some architect firms have designed remodels of existing homes to the same purpose.

**Niche Communities** - Niche communities are housing or long-term care communities targeted to people who share the same interests, lifestyle, or profession. Niche communities developed around the country to-date include university-based communities, housing for artists, housing for retired teachers, actors, or union printers, and housing targeted to the LGBTQ community.

**Pocket Neighborhoods** - Pocket neighborhoods are clustered groups of neighboring houses or apartments gathered around a shared open space - a garden courtyard, a pedestrian street, a series of joined backyards, or a reclaimed alley, all of which have a clear sense of territory and shared stewardship. Pocket neighborhoods are can be tucked into "pockets" of a neighborhood or part of a larger new development, and are often located near walkable destinations like shops and restaurants.

**Shared Housing/Shared Homes/Cooperatives** - Shared housing, shared homes, or cooperative homes are defined here as purpose-built homes or homes purchased specifically for the purpose of sharing by a number of family, friends, and others who do not meet official definitions of "family", but who choose to live together to share expenses, share resources, and provide and receive support and companionship. These may be built or operated by a sponsor or owner or may be created by the group itself; these may be owned or rented, although some communities require "cooperatives" to be owned by those living in them.

## Terminology for Demand Calculations

**Age-Restricted or Age-Qualified** - A legally age-restricted or age-qualified community; per HUD requirements, at least 80% of owners or residents must be age 55+.

**For-Sale, Age-Qualified Homes** - For-sale, age-qualified homes are most commonly referred to as "active adult communities" or "55+ communities. These are communities where at least 80% of buyers (or renters if the home is rented) must be age 55+.

**Income-Qualified** - Income-qualified refers to the number or proportion of households in a targeted geographic area whose reported annual income is at or above a threshold that is considered adequate to afford the specific type of housing or care that is the subject of study.

**Net Demand** - Net demand is the total estimated or projected demand pool less existing and under-construction inventory. Net demand may be either a positive or negative number; however, a negative net demand is referred to in this report as **Oversupply**.

**Utilization Rate** - The utilization rate is the percentage of a certain age-, income-, and/or need-qualified set of households that would be expected to occupy a particular type of care or housing.

## Terminology for Care, Services, and New Approaches to Care

**Age-Friendly Community or Livable Communities** - “Age friendly communities” or “livable communities” are terms used to describe community-wide or citywide efforts being made in some areas by groups of citizens, government services, and other stakeholders to re-shape their communities to work well for all ages. Generally, these efforts include consideration and adaptation of transportation/walkability, housing, healthcare, government services, accessibility, and other aspects of community living. The Partnership for Age-Friendly Communities in Larimer County is a good example of an age-friendly community-wide effort.

**Care Management** - Care management is a set of specific services designed to assist older people and their caregivers to arrange and manage medical conditions and related psychosocial problems more effectively, with the aims of maintaining and improving a person’s functional health status, enhancing the coordination of care, eliminating the duplication of services, and reducing the need for expensive medical services.

**Home and Community-Based Services Waiver for Elderly, Blind, or Disabled (EBD)** allows Medicaid long-term care funding to be used to provide both home-based and assisted living services to those in need of care who might otherwise be eligible to receive services in a skilled nursing facility.

**NORCs** - NORC is an acronym for “naturally occurring retirement communities”, which are housing communities that are not technically age-restricted, but which have large proportions of residents over age 60. The term NORC is also used to refer to coordinated service programs that provide case management and social work services within identified such housing communities.

**Program of All-Inclusive Care for the Elderly (PACE)** - PACE is a federal/state program that awards a contract to one agency to exclusively serve a specific geographic area or areas with a comprehensive medical and social services to certain frail, elderly individuals, most of whom are dually eligible for Medicare and Medicaid benefits. An interdisciplinary team of health professionals provides PACE participants with coordinated care. For most participants, the comprehensive service package enables them to remain in the community rather than receive care in a nursing home. Financing for the program is capped, which allows providers to deliver all services participants need rather than only those reimbursable under Medicare and Medicaid fee-for-service plans. In Colorado, the PACE providers and their service areas are: InnovAge, Denver metro, northern Colorado, and Pueblo; Rocky Mountain PACE, El Paso County; and Senior CommUnity Care, Delta and Montrose Counties.

**Sub-Acute or Rehab (in skilled nursing setting)** - As used in this report, sub-acute or rehab/rehabilitation refers to short-term stays in skilled nursing, typically following a stay in a hospital, to help the patient make substantial

progress toward recovery before returning back home. While stays under Medicare are limited to 20 days, typical stays approved by Medicare Advantage programs (HMOs for people on Medicare), are typically 12 to 14 days.

**Villages and the Village-to-Village network** - Villages are neighborhood-based volunteer networks that provide a variety of support services designed to help members age in place, meet service needs, and promote health and quality of life. Most Villages operate relatively autonomously, relying primarily on member fees and donations. Village members typically are highly involved in organizational development and oversight and provide services to other members in almost half of the Villages. The Villages are interconnected through a national network, called Village-to-Village and its website.

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# SCOPE, METHODOLOGY, SOURCES, AND LIMITATIONS

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## Purpose

The purpose of this report is to provide a needs forecast and to identify gaps, opportunities, and potential strategies specific to housing and care facilities for older Coloradoans. The content and scope of this report provide data and related recommendations to support the work of the Strategic Action Planning Group on Aging. The focus of the report is specific to housing and care facilities for older persons in Colorado between now and the year 2030. Both for the state as a whole and for five sub-areas of the state, the report provides inventory counts by housing and care facility type, need forecasts, and gaps or oversupply. Suggested opportunities and strategies are listed relative to urban/suburban and rural areas, relative to market-rate and affordable households, and relative to age 55 to 80 (“younger old”) and age 80+ (“older old”).

This research report provides a picture of the State of Colorado as a whole, as well as for five geographic sub-areas. The sub-areas were defined by the Strategic Action Planning Group on Aging, along County and Planning and Management Region Boundaries, as follows:

Colorado Statewide	Eastern Plains Sub-Area
Front Range Sub-Area	Mountain Resort Sub-Area
Southern Colorado Sub-Area	Western Slope Sub-Area

## Scope, Methodology, and Deliverables

The work completed by The Highland Group and the methodology and content of the report are as detailed here, extracted from The Highland Group’s proposal and contract with the Colorado Department of Local Affairs.

### Part 1: Demographic Profiles and Key Variables

1. Obtained demographics from three different sources: Ribbon Demographics, LLC, The Nielsen Company, and the Demography Section of the Colorado Department of Local Affairs for Colorado statewide and each of the five sub-areas. Provided overall population numbers, plus population for the age groups 55 to 64, 65 to 74, and 75+ in five-year increments from 2015 to 2030. Calculated key variables relevant to evaluating demand for certain types of senior housing and care, such as the number of households in certain age, need, and income groups; housing tenure (owner/renter) by age and income; housing values; and disability data.
2. Prepared a one-page summary table of those key demographic variables for the state and for each sub-area and provided a separate table comparing selected demographics for the state and sub-areas.
3. Prepared a map outlining the boundaries of the five sub-areas.
4. Provided detailed demographic reports in Excel format for potential additional use by stakeholders. These reports were supplied by The Nielsen Company and Ribbon Demographics, LLC.

## Part 2: Need and Demand Estimates and Forecast

The Highland Group prepared estimates of need and demand for various types of senior housing and care (both affordable and market rate) for Colorado statewide and for each of the five sub-areas. Demand was estimated for 2016 and projected to 2021 for Colorado statewide and for each of the five sub-areas, and was forecast in five-year increments to 2025 and 2030. The senior housing and care types included in these estimates were:

- Skilled nursing (Medicare/Medicaid/Private Pay)
- Assisted living (both market rate and Medicaid/other affordable)
- Memory care secured assisted living (market-rate only)
- Independent living (retirement properties that include meals and other bundled services - market-rate only)
- Income-restricted, affordable age-qualified rental units
- Market-rate, age-qualified rental units
- For-sale, age-qualified housing units (combining all types - patio homes, townhomes, condominiums, mobile homes)

To complete the need and demand estimates and forecast, The Highland Group completed the following:

1. **Compiled Inventory of Existing and Under-Construction Properties** - Reviewed and updated our firm's database of current and under-construction inventory. For the state and for each sub-area, created a table listing the estimated total unit/bed counts for each of the housing/care property types listed above. Where updating was needed, we used a combination of contacts with key developers, local informants, and local planning staffs, as well as online and printed directories. Skilled nursing and assisted living facility units, as well as "secured" memory care units, were reported as "beds" and began with current lists obtained from the Health Facilities Division, Colorado Department of Public Health and Environment. For other, non-licensed housing units, total unit counts provided reflect a reasonable estimate of existing and under-construction inventory. There are some inconsistencies between our database counts and other reports or directories due to differences in reporting or changes to properties (examples: recently closed properties, "bed" vs. "unit" counts, discrepancies between directory listings and property reports, properties that combine people age 60+ with younger populations, the need to estimate the mix of private pay vs. Medicaid residents at any given time in each assisted living property, etc.). That said, we attempted to reconcile differences between sources that seemed to be significant.
2. **Need/Demand Forecasts; Gaps and Surplus**
  - Created a need/demand estimate and projection for 2016 and 2021 for each of the identified senior housing and care types for the state as a whole and for the five sub-areas within the state, utilizing demographic information and key industry and Highland Group benchmarks to establish expected quantitative demand. For 2016 and 2021, existing and under-construction inventory was subtracted from expected quantitative demand to estimate the deficit or surplus of each senior housing and care type in each sub-area.
  - Created a longer-range forecast (2025 and 2030) for each area. The longer-range forecasts were based on projections of future utilization that incorporate generational trends and preferences listed within the report, projecting likely percentage changes in utilization for each housing and care type. The 2025 and 2030 forecasts focus on potential overall demand only, as it is not possible to project future supply beyond what is known to be under construction at this time.

### **Part 3: Housing and Care Facility Needs: Future Trends, Opportunities, and Strategies**

1. Highlighted some key generational trends that have implications for future housing and care needs and options for the older population throughout the state.
2. Provided a listing of potential opportunities for housing and care statewide, but separately for: both the “younger” age group (55 to 80) that typically needs age-appropriate housing and the “older “ age group (80+) that is more likely to need care-oriented housing; both urban/suburban and mountain/rural; and both affordable and market-rate housing and care.
3. Provided a listing of recommended strategies to address gaps, barriers, and opportunities to create affordable, accessible, and mobility-friendly housing and care options for older adults. This listing includes strategies and approaches that are focused at the local or county level, as well as those that are addressed at the state level. Approaches include land use and planning, funding, neighborhood/community-based approaches, and self-help/family strategies.
4. A glossary of terms used within the report that are not in common or standard use was included.

### **Demographic Sources**

All demographics in this report were obtained either from one of two commercial sources (The Nielsen Company and Ribbon Demographics, LLC), or from two public sources (the Demography Section of the Colorado Department of Local Affairs, and the U.S. Census Bureau). All estimates and projections from The Nielsen Company and Ribbon Demographics, LLC were adjusted based on estimates and projections from the Demography Section. Also, because demographic estimates and projections were obtained from different sources, there may be some minor discrepancies between these data from table to table.

### **Property Data/Existing Housing and Care Inventory**

Inventory data was primarily obtained from The Highland Group’s database of Colorado properties. The Highland Group tracks detailed data on an ongoing basis for traditional senior housing and care communities: independent living, assisted living, memory care assisted living, age-qualified rental properties, and age-qualified for-sale home communities. We consider our data for those properties to be generally reliable and current. As we do not track data for age-qualified mobile home parks and communities, we have relied on senior housing directories and Internet searches to identify mobile home communities throughout the state.

Property data for skilled nursing and assisted living facilities was obtained from the Colorado Department of Public Health and Environment’s facility lists and skilled nursing quarterly census reports. A description of our methodology for adjusting the count of assisted living beds/units to obtain a closer estimate of actual capacity is noted in *Inventory: Endnotes to Inventory Overview* in the *Appendix*.

Inventory data were also obtained from the following sources:

- Colorado Housing and Finance Authority property lists
- Senior housing directories published by Area Agencies on Aging, Colorado Gerontological Society, local governments, and commercial sources (Seniors Blue Book, etc.)
- City and county planning departments; housing developers and operators
- Internet searches, individual property websites, and marketing materials

## Known Under-Construction Properties

Our information about properties under construction comes from many sources. Under-construction properties are those known to The Highland Group as of the time frame during which property data were collected for this report, generally May and early June 2016. We only included properties for which construction had begun and categorized them as either opening in 2016 or opening after 2016. There are properties under development that will move forward that are not included in our inventory counts, therefore increasing inventories in future years.

The Highland Group attempts to maintain complete listings of all the age-qualified housing properties in the state, obtaining information from multiple sources on an ongoing basis. There are no resources that have complete listings of every type of age-restricted housing, assisted living, and skilled nursing facility for the state as a whole. As detailed elsewhere in this report, there are inconsistencies between directory information, ongoing changes, and a need to make assumptions about affordability and other aspects of the properties in order to categorize them properly. Therefore, our inventory counts should be considered to be very good estimates, rather than absolutes.

## Sources and Benchmarks for Demand Calculations

Approaches and assumptions for demand methodologies are based on a number of industry data sources and reports. Data considered include: penetrations of senior housing types, incomes of residents in senior housing types, use of assets and family support to pay monthly fees and entrance fees, the extent to which seniors move to housing types near family members, the incidence of Alzheimer's Disease, and the percentage of out-of-home placement of persons with dementias, the presence of disabilities requiring assistance by age, etc.

Key sources include: reports/surveys commissioned by the National Investment Center for Seniors Housing and Care, American Seniors Housing Association, Argentum (formerly the Assisted Living Federation of America), and the Alzheimer's Association. Also, published papers and presentations relative to utilization rates and demand methodologies from DHG Healthcare (2011/2014), National Association of Homebuilders' *55+ Housing Special Report: Understanding the Demographics and Economics Behind a Successful 55+ Development* (2015), and *Principles for Market Analysis* (2014, Methodology Task Force). Those specific reports are included in the *Bibliography* in the *Appendix* of this report.

## Limitations of Demand Estimates and Projections

**Uses of Demand Estimates and Projections** - The demand estimates and projections provided throughout this report provide only a general indication of current and future demand, and are intended for planning and discussion purposes. This report in no way constitutes a "market study" and should not and may not be referred to as such. The demand calculations in this report have been made based on expected rates of utilization of these different housing and care types by those in different age and income groups, based on industry benchmarks and experience in Colorado markets. Much deeper study of local markets should be completed prior to initiating any development, including detailed review of existing properties, particularly occupancy trends, waitlists, rents and rent trends, quality and reputation, home-sale statistics, etc.

**Homelessness** - Although this report does not attempt to address homeless seniors specifically, it is estimated by HUD that there are more than a half-million homeless people in Colorado, with many of these over age 50. Gaps listed within this report also apply to homeless people, and opportunities and strategies listed within this report

can help create more affordable housing and services appropriate for older individuals, whether currently housed or homeless.

**Racial and Ethnic Diversity** - Racial and ethnic diversity is not addressed specifically in this report, nor does this report recommend different responses to housing and care for different racial or ethnic groups. Rather, we note that any responses or approaches to identified needs and opportunities must be culturally appropriate to the area in which those responses are directed, and to the population to be served.

# QUALIFICATIONS OF REPORT PREPARER: THE HIGHLAND GROUP

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## Helping Clients Meet the Opportunities and Challenges of our Aging Population

The Highland Group is a Colorado-based resource for owners, developers, local governments, lenders and healthcare providers seeking market knowledge to effectively meet the housing and care needs of the aging population.

Our clients include a broad spectrum of those who wish to meet the challenges and opportunities presented by our current seniors needing care, and by aging baby boomers seeking their next home.

While incorporating the most current national industry and trend data, The Highland Group's work is exclusively focused in Colorado. As a result, we offer our clients our unmatched knowledge of existing and planned properties, interwoven with our deep understanding of the demographics and personalities of Colorado's cities, towns, communities, and neighborhoods.

## Market Knowledge, Instinct and Application for Seniors Housing and Care

The Highland Group provides customized market research and planning services: demographics, needs assessments, market studies, competitive analyses, site evaluations, and project and service design.

Informing local governments, developers and healthcare providers through the following:

- Preliminary demand analysis
- Market studies
- Competitive analysis
- Demographic profiles
- Local aging population forecasts
- Site suitability reviews
- Rent and pricing studies
- Needs assessments
- Marketing consulting
- Marketing plans
- Consumer survey research
- Consumer focus groups
- Generational trends analysis
- Baby boomer housing trends

## SELECTED CLIENTS/PROJECTS OF THE HIGHLAND GROUP, 2000 - 2016

Accessible Space, Inc.	Eastern Star Masonic Center	Metro West Housing Solutions
Adams County Housing Authority	Eaton Senior Communities	McDermott Properties, LLC
Ascent Senior Living	Encore Partners (The)	McBroom Company
American Baptist Homes - Midwest	Firestone (Town of)	Milestone Retirement
Anthem Memory Care	Franciscan Ministries	MorningStar Senior Living
Archdiocese of Denver	Frasier	Northstar Commercial Partners
Aspen Valley Hospital/City of Aspen	Four Corners Development	OMNI Development
Atlantic Development	Good Samaritan Society	PNC Capital
Augustana Care	Golden West	Palisades at Broadmoor Park
Aurora Housing Authority	Grandbridge Realty Capital	Pikes Peak Community Foundation
Azura Living	Grand County Housing Authority	Prudential Huntoon Paige
Avenida Partners	Grand Junction Housing Authority	Red Stone Agency Lending
Balfour Senior Living	Grand River Hospital District	Retirement Housing Foundation
Bethesda Senior Living	Hendricks Communities	Roaring Fork Lodge, LLC
Boulder Housing Partners	Hilltop Community	Rosemark Development
Boulder County Housing Authority	Hover Community	Sable Ridge Development
Brothers Redevelopment	InnovAge	Senior Housing Options
Burgwyn Company (The)	JHL Constructors	South Metro Housing Options
CenterPointe Senior Living	Jewish Family Service	Summit Housing Authority
Chartwell Seniors Housing REIT	Juniper Communities	Sunny Vista Living Center
Choice Capital	Kavod Senior Life	Veritas Management
Christian Church Homes	Lantz-Boggio Architects	Victory House Assisted Living
Christian Living Communities	Larimer County Aging Services	Village Homes
CoBiz Bank	Longmont Housing Authority	Vivage Quality Health Partners
Concordia on the Lake	Loveland Housing Authority	Volunteers of America
Confluent Development	Lutheran Medical Center	Washington County Nursing Home
Conejos County Hospital	MEJansen Development	Wazee Partners
Delta Area Economic Development	MGL Partners	Wells Fargo
Eagle County Government	Macy Development	Yampa Valley Medical Center
	Medici Communities	Zócalo Community Development

## ELISABETH BORDEN, PRINCIPAL

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[eborden@thehighlandgroupinc.com](mailto:eborden@thehighlandgroupinc.com) The Highland Group offices, Boulder 720.565.0966

### PROFESSIONAL EXPERIENCE

**The Highland Group, Inc.** *Principal and Owner* 2000 to present

**Piñon Management, Inc.** *Regional Director of Operations* 1998 to 2000  
*Market Analyst* 1997 to 1998

**Juniper Communities, Inc. dba in Colorado as The Westbridge Group, LLC**  
*Vice-President, Development, Colorado* 1994 to 1997

**Boulder County Government, Community Services Department**  
*Manager, Aging Area Agency on Aging* 1990 to 1994  
*Senior Programs Coordinator, Community Action Programs* 1982 to 1989

**ARA Living Centers, Inc., Skilled Facility Administrator** 1978 to 1980  
*Fort Collins, Berthoud, Boulder*

### TEACHING EXPERIENCE

**Naropa University, Graduate Program in Gerontology and Long-Term Care Management**  
*Adjunct Faculty* 1993 to 2000

### EDUCATION

M.A., Long-Term Care Administration, Center for Studies in Aging, North Texas State University  
B.A. Kansas State University, Double Major in Sociology and Psychology

### AFFILIATIONS

Housing Colorado - member and Membership Committee, former Board of Directors 2003-2016  
The Theodore and Chandos Rice Charitable Foundation -Board of Directors, Treasurer, 1996 to 2013  
LeadingAge Colorado - Business Member 1990s-2013, Board of Directors, 2005 -2012  
Rocky Mountain Chapter, Alzheimer's Association - Board of Directors, 1997 to 2002  
Colorado Department of Public Health and Environment - Assisted Living Advisory Committee, 1999 to 2004

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### PUBLICATIONS AND PRESENTATIONS

Workshops and seminars: Presenter at several conferences and seminars each year, including the following:

- Colorado Housing NOW conference
- Colorado Real Estate Journal Senior Housing Conference
- Home Builders' Association of Metro Denver
- American Seniors Housing Association
- Rural Community Assistance Corporation
- LeadingAge Colorado
- Alzheimer's Association
- Colorado Governor's Conference on Aging
- National Association of Homebuilders, 50+ Housing Council

### AWARDS

Colorado Association of Homes and Services for the Aging, 2010 Business Partner Quality First Award  
Colorado Association of Homes and Services for the Aging, 2001 Design Award for Wellspring at Louisville  
Colorado Association of Homes and Services for the Aging, 2000 Design Award for Victory House Assisted Living  
National Association of Counties Award for Aging Services' Multicultural Outreach Program, 1993

## MICHELLE CREGUT – PRINCIPAL

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[mcregut@thehighlandgroupinc.com](mailto:mcregut@thehighlandgroupinc.com) The Highland Group offices, Boulder 720.565.0966

### RELEVANT PROFESSIONAL EXPERIENCE

#### **The Highland Group, Inc.**

*Principal*

June 2015 to Present

Michelle joined The Highland Group as Principal in June 2015. Specific responsibilities include:

- Manage market studies for market-rate and affordable senior apartments, independent living, assisted living, memory care, and skilled nursing, from concept to completions
- Manage staff, client communications, and project scheduling to deliver recommendations and conclusions that address the specific needs and motivations of The Highland Group's clients
- Manage, update, and refine The Highland Group's database and other software, existing templates, and various formats and approaches
- Develop new products and client service offerings
- Manage the day-to-day operations of The Highland Group's business operations.

#### **Integra Realty Resources (Seniors Housing & Healthcare Specialty Practice)**

*Senior Analyst (Appraiser Trainee)*

2014 to 2015

Assisted with development of opinions of value and writing of appraisals for senior housing and care properties/projects including independent living, assisted living, memory care, skilled nursing, and continuing care retirement communities

#### **InnovAge – PACE (Program for All Inclusive Care of the Elderly)**

*Vice President Finance & Development*

2009 to 2011

Managed \$160MM budget process and internal financial reporting activities; managed construction of new corporate office and facilitated the cultural integration of five disparate business units in the new corporate office; managed the redevelopment of various PACE centers; and managed purchasing and facility maintenance departments

#### **Episcopal Senior Communities (California Continuing Care Retirement Communities)**

*Director of Finance*

2003 to 2009

Managed \$100MM budget process; managed and improved monthly close process; staffed meetings of the Finance and Investment Committees of the Board; developed all finance related board reporting tools; and managed the conversion of temporary construction financing to permanent tax-credit refinance of age-qualified, affordable apartments

#### **Ocadian Care Centers (Skilled Nursing and Acute Rehabilitation)**

*Director of Financial Operations*

1994 to 2001

Managed \$125MM budget process; served as liaison between Finance and Operations, developed short term forecasting tools; lead Finance team member for the acquisition and integration of three acute rehabilitation hospitals; finance business partner to operations through transition from cost based Medicare reimbursement to RUGs (Resource Utilization Groups) based reimbursement

### EDUCATION

Masters of Business Administration, St. Mary's College, Moraga, CA  
B.A. Sociology, University of California Santa Cruz

## FRED BORDEN - RESEARCH ANALYST - DEMOGRAPHICS AND DEMAND METHODOLOGIES

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[fborden@thehighlandgroupinc.com](mailto:fborden@thehighlandgroupinc.com)

(home-office based in Russell's Point, OH) 937.842.3933

From 2001 to the present, Fred has performed much of the demographic analysis, demand calculation, and financial analysis for The Highland Group. In addition, Fred performs all accounting and tax reporting functions for The Highland Group:

- Purchases and maintains subscriptions to demographic data purchased annually by The Highland Group
- Interacts with commercial demographics firms related to methodologies and uses of the demographic data (Claritas, Inc., PCensus/Tetrad, Ribbon Demographics, LLC)
- Obtains publicly-available demographic data, as needed, from the U.S. Census Bureau's decennial census, American Housing Survey and American Community Surveys (conducted every two years), Colorado Demography Office, and other sources
- Prepares a wide variety of customized demographic reports for The Highland Group clients
- Obtains and reviews national/senior housing industry data relevant to market research methodologies and incorporates the latest thinking into The Highland Group's methods
- Prepares demand assumptions, calculations, and results for market research reports.

### RELEVANT PROFESSIONAL EXPERIENCE

**Prior to and simultaneous with his work with The Highland Group, Fred has performed contract financial analysis, management consulting, and accounting/tax work for:**

- **Universal Leasing:** Financial analysis of client proformas and financials for equipment financing/leasing services firm, 1990 - present
- Contract accounting and financial services, management consulting, and tax services for small businesses

**Dimco-Gray Company:** Prior to 1989, Fred worked for 18 years for a manufacturing company in Dayton, Ohio, the last five years as Vice President/CFO

Finance- Vice President/Chief Financial Officer 1984 - 1989

Responsible for corporate finances of \$10MM manufacturer with three distinct product lines. Responsible for Accounting and Information Systems departments. Second in charge of overall company management. Initiated the employee purchase through an Employee Stock Ownership Plan of 93% of the company stock from the owner who wanted to retire. Arranged the original financing to accomplish the ESOP leveraged buyout. Maintained and exceeded covenants established by corporate lenders. Revamped outdated cost accounting system. Member of Board of Directors 1985 - 1989.

Accounting- Accounting Manager, Accounting Supervisor, Cost Accountant 1971 - 1984

Responsible for corporate finance, accounting and computer operations. Member of management's union negotiating committee.

### EDUCATION

University of Kansas, Business Major      1967 – 1969  
University of Missouri at Kansas City      1966 – 1967

## EDWARD O'SHEA - RESEARCH ANALYST

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[eoshea@thehighlandgroupinc.com](mailto:eoshea@thehighlandgroupinc.com) The Highland Group offices, Boulder 720.565.0966

### PROFESSIONAL EXPERIENCE

#### The Highland Group, Inc.

Research Analyst

February 2016 to present

Eddie joined The Highland Group as a Research Analyst in February 2016. Specific responsibilities include:

- Preparation of market research reports for market-rate and affordable senior apartments, independent living, assisted living, memory care, and skilled nursing
- Researching and compiling property information through phone, by email, and in-person
- Maintaining The Highland Group's proprietary database and performing SQL queries and Excel exports as needed for data analysis
- Collection and utilization of demographic information for data analysis
- Visiting site locations, documenting nearby amenities, and evaluating appropriateness for senior use
- Utilizing mapping software programs to display demographic and property data

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### SKILLS AND EXPERIENCE

- Computer: Windows, Mac, Excel, Visual Basic, Word, PowerPoint, Access, Outlook, Matlab, MapPoint
- Technical Writing
- Data Analysis
- Multidisciplinary Team Project Leadership

### EDUCATION

B.S. Petroleum Engineering, Colorado School of Mines (2015)

**THE MISSION OF THE HIGHLAND GROUP IS TO HELP CLIENTS:**

*Develop and operate exceptional senior housing and care communities.*

*Be competitive and well positioned for the present and future.*

*Meet their financial goals.*

*Operate in correspondence with the mission, vision, and values of their respective organizations.*

THE HIGHLAND GROUP, INC.

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[www.thehighlandgroupinc.com](http://www.thehighlandgroupinc.com)