

APA Legislative & Policy Committee Policy Paper: Planning for an Aging Society

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The Issue

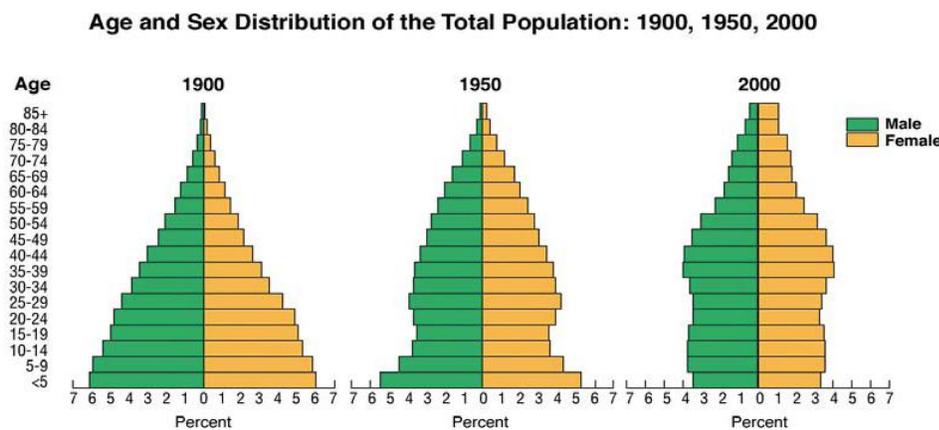
It is quickly becoming cliché to say that demographics are destiny. Whether it's called the "Silver Tsunami," the "Graying of America" or less colorfully the Aging of America, the fact that a more elderly population poses significant new challenges and opportunities for communities of all sizes and locations is gaining the attention of researchers, economists, planning practitioners and the media. The implications for the planning profession and communities throughout the country are enormous, transcending day-to-day issues of development and the economy to address comprehensive and long-term approaches to livability, mobility and accessibility, fiscal health and prosperity.

Over the last 60 years, one of the most profound drivers of the economy, politics and culture in the United States has been the population cohort known as the Baby Boom, those born in the post-World War II years through 1964. Baby Boomers have shaped consumer preferences and habits, political perspectives, and attitudes on topics ranging from hairstyles to career and lifestyle choices. While certainly not a monolithic culture, the Baby Boom generation's sheer size and relative affluence demand attention to its needs and implications society as the generation ages and transitions. With more than 8,000 members of the Baby Boom generation reaching the traditional retirement age of 65 each year, there are rapidly increasing demands on the ability of state, regional and local governments, as well as non-profits and community-based organizations, to meet the needs of an aging population.

We are living longer. Advancements in preventative health care and medicine are extending the lives of Americans and enabling us to lead more active lives as we age. Over the next several years, the slogan "40 is the new 30" may well apply to "90 is the new 70." Along with the commensurate trend of younger families marrying later and having fewer children than previous generations, we are likely to have a preponderance of post-reproductive Americans living in our small towns and cities, with fewer workers in their peak earning years following them to pick up the slack in consumer spending and resulting revenues to federal, state and local governments. This could have enormous implications on employment, education, housing, recreational programs, transportation, public facilities and many other aspects of life both within and outside of the traditional purview of planners.

At the same time, the economic recession and divergent policy agendas have forced federal, state and local governments to make dramatic cuts in programs and services supporting the elderly at a time when their proportion of the population and the associated demand for services is rapidly rising. This is particularly challenging for small town and rural communities throughout America, where travel distances and fewer services hinder the ability to adequately support their rapidly aging population. Contributing to that trend, many former factory or mining towns in rural and smaller communities have experienced a loss of jobs in the wake of a changing global economy, forcing young people to depart for urban areas, which escalates the problem.

Figure 1 illustrates changing demographics in the United States over the last century. The aging Baby Boom generation is rapidly swelling the ranks of those entering traditional retirement years without a commensurate replacement generation to replace those workers and income-earners.



Source: U.S. Census Bureau, decennial census of population, 1900, 1950, 2000

Figure 1. A Picture of Demographic Change

Equally important, but often overlooked as a policy matter, is the effect of the recession and job loss on the ability of people to save for their likely much longer retirement years. Companies have eliminated pensions or stopped contributing to 401K retirement programs. State and local governments are increasingly seeking to restructure pension agreements and limit retirement contributions to existing workers, and the “jobless recovery” all conspire to limit retirement savings of many in today’s workforce. The implications could mean that more people will need to work much longer or rely on government and other forms of assistance as they live longer but can no longer work productively. The changing nature of technology and work skills requires that older Americans continually learn new skills to keep pace and remain productive in the face of generational and technological workforce change.

Those are just some of the implications of the Aging of America emerging trend. As Florida State University Urban and Regional Planning Professor Tim Chapin has suggested, the aging Baby Boom generation presents a tremendous once-in-a-century demographic opportunity to focus on an agenda of Quality Growth. The combined trends of smaller households and an aging population enable the profession to promote certain development outcomes that “empirical evidence suggests is economically, environmentally, and fiscally beneficial for communities.” He offers the following as key attributes of Quality Growth to support multi-generational communities:

- Higher relative residential densities and non-residential intensities
- Mix of uses, especially co-location of residential and commercial/office
- Mix of housing types in neighborhoods, preferably on smaller lots
- Support multiple transportation modes, especially transit and pedestrian travel
- Urban revitalization and redevelopment, and
- Reduced ecological footprint/reduced carbon emissions.

Aside from changes in the built environment, there are other program and technological changes that planners should keep in focus over the coming decades. More efficient routing and scheduling of human services transportation will be particularly important as demand increases for a services that has traditionally faced severe funding constraints. Education and training of the workforce will take on new importance as people may need to work longer and adapt to a changing economy over a longer span of time. The regulatory framework will also need to respond to the aging trend, with increased emphasis on pedestrian safety, changes in sources and allocations of revenue, and addressing the issue of income distribution, revenue sharing and equity among generations of increasingly disparate size and income.

Purpose of this White Paper

This White Paper on Aging intends to identify the policy areas in which planners and the American Planning Association (APA) have an important role in shaping how the nation can best meet the challenges of an aging society and strengthen the relationship of elderly residents, younger generations and their communities, both urban and rural. The focus here is to provide a framework for the development of a potential Aging Policy Guide to be adopted by the APA Board that will help planners address aging from all levels of government and in the non-profit and private sectors.

A foundation for this effort is the work undertaken recently by APA's Divisions Council, which engaged members of its 20 professional and population-specific divisions to prepare a series of reports, newsletter articles, presentations and a bibliography on aging as an emerging issue facing the country. The Aging and Livable Communities initiative focuses on the trends and policy implications for planners and the communities they serve. A link to the material is posted on APA's web site here: <http://planning.org/resources/ontheradar/aging/>. The development of a Policy Guide on aging should be complemented by continued collaboration among Divisions and Chapters to address specific approaches, best practices and new innovations related to this critical issue.

APA has adopted several policy guides over the past decade that address issues related to an aging society in many ways indirectly. Policy guides on Transportation, Housing, Smart Growth and others contain important policy elements of benefit to older Americans and the communities in which they live, but none focus squarely on the topic. Thus, this White Paper identifies the broad policy gaps that should be explored in greater detail and specificity by a committee focusing on developing a policy guide on aging.

Aging-related Policies in Adopted Policy Guides

In recent years the American Planning Association has recognized the implications of aging either directly or indirectly on a number of topics addressed in various policy guides. Most notably, the Housing Policy Guide (adopted in 2006) sets forth one of its general policy positions that “Planners need to support the national goal of providing housing opportunity to households of all ages, races and income levels throughout the housing markets of the nation.” That statement is supported by a series of specific policy positions advocating for the comprehensive assessment of housing needs and development of strategies that provide for equitable and adequate housing. The guide also addresses policies related to the development and preservation of assisted living facilities and creating fair housing that enables full accessibility, universal design and visitability.

The Transportation Policy Guide (adopted in 2010) also addresses aging, with one of its seven pillars being “Create Safe, Healthy, and Accessible Communities for Everyone.” Specific supporting policies under metropolitan and small town/rural planning directly address the transportation needs of the elderly from an access and mobility, physical health and social connection perspective.

The Smart Growth Policy Guide (adopted 2012) directly addresses the needs of an aging society in several areas, including the section on Social Equity and Community Building. A supporting policy states that “The American Planning Association supports planning that identifies the transportation, housing, employment, education, recreation and health needs of our changing population....with respect to population groups with special needs such as the elderly, school children, or people of diverse cultures.” While not specifically discussing the aging crisis and its potential impact on public services, resources and budgets, the Smart Growth Policy Guide focuses its discussion on the fiscal efficiency benefits and accessibility improvements that will benefit regions and communities large and small from aligned land use and transportation development and other Smart Growth approaches.

Other policy guides addressing food systems planning, security, neighborhood collaboration, sustainability and public redevelopment all indirectly address the needs of the elderly. However, from a review of all adopted policy guides, there remains a need to squarely focus on the policy implications of an aging society; not just through the lens of those growing older, but from a broad, comprehensive perspective of the multi-generational impacts on communities, the economy and the environment.

Policy Areas of Focus

The aging issue is about more than dealing with the needs of so many more elderly Americans. That is certainly important, but equally critical is overall demographic change that an aging society represents in terms the disproportionate share of elderly relative to younger generations.

Researchers and demographers have documented the coming changes clearly: By 2025 only about one-fourth of all households in the U.S. will have children in them and nearly 30 percent will contain only one person. The U.S. will add 32 million households from 2000 to 2025, but only four million will

“The two largest demographic groups in the country, the baby boomers and their children – together comprising half the population – want homes and commercial space in neighborhoods that do not exist in anywhere near sufficient quantity.”

-- Arthur C. Nelson

have children, while one-person households will make up 34 percent of the growth. More people are turning 65 each year than ever before, with one million people having reached that age in 2012 and two million projected in 2025. Demand for new homes through 2025 is trending almost exclusively for multifamily, attached, and small-lot single-family detached homes. More than half of development on the ground in 2025 will not have existed in 2000.

As Dowell Myers reports in “Diversity and Aging in America, appearing in the March issue of *Planning*:

“All generations are shifting forward 20 years, with the boomers now flooding the elderly years. Meanwhile, the late middle-age sector has virtually no growth, which reduces expansion of the highest earners and biggest taxpayers. Instead, growth is revived in the age range of 25-44, the locus of the new workers, new home buyers, and younger families. However, the previous growth among teens and youthful adults has been eliminated, slowing their expanding demand for youth-related activities and services.”

This “whiplash” effect of demographics means that service accommodations that once were expanding must now be cut for the next generation, and vice versa. Population areas of growth and gentrification in more central areas that appeal to both the young and elderly will be counterbalanced by decline in areas that once favored middle-age groups.

Housing Choice and Context

APA and its allied professions who deal with community planning, design and development need to provide specific policy guidance for communities to provide an adequate supply of age-appropriate housing. Issues that an Aging Policy Guide must address include the provision of housing options, fostering the opportunity of aging in place for those who want and are able to remain in their homes as they grow older, and the planning, siting and development of assisted living and nursing facilities that are well integrated into the fabric of a community rather than isolated away from services, parks and recreation and commercial spaces. Even today, federally subsidized rental programs meet the needs of only about one in four eligible households regardless of age. As the number of older adults rises, the dual challenges of providing affordable housing and adequate services will compel communities across the country to respond. The supply of a range of housing types to meet the growing demand for senior housing needs to be planned as part of Transit Oriented Development, redevelopment and new development in locations that offer a high level of accessibility while keeping costs affordable for those on fixed or reduced incomes.

The glut of suburban home sales from downsizing elderly homeowners may depress prices and tax revenue for local governments as fewer buyers are available in coming years. Re-purposing of land uses from largely single family areas to more mixed use or non-residential space will have impacts that will affect political fortunes as much any aspect of local communities.

In addition, planners will need to work diligently to ensure access to fair housing, address the disparate impacts of housing location and availability on race and income groups, and equal access to housing. Policies are needed to expand housing choices for older adults. By adopting more flexible zoning policies

and aggressively enforcing the requirements of the Fair Housing Act and Americans with Disabilities Act, communities can help foster a diverse range of housing types including accessory dwelling units (i.e., granny flats), high-density rental developments, supportive housing, assisted living residences, continuing care retirement communities, and congregate housing. Subsidies will be needed to help ensure that older adults with low and moderate incomes have access to affordable choices, and at present there are far too few of these to go around. And it is also time to experiment with more cohousing efforts that promote “active neighboring” and/or allow professional caregivers to live among residents.

With climate change, increased efforts and funding levels will be needed to address the resiliency of homes in coastal, floodplain and severe storm areas. This is a significant cost factor for elderly residents, many of whom have retired or chosen to stay in coastal areas. Retrofit mitigation programs like those in place in many coastal states will need to be expanded and subsidized for lower income households to provide property owners with the opportunity to increase the resiliency of their homes and lower their insurance premiums. Participation in these programs has been limited due to the up-front cost associated with the inspection as well as a general lack of awareness about the program.

In addition, Active Living by Design is an increasingly important linkage of housing, community design and transportation options to reduce social isolation and help aging Americans lead healthier more active lives into their later years. Integration of housing, walking paths, public transportation, retail and community services is all part of the Quality Communities agenda described by Dr. Chapin in the introduction to this White Paper.

Transportation

The realm of transportation is undergoing a dramatic change in the next 10 to 20 years as a direct result of an aging society. With housing and workforce patterns changing, and much the United State’s growth occurring as a result of immigration, America is likely to experience some of most dramatic changes in travel habits since women entered the workforce in large numbers during the late 1960s and 1970s (another product of the Baby Boom generation). Smaller households generally mean lower vehicle miles of travel, which will further reduce gas tax revenues, the traditional funding source for transportation projects. A smaller working age population will also have implications for public transportation, which may need to focus less on employment centers and more on mixed use centers, where a variety of trips can be satisfied.

Human Services Transportation aimed at meeting the mobility needs of the elderly, veterans, economically disadvantaged and people with disabilities, is facing a funding crisis of significant proportions with an aging society. Larger numbers of veterans are already entering the system for demand responsive transportation to medical appointments, jobs and other services, competing for funding with a rapidly expanding senior population, many of whom have health-related disabilities that limit their use of automobiles and fixed route public transportation. Many of the new seniors live in relatively inaccessible suburban locations, consisting of single use neighborhoods, which increases transportation costs and reduces services efficiency and effectiveness.

Strategies to address trends affecting the delivery of human services transportation include strong leadership, strengthening coordinated transportation infrastructure (expanded transit systems, donated programs, and volunteer programs), improving cost-effectiveness, measuring and documenting performance on trips, partnering with non-untraditional organizations with similar community goals, and developing funding strategies.

Fostering coordination will help to leverage and distribute limited transportation funds, reduce duplication and fragmentation of services, improve efficiencies, share resources and best practices, eliminate fraud, and most importantly ensure safety and welfare of the most vulnerable citizens. This is best achieved through coordination among elected officials, advocates, experienced transportation and planning entities, human service agencies, and businesses.

Technology will play an increasingly important role in human services transportation. For instance, the Atlanta Regional Commission has embarked on a new program, the Regional Mobility Management One-Click System (RMM OCS), which uses software to lay the foundation for a regional one-click/one-call center to provide easier access to mobility options in the region for older adults, persons with disabilities and persons of limited income. The program worked with pilot partners, including the Department of Veterans Affairs, Veteran's Transportation Services, Goodwill of North Georgia, Disability Link, Cobb County Community Transit, Agewise Connection, ARC RideSmart, and the Atlanta Regional Workforce Board. The program uses Geographic Information Systems to determine travel routes and options, timeframe and cost for each, and also involves streamlining of all eligibility requirements for human services transportation users in the state of Georgia. Expanding those efforts to all regions of the country will be an important goal.

America will need to further develop its efforts toward multimodal planning and design for people of all ages. We are currently in an era where funding for new public transportation investments is declining in the face of a rising wave of demand that will only increase as the age bubble continues its advancement. The new federal transportation law has created an increasingly competitive funding environment, forcing local governments and regions to depend more on their own limited funding sources to develop and expand transportation networks for all modes. This leads to a greater focus on Transit Oriented Development to help generate needed revenue and ridership to support investments in transit, along with a complementary network of non-motorized transportation options. Complete Streets policies are part of the strategy, but education, encouragement and a partnership with law enforcement is necessary to create a stronger culture of active transportation to sustain and improve mobility for older Americans as well as other generations and new immigrants.

Meanwhile, small town and rural areas remain at a distinct disadvantage when it comes to developing transportation options for older Americans. Dedicated funding has been reduced or eliminated, and increasing isolation threatens the viability of many communities without careful planning and commitment of resources to link housing, transportation, services and jobs.

Finally, the issue of driver awareness and safety is becoming an increasingly critical issue in the design of transportation facilities. Better and more advanced signage, larger text and other visual clues are part of

improving safety and driver reaction time. Some states are innovators in this arena, and they can become models for the rest of the country. As fewer people rely on automobiles, the other dimensions of visual clues and safety considerations will need to be targeted at our intersections and corridors to support the ability of people to walk, bicycle, ride golf carts and use other means of transportation to reach their destinations.

Safety and Security

There are many dimensions to the issues of safety and security in relation to an aging society. As the overall population ages, the numbers of the most vulnerable will grow as well — people with a disability, women living alone (who account for nearly 40 percent of women age 65 and older), and minorities. Meanwhile, the Great Recession has eaten into the reserves of many older households, reducing home equity and many retirement and savings accounts. This vulnerability puts seniors at greater risk for falling prey to fraud or other threats to their personal safety and financial stability or security.

The changing housing market in suburban or even rural areas from excess sales and fewer buyers due to an aging society could have substantial safety and security implications for communities. Lower purchase prices and increasing numbers of renters may influence the level of maintenance and, in turn, increase crime rates, as former mid-scale suburban areas become increasingly blighted from disinvestment and lack of funding for public services.

In addition, many seniors are isolated in their place of residence and do not have access to services or amenities because of conditions that diminish their safety. Streets and intersections designed to move traffic present hostile barriers to young and old alike who seek to reach destinations or just walk or exercise for their health. Rising health care costs from lack of exercise and other poor health habits may continue to consume a disproportionate share of available revenues, putting an increasing on government and non-profit services.

Fiscal Matters

This issue is primarily on two broad fronts. First, there are the revenue implications of an aging society with fewer income earners (taxpayers), different housing and consumption patterns, including less driving, on the ability of the federal, state and local government to continue funding programs and meet essential needs at home and abroad. Over the next 15 to 20 years, there must be a clear focus on the types of public services offered at various levels of government and how they are to be funded. Traditional sources, such as the gas tax, may no longer remain viable. Planners have an important role in ascertaining statewide, regional and community needs that drive these important funding questions, and we also play an important role in the identification, selection and development of public financing techniques to guide appropriate types of growth and supporting public facilities and services. This question will only grow in importance over the coming decades.

Second, but equally important, is the shifting cost burden and affordability on individuals, households and communities. Seniors face declining household income levels and rising costs from health care, human services transportation and other sources. More older and poor households will face severe housing cost burdens. Older adults are more likely than younger adults to spend more than half their

income on housing. Cost burdens also increase with age. One in four households 85+ pay at least half their income for housing, as compared with about one in five households aged 65–74 and about one in six households younger than 65. The incomes of older adults tend to decline with age — as reflected in rising poverty rates. But property taxes, maintenance, and utility costs all tend to rise over time for both older homeowners and renters (as reflected in higher rents). Accumulated savings and home equity can help, but levels of net worth vary dramatically among older adults, and are particularly low among racial and ethnic minorities.

Community Cohesion, Public Facilities and Services

There are implications from an aging society for every kind of organization, whether it is governmental, professional, neighborhood or social. Much of America’s growth in the coming century will be from immigration rather than natural increase of existing population groups. The combined effect of many more seniors seeking to downsize from their suburban homes and move to more accessible locations with immigrant populations relocating from other regions could have a destabilizing effect on some communities. A rapidly changing culture, less reliance on traditional institutions, and the increasing pace of retirement and a trend toward more temporary living arrangements by younger residents has an impact on the stability and leadership of organizations as they transition.

Efforts will need to be made to cultivate leadership skills more rapidly of the younger generations and immigrant populations. Planners should be aware of the changing demographic, socio-economic and ethnic composition of neighborhoods and communities, and seek partnerships with allied professions to ease the transition and identify shared values that can hold communities in transition together. This will take greater levels of collaborative planning, context-sensitive solutions, and effective facilitation among disparate and potentially competing groups facing reduced services from declining revenues.

Education and lifelong learning will be increasingly important components of most communities as people seek to remain active, productive and valued into their later years. Communities and regions will need to develop stronger ties with educational institutions of all types to establish job training programs, career development skills and other programs to help transition older Americans into 2nd or 3rd careers and develop the next generation of workers to help meet society’s changing needs. Traditional public schools and their site requirements may become less important in the face of a more urban and concentrated population, where land availability and prices may preclude the current approaches to school siting and design.

Summary and Next Steps

The APA Delegate Assembly provides a forum for planners to gather and discuss the implications of an aging society for our cities, towns and rural communities, and determine what kinds of policy guidance planners in those communities need. As stated by Dowell Myers, “The aging of the massive Baby Boomer generation is throwing the nation into an epic crisis.” It will have implications not only for retirement on the workforce, but consumption of public entitlements, reduced taxpaying, increased home selling, and changes in transportation needs. “For long term planning, “Myers writes, “the many impacts of population aging create a crisis as consequential as climate change.”

The APA Legislative & Policy Committee will use the input from the Delegate Assembly to create a task force whose focus will be to draft an Aging Policy Guide for adoption later in 2013 or at the 2014 National Planning Conference. It is possible that the development and roll-out of the Policy Guide would be accompanied by blog posts, webinars and other guidance developed by APA and its components (Divisions, Chapters, students, AICP) to help communities and regions address the aging challenge.