Report says housing for an aging population needs to be part of public debate

By Kevin Griffin, Postmedia
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Fine-tuning zoning and setting aside a portion of social housing for seniors are among the ways an aging population may be accommodated in Metro Vancouver, according to an international report by the Grosvenor Group.

Traditionally, the discussion among politicians, planners and the public has primarily focused on affordability for young people in the region, said James Patillo, one of the report's authors. But, with a rapidly aging population, the elderly have to be taken into account as well, he said.

"Let's focus on the aging and the demographics of that," said Patillo, managing director of development for Grosvenor Americas. "There is a large segment of the population that is getting larger that has to be addressed."

The report by the British developer is called Silver Cities. It looks at the global implications of an aging population and how that will play out in the real estate market in four cities: Hong Kong, London, Madrid and Vancouver. The report was released Monday.

Grosvenor Group's regional operating company, Grosvenor Americas, has been based in Vancouver since 1953.

As an example of flexible zoning in Metro Vancouver, Patillo cited changing single-family zoning to allow laneway houses as the City of Vancouver has done. Other zoning changes to add more housing diversity could include smaller lot sizes, as well as allowing duplexes, secondary suites and townhouses.

By densifying single-family neighbourhoods, aging residents can continue living where they often want to stay. It can also be a multi-generational solution by providing

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cheaper housing alternatives for younger families.

In more high-density neighbourhoods, he said, larger suites of three and four bedrooms can accommodate older consumers who are looking to downsize from bigger, single-family houses.

One challenge for the public sector will be older people on fixed incomes who either don’t own or don’t have enough equity in their homes to downsize.

“They’re going to need help and there are a variety of ways to look at that,” he said. Government intervention could include designating a certain number of units in social- and affordable-housing projects for seniors. In other projects, a developer might receive a density bonus, for example, by providing a certain number of units for older residents.

Patillo suggested more may need to be done in future along the lines of the recent NDP budget that pledged to spend $6.6 billion over 10 years on groups not served by the market, such as women and children fleeing violence, students and seniors.

Patillo acknowledged that because of the affordability crisis in Metro, the terms “density” and “densification” have become identified with developers. He made a point of saying, however, that what he’s talking about is overall density in a neighbourhood.

“The industry has been pushing for more supply for a long time,” he said. “In a constrained market, more supply is going to hopefully create better affordability because there are more options. Attitudes are starting to change. It’s still a challenge.”

Brian Biggs, senior analyst, Group Research, said if aging consumers aren’t downsizing in the numbers expected that may be because there aren’t the housing options to entice them out of their homes.

The report includes the provocative statement that “the elderly cannot live at the same high density as the young.” It goes on to refer to developers who build “ever-smaller-sized apartments” geared to young workers.

“We can maybe be more innovative about how we do density,” said Biggs, part of the report’s research team. “Density as it is done now tends to be in highrise buildings. It’s not necessarily amendable to creating communities. What we’re trying to generate is a kind of density that works for everybody.”

Biggs said an example of “quality, age-friendly housing” is housing that takes into account mobility issues that people can develop as they age.

“Efforts to achieve greater density will be better if focused on building medium-density to make downsizing more attractive to the elderly,” the report says.

The report describes the aging population as ‘silver consumers,’ although it cautions there is great variability within that group.

“The swelling number of retirees, combined with strong income and wealth levels, means the elderly consumer market is set to grow rapidly over the next 30 years,” the report says.

Biggs said by phone from San Francisco that the coming wave of retirees “will be one of the largest and wealthiest cohorts of retirees in history.”

Silver consumers, according to the report, tend to be less price sensitive, make more frequent small trips to shop, are more willing to spend on luxury items, and tend to shop during weekends and working hours.

The origins of Grosvenor’s property business date to 1677 when land west of the City of London came into the family. Grosvenor still owns 121 hectares (300 acres) in Central London, including nearly 70 hectares (190 acres) in Belgravia next to Buckingham Palace.

Owned by Hugh Grosvenor, Earl Grosvenor, the company’s assets are estimated at $16.2 billion. Grosvenor’s purchase of 85 hectares (210 acres) on Annacis Island in the 1950s was the company’s first international project.

Grosvenor’s current real estate projects in Metro include The Pacific at Pacific and Hornby streets in downtown Vancouver and Grosvenor Ambleside in West Vancouver.

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By the numbers:

Average life expectancy:

16th century — 35 years
19th century — 42 years
20th century — 80 years
21st century — 100 plus

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32 — The percentage of elderly who say price is their primary purchasing criterion.

60 — The percentage of elderly who say they would like to sit while shopping.

66-75 — The percentage of elderly who say advertising either depicts them negatively or doesn’t relate to them.

15,000 — The worldwide number who’ll be reaching retirement age of 65 every single day for the next 30 years.

146 million — The increase in the number of elderly by 2045 — up 70 per cent from today.

— Source: Silver Cities: Planning for an aging population