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Editor's Pick: There's a seniors housing gap looming on the horizon

Housing has long been a hot topic in Canada, with issues ranging from high prices and affordability to densification. Yet, one concern often overlooked is the growing shortage of housing to accommodate the country's growing aging population and their specific living needs.

According to statistics from the Canada Mortgage and Housing Corporation (CMHC), more than one-third of households will be led by seniors in 2036. As well, the number of households with seniors aged 75 and older is expected to grow by more than 120 per cent, to more than half of households. CMHC says that will mean an increased demand for housing to accommodate age-related reductions in mobility and agility.

"While the preference of a majority of seniors is to age in their homes, [they] will need a range of housing and support options to respond to changes in their health and mobility," CMHC said in another report assessing the longer-term needs of Canada's oldest citizens.

In the meantime, the federal crown corporation notes that the vacancy rate for senior residences dropped to 7.4 per cent in 2016 from 8.7 per cent in 2014.

As the number of seniors grows in Canada, some experts are raising flags that Canada may not have the housing infrastructure to support that demographic. "We need to brainstorm all sorts of housing needs," says James McKellar, director of the Brookfield Centre in Real Estate and Infrastructure at York University's Schulich School of Business.

According to Mr. McKellar, some of the main housing options in urban centres – including suburban areas, older houses and high-rise condos – may not be suitable for the senior population. Seniors can become more reliant on public transit as they age, so suburbia isn't the answer, and older homes require a lot of renovation. He also says high-rise condos don't offer the kind of community atmosphere seniors are seeking in their retirement years.

"We have to look at housing solutions that allow people to be self-sufficient," he points out.

One solution is to increase the number of retirement communities that cater to the active senior lifestyle, which is offered by companies such as Oakville-based Seasons Retirement Communities. "We are trying to look at what the unmet need is today and what it will look like over the next five to 10 years," says Seasons' chief operating officer, Michael Lavallée. The retirement communities offered by Seasons, which has 20 properties in Ontario and Alberta, provide weekly housekeeping, three meals and day and numerous activities that range from cooking classes to artist studios.

Many retirement communities today are very different than they were a decade or more ago and no longer carry the same institution-type stigma, Mr. Lavallée notes. "We have tried to take a very different approach. We've taken a look at what our clients' interests are and we developed and planned our communities to be able to provide those kinds of services in a gracious and open environment."

Retirement communities are also sometimes criticized for their high cost, which is a misconception, he adds. "To live in a retirement home today is so close to actually maintaining a home, even if it's mortgage-free."

At times, there is also a misunderstanding in distinguishing between retirement homes for active seniors and long-term care facilities. "The two are vastly different," says Mr. Lavallée, noting that many seniors choose to live in retirement communities for the community atmosphere. "People living in retirement communities have lived in neighbourhoods. They're used to having block parties. They're used to knowing their neighbours down the street. They're making that decision again."

According to Mr. Lavallée, overall, the sector has expanded into a wide range of developments, including retirement communities with long-term care divisions where people rent as well as more traditional condos for purchase, which provide a care component as an optional service. For the time being, Seasons plans to continue operating as a landlord and to expand its services within its neighborhoods as housing needs change.

"Seasons is working hard to develop new retirement communities in order to meet the growing demand for seniors housing across the country," says Justin Catalano, managing director of private equity at Fengate Real Asset Investments, which manages approximately \$3-billion through its various real asset strategies, including Seasons.

Ultimately, the differentiator in this space will be the ability to provide "a community atmosphere while providing individualized care and service to each of its residents," he adds.

Source:

<https://www.theglobeandmail.com/partners/advfengate/theres-a-seniors-housing-gap-looming-on-the-horizon/article37071680/>
