Future of Housing for Grown-Ups: A National & Local Perspective

Transcript

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Federal Realty Investment Trust
Smart Living 360

Hosted by:

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Participants:

*Welcome***: Mike Ennes**, Vice President of Residential, Federal Realty Investment Trust

*Opening Comments & Introductions***: Ryan Frederick**, Founder & CEO, Smart Living 360

*Moderator***: Mr. Bill Novelli,** Distinguished Professor, McDonough School of Business at Georgetown University & Leader of the Global Social Enterprise Initiative at Georgetown University

*Panelist***: Dr. Anand Parekh**, Senior Advisor, Bipartisan Policy Center (BPC) and Leader of Health & Housing Task Force at BPC

Panelist: **Dr. Debra Whitman**, Chief Public Policy Officer, AARP

*Panelist***: Ms. Leslie Marks**, Senior Fellow, Montgomery County Department of Housing and Community Affairs

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Mike Ennes, Federal Realty Investment Trust: Good afternoon. My part will be very minimal, just to welcome you. We have a very distinguished panel, which Ryan will introduce. Just a quick moment on Federal Realty. Welcome to our back yard, our headquarters is right there. Federal Realty has been in the area since the 60s. **We pride ourselves on being long-term owners of real estate.** There's probably no better example than that than Congressional Plaza, which is a property that Federal Realty has owned since 1965. **One of the things that we pride ourselves on, and again no better example than right here, is how we continue to reinvent the real estate we own.** If you think of Congressional Plaza, which is before my time when we owned it, it looks very different today than it did then. To think about really bringing in the office and retail and multi-family residential in an environment that is walkable, connected, and transit oriented with the metro nearby, and other public transportation options. It is a great example of how we really intend to deliver what is relevant for communities.

With that, I again thank you for being here. We're really proud of The Stories – which we're in today and which won't be a focus of our panel discussion. Before turning over to Ryan, I wanted to recognize a few individuals for being here today. The first is Rona Kramer, who is the Maryland Secretary of Aging. Thank you for being here. Bridget Newton, Mayor of Rockville. Thank you. We'll go right next door to you Bridget, with Pete Fosselman, who is the Mayor of Kensington. Lily Qi who is special assistant to county executive Ike Leggett. Hank Greenberg of AARP for Maryland. And with that, again thank you I'd like to turn over to Ryan of Smart Living 360 who has been a partner with Federal Realty and has opened our eyes to new thinking and has been a collaborator in creating The Stories.

Ryan Frederick, Smart Living 360: Thanks, Mike. Welcome! This is a really exciting day for me and for all of us. When we think about how the world is going to change (and we'll think about that in a moment), it's important to have people from all backgrounds together to collaborate on what the future will look like. I'm excited to have leaders in academia, health systems, government, industry associations, as we beat up these ideas and develop some sense of what the future might look like.

I want to take a moment to set the stage of what is ahead of us. When I look at the future, I see three big trends that drive the change that is headed our way. The **first** one is the **changing demographics**, and even the **psychographics**. We're familiar of course at the national level, with what 10,000 or so people a day that turn 65, but I understand that those trends are even stronger on a percentage basis here in Montgomery County. But it's also the psychographics. It's how people think differently than they have in the past. There are big differences in thinking between boomers and the greatest generation. And even the

word 'retirement'. I think there's a real issue around terms, even now as we think about these new segments. So that's a big shift.

And I'd say the **second** one is on the **healthcare** side. We have about 3 trillion dollars of healthcare spend and we're told about a third of that is deemed waste. We're shifting now from a fee for service model to more values based/outcome based/population management role. And with incentives and policy modifications, there's going to be change. We have to look at this differently.

I think the **last** one is on **technology**. Today we all more or less have super computers in our pocket. And these super computers are connected to the broadband Internet and with the touch of a button we can have a car come to us, groceries, and healthcare. Did anyone Uber here? Just curious. [laughter] Yeah, we have a handful of Ubers back there! A couple of years ago you couldn't have done that. So we start thinking about the next stage when you're going to have personalized medicine and miniature devices again connected to the Internet. There will be lots of data as we head into the Internet of things and making sense of this data will have huge implications. So I think when you start adding up the demographic shift with the healthcare policy, with the rapid change in technology. It's really mindboggling where this is headed. I think it has an impact when you think about housing.

One word on **longevity**: as we spent time here creating this model and just in the field collaborating with other thought leaders, we tend to forget longevity is such a big deal for all of us. They say for us that the **first person to turn 150 is alive today**. And research tells us as you get older, **how long your parents have lived is not a key indicator for how long you will live. It's much more a function of your lifestyle**. So we have an opportunity to create successful life habits and health systems can also incent us to pursue these habits. This has pretty broad-reaching implications for all of us.

Two more things here before we introduce the panel. First, from a logistical perspective, the panel session and the Q&A will last about an hour, so we'll be done around 3ish, 3:15. For those that are interested we'll have a few small group tours afterwards. You'll have a chance to see how we created The Stories and what it is. We have refreshments, drinks, and cookies. Feel free to continue to network as clearly was happening earlier and take your time. For those that are into tweeting, we encourage the hashtag "Future of Housing" - one that I know AARP and Debra had at their event in December.

One last thing I want to mention. This is the 'Future of Housing for Grown-Ups – A National and Local Perspective'. So what do I mean by grown-ups? Well I think terminology is a challenge here. **First**, I think it's important that we have **policies and plans for people that have limited means and acute healthcare needs**, and we need to provide services and housing more cost efficiently. **But at the same time we also need to think about everyone else**. And that means ways to keep people having purpose and engagement and staying healthy longer.

So that's what I think today's dialogue with our panelists is going to be. How do we think about the broad spectrum of opportunities? What do we do?

Actually there was one thing I forgot to mention. Leslie Marks, one of our panelists, asked me "Well, Ryan, what is the goal of having people here?" and I didn't have an answer immediately. And I thought about it more and I said, "Leslie, I think it's three things. First of all, we want to further and deepen and broaden this dialogue around the future of housing, for grown-ups but really everyone. Second, I think we want to connect people at the local level with people at the national level." So I'm really proud, as Mike did with some of the acknowledgements earlier, that we really have that today. We have people here influencing national policy and we have people at the local level. We want to compare those notes, what's working? What's not working? How can we make it easier?

And the third thing, I think it valuable to have the event here with the backdrop of The Stories. We hope that this innovative concept that focuses on wellbeing inspires, but also engages people to critique it. I want us to ask 'How can we do things better collectively?' So with no further ado, let me introduce the panel:

I want to start off with Bill Novelli, a professor at Georgetown. Bill's been a great friend to me; I shared the Smart Living 360 idea with him about a year ago. He was encouraging but also very critical, which I appreciate. So Bill will moderate our panel. Next we have Dr. Anand Parekh from the Bipartisan Policy Center. He's a senior policy advisor and he's also leading the task force that BPC has on health and housing. He's going to share some of the progress that will ultimately lead to a report presented to Congress this summer. And then Dr. Debra Whitman. I'm excited to have her here. She's the Chief Public Policy Officer at AARP. She is leading a lot of dialogue and convening around these opportunities related to housing, livable communities, etc. AARP has great influence on this conversation. So I'm looking forward to her insights and updates and the progress they've made. And, lastly, Leslie Marks, who is a senior fellow from Montgomery County. She has a steeped background in senior housing and various parts of housing. She'll offer a great perspective on what's happening in Montgomery County today. I know there's been significant

progress here for a while, but especially this summer. So with that, I'm going to hand this microphone to Bill.

Bill Novelli, Georgetown University: Hey good afternoon everybody, thank you so much for being here. I want to thank Ryan and Mike for putting this together. This is a terrific occasion. I'm looking around the room and I see so many people, from so many parts of my life.

Not just AARP but people I've known for many years. Ryan called me a professor, but actually my title is 'distinguished professor.' and a lot of you know my wife, Fran. I said, "Fran, when we're by ourselves would you mind calling me Distinguished Professor?" It has not worked. So those trends, Ryan, were great. It reminds me of some years ago I was giving a talk in Kentucky on health and longevity and after I was done speaking a woman raised her hand and said, "do you know women live longer than men" and I said, "Yes I do." And she said, "Well what are you going to do about it?" Even if I could do something about it, everybody's living longer! **These trends that Ryan described are exactly the trends that we face today and that we'll face in the future.**

So we have a terrific panel. We're going to get right into this now. And the first question I'm going to ask the panel members, and they get to share the couch and share the mike. The **first question is: tell us a little bit about your organization in the context of future housing for grown-ups.** So Anand, we'll start with you.

Anand Parekh, Bipartisan Policy Center: Bill, thank you very much. Ryan, thank you. I'm very happy to be here, distinguished panel, distinguished audience. Special thanks once again to Ryan for bringing us together. So my background I'm a physician. I'm also a recovering Fed—just finished a decade of service at US Department of HHS. So I bring those two perspectives. Up to about four months ago I knew little about housing, but **I'm quickly realizing that housing in many ways is health.** It's a very important social determinant of health. And the BPC is a think tank in Washington DC that actively tries to promote bipartisanship on many of our nation's key challenges and last year it launched a task force on senior health and housing. How do we bring the healthcare system and the housing system closer together to improve health outcomes and reduce cost. It's led by two former Housing and Urban Development Secretaries and two former Congresspersons—two Democrats and two Republicans.

We're really looking at three particular areas. The **first** is how do **you increase the supply of affordable housing** for our nation's seniors. The **second** is how do you **facilitate home and community-based modifications to support aging in place**. And the **third** is can we **identify and scale new models that integrate health, housing, and long-term services**

and supports. And we'll probably have a chance today to talk about all three of those areas.

I think all three are critical from my perspective as a physician when I ask myself the question "why does housing matter to health." Well all three of those are critical. Number one, lack of housing impacts health. We know that can lead to physical health conditions, mental health conditions, the stresses the strains and on one side of the spectrum are the fifty thousand Americans are the seniors in this country who are homeless and on the other side of the spectrum are million other seniors who are suffering or are seeing housing unaffordability. So the lack of housing matters.

The second area, the second reason why housing matters to health is because the physical structure itself can impact health.

Just think about falls in the country. Falls are the leading cause of injury and injury-related death for seniors. **One in three older individuals fall every year**. It costs the Medicare program $34Billion in Medicare expenditures from the trust fund, so modifications in the home are very important to improve health.

Finally, this idea of bringing healthcare services to the home is also extremely important and in many ways I think that's the future in many ways of outpatient healthcare. Flipping the medical model on its head instead of the individual going to a healthcare practitioner, having the healthcare practitioner coming to congregate settings and seeing how that model improves health outcomes. So there are very clear ways in my mind why housing matters to health and that's how our work so far has been structured. I'm looking forward today to talking a little bit more about that, but mostly Bill I'm here today to learn from all of you so that our work can really be beneficial.

Debra Whitman, AARP: Thanks, Anand. So I've been driving by this location for a couple years on my way to Matchbox and The Container Store. I live very close by and I was curious what was coming up and really excited when I heard it was structured housing that can help people age in place. Because at AARP we know the vast majority of people want to age in their home. Now, their home might not be the home they grew up in. Sometimes it is. But it's not a nursing home, not a place where they can lose control of their independence and what I like about this location is that you can walk to Matchbox, you can walk to The Container Store, you can get to the metro or hop on the bus. I got to see a unit upstairs that was really lovely so I might have to join and buy once I no longer have kids in my house. **This is an important shift when we think about where we want to live. People want to live in places that have all of those things around them**. We had for so long, around

where I live, built a house with no sidewalk and I would have to walk 45 to get to a similarly nice area like this.

So the shift in housing is also going to mirror our demographics. And I said we want to live in our home. But really 40% of all new home purchases are over the age of 50, so it's an important real estate demographic. And relators and home builders and communities need to look at this change of an aging population and provide options for them—affordable yes, but a range of options so that they have a place that has health and exercise equipment downstairs so you can stay healthy. A place that can be adapted for your needs as you age because the doors are already structured a little bigger or the walls are developed for handrails. We had a housing seminar awhile ago, that's why I want you to continue to use that hashtag "Future of Housing" where we brought together people from builders, Home Depot and people that were providing aging services to see how can we address both the demand and the supply of housing and **how can we think about health and housing services being integrated**.

What I'm excited about this location, not just because it's close to my house, but it's the future of ways we need to be thinking. **We need to be thinking about ways to redesign our communities**. And having the Mayors and other folks here, I think this is a shift in the way we think about designing that's going to be really important going forward. I didn't introduce AARP where I work, which is a small nonprofit [laughter]. I did want to give a shout out to Hank and many of our volunteers from the Maryland state office who do great work across the state and this community in particular. Thank you.

Leslie Marks, Montgomery County: Hi, my name is Leslie Marks. I'm a Senior Fellow in Montgomery County. What that means is I work in the department of Housing and Community Affairs. My background is senior housing. I started on the developer's side; I was the project manager for CCRC in Montgomery County. Then I went to run the senior housing program for NAHB and I did consulting, and then the recession came so I sort of retired. I then got involved with the Commission on Aging and Montgomery County which has this program where they utilize seniors who have expertise to get them into the government to take advantage of their experiences. Those of us who are hired get to be engaged and we get to share our expertise so it's a win-win. I have to say, **Montgomery County is doing a lot in the direction of affordable housing, lifestyle, aging in community. The county executive is committed to age friendly communities and in December we were accepted into the World Health Organization's Age Friendly Community, so there's a lot that's being done**. We have a big appetite to do a lot more. If resources are available we will continue, we will continue but to the extent we can keep on continuing. The big issue is resources.

Montgomery County is a majority-minority community in the hole. Not so with seniors. Seniors are 65 and older. 65% are White Caucasian. 14% are Asian. 12% are African American and 6% are other. This population is growing and the challenge of housing and providing services to the diverse community is just one thing we are thinking about as we do provide housing. Now when I'm talking about housing I'm representing the county government. I'm talking about our housing programs which are primarily at this point are funded by low-income tax credits. We do have a housing authority in Montgomery County and they are the organization that takes advantage of federal programs such as they are.

But I'm talking about what the county government is going to do, has done, and I want to tell you that since 2008 the county government has been responsible for either new or rehabbing existing senior housing 900 units. At the moment there are 833 units in the pipeline and as I said we use low-income tax credits to do most of our programs. We partner with developers, we partner with the faith-based community. We are very creative.

Bill: That's okay. This is a great start. And I was thinking while Anand was speaking, I should have pointed out that among the other relationships in this room I serve on one of the boards of the BPC and I know this organization well. The most important thing about them is the word 'bipartisan' in their title. There aren't very many organizations in Washington that can be described as bipartisan and they are one. We have optimists here. We heard all kinds of good things that are going on. But Leslie used the word 'challenges.' **I want to talk about challenges in this housing issue. Both on the supply side and on the demand side – and to use Ryan's phrase – that exists or that can be connected at national or local level.**

Leslie: **Challenges are resources**. We can do as much as we have resources. Right now for new affordable senior housing we are using partnerships, we are using low-income tax credits. The county has the Housing Initiative Fund. These are our own tax dollars that we use. It's leveraging the tax dollars and making them go as far as we can make them expand. The federal government, their traditional programs are dormant and we really look at the low-income tax credit, wanting that resource to be continued and reauthorized...so that becomes a challenge. And it becomes a challenge to integrate what we have with the state programs which we do a good job and with the community at large and being able to serve a diverse community.

Anand: I'll list off a couple of the broad challenges and trends, some of these we already highlighted. So now it's the glass half empty. We've talked about the aging populations, more seniors with chronic conditions and more seniors having limitations on activities of daily living, so it's **estimated that 70% of seniors at some point will need long-term services and support.** So these are things a lot of people don't think about. Retirement

savings, also increasingly difficult for seniors. Less in terms of retirement savings. Three: **housing affordability is a major issue**, particularly for low-income seniors. One study came out earlier this summer that said senior households spent about 28% of their spending goes to housing and that's double than the amount of spending that goes into healthcare, which is pretty phenomenal from my perspective when I always thought it was more healthcare than housing. So housing affordability, more seniors have mortgages, mortgages are higher. So that's also a critical issue. Fourth: if you look at universal design, **most homes in this country are not designed for the needs of seniors**. So **if you take a look at 5 common features of universal design, it's estimated that only 50% of homes have only one of those five**, so we have a long way to go in ensuring the suitability of the home setting for seniors. And then fifth in terms of trend for those who are poor or low-income, again 50,000 seniors are homeless in this country, so this will double with the aging of this population as well. So chronic homelessness is an issue as well. These are all the trends converging and the reason we're talking a lot about this.

I'll just end by saying for this segment, Leslie is already pointing out some of the key challenges in terms of the public sector there have been some limitations if you look at some of the federal department and agencies like HUD, in terms of funding, new capital for new construction, the low-income tax credit is another program I'm sure we'll talk about. The challenge is how do you get new resources, the demand is going to be there and the supply is not there, **how do you incentivize the private sector**. So I think these are a lot of the challenges we'll have to think about.

Leslie: Can I just make a comment because you mention universal design? In Montgomery County the homebuilders collaborated with the county and legislation was passed to provide tax credits to both the buyer and the builder if they put universal design features in new construction and in existing construction there is also tax credits, so I'm pretty proud of our county.

Debra: I think Anand did a really good job about the problems. I'm usually the glass half full kind of gal and I think some of those will change. We do need help in Congress, we do need help at the state and local levels to really push for programs and policies and tax credits, Section 202 basic things that help to fund and make things affordable. We know that the average housing cost here is over $2000 a month and the average social security check is $15,000 a year, so do the math. It's not very easy for a large number of people who largely live on a fixed income to afford to live in this county. It's not just true for older persons, it's true for teachers and other folks as well. So we do need to address housing affordability for the broad range of people more importantly in this area I think than others.

Ryan: Bill, if I could add one quick thing, I think for a demand perspective there are other issues too. I was in San Francisco two weeks ago speaking at the Encore Conference - I think a couple people here also attended - and I had three minutes to talk. I started off by saying I think it's time we retired retirement communities and people started making noise and clapping and standing up. I was losing precious time! So I think there is a phenomenon, especially when you look at the average age of entry into independent living, that's now in the early to mid-80s, where there's a sense that **even those that can afford existing housing options are not choosing the existing solutions in the marketplace today**. I think there are both supply and demand dimensions to it.

Bill: Thank you, Ryan. **This business about 'housing for grown ups,' maybe we should talk for a minute about housing.** You know AARP, part of their mission is improve the quality of life for all as we age. And as we think about housing for grown ups, you know we used to say it should be good for a woman pushing a baby stroller too. **So when we think about the intergenerational aspects of it all, how does that fit in?** Are we keeping up with that? Is that part of the opportunity, is part of the challenge, is it part of everything?

Debra: I think it is part of everything and if we look at **Montgomery County, which is part of the Age-Friendly Cities program**, which is an amazing model, that AARP helped support, that gets people to think about the needs in their community of an aging population around eight domains. And those include housing importantly, but also healthcare, access to transportation, public spaces, all those things. **And a lot of the changes that come up in the conversation about what's good for a park for older people is the same for what's good for a park for younger people.** What's good for transportation, and actually even leveraging your transportation around the working population to the daytime needs of an aging population can create efficiencies and so I was really delighted to see that Montgomery County is taking on this role and at **AARP we also developed what we are calling a Livability Index and my team at the institute spent two years pulling together data around each of those domains as the age friendly cities and again looked at healthcare.** Montgomery County does pretty well, it is a 59, so slightly better than average overall. It is a score of 81 on healthcare which is really, really high--the median is 50--largely because we have low smoking rates, low obesity rates, our access to public spaces for exercise are 99% in this county, which I love as a mom, but they're also good for people who want to walk and get healthy as they age. **Where we're very low, a 37 is our score for housing and that's because housing is really expensive in this county and we only have 1.2% of our housing as accessible.**

And so that's a huge area that we can think about and Ryan you talked about what is the demand--I didn't notice that walking upstairs that they are bigger, it just looked like walking through a nice door. So that's going to make a difference when you have someone

in a wheelchair coming to visit you. We can figure out the housing, zoning, and the incentives we have for creating that kind of housing if we can show builders the value in creating that. Again, not just for older people to live there, but my daughter's been on crutches in her life, we've had visitors come, and my split-level is just not handy for those types of things. So as we think about design, we can move these scores across Montgomery County as higher and higher across all of these domains. **And Bill, you're right, it's good for me as a parent, it's good for me when they're grandparents come to visit, and it's good for me if I ever need it myself.**

Bill: Deb, it sounds like you're proud of Montgomery County. We already heard that Leslie is, and I want to say I'm a resident and I am proud too. However, this housing score is not a good score. Leslie, where are we in terms of affordable housing projects? I know it's a question of cost, I know it's an issue in terms of planning, but what's the story?

Leslie: We have six housing projects in the pipeline. All of them are affordable housing projects for communities for seniors and three of them are actively moving down the pipeline. They are going to be on county land, one of them is going to be on church land. We're trying to get creative and reuse land and think about building. Well, we have one project that's right next to the library in Silver Spring and it partitioned the land and half of it went to the library and half of it went to affordable housing. Maybe we'll build housing on top of recreation centers or schools. I think we have to get creative and this is the beginning of the conversation and in no way am I saying this is what the county government is committed to at the time but they are committed to using their land and leverage that. So it is the beginning, and it isn't the whole answer but it is the beginning.

Bill: Okay, thank you. So we're going to take a minute here to talk about innovations. So I'd like each of our panelists--and I'd like to chime in myself--to give us an innovation. Something you're working on or something you've seen. **What's an innovation that's really going to drive change?**

Anand: So there are probably two ways I could answer that. Ryan has mentioned technology already more broadly. At least for seniors there are an array of technological opportunities that can connect health and housing, from secure messaging and remote monitoring, ways in which you can connect with a healthcare professional to monitor your health, telehealth as well as telemonitoring personal emergencies, remote monitors and alerts. **So there are a number of ways in which I think housing and healthcare are being connected by technology, which can only lead to an improvement in health outcomes and reduction of costs.** I think there are a lot of issues there related to broadband and connectivity and things like that to make that happen, but I think that's one place where we ought to look.

But the innovation I really want to focus on--and Ryan touched on this on his opening comment--is really the **transformation happening in healthcare today where healthcare delivery and payment is moving from a volume-based approach to a value-based approach**, which means that providers are not being paid for every single service they provide but for the overall improvement in health outcomes. So it's not just you get paid for everything you do, now you ought to get paid for improvement in health outcomes. And important outcomes such as reducing falls, such as reducing hospital readmissions are all now on the minds of hospitals and health systems because they're on the hook, they're on the hook for these things financially. So where should they look to impact and improve outcomes?

Well one of the most important places to look is the home. And I think you're seeing the healthcare sector increasingly interested in what's happening in the home setting. So very quickly, a $34 Billion problem for Medicare in falls, and most falls are preventable and happen in the home, becomes something that they care about and there are probably different sorts of ways to get at that. **A $20 Billion problem in hospital readmissions, 1 in 5 Medicare beneficiaries, when they get discharged from the hospital, they come right back into the hospital within 30 days, now hospitals are on the hook for that.** So these are big chunks of money that are increasingly forcing healthcare to think about what is happening in the home and circling back to Leslie's point, where are we going to find these resources. And I think, yeah, we need to keep looking at the public sector for low-income seniors and HUD and we have to support HUD, and low-income tax credit that's got to go up to incentivize the private sector, but we also need to start partnering with the healthcare sector. And trying to find resources from other sectors like that.

Bill: I'm glad you brought that up, the nexus of health and housing, that's great.

Debra: I couldn't limit myself to one so I'm going to try to go quickly through my favorites. It's very low tech, **I do think the age friendly city movement is one of the most innovative things in that each locality talks to their older persons within, in this case Montgomery County.** We now have 75 cities across the United States that have committed to this model and because you're asking questions about transportation and housing, you find things out that your locality and the people in your community need. Now that's very low tech but it's a huge innovation because sometimes we don't ask or sometimes we just look at health or we just look at parks and we don't think about the demographic lens or the intersections between it.

I want to say really briefly, is this Village movement where people in a neighborhood are coming together and I think the movement with Uber and other shared services are getting

people to think of 'okay how can we as a community hire somebody to plow the snow so that as I age I don't have to slip on the ice and do it or my whole neighborhood gets it. Or we have a driver who takes everybody to the hospital when it's needed or to nursing or to wherever they need.'

The **third one that I see right here is this move to high density from urban sprawl**. **That's going to help with social isolation**--people are going to naturally contact each other more as they ride the elevator together or meet in the gym. It's also going to help with health and a variety of other things.

And the last thing is **housing design**. I think we haven't really talked about the ways we can build into housing better grab bars, bigger doors, all of those things. None of these are rocket science, none of these you need a supercomputer to do. They are about asking the right questions and addressing the needs that we're going to have. So those are my top.

Bill: Good ones. Leslie, innovations?

Leslie: Yes, I just want to play off the **Village movement because I think in Montgomery County we have 17 villages** and many more in the pipeline growing and this is the way to deliver services. It started out with rides and now it's socialization and health care. I think for me the most exciting thing I'm seeing, there's a group in Montgomery County called **Nexus Montgomery** that has come together. All six hospitals in the County are part of this group and they've applied for a state pilot program loan and the pilot program is going to address affordable housing to deliver healthcare services. There will be a discharge social worker when someone comes out of the hospital, there will be somebody to help them look at their house to see what they can do about falls. There's a medication management, there are a couple of pharmacists involved. It's very exciting, so we're waiting for the state to come back to us, to say 'yes, go ahead.' But I think this will be wonderful to then go be applied to Villages and implemented there, so this is a great opportunity. And in terms of Villages again, where our county executive has been really supportive is in his budget he has funded a village coordinator as a staff position to help create more Villages and help sustain the Village movement.

Bill: I'd just like to offer up and innovation and then I'd like to open it up to questions from the audience. So at Georgetown in our business school, we have something we call our Global Social Enterprise Initiative. This is a center where we work with companies and nonprofits and government agencies and across sectors to tackle social and environmental issues. And one of the most exciting things we're doing right now is what we call our **'AgingWell Hub' which we announced just recently along with Phillips and the MIT Agelab as part of a commitment that came out of the White House conference on**

Aging. AARP's in it, Ryan and Smart Living 360 are part of it and a number others. I want to introduce the architect of the Aging Well Hub, and that's Diane Ty who's also an alumna of AARP. So Diane, would you take the mic from Deb and give us 30 seconds on the hub?

Diane Ty, AgingWell Hub: Thanks, Bill and Ryan. The Aging Well Hub is all about as Bill-- as anyone who has worked with Bill at AARP he is all about **bringing together the strange bedfellows, folks from the nonprofit, academic, government, corporate sectors to really tackle tough aging issues.** And that's what we're doing with the Aging Well Hub. We've got Merck, Phillips, MedStar Health here in DC, Partners Health in Boston, Humana, as well as housing developers- Ryan of Smart Living 360 and John McLinden at Streetscape up in Chicago, and others. Specifically, one thing that we're doing is creating a pilot project where we are building a model showcase home in a Chicago suburb. Google's Nest is involved and Philips, and we're really looking at bringing in all the Aging Well technologies and really featuring that in the home. It'll be a showcase for homebuilders, for the media and the general public. It'll be a **living lab** where we can have folks come in and actually test it out. But really the most important focus, not just to load this house up with technology, but really **being deliberate about how we connect into the community**. So the mayor of Lake Zurich where this home is going to be built is part of our design session. And Ryan and myself and the head of innovation at Phillips and a few others will be gathering in March to design what this will really look like.

And we're also working with folks at AARP and their Home Matters piece, they're doing a design contest to look at universal design and we're trying to figure out how we can bring in some of those solutions as well into the house. We saw very similar trends for universal design, it's been around for ages and yet there's no codified standards for what it means to put design in our homes. We hope to change that. **And the vision for the hub is to actually start doing these things, start doing demonstration projects and hopefully start setting standards.** And very important on the technology side, as we hear about the internet of things and all the opportunity to connect, there are no interoperability standards right now, so having Phillips as part of our team-a real thought leader in this space, Google, we're really going to tackle this, so we're excited about that.

Bill: Thank you. Okay, now we're going to have questions from the audience. All I would like you to do is give your name, your organization if you have one, direct the question to any panelist you like or just ask it generally and we'll pick one.

Jill Cornish: I'm Jill Cornish and I'm a Chairman of the Rockville Senior Citizens Commission. And never to be shy about anything, **I want to know where NAHB is on this**, where the homebuilders are. You haven't said one thing about the people who are building

houses. **Why aren't they involved? Why aren't they stepping it up?** It's a very important group of people.

Leslie: Well, they are they're just not sitting here at the table. I happen to know a little bit about them, they've done some things, but that doesn't mean they can't do more. But, **they have a program where they train remodelers** and they go on and make universal design changes and they understand what goes on there. So that's one thing. Builders only build what they think people are going to buy, and I heard a program for green, for solar, there's a tax incentive for people to put solar in their houses. So there's a guy I work with, Louis Tenenbaum, and here they're talking about a tax incentive for people to put solar in their homes. Builders are not leaders in this, they're followers. They can give you the technology, they understand how to do it. Somehow we have to create the demand and maybe this tax credit could be the demand.

Ryan: Let me add to that. So I think part of what's happening right now is somewhat what Leslie described. Most developers tend to wait until a concept is proven. I think we should be mindful that there's a lot of development on the apartment side and that is not part of the homebuilders' society. There's a group on the multi-family side, the National Multifamily Housing Council, and you are seeing more dialogue around this. This group is making progress but there is a long way to go to create more attractive and suitably designed supply.

On the innovation side, one of the innovations we're seeing is not just housing but housing as community. And, beyond that, how can housing enhance well-being? I know Bill's been helpful for me in thinking about this.

Well there's groups out there who frame ways to think about this, where there's data as well. So one approach is by Gallup-Healthway. They self-reported data in terms of purpose, social connection, physical well-being, financial well-being and engagement in your community. By the way those metrics are not age dependent, it's relative at any age. So what you're finding is if you build an apartment, inherently, if done well, have community. Okay so that's one of the innovations.

I'll also say that innovation is messy. Part of what happens is we're at a stage right now where we're describing it from either an affordable perspective or for people that do not have other means- there's a gap, right? There's a sense that we need to change, we don't know what it looks like entirely and you have some groups that are willing to wade out in that fogginess. And that's a little bit of what we are right now, here at Federal Realty and Smart Living 360 at The Stories. **What we're doing here is unlike any development in the country right now in the sense that we have a walkable, mixed use location,**

design elements from an accessibility and technology perspective and an operating model that coordinates lifestyle and health services on an as needed basis.

From an operating model perspective, we're very specific in helping build a community just like the Villages and then coordinating different services from a lifestyle and health perspective. And I think being mindful of affordability can help make it work for more people just makes sense. But it's messy. Initially our goal was to have this be purely intergenerational, non age-restrictive at all. And then we talked to some people and were persuaded to make it an age-restricted community. We were concerned because it didn't fully capture the thesis of what we had, which is that people want to be around people of all ages. So it'd be great to have the walkability, but it'd be great to have in your building different ages.

So as we were looking at it, just this week we decided to go back to the **original vision where we should have people of different ages in the building and we should find ways to encourage that.** And one of the reasons that happened is because we found people who would be great to come in and they didn't want to move into an age-restricted building. **Along the way, we found some people who loved the concept but they couldn't get over the stigma associated with an age-restricted building and they wouldn't even reach out to us. So I think there are other areas on the innovation side that even have more of a marketing lens.** So for us we're changing nothing else, everything is the same: same operating model, same design, same location. So from an innovation perspective it is messy, there are pieces even from a marketing perspective, as a field, as a collective group that we can do to get winning ideas out there because- in fact we have a meeting with BPC a week ago where one of the leading voices said we need to find a way to get private developers to come in here and really make a difference because right now it's really not happening. **We need case studies where it's working, where people can see it and see it make a difference.**

Anand: Can I ask one follow up to that? So if builders and developers are waiting to see the demand we sort of assume, well with the aging of the population that demand will be there, but is there a role education here to seniors? Perhaps seniors themselves realize the importance of universal design and I think this assumption we have-oh the aging of the population the demand will be there-**maybe there's some education role we need to do to increase demand.**

Bill: Would anyone like to comment on that?

Elinor Ginzler: I'm a senior director of the Center for Support Services at JCA, but I did have the wonderful opportunity to work for 15 years at AARP with Bill for quite a lot of

that time. I can't tell you how many focus groups I sat in, eating way too many M&Ms on the notion of universal design. So we all won't be surprised when they-the 55 plus population-have no idea what it is (and this is in spite of AARP doing a heck of a lot of work to get the word out). **And when you ask them what they think it means, it's like Soviet design where everything's exactly the same.** And then when you describe what it is, this is an actual quote. The woman had told us the story, she'd been in a hotel on vacation where they had the raised toilet and they loved the raised toilet. And so the facilitator of the focus group thought they had a winner here and said, "So are you thinking of doing that when you rehab your bathroom?" "Absolutely not, it's too stigmatizing." **So when you [Ryan] said stigmatized, I think approaching this from a multigenerational way is the only way this will ever have any traction whatsoever.**

Bill: Thank you, Elinor. Someone else had a question?

Audience member: Yes, I am [...] with Potomac Home Support, we work with geriatrics. One of the things that's already out there is intergenerational living. You've got naturally occurring retirement communities where people are already staying in their apartments for their entire life. And I don't understand why people who own those apartment buildings would say, okay we are going to add certain things that would make this become an intergenerational area where you could have—I mean some of these places already have little grocery stores underneath, some of them have hair dressers, but you've already got these buildings, why wouldn't someone who owned them say, 'hey you know what we need? A nice grocery store down the street. Let's bring that to this area.' And then the people who are living in those communities would have those things right there. You don't have to do anything. But once they move out, change around the apartment so it meets the criteria for anybody intergenerational or not to live there and be comfortable, because that's where they want to stay.

Leslie: So I just love my community. One of the things I am doing with Landlord-Tenant, which is in my department, is we are meeting with large owner operators of rental housing in Montgomery County to talk about the services that are available in Montgomery County, not to make them case workers but to make them resource people. And they love it. We're now going to do Round Two of this, where we'll talk about what you do with that difficult resident who is a hoarder or who has dementia. But we've also helped them bring services in, bring meals in, where you can't necessarily get to a grocery store right away. Get transportation there so they can take their residents to the recreation center, which is in their area. So, that's a beginning, but it's a good idea.

Jillian Copeland: I'm not officially in the housing industry yet and I don't do much on aging people, except in my own family which sometimes feels like a fulltime job. I'm actually in

the special needs community, but my husband is a developer, and he is in the affordable housing businesses. That is his niche, tax credits, everything you guys are discussing. He's up and down the east coast and **Montgomery County is by far the most difficult county for him to create affordable housing, and a lot of that's political**. So I just want to throw that out there, because it's not always the developers. I think a lot of developers, he and others in his niche, have a difficult time even getting a paper signed that will sit on a desk for six months. So there is an issue on the developer side with many I'm sure, but he is a developer with heart and I see how frustrated he gets to the point where he said, 'I'd pretty much rather be in any other county up and down the east coast other than Montgomery County, and I'm working so hard and I'm pretty much just giving up on Montgomery County.' So I just wanted to put that out there because that is an issue and he is not alone in that thinking. So there need to be some changes on that side.

My question, or maybe just something to throw out is that our special needs population, moms of special needs teenagers or a little bit older, looking into affordable housing for them is obviously a major issue, pretty much everywhere nationally, but very much an issue in Montgomery County and most of our disabled population falls under that, in that category. So while we're thinking with all these innovators in this room, and all these amazing people, when we're thinking about this aging population and what grown-ups look like, our kids are very much in this population. Because while they might not be the age that we're looking at, they need the modifications that are being provided, whether it's a physical disability or an intellectual disability.

I would just love if while our lens is shifting and our mindset is open, that we continue to think about this population because I am looking at ways to integrate this population into some of my husband's proposals and we're very much on the forefront of this and very excited about these options and I get more excited when I think if you can mix this integrated building with special needs with an elderly population and a whole lot of other people that would not even fit a label, which would be amazing. Because that's truly the way we create community, if that's what we're talking about on our theme to be inclusive.

Bill: That's very well said, thank you so much. Does anybody have a follow-up on the first part of her remark, about Montgomery County?

Mike Smith, Montgomery County: Hi, my name is Mike Smith and I'm a good guy. And in addition to that I am the county executive's liaison to the development community. And you speak to my heart in terms of ways to make the development process more open, accessible, accountable for more people in the development community who are trying to do things that are transformative and address needs in the community that haven't historically been met. So, when we're done with this meeting I'd like to say hi and give you

a business card and encourage your husband not to give up on us because we'd like to make a change here and a difference and I think we have begun to do that. The county executive just set this role up in the last seven months, so I'm fairly new at it but I've been a developer here in the county for almost twenty years, and I've developed a lot of property nearby here successfully, mixed-use developments, scaled to transit oriented use very successfully. So it can happen, persistence is key and patience. So hang in with that.

The question I have is for Ryan. The choice here in this building was apartments and **I'm curious why apartments versus the concept of ownership and I'm wondering if that's something as you look down the road you might consider doing in other properties.** But interesting to understand the reasoning behind the initial choice.

Ryan: Yeah sure, and I know Mike of Federal Realty can answer this question as well. Federal Realty's commitment to this block, and for that matter swaths of Montgomery County, and so the whole vision is to have this be owned by Federal for the long-term. So initially when I had met Don Wood about two years ago actually, this building was almost going to start construction and it was going to be an expansion of The Crest [the apartment building across the parking lot]. So we came in at the eleventh hour with a different concept. And we added universal design, we changed the fitness room which you'll see, we added some flexibility to other places, changed the operating model to include the Lifestyle Ambassador role, so it made sense to have it continue to be in a rental model. And I think you're seeing an increasing number of people that own their homes say 'actually I like the flexibility of a rental. I went through the last downturn—that wasn't necessarily what I was looking for.' That said, I think the elements of what we're describing could work very well in a condo or ownership model as well.

I want to thank the panel and the moderator, this has been fantastic. I wish we had three more hours. Thank you so much. **These topics are just so huge and when we go back to the innovation piece, I think we're going to see a lot more. That's exciting for those that have a glass half full and a glass half empty perspective. There's opportunity.** We're now going to offer small group tours for those that are interested. We have Greg in the back, he'll lead one, we have Martin right there, and we have Meg as well. And I'll be leading one as well. So feel free to grab a refreshment, a cookie. What we'll do is we'll show you very specifically what we're doing and we'd love your feedback as you go through it. Again, we feel confident, we're innovating, we're doing stuff that you won't see anywhere else and we'd love to expose that to you. So feel free to grab one of us and we'll take you on a tour. Thank you very much.

Resources:
- **The Stories**
- **Smart Living 360**
- **Federal Realty Investment Trust**
- **Georgetown University's Global Social Enterprise Initiative 'AgingWell Hub'**
- **BPC Senior Health and Housing Task Force**
- **The Village to Village Network**