

# BISNOW

## New State Funding Could Help Fix 'Unconscionable' Senior Housing Shortage

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Daniel Hunt Sr., 67, was in a rough spot.

He had lost his job at a local hotel, was battling prostate cancer, and his landlord was increasing the rent on his two-bedroom apartment in Woburn. He had filed for unemployment but was still stressed about how he was going to pay the \$2,400 a month to continue living in his apartment.

"There's no question, I was worried that I would definitely be on the street somewhere," Hunt said.

One of his nephews gave him an application for a housing lottery for the [Boston Housing Authority](#). He applied and was put on a waitlist but with little direction, and he then switched over to another lottery. He waited a total of seven months before he was notified that he was chosen for housing.

"I had no choice but to be patient," Hunt said.



[Pexels/Pixabay](#)

Luckily for Hunt, he was 10th on the list for one of [2Life Communities](#)' housing projects: the J.J. Carroll House in Brighton that was being leased in partnership with the BHA. The apartment

building [opened its doors in March](#), replacing 64 public housing units with 142 new affordable units for seniors and disabled adults.

Though Hunt found much-needed housing, thousands of other seniors across the state are struggling to find suitable options.

2Life Communities CEO Amy Schectman said her firm's residential communities have a waitlist of 8,000 households, but just 160 apartments turn over on average each year.

"Do the math," Schectman said. "It's unconscionable that so many people will be waiting so long who can't afford now."

Like other facets of Massachusetts' affordable housing crunch, senior housing is facing a supply and demand issue, with more seniors who have dwindling income looking for suitable options that don't exist. The issue is more prevalent now that the population in the state continues to get older and more seniors require housing accommodations.

By 2030, 21% of the state's population is estimated to be residents over the age of 65, according to a 2023 Massachusetts Healthy Aging Data Report, compared to just 17.4% in 2023, [according to the Population Reference Bureau](#).

The cost of living in Massachusetts in 2022 for single seniors was \$37K a year and \$51K for couples, the highest in the country, [according to a Gerontology Institute at the University of Massachusetts Boston report](#).

Massachusetts seniors are more likely to fall into economic insecurity than other states because the cost of living in the state is 57% higher than the national average tracked in the Gerontology report. A [2024 report from Bankrate](#) ranked Massachusetts as the No. 3 most expensive state to retire, behind California and New York.

State and local officials have realized the situation has gotten dire.

Last week, Massachusetts lawmakers [passed a \\$5.2B housing bond bill](#), which the governor [signed](#) into law Tuesday, that included policies and provisions aimed at funding new senior housing projects and rehabilitating existing buildings.

More than 66% of the state's senior housing inventory is older than 25 years, and just 14% was built in the last 10 years as of the second quarter of 2023, [according to a BBG Real Estate Services report](#).

"Older Massachusetts residents have been among those most severely impacted by rising housing costs," said [Ed Augustus](#), secretary of the Executive Office of Housing and Livable Communities, in a statement to *Bisnow*. "Often on fixed incomes, they can find it particularly difficult to adjust to increasing rents and cost of living."



*Courtesy of 2Life Communities/Monique Baron*

Daniel Hunt Sr., who found housing at the J.J. Carroll House after losing his job, with his dog Oreo.

The state's newly signed Affordable Homes Act includes the formation of a senior housing commission, which will recommend policies, programs and other investments to expand the supply of supportive housing for seniors.

The act also has some funding opportunities to produce more supportive housing, including the \$200M Housing Innovation Fund, which will support alternative forms of rental housing, and the \$60M Massachusetts Rehabilitation Home Modification Program, which will help modify homes for seniors and those with disabilities.

"In the Affordable Homes Act, they do many things," Schechtman said. "The significant thing is increasing the money that can go to build affordable housing."

"They created a special senior housing commission, saying, essentially, 'Look, we get it. It's different. Different needs, different opportunities, different savings opportunities in the long run,'" she added. "Let's collectively bring the best minds and ideas together on a commission, and let's tackle it once and for all."

Though it will take time to shuffle these funds into the space, there has been progress with affordable elderly housing.

The Pryde, a 74-unit apartment building in Boston's Hyde Park neighborhood, opened its doors at the end of June. The property had an overwhelming 750 lottery applications, according to [Pennrose](#) Regional Vice President Charlie Adams, the developer of the building.



[Flickr/City of Boston Mayor's Office](#)

Boston officials including Mayor Michelle Wu with the development team at the opening of the Pryde, an LGBTQ-affirming senior housing building, in June.

"We were out there on Saturday morning moving some of our stuff into the office, and at least two people in the course of 20 minutes on the street stopped by and said 'Hey, can I get an application? Can I bring my mother by to see it?'" Adams told *Bisnow*.

The project, the first LGBTQ-affirming housing community for seniors 62 years and older in the state, is part of a wave of new supply coming onto the market to address the growing concern over where older residents can live.

In the second half of 2023, 11 senior housing developments were delivered in the state with another 87 communities in "various stages of planning" for senior housing development, according to BBG.

"It's tough because it's in such high demand," Adams said. "It can be particularly troublesome because of the limited means of income that the seniors have. They're no longer in the workforce."

2Life has six communities in Boston, Brookline, Newton, Framingham and Devens with another six communities under development in Waltham, Newton, Boston, and Lynn.



The senior housing developer [began construction](#) on its Opus Newton development in March. The 174-unit project was geared toward seniors 62 years and older and caters to seniors in the middle market who might not be able to afford market-rate rents but make too much to qualify for income-restricted housing.

Schectman said the development of these types of communities is challenging due to funding obstacles.



[Google Maps](#)

Alta Oxbow in Wayland.

"We always say the two biggest threats to optimal aging are loneliness and affordability," Schectman said. "Well-designed, well-constructed, affordable housing for older adults is the only place you can simultaneously address both of those threats."

"It's a challenge [because of] two things: the funding to build it and the funding to maintain it," she added.

Schectman said there used to be a federal program that helped develop and preserve these types of communities in Massachusetts. The [HUD 202](#) program was ideal for nonprofit builders like 2Life because it provided capital grants to build the housing and a contract for operating subsidies used to maintain supportive care in the projects.

However, the program was put on pause in the 1990s, and when it was reinstated, Schectman said it didn't work as well in Massachusetts.

"It came back in a form that works in low housing costs, low labor cost areas, and there are many parts of this country that fall into that category," Schectman said. "Massachusetts just doesn't."

Though challenging, Schechtman said it is even more important now to build this housing as the need for it has grown rapidly.

In Massachusetts, 11.2% of seniors 65 years and older are below the poverty line as of 2022, [according to the U.S. Census Bureau](#), marking one of the highest rates in the country, [according to The Kaiser Family Foundation](#).

Nearly half of the roughly 70,000 residents in Massachusetts' public housing stock are seniors, and the state is looking to improve these properties, according to an Executive Office of Housing and Livable Communities spokesperson. As part of the housing bond bill, the state would commit \$2B toward the rehabilitation and modernization of public housing units.

Though development of the supportive housing segment has lagged, the "independent living" type of senior housing has seen an uptick. In 2023, independent living projects under construction in Massachusetts made up 18% of the total senior housing inventory on the market, up from just over 2% two years prior, according to BBG.

"The community actually wants independent living, active adult projects, because they want to keep their residents in the community," said Michael Liu, senior partner at architecture firm The Architectural Team. "There are residents in the community who are downsizing or selling their 3,500 SF house, but they have nowhere to go in the community."

TAT worked on the Alta Oxbow property in Wayland, a 218-unit 55-and-older active living development. Anthony Vivirito, an associate at the firm, said that the housing isn't too different from regular market-rate housing and helps people looking to downsize.

"There's definitely an understanding in communities that there's a need for a level of care and housing for that population," Vivirito said. "I think that there's a little bit greater receptiveness to providing care for the older age group to essentially keep people in the communities in which they've grown up."

**CORRECTION, AUG. 8, 2:05 P.M. ET:** *A previous version of this story misstated the number of units in the J.J. Carroll House in Brighton. The story has been updated.*

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