

# Chapter 6 : Seniors

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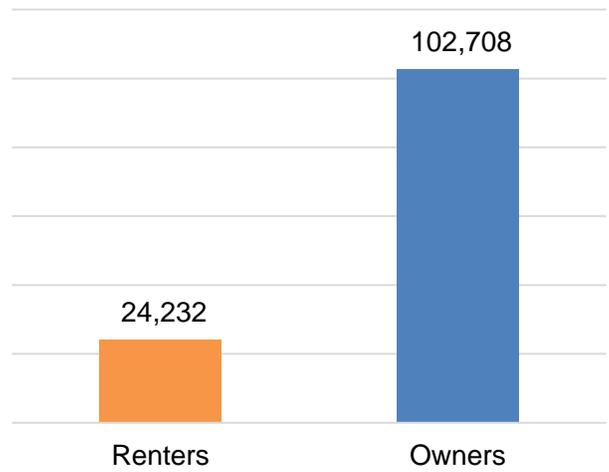
## Demographics

Households led by someone over the age of 55 make up just under half of Vermont’s households, according to Census Bureau estimates<sup>1</sup>. Eleven percent of Vermont households are led by someone age 75 or older.

The majority of Vermont’s senior households are homeowners (81%), with less than one in four seniors renting their homes. Vermont seniors have a higher homeownership rate than the statewide 71%.

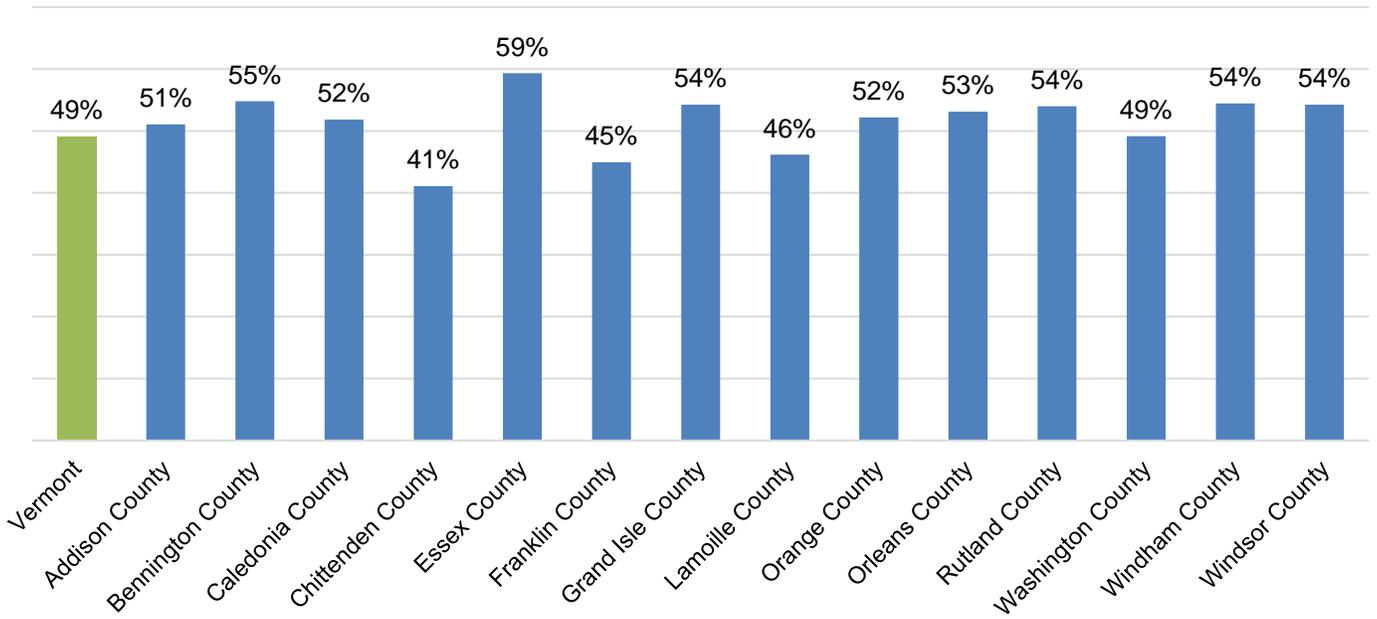
Vermont’s counties all have fairly similar percentages of seniors (age 55 or older). However, the percentage of seniors is lower among Vermont counties surrounding the Burlington metropolitan area, including Chittenden, Franklin and Lamoille, and higher in more rural areas, particularly in Essex County.

**Figure 6-1: Vermont senior households by tenure**



Source: U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25007) from [housingdata.org](http://housingdata.org)

**Figure 6-2: Vermont seniors as a percentage of all households**



Includes households headed by someone age 55 or older. Source: U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25007) from [housingdata.org](http://housingdata.org)

<sup>1</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25007) from [housingdata.org](http://housingdata.org)

## Income

Vermont seniors' incomes vary depending on age. Younger senior households who may still be working tend to earn significantly more than the statewide median. However, once households pass the typical age of retirement, household incomes drops substantially<sup>2</sup>. The national median retirement age is 65 for men and 63 for women<sup>3</sup>. At the same time, 27% of adults age 65-74 and 9% of adults age 75 or older were still working in 2018<sup>4</sup>.

Seniors are more likely to have low income levels than younger households. As of 2020, 30% of households over the age of 55 had incomes at or below 50% of the area median, compared to 19% of younger households. The number of low-income households increases with age, with 55% of households age 85 or older earning 50% AMI or less<sup>5</sup>.

However, it remains difficult to accurately measure the actual

financial capacity of non-working seniors due to the increasing propensity as we age to own a home and other valuable assets. The large majority of Vermont's senior households (81%) are homeowners<sup>6</sup>. Of these, 64% of households age 65 and older and 78% of households age 75 and older own their home outright, without a mortgage<sup>7</sup>. Given Vermont's high home prices (see **Chapter 5: Homeowners**), a home may represent a significant asset that could be used to fund retirement costs.

Nationally, total household wealth tends to peak between ages 65 to 69, with home equity making up 61% of total household wealth for this age group. Although average household wealth ticks down at older ages, it remains significantly higher than for non-senior age groups, including when home equity is excluded<sup>8</sup>.

**Figure 6-3: Vermont median incomes by householder age**



Source: U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B19049)

<sup>2</sup> The Census Bureau's definition of income includes most typical forms of income that are common during retirement, including most investment income, pensions, Social Security, Supplemental Security Income (SSI) and public assistance. Therefore the decrease in income shown in Figure 3 likely reflects the actual decrease in money coming into a household. See [ACS 2017 Subject Definitions](#) for more details.

<sup>3</sup> [Center for Retirement Research at Boston College](#), "Average Retirement Age for Men and Women, 1962-2016," 2018.

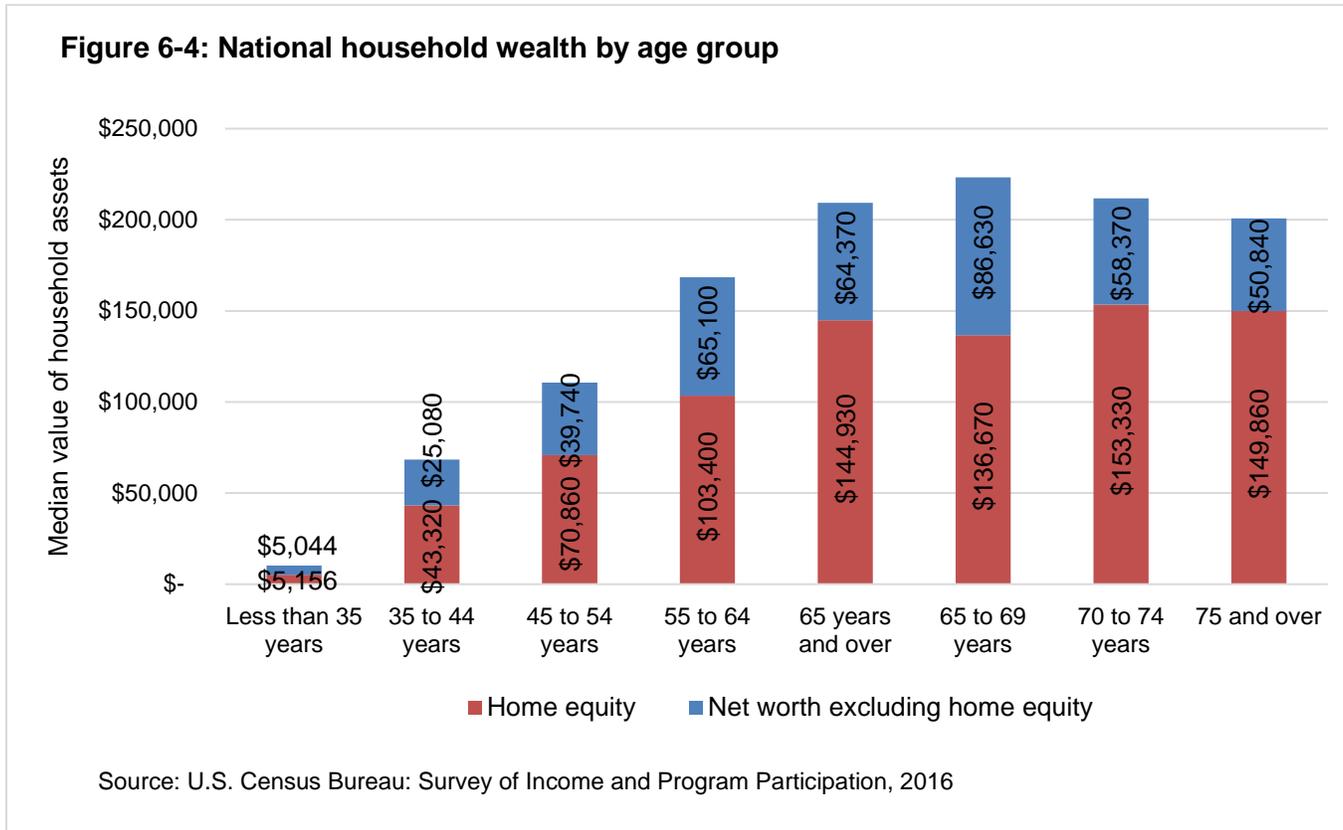
<sup>4</sup> [Joint Center for Housing Studies of Harvard University](#), "Housing America's Older Adults 2019"

<sup>5</sup> Claritas

<sup>6</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25007) from [housingdata.org](#)

<sup>7</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25027)

<sup>8</sup> [U.S. Census Bureau](#): Survey of Income and Program Participation, 2016



For seniors who do not work or have significant retirement assets, many rely heavily on Social Security income. The Social Security Administration reports that 90% of adults 65 and older receive Social Security benefits. Social Security accounts for a third of recipients’ income on average. However, Social Security accounts for half of the household income for 50% of recipients and 90% of income for 25% of recipients<sup>9</sup>.

As of 2019 nationwide, retirees receive an average \$1,503 per month in Social Security benefits<sup>10</sup>, or about \$18,036 per year. The median gross rent for a one-bedroom apartment in Vermont is \$780 per month<sup>11</sup>. To comfortably afford that apartment, a household would need to earn \$2,340 per month, well beyond the average social security benefit amount. Moreover, since Social Security benefits are accrued by income, many households earn far less than average. Lower-income households are more likely to be renters and are less likely to have significant retirement assets<sup>12</sup>.

Furthermore, more homeowners are entering their retirement years with debt than in the past. Thirty years ago, 24% of homeowners 65-79 nationwide and 3% of those 80 and over had remaining mortgages or home equity loans. By 2016, 46% of homeowners age 65-79 and 26% over 80 had housing debt. It is possible lower interest rates served as a factor with some households choosing to extend mortgages and seek out higher investment returns or refinancing opportunities. However, national senior housing cost-burden also increased

<sup>9</sup> [Joint Center for Housing Studies of Harvard University](#), “Housing America’s Older Adults 2019”

<sup>10</sup> [Social Security Administration](#), “Benefits Paid By Type of Beneficiary”, December, 2019.

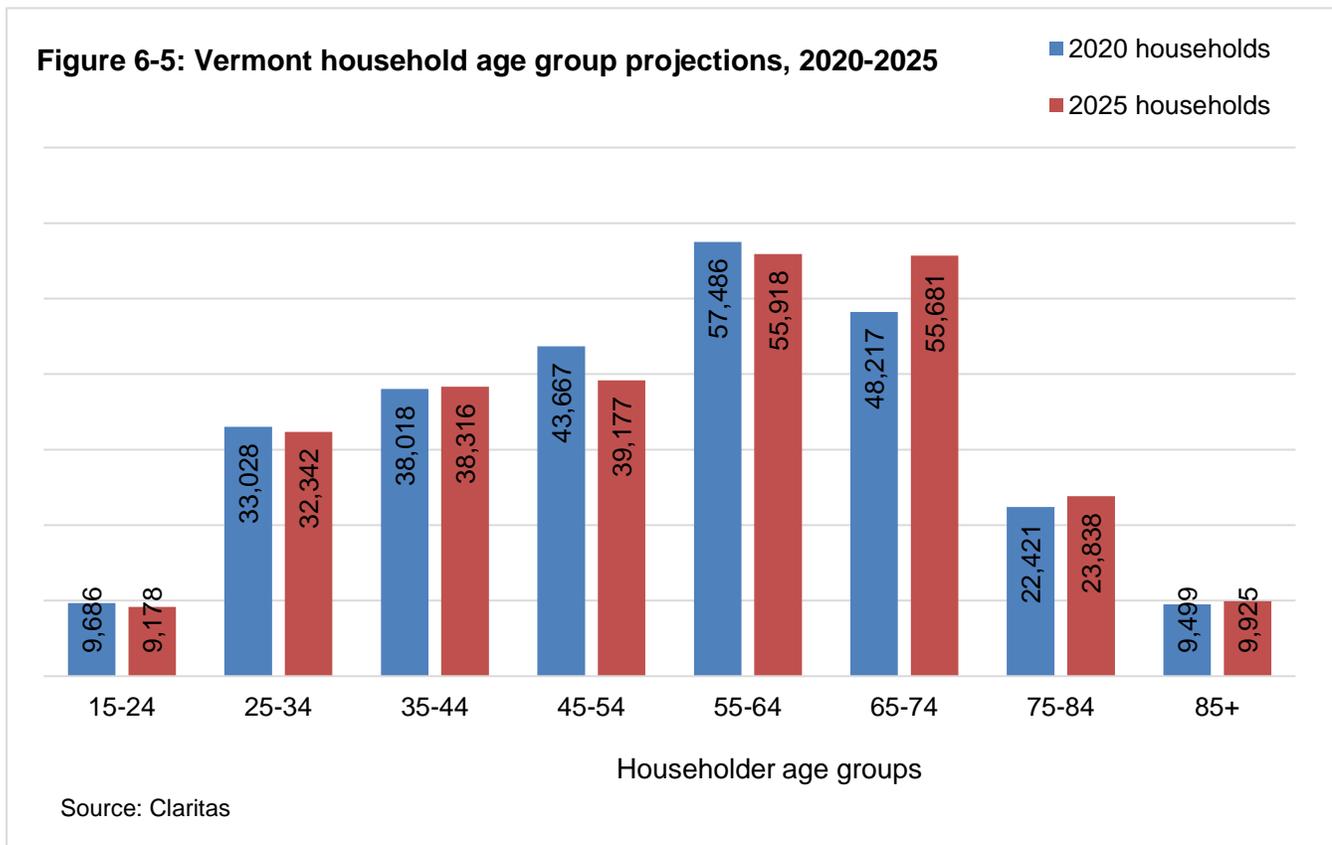
<sup>11</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25031) from [housingdata.org](#).

<sup>12</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25118) from [housingdata.org](#)

during this time, suggesting that the increase in debt represents an actual increase in strained finances. At the same time, 35% of households age 65 and older are carrying credit card debt, compared to 25% in 2001<sup>13</sup>.

### Vermont’s expanding ranks of seniors

From 2020 to 2025, Vermont’s total population is expected to increase only slightly, adding around 2,300 households. During this time, the number of senior households is projected to grow to 145,362, making up 55% of all Vermont households. Most of the growth in senior households will occur among ages 65 to 74, with the number of younger senior households (age 55 to 64) actually declining slightly. This will occur as the Baby Boomer generation, currently ages 56 to 74, progresses into older age groups<sup>14</sup>.



<sup>13</sup> [Joint Center for Housing Studies of Harvard University](#), “Housing America’s Older Adults 2019”

<sup>14</sup> Baby Boomers typically include individuals born between 1946 and 1964.

The fastest expanding segments of the senior population are households with incomes of at least 120% of the median headed by someone age 65-84.

**Figure 6-6: Vermont senior household projections by age and income, 2020-2025**

| Year | Age of householder | Income as a percentage of Area Median Income (AMI) |               |               |               |               |               |                |
|------|--------------------|--|---------------|---------------|---------------|---------------|---------------|----------------|
|      |                    | Below 30%  | 30%-50%       | 50%-80%       | 80-100%       | 100-120%      | 120%+         | All            |
| 2020 | 55-64              | 7,486  | 5,267         | 7,543         | 4,939         | 4,756         | 27,496        | <b>57,486</b>  |
| 2020 | 65-74              | 7,165  | 6,493         | 8,754         | 4,263         | 3,737         | 17,805        | <b>48,217</b>  |
| 2020 | 75-84              | 4,821  | 4,283         | 4,822         | 1,921         | 1,435         | 5,138         | <b>22,421</b>  |
| 2020 | 85+                | 2,896  | 2,195         | 1,855         | 668           | 472           | 1,412         | <b>9,499</b>   |
| 2020 | All seniors        | <b>22,368</b>                                      | <b>18,238</b> | <b>22,974</b> | <b>11,792</b> | <b>10,400</b> | <b>51,851</b> | <b>137,623</b> |
| 2025 | 55-64              | 6,890  | 4,856         | 5,728         | 4,506         | 4,353         | 29,585        | <b>55,918</b>  |
| 2025 | 65-74              | 8,088  | 7,265         | 8,013         | 4,771         | 4,176         | 23,368        | <b>55,681</b>  |
| 2025 | 75-84              | 5,268  | 4,673         | 3,965         | 2,047         | 1,528         | 6,357         | <b>23,838</b>  |
| 2025 | 85+                | 3,144  | 2,218         | 1,570         | 727           | 515           | 1,751         | <b>9,925</b>   |
| 2025 | All seniors        | <b>23,389</b>                                      | <b>19,013</b> | <b>19,275</b> | <b>12,051</b> | <b>10,572</b> | <b>61,061</b> | <b>145,362</b> |

Source: Claritas.

**Figure 6-7: Percentage growth of Vermont senior households by age, 2020-2025**

| Age of householder |              |
|--------------------|--------------|
| 55-64              | <b>-2.8%</b> |
| 65-74              | <b>14.4%</b> |
| 75-84              | <b>6.1%</b>  |
| 85+                | <b>4.4%</b>  |
| All seniors        | <b>0.9%</b>  |

Source: Claritas

## Cost-burden

An estimated 7,516 renter households and 19,043 owner households age 65 or older are cost-burdened<sup>15</sup>, paying an unaffordable amount of their income towards housing expenses<sup>16</sup>. This can make it difficult for these households to afford other basic expenses like food, transportation and healthcare. However, seniors are only slightly more likely to be cost-burdened than Vermont households overall<sup>17</sup>, despite their lower incomes.

This may be due to the fact that senior homeowners are more likely to have paid off the mortgage on their homes, reducing the amount spent on housing. Senior renters in Vermont may have lower cost-burden than the general population because they are more likely to receive housing assistance than non-seniors (see discussion on housing assistance below).

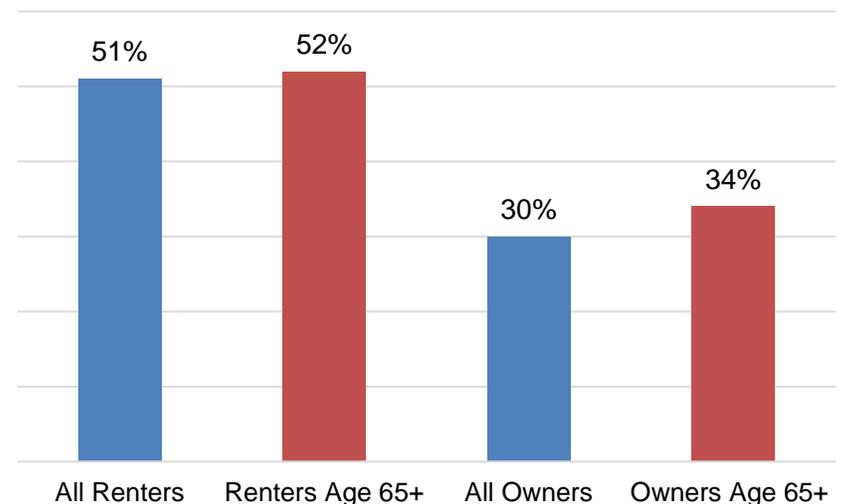
## Homelessness

The 2019 Point in Time (PIT) Count reported 158 homeless individuals age 55 or older<sup>18</sup>. Homeless seniors made up a little less than 15% of homeless individuals counted in the state. People age 55 or older make up 33% of Vermont's population<sup>19</sup>. However, despite the fact that seniors are somewhat underrepresented among homeless individuals, they face particular challenges that make them especially vulnerable. For example, seniors are more likely to have a disability or other medical needs, are less able to tolerate extreme temperatures, and are less likely to be employed.

## Assisted rental housing

An estimated 17,876 renter households in Vermont are headed by someone age 55 or older, and earn less than 60% of Area Median Income, making them theoretically eligible for many forms of housing assistance<sup>20</sup>.

**Figure 6-8: Vermont cost-burden by age group and tenure**



Source: U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25070, B25072, B25091, B25093)

<sup>15</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25091, B25093)

<sup>16</sup> Cost-burden occurs when households spend more than 30% of income on total housing costs including gross rent, mortgage payments, property taxes and utilities.

<sup>17</sup> The ACS only makes this data set available by larger age brackets, lumping younger seniors (55-64) in with non-seniors. There is no calculation for severe cost-burden, or 50% or more of income spent on housing.

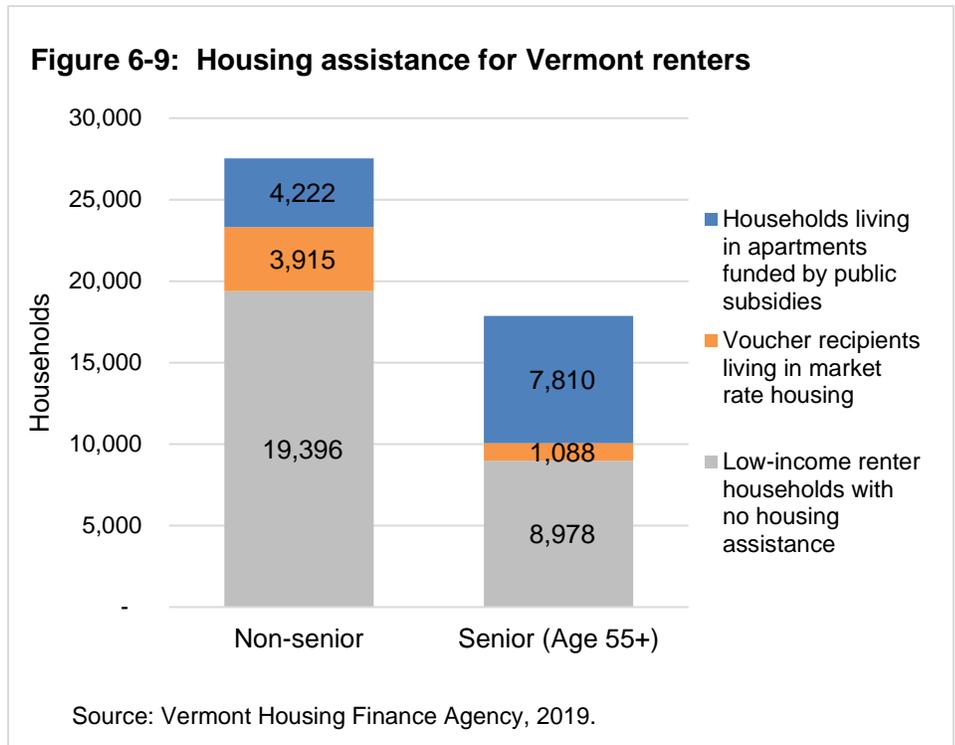
<sup>18</sup> Institute for Community Alliances, 2019 Point in Time Count (PIT) from [housingdata.org](https://housingdata.org)

<sup>19</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B01001)

<sup>20</sup> [Vermont Housing Finance Agency](https://www.vermonthousingfinanceagency.org), "Access to subsidized rental housing in Vermont by age", 2019.

Of these, 7,180 live in apartments funded by public subsidies<sup>21</sup>, and 1,088 live in privately owned market rate housing and receive a voucher through HUD’s Section 8 Project-Based Assistance<sup>22</sup>.

Vermont seniors are more likely to receive housing assistance than younger households. Senior households make up roughly 39% of the low-income renter population, but 45% of Vermont’s 13,592 subsidized apartments are restricted to seniors, or seniors and disabled tenants. In total, senior households occupy 65% of Vermont’s total subsidized apartments<sup>23</sup>.



Overall, nearly 50% of eligible senior renter households in Vermont receive some form of housing assistance, while only 30% of younger households do.

## Seniors with disabilities

There are 35,162 Vermont seniors (age 65+) that have some type of disability, which represents 33% of people age 65 or older. The likelihood of disability increases with age. Just 12% of younger Vermonters have a disability, while 49% of Vermonters 75 or older are disabled<sup>24</sup>. The most common disability among seniors are ambulatory difficulties, which make it difficult for individuals to navigate stairs and other physical obstacles<sup>25</sup>.

<sup>21</sup> Including Public Housing, Low Income Housing Tax Credit Program (LIHTC) and USDA Rural Development (RD)-funded units. These units are subsidized for below-market rate rents. Some units also receive additional rental assistance to make them more affordable.

<sup>22</sup> 307 seniors that live in publicly funded apartments also receive Section 8 vouchers to make their already subsidized rent more affordable.

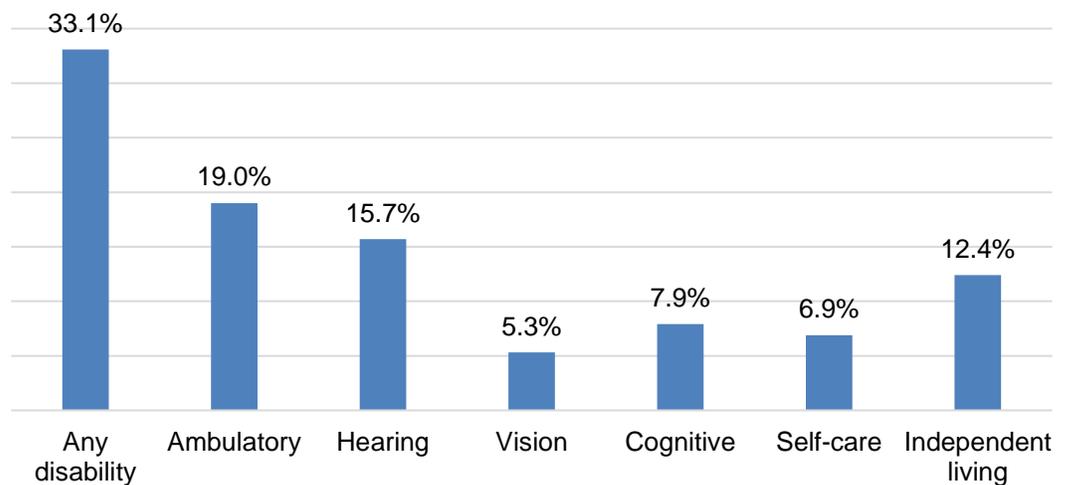
<sup>23</sup> Seniors can and do live in general occupancy housing. 39% of LIHTC-funded general occupancy apartments in Vermont are occupied by a senior household.

<sup>24</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table S1810).

<sup>25</sup> [American Community Survey \(ACS\) 2017 Subject Definitions](#)

Much of Vermont's housing stock may be inadequate for seniors with disabilities. The Housing Discrimination Law Project of Vermont Legal Aid conducted accessibility audits on newly constructed multi-family housing units to determine compliance with required federal Fair Housing Act design and accessibility standards. The report showed that 70% of newly constructed multi-family housing units had minor compliance issues and 10% had significant compliance issues<sup>26</sup>.

**Figure 6-10: Vermont seniors with a disability, as a percentage of senior population**



Source: U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table S1810).

Furthermore, seniors with disabilities may face housing discrimination. Vermont Legal Aid reports that between March 2015 and November 2016, 68% of housing complaints received were about discrimination on the basis of disability. The calls largely focused on denial of reasonable accommodation or modification request.<sup>27</sup>

## Supply and demand for service-enriched housing

Vermont ranks as the second oldest state in the nation with a median age of 42.8 whereas the national median age is 37.8<sup>28</sup>. A recent Vermont Tax Structure Commission report, *Population Changes and Vermont State Revenue*, identified three major population shifts expected to occur in Vermont<sup>29</sup>:

- More seniors, fewer children, and fewer working-age adults
- More metropolitan, less rural
- More households with fewer people

These shifts will have a profound impact on the housing supply for seniors. Along with the projected increase in Vermont's aging population there will be a corresponding increase in seniors with medical needs, which will require more supportive services paired with appropriate housing options, including subsidized physical accommodations at home, home care visits and residential care.

<sup>26</sup> [Vermont Department of Housing & Community Development](#), "Analysis of Impediments to Fair Housing Choice State of Vermont 2017"

<sup>27</sup> [Vermont Department of Housing & Community Development](#), "Analysis of Impediments to Fair Housing Choice State of Vermont 2017"

<sup>28</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B01002).

<sup>29</sup> [Vermont Tax Structure Commission](#), "Population Changes and Vermont State Revenue", 2019.

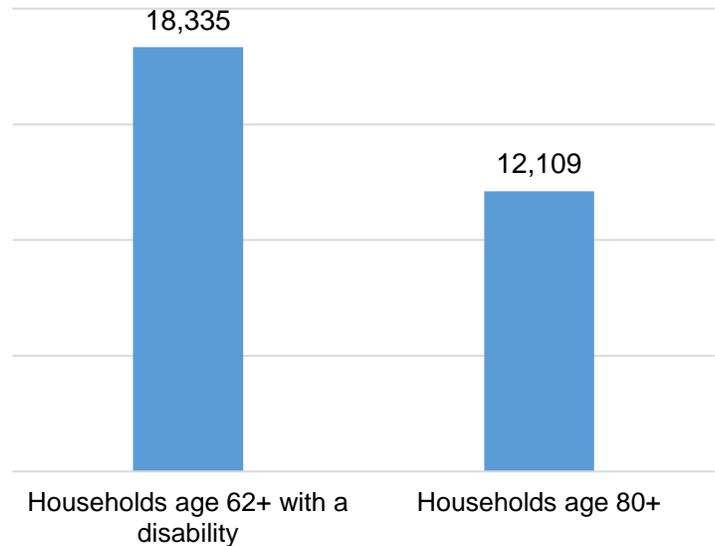
The Department of Disabilities, Aging & Independent Living (DAIL) conducted a Statewide Needs Assessment of Older Vermonters, service providers and caregivers as part of a State Plan on Aging<sup>30</sup>. The report calls for a broad range of housing support services for seniors, from those living in their own homes to those in need of nursing home care. Seniors living independently may be able to do so longer with resources such as home modification/maintenance assistance, home sharing options, expansion of home sharing options. However, this would require a workforce development of caretakers for the elderly and/or those with disabilities. In addition, a concerted effort towards interagency and interprofessional collaboration is needed, according to DAIL.

Seniors over the age of 80 or that have disabilities are likely to need housing enriched with services to help them live safely and independently, especially if that household is low-income and has less resources to independently purchase care services. Vermont has 18,335 households that earn less than 80% of the area median income (AMI)<sup>31</sup> and are headed by someone age 62+ who has a disability. The state has 12,109 households that earn less than 80% of the area median income and are headed by someone age 80 or older<sup>32</sup>.

Of the 6,412 subsidized apartments in Vermont reserved for seniors or people with disabilities the majority are accompanied with SASH services.<sup>33</sup> SASH or “Support and Services at Home” is a program<sup>34</sup> that coordinates with partners such as social service agencies, healthcare providers and nonprofit housing organizations to help Vermonters live independently at home. However, while SASH is very helpful and does extend the ability to stay in one’s own home, it is not a substitute for nursing care for disabled or very frail seniors that cannot live independently.

For seniors in need of more intensive care and services, there are 133 state regulated residential care homes and assisted living residences for seniors in Vermont. In addition, there are 40 federally regulated nursing homes<sup>35</sup>. Poor pay, challenging work conditions and a statewide workforce shortage of trained help make it difficult to meet supportive housing needs. The Vermont Department of Labor predicts 220 personal care aide

**Figure 6-11: Vermont low-income senior households in need of service-enriched housing**



Source: U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 Public Use Microdata Sample (PUMS)

<sup>30</sup> [Vermont Department of Disabilities, Aging & Independent Living, Vermont State Plan on Aging, 2018](#)

<sup>31</sup> 80% of Vermont’s area median income is \$46,246, according to 2017 ACS estimates.

<sup>32</sup> Note that these categories are not mutually exclusive. It is estimated that of low-income households age 80+, 6,882 have a disability.

<sup>33</sup> [Vermont Directory of Affordable Rental Housing](#)

<sup>34</sup> Developed by Cathedral Square Corporation.

<sup>35</sup> [Seven Days](#): Vermont Eldercare Navigator, 2019

positions will need to be added by 2026 while a State-commissioned report on healthcare workforce demands suggest that 300 registered nurses will be needed in the next ten years for residential care and nursing homes<sup>36</sup>. In addition to the challenge of low Medicaid reimbursement rates and the cost of retaining a qualified workforce, half of the state's facilities are managed by out-of-state corporations, which are profit-, rather than mission-oriented<sup>37</sup>. **Chapter 9: Households with special needs and unique challenges** contains additional information on disability care.

## Senior housing choice

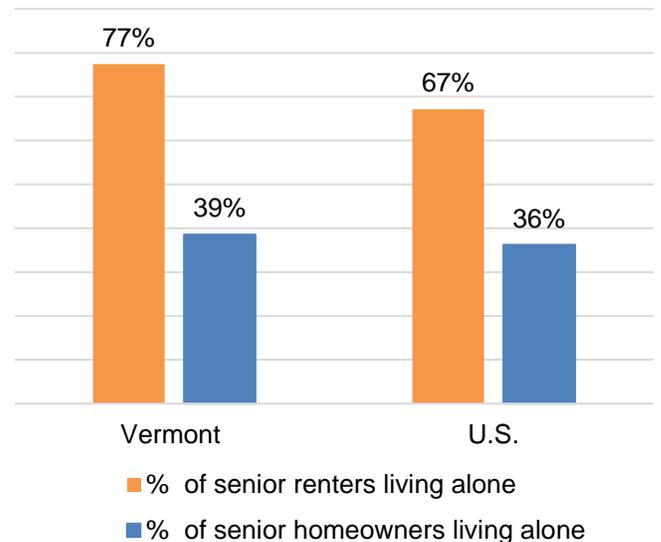
The percentage of adults living alone generally increases with age, primarily due to children moving out of the home or their partners dying. This is significant because individuals living alone in this age range have higher rates of disability and lower incomes than couples in the same age group, limiting their housing resources and available choices<sup>38</sup>.

In Vermont, 77% of senior renter households and 39% of senior homeowners live alone. In comparison, 42% of all Vermont renters and 24% of homeowners live alone. Seniors living alone are more common in Vermont than in the U.S. as a whole. One-person households in Vermont have grown five times as fast as the rest of the country over the past decade<sup>39</sup>.

The likelihood of moving to another home also decreases with age. Older adults have the lowest household mobility rate (or relocation rate) of any age group.<sup>40</sup>

It is often assumed that seniors would prefer to downsize and move to smaller homes if given appropriate housing options. However, the low senior mobility rates and surveys of senior opinions suggest that seniors prefer not to leave their homes if possible. A recent AARP survey which found that 76% of Americans 50 and

**Figure 6-12: Percentage of seniors living alone**



Source: U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25116)

<sup>36</sup> [Seven Days](#), "Little Help: Low Pay, Tough Work and Turnover Bedevil Vermont's Eldercare Workforce", 2019

<sup>37</sup> [Seven Days](#), "Eldercare Is Becoming Big Business in Vermont. Seniors Don't Always Come First", 2019

<sup>38</sup> [Joint Center for Housing Studies of Harvard University](#), "Housing America's Older Adults 2019"

<sup>39</sup> [Vermont Tax Structure Commission](#), "Population Changes and Vermont State Revenue", 2019

<sup>40</sup> [Joint Center for Housing Studies of Harvard University](#), "Housing America's Older Adults 2019"

older say they prefer to remain in their current residence as long as possible, and 77% would like to live in their community as long as possible.<sup>41</sup>

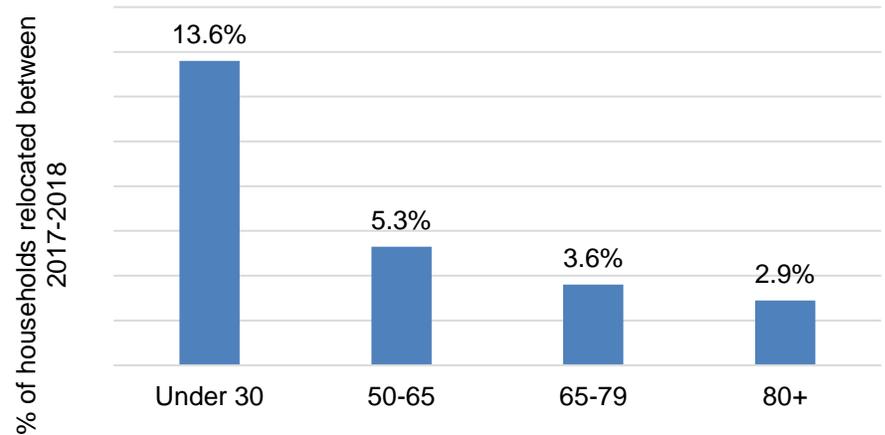
At the same time, the AARP survey found that just 46% of seniors anticipate being able to stay in their current homes, while 59% of seniors anticipate they will be able to stay in their current community. In particular, seniors living in rural areas face growing challenges. More and more health providers and other social services are moving out of rural communities. Meanwhile, the lack of investment in public

transportation options make rural life challenging for seniors who are unable to drive.<sup>42</sup> Studies on public transportation use show that seniors tend to have lower rates of public transit use than younger households<sup>43</sup>.

For seniors deciding where to live, options for smaller, more accessible homes, access to public transportation, proximity of healthcare providers and affordability for low-income seniors are all factors. A national survey on transportation and neighborhood preferences<sup>44</sup> found that 56% of respondents over age 60 described their ideal neighborhood type as a small town or suburban neighborhood, with a mix of houses, shops and businesses. Seniors were less likely to prefer to live in an urban or rural area, or a neighborhood with houses only. However, 53% of senior respondents currently lived in an area that did not have a mix of housing, shops and services.

That number is likely higher in Vermont, which has comparatively few mixed-use neighborhoods. Moreover, Vermont's seniors are increasingly concentrated in the state's rural areas. Seniors age 55 and older account for 41% of households in Chittenden County, the state's most urban county, but make up 59% of households age 55 and older in Essex County, the most rural<sup>45</sup>.

**Figure 6-13: National household mobility rate by age group**



Source: Joint Center for Housing Studies of Harvard University, 2019

<sup>41</sup> [AARP](#): 2018 Home and Community Preferences

<sup>42</sup> [Joint Center for Housing Studies of Harvard University](#), "Housing America's Older Adults 2019"

<sup>43</sup> [TransitCenter](#), "Who's on Board 2014: Mobility Attitudes Survey"

<sup>44</sup> [TransitCenter](#), "Who's on Board 2014: Mobility Attitudes Survey"

<sup>45</sup> U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B25007) from [housingdata.org](https://www.housingdata.org)