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Surging demand for affordable senior housing sparks redevelopment of old hospitals and schools

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Mary Lou Gomez spent a while rotating among the homes of three of her four adult children, all in Chicago, before the family decided to look for a place she could afford on her limited income.

In late 2022, Gomez moved into one of 100 small apartments in a four story building she calls “elegant” and where she says she’s more comfortable than she expected to be.

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Until a couple of years ago, the building, which opened in 1929 as the Baptist Old People's Home, was an eyesore, vacant since 2005, fire-damaged with a basement full of water and trees sprouting on upper floors. It was so bad that the television show "Chicago Fire" used it in an episode about a character who was trapped in an abandoned building. Fully restored for \$60 million by Celadon Partners, a Chicago affordable housing developer, and reopened in September as Maywood Supportive Living, it's far different now.

"I like all the light," Gomez says, "and I like the windows," whose "four squares by five" look dates to the original construction but has been re-created with modern insulated windows.

Gomez, 69, is part of the "silver tsunami," a potentially crushing wave of retired people as the baby boom generation ages. Many of them need low-cost housing because "they never expected to live so long and have no savings, with groceries and costs going up all the time," says Jennifer Prell, president of Elderwerks, a senior care consultancy based in Palatine.

Seniors' need for affordable housing is urgent. Nationwide, more than 10 million households headed by someone 65 or older spend more than a third of their income on housing, according to [an August article](#) by Jennifer Molinsky, director of the Housing an Aging Society Program at Harvard University's Joint Center for Housing Studies.

To pay the rent, Molinsky wrote, "households often cut back on food and medical care, which can be detrimental for those with chronic health conditions." While middle-income seniors often [have home equity to spend on their later-life housing needs](#), lower-income people have little cushion. "In 2019, the median older renter had a net wealth under \$6,000," Molinsky wrote.

In March 2022, Molinsky [testified at a US Senate Banking, Housing & Urban Affairs hearing](#) that with the senior population increasing fast and living longer, "demand for affordable, accessible housing, in-home services, and neighborhood supports and amenities is set to soar — yet right now, we fall well short of meeting even today's needs."

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Some developers are moving to fill the gap, with projects ranging from a dozen cottage-size units of senior housing adjacent to a train station in Lake Forest to a disused bank building at 47th Street and Ashland Avenue in Chicago's Back of the Yards neighborhood. [As part of a three-building Invest South/West project](#), Celadon will convert the old bank and Rainbow clothing store on 47th into 30 affordable senior apartments.

In recent years, hospitals in the Ravenswood neighborhood and in Aurora have been turned into senior housing, and a former convent on the Northwest Side became Amazing Grace Senior Living. In Bellwood, a colorful, four-story building under construction on 25th Avenue will contain 80 senior apartments. Libertyville and McHenry are among several towns that have recently approved plans for new senior housing.

"No matter how much we're building, it's not enough," Prell says. "The need is huge, around the country and in Chicago, and it's going to keep getting worse."



Geoffrey Black

Maywood Supportive Living

Work is scheduled to start on both the Lake Forest and 47th Street projects within the next several months. The goal for these and similar projects is “prioritizing senior housing so people can afford to stay in the places they’ve been all their lives,” says Rob Anthony, president of Community Partners for Affordable Housing, a not-for-profit affordable housing developer based in Libertyville.

Anthony’s group is building [the Lake Forest cottages](#) on vacant land within blocks of a grocery store, a bank, Starbucks, a few restaurants and the West Lake Forest Metra station. He expects them to rent for \$900 a month, which he says is about one-third the cost of a comparable market-rate rental in the town.

Even in affluent Lake Forest, “there are people who after they retire can’t afford to stay,” Anthony says.

The Back of the Yards building will be the third “using our special sauce,” says Celadon principal Scott Henry. Before turning to the Maywood project, Celadon built [60 senior apartments in the shuttered West Pullman School on Chicago’s Far South Side](#).