Gerotopia:

the rise of master planned communities for retiring Baby Boomers

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Abstract

Baby Boomers constitute a significant and growing percentage of the population and as they enter retirement their lifestyle preferences are beginning to have substantial impacts on Australian housing landscapes: on the demand for and supply of housing that caters for the specific needs of this cohort. This paper examines the emerging phenomenon, in Australia, of Active Adult Lifestyle Communities (AALCs). AALCs are age-segregated, master planned, usually gated residential developments, designed for and marketed to relatively affluent and active adults aged between 55 and74. The marketing of these communities is based largely on discourses of risk minimisation and management but they also mobilise specific ideas of 'the good life' and utilise particular concepts of 'home-place' and community. The paper charts the rise of AALCs and describes their impact on the housing landscapes of the Gold Coast.

Introduction

For some decades 'old age' has been constructed as a social and political problem for governments at all levels to deal with. Current debates about the size of a sustainable population for Australia refer frequently to the problems of an ageing population and to worrying shifts in the ratio of those in work and paying taxes to those who have yet to join or have left the labour market and require increasing levels of public expenditure to look after them. Popular discourse (if not empirical evidence, see CHSRF, 2003) suggests that a substantial proportion of health care spending by government is devoted to the last few years of life and is a major driver of rapidly rising health care budgets. As life expectancy increases many are becoming fearful of this stage of the life cycle: separated from family; faced with increasingly expensive medical and care services; detached from local communities still embroiled in more youthful and consumptive lifestyles. Surveys report high levels of anxiety about having to move into aged care facilities, often fuelled by garish media reports of abuse and neglect.

But there is a counter trend to this negative and pessimistic outlook on old age. The oldest Baby Boomers, born in the immediate post war years, are now reaching retirement age and many are constructing (or at least relishing the construction of) a more optimistic and playful outlook. In some respects this new stage of life, starting for some (especially the so-called cashed up Boomers) a decade before the retirement age set by government, mirrors their earlier adolescent phase when they made the transition from childhood to adulthood. This new 'active retirement' stage or perhaps the 'new adolescence' is characterised by activity and enjoyment of the fruits of an adult life of paid employment. Of course this new stage can only be enjoyed by those whose adult life was in fact characterised by steady, secure and well-paid employment which enabled the establishment of funds to pay for the post-employment stage. Those whose working lives were not so privileged will look to the future with more uncertainty and the prospect of continuing in paid work (and often poorly paid work) for even longer to compensate for their inability to accumulate a nest egg for their early retirement.

But for the relatively well off Boomers a new housing market has emerged in recent years, targeted specifically at their needs and aspirations over the decade or two before infirmity takes hold. While this new market first emerged in the USA in the 1960s with Del Webb's Sun City development in Phoenix, Arizona, it has expanded there and emerged also in Australia and especially in South East Queensland. Recent AXA Retirement Scope reports

(AXA, 2008 & 2006) found that Australia topped the charts as the most favoured county in which to retire and that Australian retirees considered themselves to be very happy in their retirement. The reports also noted that the average retirement age of Australians was 57 and that this was one of the youngest in the world.

This new housing market offers 'active adult lifestyle communities' aimed specifically at those over 50s who are willing and able to pay to live in master planned, usually walled and often gated development with a range of services and facilities in addition to their homes. These services and facilities include golf courses, swimming pools, gymnasia and spas, health services, walking tracks and nature trails, restaurants and cafes and learning or activity centres. While the vast majority of such developments comprise one and two storey suburban style dwellings, what is claimed to be Australia's first freehold, retirement high rise, Victoria Towers, is nearing completion in Southport on the Gold Coast. Although Victoria Towers is a freehold (strata titled) development, the more commonplace suburban schemes offer a perpetual lease to occupy a plot on which the resident then purchases a dwelling as well as even more conventional house and land packages.

In some respects these new developments have much in common with conventional master planned communities which as Forster (2004: 124) describes, offer middle class white Australians,

> '..a secure residential environment where they are part of a community of owner-occupiers with similar incomes and values: 'people like them'

While conventional master planned communities typically achieve income or class segregation via the price mechanism or through careful marketing to golf enthusiasts, these new age-segregated developments usually impose a lower age limit on anyone buying into the scheme.

This paper is concerned with the extent and significance of this new housing product. It charts its emergence in the USA and in Australia and reviews the economic and social arguments deployed in its support. We also offer some brief vignettes of the lived experience of active adulthood.

The rise of age segregated communities in the USA and Australia

Blechman (2008) has documented the rise of age-segregated active adult lifestyle communities in the USA, from their post-war origins in the Arizona desert as a novel form of affordable housing for retirees enjoying recently introduced social security benefits. Inspired by the prayer 'Do not forsake me, God, when I get old' Benjamin Schleifer converted a 320 acre desert ranch into a new community for retirees who came not to die, but to live. The community set great store by affordability and since its incorporation in 1960 achieved this mainly by excluding children and hence avoiding the need to levy taxes to pay for schools. Moreover, without children there was little to, 'disturb the peace and quiet of the blissful desert community' (Blechman, 2008: 29). The somewhat ironically named Youngtown comprised 125 homes when it was completed in 1955. Soon after a local Arizona entrepreneur and owner of one of the country's largest construction companies, Del Webb, drew upon this model to provide 'resort retirement living' in his development of Sun City, which by 1977 was home to 40,000 residents. Webb capitalised on the principle of excluding younger families with children,

> '...thus avoiding the problems of mixing conflicting living patterns and forcing social contacts that constitute an invasion of privacy, with resulting inconveniences for senior citizens.' (Webb, quoted in Blechman, 2008: 33)

In 2006, 6% or 2 million of the elderly population of the USA lived in various forms of age-segregated communities (Roy & Russell, 2005). Despite the generic depression of US housing markets since 2008, the trend would appear to suggest that age-segregated communities in the USA are growing in number. In addition to the more traditional retirement communities, those targeted at the younger 'active adults' appear to be growing at the faster rate. As Blechman (2008: 233) puts it rather more vividly,

> 'Developers selling age segregation continue to bulldoze their way across the country, catering to an aging public eager to have the easy life'

In Australia the phenomenon of age segregated communities is still relatively new and its extent much more limited. The number of privately owned and managed 'retirement villages' began to grow from the mid 1970s when Commonwealth funding under the Aged and Disability Persons Homes Act for developments by church and charitable organisations was phased out (McGovern and Baltins, 2002). In addition to schemes run by voluntary sector

bodies, for-profit developers entered the market with any care services typically funded by residents themselves. As McGovern and Baltins note,

> *'...the private sector took the retirement village concept 'up-market' to become a viable housing alternative for older Australians wishing to move out of owner-occupied houses into age-specific medium density housing that was more appropriate to their needs and which provided services and care in a commercial environment.'* (2002: 24)

Unsurprisingly legislation governing the management of 'retirement villages' varies across the states and territories but in each case security of tenure is offered through one or more devices, including leases, licences, strata title and freehold. McGovern and Baltins developed a simple typology of retirement villages based primarily on affordability: resort style; modest and affordable. Those operating at the more affordable end of the spectrum do so typically by offering smaller properties, with fewer on-site services and facilities and rental rather than owner occupation as the dominant tenure.

Stimson (2002: 201) describes the industry as 'moving from infancy towards maturity' as major national companies come to dominate the market in terms of for-profit schemes although not to the exclusion of smaller operations owning fewer than ten schemes. In many respects the market resembles that for the wider master planned development sector, and subject to the same constraints at present arising from limits to the availability and terms of development finance and planning controls on suburban and peri-urban developments.

The presence and significance of the not-for-profit sector is perhaps more volatile as it is subject not only to the constraints described above, but also to the vagaries of federal and state policy that affects older people and their entitlements to financial support and health and social care. Somewhat precarious business models can quickly become untenable as result of relatively minor policy shifts, let alone the turbulence occasionally seen in this policy environment.

While the provision of affordable and appropriate housing for older people continues to exercise social policy makers, the growth of active adult communities has attracted less policy attention or political comment. It is though, in our view, worthy of greater consideration because of its economic and social implications.

The economic case

As Stimson (2002: 201) notes, 'the retirement village industry in Australia has evolved into a multi-billion dollar industry'. The rise of new developments targeted at younger retirees or active adults illustrates one aspect of this process of maturation: the increasing differentiation of the product by price and market focus. The market is also becoming increasingly dominated by a small number of large developers and these, like Stockland and Delfin Lend Lease, are usually already major residential developers in their own right. Smaller players may be more economically fleet-footed and able to move relatively quickly to exploit particular niches in the market and to embark upon relatively small scale schemes, but they are also especially vulnerable to more general market forces such as the availability of development finance and holding costs. Smaller players also have to be able to compete against the marketing power of the major developers who are able to promote their specialist age-specific developments as part of a much wider portfolio of housing products.

As we describe below, an important consideration among all Boomers contemplating their housing future is affordability and value for money. This is the case whether they are wealthy (for example able to contemplate purchasing properties valued at over $1million) or of more limited means. The apparent security offered by major developers may well drive the process of market concentration still further and reduce the significance of the smaller players. On the other hand, the ability to offer more specialised and customised opportunities to particular target groups is likely to see a continued role for smaller, innovative developers.

As noted above, potential volatility in the policy field of housing, care and social security for older people appears to be making it increasingly difficult for not-for-profit providers to offer high quality, flexible and affordable packages of housing and care. Although some of the top of the range new developments, like Victoria Towers in Southport (Victoria Towers, 2009), are able to offer higher levels of care and support for those residents who need it, the business models for schemes providing variable levels of onsite care that are targeted at the less wealthy are less robust.

The social case

Research by McHugh & Larson-Keagy (2005) among residents in Sun City, Arizona resulted in a typology of three metaphors of the meaning and significance of such places to residents. While this typology derives from the views of one particular sample of residents, it chimes

with views expressed in other research, including Blechman's study of 'The Villages' in Florida. The typical metaphors include:

Birds of a feather

This captures the homogeneity of the people living in places like Sun City where over 98% of residents are white, outright owner occupiers with above average incomes. While there is no suggestion of overt racism in the sale of property, it is possible that non-white Americans would feel that this was not a place for them and look elsewhere. On the other hand, many such communities market themselves as places where like minded people choose to live, regardless of their ethnic origin. As one African-American resident of The Villages told Blechman (2008: 210),

> *We're here for the same reason white people are: we enjoy the amenities. I came here because I'm accomplished and I can afford to...now its my time to relax..I don't cut my own grass or do anything I can pay someone else to do.*

These like minds value neighbourliness, close-knit communities, low property maintenance and a chance to enjoy active and usually outdoor pursuits such as golf, tennis and walking. In the words of marketing material from Stockland in Australia, their 'modern retirement lifestyle' offers,

> *Independent living, not aged care. The security and comfort of village living among like minded friends and neighbours. The freedom to more and worry less.*

These places are also, by design and definition intended for older people. The original Del Webb advertising in Arizona spoke of 'this completely planned community reserved for those past fifty (and partners of any age)' and while children and younger adults may be allowed to visit, they are not allowed to stay for more than a proscribed period of time in any one year.

Idyllic havens

McHugh & Larson-Keagy (2005) speak of the 'hyperbolic assessments' by residents of their chosen communities, illustrated in quotes such as 'I have never been a in a community where people are prouder' and 'I have some apprehension about dying, because to go to heaven won't be as good as this'. In part this can be interpreted as a *post hoc* reflection on the appropriateness of the major residential choice they have made, but also stands in contrast to what is perceived to lie beyond their new community: a dangerous world of younger, blacker, poorer people with very different values and patterns of behaviour.

Blechman's neighbours (whose move to Florida prompted him to write his account of life at The Villages) described their new life in similar terms,

> *Life in the Villages is really too much to describe…It's simply unforgettable. For me, it was love at first sight..I can only equate it to the movie The Stepford Wives. Everyone has a smile on their face like it's too good to be true. But it really is.* (Blechman, 2008: 6)

It may be that it is too early to expect more considered evaluations of the experience of living in age-segregated communities; ones that reflect a wider range of lived experiences from those who have lived this life for a decade or more. Perhaps, as Zhou Enlai said in 1972 when asked about the impact of the French Revolution: it is too soon to say.

Fortress mentality

These attitudes and perceptions are reinforced and amplified in the ways in which residents of some age segregated communities fight to defend their position, by resisting attempts to relax age restrictions and either fighting attempts at incorporation by nearby municipalities or using incorporation and their numbers to drive through policies and bye laws that favour their interests over those of outsiders (eg over school building programmes).

In Australia a 2009 study by KPMG for the City of Monash in Victoria. This surveyed a sample of Baby Boomers aged 48-63 to determine what they wanted from their local government and also through focus group discussions gathered their views about the future, their values and beliefs. It is claimed that Monash is typical of 'middle Australia', housing a large concentration of Victoria's Boomers with a range of income groups and ethnic backgrounds, as the KPMG report noted,

> *…the Baby Boomers of Monash speak not only for themselves but also for the Baby Boomers of middle metropolitan Australia (KPMG, 2009: 9)*

Five themes about retirement emerged from this work:

- Wellbeing: many are concerned about maintaining their health through active recreation;

- Finances: long term financial security is important in allowing lifestyle preferences to be maintained;

- Continued engagement: occasional or part time employment is important to many, not only to maintain an income stream but also to fulfil a need to remain useful; this includes volunteering;

- Housing: linked with a strong desire to remain in their home and to 'age in place', many were concerned about the ongoing maintenance of their property, especially when these were themselves aging and requiring more care and attention;

- Family and social connection: while family connections are clearly important and account for much of the desire to age in place, concerns were also expressed about family pressures to help care for grandchildren.

Each of these contributes to the social case made by developers for active adult communities. Recreational facilities and opportunities are integral elements of most schemes; affordability is often linked to the virtues of reduced property maintenance costs; social engagement within the new community is clearly an important feature but many also emphasise their connections with surrounding communities as well as the strategically limited opportunities to accommodate younger visitors.

Resident views

The following views from residents give an indication of the range of experiences of those living in active adult communities. These are not the product of our own primary research among residents (although we plan to carry out research of this nature), but draw mainly on testimonials from residents that are included in scheme websites and other marketing material. Of course we would not expect these to include especially critical or negative comments, but other sources offer the prospect of alternative viewpoints. Blechman's account of life in The Villages is a useful source and describes some of the political battles fought within these communities to ensure that developers deliver all the amenities promised at the outset and those with local governments on the outside over bigger issues of public policy and spending. But these stories of dissatisfaction rarely take issue with the fundamental principles of age-segregated living. If anything they reinforce them for they are more often than not stories of battles to deliver the promise, not to question it.

In Australia, testimonials from residents of a number of age-segregated communities paint a much more positive picture. Some are almost poetic in their endorsement of the lifestyle:

> *At Sequana we don't retire, we refire and we don't dwell on dementia, we aim to have adventure! (Sequana resident)*

While others express their contentment in more prosaic, but perhaps more authentic terms:

> *We are extremely happy, contented and secure..If we had still been living in suburbia, I would not have had that contentment of knowing I was secure (particularly at night amongst friends, who really care about you.) What a comfort, I can honestly say this is the greatest season in my life! (Sequana resident)*

Residents of various Stockland developments offered the following reflections on their past and present lives:

> *...since we've moved into Gowanbrae Village we have all these new friends in our same age group, with the same ideals and desires in life, and we've just blossomed. We've made so many friends since moving in, it's just marvellous. (Mr McQ)*

> *The bottom line is, I'm very happy. Another resident from the village only said to me last week, if she had known how wonderful this lifestyle was, she would have made the move five years earlier. (Mrs M)*

> *The idea of downsizing from my family home in Greensborough into a serviced apartment was very frightening at first... To my surprise these fears didn't last long and it was the complete opposite, the residents here made me feel so welcome and involved. I made friends very quickly and no longer struggled day-in and day-out with jobs around the house. It gave me more time to be involved with village activities, something I never did back in my old community. (Mrs H)*

Conclusions

As raised in the introduction there is an important sense in which age segregated communities for active adults are little different in principle to any other master planned community. While state governments typically define master planning as a process, in popular discourse master planned developments entail a small number of key elements: a range of services and facilities as well as housing are provided; the development has a theme often related to the natural environment or to sport; and feelings of safety and security are nurtured through achieving a degree of social homogeneity.

Age segregated communities for active adults simply go one step further and focus on providing all of these elements for a particular age group, somewhere in the 50 to 75 year old

range. Of course there have long been residential developments for older people, but they have usually targeted older age groups with higher levels of medical and social care and lower income groups of older people with fewer choices in older age. There have also been residential developments targeted at groups of younger people – we might think of university campuses, which although not exclusively for the young are often dominated by their lifestyle needs and preferences.

Aging in place has become something of a catchphrase among those involved in policy development for older people. It developed in part as a reaction to the practice of older people being packed off to residential homes for the last years of their life because services were not available to enable them to remain in their own homes. The National Aging in Place Council (NAIPC) in the USA introduces its mission as follows:

> *The new catch phrase among homeowners is "aging in place." Instead of selling their homes and **moving into retirement villages** or assisted-living quarters, a growing number of older Americans are modifying their homes to make them more user-friendly as they age [emphasis added]*

The challenge for both residents and managers of active adult communities is whether and how this ageing in place principle is applied to their communities. In short, what happens to the active adults as they grow older and become less active and more in need of care and medical support? Are the principles of universal design being applied when these schemes are being planned; do covenants allow for modifications to properties; are higher care facilities available within these communities and what are the social relations between the younger and older residents?

Finally there is wider and perhaps even more profound question raised by the emergence of age-segregated communities: is it healthy for society as a whole if people are encouraged to live exclusively with others of the same type (whatever that type may be)? While the promotional material for age-segregated communities rarely if ever claims that their target audience are in any way 'better' than the rest, there is a whiff of apartheid in the implied notion of 'separate but equal'. It has long been a core belief of planners that diversity or mixed use is generally a good thing, even if zoning has enshrined the segregation of certain land uses in many planning schemes. And at certain times and in certain places planning has been heavily implicated in processes of racialised segregation in towns and cities. Our challenge, therefore, is to understand better the consequences of age-segregated developments

in contemporary Australia and to judge whether it is delivering the good life to some but at the cost of balkanising our cities in the process.

Our ongoing research intends addressing these questions through an integrated study of life in a number of age-segregated residential communities, initially in South East Queensland but extending to Florida and to cities in the UK. In addition to a sociological and ethnographic exploration of the lived experience of residents in these places, we intend also to explore further the economic case for of these types of development (recognising the diversity of business models) and the political consequences of concentrating substantial numbers of people who may have similar and specific interests that are reflected in their behaviour in local politics.

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