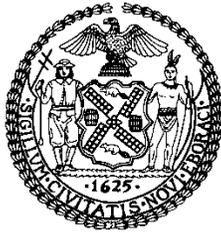


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**THE COUNCIL OF THE CITY OF NEW YORK**

**BRIEFING PAPER OF THE HUMAN SERVICES DIVISION**

*Matt Gewolb, Legislative Director*

**COMMITTEE ON AGING**

*Hon. Margaret Chin, Chair*

**Oversight- How Can Naturally Occurring Retirement Communities Improve and Expand Services?**

## I. INTRODUCTION

On June 13, 2017, the Committee on Aging, chaired by Council Member Margaret Chin, will hold an oversight hearing titled: *How Can Naturally Occurring Retirement Communities Improve and Expand Services?* Those invited to testify at this hearing include representatives from the New York City Department for the Aging (DFTA), representatives from Naturally Occurring Retirement Communities (NORCs) located throughout the City, as well as advocates.

## II. BACKGROUND

Today, there are 1.5 million seniors ages 60 years and older currently residing in the City, who account for 18.2 percent of the City's population.<sup>1</sup> There are over 1.08 million people between the ages of 50-59 currently living in New York City, or 12.8 percent of the population, the vast majority of whom are baby-boomers.<sup>2</sup> By 2040, individuals ages 60 years old and above will increase to 1.86 million and will account for 20.6 percent of the total population.<sup>3</sup>

According to the American Community Survey from 2015, Brooklyn has the largest population of seniors over the age of 65, with 326,955, followed by Queens with 322,803. There are 240,100 individuals over the age of 65 in Manhattan, followed by the Bronx with 165,921 and Staten Island with 71,184.<sup>4</sup> According to a survey by the American Association of Retired Persons (AARP), almost 90 percent of older adults prefer to live in their home as long as possible.<sup>5</sup> The study found that "aging in place," or remaining in one's residence or community, is the clear

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<sup>1</sup> N.Y.C. Department for the Aging Annual Plan Summary 2017-2018 (September 2016), available at <http://www.nyc.gov/html/dfta/downloads/pdf/DFTAAnnualPlanSummary2016.pdf>.

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> American Association of Retired Persons (AARP), In Brief: Aging in Place (Dec. 2011), available at <http://assets.aarp.org/rgcenter/ppi/liv-com/ib190.pdf>.

preference of the vast majority of older adults; yet in order to safely age in place, many seniors require additional services and accommodations.<sup>6</sup>

As individuals age, their range of mobility decreases and the need for appropriate in-home services and adaptive equipment increases. While aging in place has many positive benefits, it can also lead to social isolation. In 2014, 32 percent of New Yorkers over the age of 65, and 44.3 percent of individuals 85 years old and older reported living alone.<sup>7</sup> Those living alone had the second highest rate of poverty among all older adult households. Social isolation can be caused by a person's disability and their lack of access to primary care.<sup>8</sup> NORCs can address the needs of the elderly who are aging in place.

The term NORC was coined by a University of Wisconsin architecture professor, Michael Hunt, to describe neighborhoods and housing developments originally built for young families in which 50 percent or more of the residents are 50 years old or older.<sup>9</sup> Unlike retirement communities or facilities built specifically for seniors, NORCs develop naturally over time.<sup>10</sup> As many seniors prefer to remain in their homes, NORCs typically evolve as the residents of a community age in place.

Federal law defines a NORC as a community with a concentrated population of adults 60 years and older that provides health and social services, that is not an institutional care or assisted living setting.<sup>11</sup> Communities can evolve into NORCs in a number of ways – through the aging in

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<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

<sup>9</sup> Fredda Vladeck, A Good Place to Grow Old: New York's Model for NORC Supportive Service Programs 1 (2004), available at <http://www.uhfny.org/publications/203833>.

<sup>10</sup> *Id.*

<sup>11</sup> Congressional Research Service, Supportive Services Programs to Naturally Occurring Retirement Communities 1 (Dec. 18, 2007), citing Older Americans Act Amendments of 2006, Pub. L., 109-365, available at <http://aging.senate.gov/crs/aging15.pdf>.

place of long-time residents, the departure of large portions of younger residents, and the migration of older adults to the community.<sup>12</sup>

### NORC Services

The delivery of services through NORCs can involve partnerships between the housing entity (whether private or public), and for-profit and non-profit organizations – known as SSPs, or NORC-SSPs.<sup>13</sup> The main partners in a NORC-SSP are the social service provider, a housing corporation, a health provider, and the NORC residents themselves.<sup>14</sup> One of these partners, typically the social service provider, takes the role of the “lead agency,” serving as the government contractor and coordinates the management of the site, services, and finances.<sup>15</sup> For the purpose of this report, any reference to a “NORC” shall mean simply a geographic boundary with a large number of senior residents and a “NORC-SSP” will refer to a NORC that provides specific social service programs. Any other NORC type will be defined.

NORC-SSPs help to monitor seniors’ needs while promoting independence by providing flexible and responsive services before crisis intervention is necessary.<sup>16</sup> Services provided by NORC-SSPs fall primarily into three core categories: social work, health care, and community engagement.<sup>17</sup> The particular services offered at each NORC-SSP will differ depending on the needs of the community and the resources available.<sup>18</sup> Core services are supplemented by projects

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<sup>12</sup> *Id.*

<sup>13</sup> *Id.* at 10. NORC-SSPs are also referred to as “classic” or “vertical” NORCs.

<sup>14</sup> *Id.*

<sup>15</sup> *Id.*

<sup>16</sup> *Id.* at 1.

<sup>17</sup> NORC Blueprint, Implementation: Guiding Principle 1, <http://www.norcblueprint.org/implementation/gp1/> (last accessed May 26, 2017).

<sup>18</sup> NORC Blueprint, Implementation: Guiding Principle 1 Actions, <http://www.norcblueprint.org/implementation/gp1/actions/> (last accessed May 26, 2017).

that target specific problems experienced by NORC residents, such as a lack of communal space for socializing or the safety concerns of residents.<sup>19</sup>

Crucial to all NORC programs is health-related programming. The United Hospital Fund along with DFTA developed the Health Indicators program, a survey tool designed to gather and interpret data on health status and health risks and determine appropriate interventions for older residents. Many NORCs utilize this program to help design programs to meet the needs of their residents.<sup>20</sup>

The modern NORC-SSP model was developed in New York City in the mid-1980s.<sup>21</sup> Penn South, a cooperative located in Manhattan, found itself with more than 75 percent of its residents over age 60, many of whom were experiencing issues with finances, housing, and their health.<sup>22</sup> To help address these concerns, the cooperative began working with social service providers to deliver assistance on-site.<sup>23</sup> UJA-Federation of New York, a philanthropic organization, provided the new NORC-SSP with funding, staff, and assisted in the development of long-term financing mechanisms.<sup>24</sup> The resulting success of the Penn South NORC-SSP led to the implementation of similar programs in two housing developments in 1992,<sup>25</sup> and government support at the federal, state, and local level soon followed.

### New York State Regulations

In 1995, New York State was the first state to recognize NORCs in state law. New York State law defines a “classic” NORC, that is a NORC-SSP, as an apartment building or housing

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<sup>19</sup> NORC Blueprint, Implementation: Guiding Principle 4, <http://www.norcblueprint.org/implementation/gp4/> (last accessed May 26, 2017).

<sup>20</sup> *Id.*

<sup>21</sup> Congressional Research Service, *supra* note 11.

<sup>22</sup> *Id.* at 4.

<sup>23</sup> *Id.*

<sup>24</sup> Vladeck, *supra* note 9.

<sup>25</sup> *Id.*

complex that was constructed with government assistance, was not built for older adults and does not restrict admission to older adults.<sup>26</sup> At least 50 percent of the units must have an occupant who is an older adult or at least 2,500 of the residents of the building or complex must be an older adult.<sup>27</sup> Furthermore, a majority of the older adults to be served must be lower or moderate income as defined by the United States Department of Housing and Urban Development (HUD).<sup>28</sup>

In 2005, after the success of a “neighborhood NORC” pilot program in New York City, the New York State legislature enacted legislation to recognize and define neighborhood NORCs (N-NORCs), also referred to as “horizontal” NORCs, and to designate state money to support them.<sup>29</sup> The statute defined the term N-NORC as a group of residential dwellings in a geographically defined neighborhood of 2,000 people or less, with 40 percent of the households headed by persons 60 years and older, and where the buildings are low-rise, that is, six stories or less and are single and/or multifamily homes.<sup>30</sup>

#### Changes to the State Elder Law

In the 2016 State budget, the State made historic changes to Section 209 of the Elder Law, by, among other things, amending the definitions of NORC-SSPs and N-NORCs.<sup>31</sup> These changes are effective on January 1, 2018, but to prevent any disruption of services, programs operating before March 1, 2016 are allowed to follow the new senior residency requirements for NORC-SSPs and N-NORCs explained below.<sup>32</sup>

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<sup>26</sup> *Id.*

<sup>27</sup> N.Y. Elder Law § 209.

<sup>28</sup> *Id.*

<sup>29</sup> NYS Office for the Aging, Naturally Occurring Retirement Community (NORC) Service Program, *available at* <https://aging.ny.gov/LivableNY/ResourceManual/Housing/III2d.pdf>.

<sup>30</sup> *Id.* at 27.

<sup>31</sup> NYS Budget of 2016 Chapter 59/ Elder Law Section 209.

<sup>32</sup> *Id.*

### *Changes to State funded NORC-SSPs*

The definition of NORC-SSPs was amended to remove the requirement that NORC buildings have to have been built with government assistance. In addition, building types can now have been built with some senior only housing, so long as they were not constructed predominantly for older adults. The percentage of units that are required to have an older adult was reduced from 50 percent to 40 percent.<sup>33</sup> The number of older adult occupants is now a minimum of 250 residents of an apartment building or 500 residents of a housing complex as opposed to a maximum of 2,500 residents for either building type.<sup>34</sup> The law maintains that a majority of the older adults to be served are low or moderate income, as defined by the United States Department of Housing and Urban Development. A State grant cannot exceed \$200,000 in a twelve-month period, an increase from the prior limit of \$150,000.<sup>35</sup>

### *Changes to State funded N-NORCs*

Additionally, the requirements for N-NORCs were also amended. For non-rural areas, the percentage of the residents and/or occupants who are older adults was reduced from 40 percent to 30 percent and the maximum number of individuals was removed entirely. The grant awarded to an N-NORC in a twelve-month period remains no less than \$60,000.

### *Additional Changes*

In addition to the changes to the NORC definitions, there were significant changes to the method by which grantees are selected. The Director of the State Office for the Aging is charged with developing appropriate criteria for the selection of grantees. Such criteria must be consistent with the statute, which sets forth the minimum criteria that must be considered in making awards.

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<sup>33</sup> *Id.*

<sup>34</sup> *Id.*

<sup>35</sup> *Id.*

The minimum criteria includes: (1) a requirement that the service provider conduct a “health indicators/performance improvement,” which is a survey tool and database for service providers to gauge the health status of the residents they serve; (2) a demonstration of community wide support from residents, neighborhood associations, community groups, and nonprofit organizations; and (3) a requirement that the applicant conduct a needs assessment to establish the nature and the extent of the services applicants intend to provide and to explain how all residents would be able to participate in these services.<sup>36</sup>

Under the minimum criteria, the services an applicant provides can be the same as the services a municipality or other community-based organization already conducts, as long as those services have not reached the residents in a NORC-SSP or N-NORC. Both NORC-SSPs and N-NORCs must also provide documentation of the necessity of the program, the applicant’s financial commitment, and written evidence of support from the housing development or other owners or managers of the apartment or housing complexes (for NORC-SSPs) or the geographically defined neighborhood (for N-NORCs). The minimum criteria for grantee selection also takes into account the applicant’s plan for coordination with the local Area Agency on Aging (AAA) to leverage additional services.<sup>37</sup> In addition, the statute expands the definition of “eligible services” that NORCs provide and requires the Director to develop a list of priority and optional services which may be used in the grantee selection process.<sup>38</sup>

These changes are positive improvements to the State law. The original version was viewed as too restrictive because of the cap on the amount of senior residents for both NORC-SSPs and N-NORC. Under the new law, more building types will be able to apply for funding.

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<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

However, the State definition now differs significantly from the City definition, as discussed below. These changes may create a conflict for the NORCs that receive both City and State funding.

### NORCs in New York City

New York City began supporting the expansion of NORCs in 1999 by providing \$4 million to NORC-SSPs.<sup>39</sup> This funding helped to enhance 12 programs that had received state funding and supported the development of 16 new NORC-SSPs within the City.<sup>40</sup>

DFTA's most recent NORC-SSP request for proposal (RFP) was released in June 2013, supported by \$6.5 million in funding, and 28 new NORC contracts began in FY 2014.<sup>41</sup> These include four (4) in the Bronx, five (5) in Brooklyn, twelve (12) in Manhattan, and seven (7) in Queens.<sup>42</sup> As of February 26, 2016, there are none in Staten Island.<sup>43</sup> Out of the 28 NORCs that have a contract with DFTA, 14 also receive State funding.<sup>44</sup> In FY 16, the City Council awarded \$1.95 million to NORC-SSPs (classic NORCs) and \$1.9 million to N-NORCs that did not have contracts with DFTA.<sup>45</sup> As of FY 16, the City Council funded 25 NORCs.<sup>46</sup> In FY 17, the City Council combined the discretionary funding for NORC-SSPs and N-NORCs, awarding \$3.85 million as a one-time funding to NORCs, in general.<sup>47</sup>

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<sup>39</sup> Vladeck, at 9.

<sup>40</sup> *Id.*

<sup>41</sup> N.Y.C. Department for the Aging, *Annual Plan Summary April 1, 2017-March 31, 2018* 32, available at <http://www.nyc.gov/html/dfta/downloads/pdf/DFTAAnnualPlanSummary2016.pdf>.

<sup>42</sup> Attachments for the Record from N.Y.C. Department for the Aging, N.Y.C. City Council Aging Committee Hearing on 'Serving Immigrant Seniors Through NORCs' (February 26, 2016) available at <http://legistar.council.nyc.gov/LegislationDetail.aspx?ID=2570461&GUID=E654EA46-CC34-4204-8C83-218BC9020066&Options=&Search=>.

<sup>43</sup> *Id.*

<sup>44</sup> Communication with N.Y.C Council Finance Division

<sup>45</sup> *Id.*

<sup>46</sup> *Id.*

<sup>47</sup> *Id.*

New York City uses a more flexible definition of NORC than either the federal government or state. For the purposes of DFTA’s 2013 RFP, a NORC was defined as a non-age restricted residential location (single building, housing development, or cluster of housing within a neighborhood) not originally built for seniors that have developed a “significant concentration” of older residents.<sup>48</sup> Additionally, in order to apply for a NORC-SSP, the applicant must meet certain eligibility requirements. A building or housing development must have (1) a senior population of 350 residents or more in which 40 percent of the households must include a senior; or (2) a housing development with 1,500 seniors, regardless of the percentage of households they occupy.<sup>49</sup>

DFTA-funded NORC programs are tasked with the goals of:<sup>50</sup>

- Providing a supportive environment allowing seniors independence as they age in place;
- Engaging the residents within the community and facilitate linkages with the larger community;
- Assessing the needs of the senior residents;
- Providing supportive services based on these assessments; and
- Building a strong community which fosters new roles for community members.

There are currently two NORC models supported in New York City: NORC-SSPs and Hybrid NORC. NORC-SSPs follow the traditional NORC-SSP model as described above, while Hybrid NORCs comprise NORC-SSPs that share resources (such as space, staff, and programming) with an existing DFTA funded senior center based in or near the housing facility.<sup>51</sup> DFTA added the Hybrid model to the latest RFP for the benefit of those NORCs that were located proximately to a senior center and sought to develop a relationship to augment programming such as adding services/activities or extending existing services/activities to more individuals<sup>52</sup>

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<sup>48</sup> 2013 N.Y.C. DFTA NORC RFP, on file with the N.Y.C. Council Finance Division

<sup>49</sup> Addendum Num. 1 of the 2013 N.Y.C. DFTA NORC RFP, on file with the N.Y.C. Council Finance Division

<sup>50</sup> *Id.* at 44.

<sup>51</sup> *Id.*

<sup>52</sup> *Id.*

Both NORC-SSPs and Hybrid NORCs are required to include certain program elements. For example, each NORC must have a core partnership consisting of a social services partner, health partner, housing partner, NORC residents; and for Hybrid NORCs, the senior center.<sup>53</sup> The core partnership must meet regularly with clearly defined roles for each member. Each NORC must also make certain services available to all members. These services include: NORC case management, case assistance, healthcare management, healthcare assistance, and implementation of the Health Indicators program.<sup>54</sup> The Health Indicators program was developed by the United Hospital fund and DFTA, and consists of two survey components: a “Health Risk Identification” and a “Performance Improvement tool.”<sup>55</sup> Organizations who serve seniors can use these tools to understand health of the clients they serve and develop strategies to work with seniors who have particular health risks.

Furthermore, the RFP also included specific staffing requirements including a full-time director, staff appropriate for the proposed service levels, and a nurse or health care professional to support the Health Indicators program.<sup>56</sup> DFTA’s Senior Housing Initiatives Unit oversees these programs.

### Expansion of NORCs

Currently, DFTA contracts with 28 NORCs in Manhattan, Brooklyn, Bronx, and Queens and the City Council supports 25 NORCs with discretionary funding.<sup>57</sup> In general, City funded

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<sup>53</sup> *Id.*

<sup>54</sup> *Id.*

<sup>55</sup> *Id.*

<sup>56</sup> *Id.*

<sup>57</sup> N.Y.C. Comptroller’s Report, Aging with Dignity: A Blue Print for Serving NYC’s Growing Senior Population, available at: <https://comptroller.nyc.gov/reports/aging-with-dignity-a-blueprint-for-serving-nycs-growing-senior-population/>.

NORCs are NORCs-SSPs, the majority of which are based in high-rise apartment buildings with a common ownership or management structure.<sup>58</sup>

The NORC-SSP has been a promising model for bringing necessary care and support to seniors living in age-integrated buildings and apartment complexes. Despite an increase in the number of programs in recent years, NORC-SSPs still reach only a small proportion of seniors in buildings and neighborhoods with existing NORCs.<sup>59</sup> Outreach needs to be improved within the existing NORC programs. Furthermore, only a small proportion of the existing NORC-SSPs are in community districts where seniors are most at risk of social isolation, such as East and Central Harlem, Midtown, the South Bronx, and Central Brooklyn.<sup>60</sup>

A 2016 report released by the N.Y.C. Comptroller indicated that there are specific neighborhoods that lack NORCs despite having a significant concentration of seniors, these areas include, Queens Community District 6 (Forest Hills & Rego Park), Queens Community District 13 (Queens Village, Cambria Heights & Rosedale), and Staten Island Community District 3 (Tottenville, Great Kills & Annadale).<sup>61</sup>

The report recommends that the City should consider targeting additional funding to create new Neighborhood NORC models in New York City communities with a high density of seniors that would benefit from the services, which would include the creation of annual baseline funding for such a program.<sup>62</sup>

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<sup>58</sup> *Id.*

<sup>59</sup> *Id.*

<sup>60</sup> *Id.*

<sup>61</sup> *Id.*

<sup>62</sup> *Id.*

## NYCHA NORCS

According to the New York City Housing Authority (NYCHA), 37 percent of families (64,927 families) in NYCHA housing have a head of household who is 62 years of age or older. Nineteen percent of NYCHA's population 76,717 is 62 years old or older.<sup>63</sup> Nearly half of seniors in NYCHA live alone.<sup>64</sup> While some of NYCHA's senior population lives in the 42 senior-only developments or 14 seniors-only buildings, some do not.<sup>65</sup> As such, NYCHA adopted the NORC model, in 1999, when the City issued its first NORC RFP, to address the concentration of seniors who had aged in place in non-senior specific housing. As of NYCHA's Annual Agency Plan for Fiscal Year 2015, NORCS are operated in 12 different NYCHA developments in the City. Through a partnership between the New York State Office for the Aging and United Hospital Fund, seniors at these sites are provided with services including case management, as well as healthcare assistance such as nursing and health screenings. NYCHA NORC programs also offer other services like transportation, housekeeping, support groups, and financial management. In calendar year 2013, NYCHA's NORC program provided case management and assistance to 21,296 seniors and healthcare management and assistance to 5,270 seniors.<sup>66</sup>

## **II. CONCLUSION**

NORC models at both the City and State level have served the aging community in New York City for several decades, but changes to the State Elder Law could potentially change how services are delivered. Furthermore, it is necessary to assess places in the City where NORC services could best be implemented.

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<sup>63</sup> New York City Housing Authority, available at [http://www.nyc.gov/html/nycha/downloads/pdf/res\\_data.pdf](http://www.nyc.gov/html/nycha/downloads/pdf/res_data.pdf).

<sup>64</sup> Rodriguez, Cindy, WNYC, Seniors in Public Housing Less Healthy Than Peers Citywide Study (July 7, 2011) available at <http://www.wnyc.org/story/145122-blog-study-shows-seniors-public-housing-smoke-more-and-have-higher-rates-diabetes/>.

<sup>65</sup> New York City Housing Authority, Community Senior Services, available at [http://www.nyc.gov/html/nycha/html/community/senior\\_services.shtml](http://www.nyc.gov/html/nycha/html/community/senior_services.shtml).

<sup>66</sup> *Id.*