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## Riverfront retirement

Senior housing projects aim to make a splash

By Doug Henze



**Presbyterian Villages of Michigan** and two investors are hoping a \$40 million complex that will provide [affordable senior housing](#) near the Detroit riverfront will make a splash with the city's aging population.

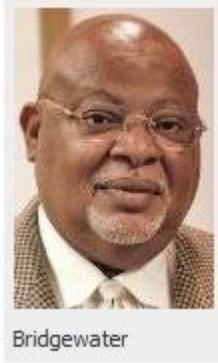
Success could spark similar housing along the river, where at least one other developer is waiting in the wings for market demand.

"There are a lot of seniors up and down the waterfront," said Brian Carnaghi, senior vice president of finance and business development for PVM. "We believe that there will be a quick fill-up of this (development)."

PVM is allied with the Detroit-based **Henry Ford Health System** and Chelsea-based **United Methodist Retirement Communities Inc.** on the Rivertown neighborhood project, which will bring 80 [apartments](#) in its first phase, set for a December completion.

The Department of Housing and Urban Development-subsidized apartments, three blocks from the river on Wight Street near McDougall Street, will be roughly 600 square feet and rent for \$200 to \$400 a month, with the rate determined by tenant income.

Paul Bridgewater, president and CEO of the **Detroit Area Agency on Aging**, said he believes the Rivertown project will serve as a model for senior housing that can be replicated throughout



the city. And it's population on the grow -- the **Southeast Michigan Council of Governments** predicts the city of Detroit's 65-and-older population will grow to 127,000 by 2035, compared to 82,000 in 2010.

"Seniors are looking for a safe and secure environment," Bridgewater said. "I think this project offers that. I think it will attract seniors in the city of Detroit and also ... in suburban communities. It's going to be very attractive."

The development might not draw lifelong suburban residents, but it could be a beacon to city dwellers, said Thomas Jankowski, associate director for research at the Institute of Gerontology at **Wayne State University**.

Jankowski recently worked with the **Michigan State Housing Development Authority** on a study that surveyed Michigan residents 50 and older about housing preferences.

For that group, safety is a primary concern, he said. PVM will provide 24-hour security at Rivertown.

"For people who have been living in the city for years and their houses may be one of only two or three that are occupied on their street, moving in with other people probably, in their view, leads to an increase in safety," he said.

Subsidized housing fills a need for seniors who, because of the housing crash, might be unable to sell their homes to get into new housing, Jankowski said.

"I don't think (Rivertown is) going to be much of a catalyst for private for-profit developers, because there's not much money in it," he said.

However, other subsidized housing and businesses such as grocery stores could spin off from the development, he said.

"The older population can be an economic engine," Jankowski said.

PVM expects the project to create 180 health care jobs, with an average pay of \$48,000 a year.



ANDREW TEMPLETON/CDB

The Renaissance Center is visible to the west of Presbyterian Villages of Michigan's Rivertown development.

Construction on that \$26 million phase began in January, when the developers gutted a former **Parke-Davis** manufacturing facility. The 120,000-square-foot, four-story building will be home to the apartments, called Rivertown [Assisted Living](#), as well as a health and wellness center.

To be known as the **Center for Senior Independence**, the wellness facility will transport seniors who need health care services to and from their homes.

"This will be the first Michigan location with these two programs together," said PVM President and CEO Roger Myers, referring to the senior housing and wellness center. PVM said the project as a whole will be the first of its kind in the nation.

Phase two of the Rivertown project, scheduled for an April 2013 construction start, will be a four-story structure containing 50 apartments.

The third phase, awaiting financing, will include a licensed nursing home consisting of two buildings with 10 apartments each. The environment is expected to provide a sense of community where residents will get to know each other.



Roberts

A community café and a garden also will be part of phase three.

Another group [investing](#) in low-cost senior housing along the river is the nonprofit Boston-based **Preservation of Affordable Housing**. The group, which offers independent senior housing, recently spent \$8 million to reface the exterior of its 18-story building at 8330 E. Jefferson with metal plating to improve energy efficiency.

POAH, which purchased the 280-apartment building in 2003 to prevent its conversion to market-rate condos, used stimulus funds from MSHDA to renovate.

"We're doing a lot of window replacements, solar-thermal, greening measures," said Maria Plati, communications manager for POAH. "This had leaks that were pretty bad, in terms of energy."

Still deciding whether to jump into the senior housing market is St. Louis developer Michael Roberts, chairman and CEO of **Roberts Cos.** He put on hold plans to convert 25 to 30 hotel rooms to senior, active-adult housing at the 106-room **Roberts Riverwalk Hotel & Residence Detroit** -- formerly the Omni.

"The hotel business has exploded," Roberts said. "The same rooms I originally planned for residential, I had to use for the hotel business. I'm a businessman. I let the market dictate what is needed.

"I haven't ruled (senior housing) out as an adaptive reuse of part of the hotel. I can shift it very quickly."

<http://www.crainsdetroit.com/article/20120819/FREE01/308199992/riverfront-retirement#>