



**JOINT LEGISLATIVE STUDY COMMITTEE
ON AGE-SPECIFIC COMMUNITY
ZONING DISTRICTS &
RETIREMENT COMMUNITIES**

FINAL REPORT

DECEMBER 1, 1995



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Committee Members

Senator Warren Austin Turner, Co-Chair
Senator Peter Goudinoff

Representative Scott Bundgaard, Co-Chair
Representative Ruben F. Ortega

Craig Ahlstrom, Farnsworth Companies
David Bartlett, Attorney General's Office
Jim Graham, Sun Lakes Home Owners' Association
Earl Miner, Green Valley Community Coordinating Council
Joe Lane, Executive Assistant, Governor's Office
Mort Reed, Sun City Home Owners' Association
Fred Williams, Sun City West

EXECUTIVE SUMMARY

Section I

The Joint Legislative Study Committee on Age-Specific Community Zoning Districts and Retirement Communities was established by Laws 1995, Chapter 83 (Appendix A). The eleven member committee was formed to study issues related to senior citizens and retirement communities in Arizona. The charges of the study committee are to:

- study issues related to:
 - ▶ the common features that distinguish retirement communities, including both large and small communities;
 - ▶ methods of addressing the specific needs of retirement communities in relationship to the local, state and national government; and
 - ▶ the relationship between retirement communities and the Arizona fair housing act.
- prepare and submit a report on all aspects of the study to the President of the Senate and the Speaker of the House of Representatives by December 1, 1995.

DISCUSSION TOPICS

Section II

In 1994, an ad hoc working group on Age-Specific Zoning and Fair Housing reviewed some specific needs of retirement communities, including the relationship between the Federal Fair Housing Act and retirement communities. The working group also discussed legislation to create a governmental entity with limited powers and authority for retirement communities. This legislation, SB1096 (*special governmental retirement communities*), was introduced during the 1995 legislative session; however, a strike-everything amendment was adopted creating the Joint Legislative Study Committee on Age-Specific Community Zoning Districts and Retirement Communities.

The Joint Legislative Study Committee on Age-Specific Community Zoning Districts and Retirement Communities held four meetings during the 1995 interim for the purpose of discussing and reviewing issues concerning retirement communities. The committee proceeded from the work that was accomplished by the ad hoc working group. Some of the concerns of retirement

communities identified include: Federal Fair Housing Act exemption provisions; senior overlay zones; and quasi-governmental entities.

FEDERAL FAIR HOUSING ACT OF 1988

In 1988, the Federal Fair Housing Amendment Act was enacted to protect families with children from discrimination in housing. Under this Act, seniors-only communities may qualify for an exemption from the anti-family-discrimination statute if certain conditions are met.

Currently, to qualify for exemption status, the Federal Fair Housing Act requires retirement communities to demonstrate that at least 80 percent of the households have in residence one person 55 years of age or older. The exemption provisions also require seniors-only communities to provide significant facilities and services to meet the physical and social needs of senior citizens, such as ramped sidewalks, public transportation and recreational facilities.

The United States Department of Housing and Urban Development (HUD) was assigned to develop regulations to enforce the senior housing qualification provisions of the Fair Housing Act. HUD published these regulations in 1991 and has revised them several times attempting to respond to residents of senior communities across the nation who had expressed their frustrations with the rules.

In 1994, HUD representatives visited retirement communities for citizen input due to the continued high degree of public interest and as part of the HUD rule-making process. During their tour, HUD officials held a public meeting in Phoenix with almost 2,000 senior community members in attendance. Representatives of HUD expressed support for rules which are fair and just for large and small retirement communities, while senior community residents expressed concerns about the ability of some communities to satisfy the significant facilities and service requirements. Some viewed the requirement as discriminatory because it increases housing costs. Others suggested seniors should be viewed as self-sufficient adults and be able to select a living environment suited to their individual needs. Some retirement communities expressed the need for a verification mechanism or compliance strategy for the 80 percent occupancy requirement to provide themselves with legal protection in the event their compliance with fair housing laws is challenged.

On August 18, 1995, HUD issued its most recent modification of the exemption provisions, revising the definition of the significant facilities and services requirement. However, some small and large senior communities still opposed this rule.

This year, the U.S. House of Representatives introduced HR660, the *Housing for Older Persons Act of 1995*, to ease requirements for seniors-only communities to satisfy Federal Fair Housing Act regulations. This legislation eliminates the significant facilities and services requirement for seniors-only housing from the 1988 Federal Fair Housing Act. The Joint Legislative Study Committee on Age-Specific Community Zoning Districts and Retirement Communities has

been tracking HR660 through the legislative process. David Bartlett, Chief Counsel of the Civil Rights Section at the Office of the Attorney General, suggested that the study committee recommend legislation to change state law in order to maintain consistency with the Federal Act, contingent upon the passage of HR660.

AGE-SPECIFIC ZONING

Retirement communities generally consist of many common interest developments which are individually managed by home owners' associations. Home owners' associations are governed by deed restrictions and by-laws, and in some retirement communities, these governing documents restrict residency to people who must be of a specific age or older. Some retirement communities however do not have age-restricting provisions in their deeds.

In 1982, Senate Bill 1354 (*cities and towns; age specific community zoning districts*) was enacted permitting municipalities and counties to establish senior community zoning districts restricting residency to a head of a household or spouse who must be of a specific age or older. Additionally, minors are prohibited from living in these senior community zoning districts. Maricopa County adopted zoning ordinances to permit the use of senior overlay zoning and has established several senior overlay zones for retirement communities such as Sun City and Sun City West. No other county in Arizona has ever permitted this type of zoning.

The Committee discussed the history of senior overlay zones but made no recommendations to amend existing law. Senator Peter Goudinoff expressed concern about the effect of a significant decrease in demand for housing in age-specific communities in the future and the potential zoning implications. Currently, Title 11, Section 829, Arizona Revised Statutes, addresses this concern providing for down zoning through the adoption of an ordinance or by changing the boundaries of a zoning district. Down zoning requires the approval from the county board of supervisors and the county planning and zoning commission. The planning and zoning commission is required to hold a public meeting on the zoning change. Upon receipt of the zoning commission's recommendation, the county board of supervisors is required to hold a public meeting and notify, by first class mail, each real property owner within three hundred feet of the proposed zoning boundary change. If twenty percent of the real property owners by *area* and *number* within the zoning area protests, an affirmative vote of three-fourths of the board of supervisors is required to approve the zoning change. After the public meeting, the board may adopt the boundary change.

QUASI-GOVERNMENTAL ENTITIES

Some planned retirement communities in Arizona have been interested in having greater planning, zoning and architectural control in their respective communities, including the power to pass and enforce local ordinances. These communities, however, such as Sun City, Green Valley and Sun Lakes, have chosen by vote not to incorporate and are not seeking city status. Last year's

ad hoc working group reviewed several bills that had been introduced in the past to create special retirement community governmental entities with limited powers and authority. Senate Bill 1096, creating special retirement community governments, was a result of that committee's work.

The Study Committee on Age-Specific Zoning and Retirement Communities discussed the idea of establishing a special retirement community government with more planning and zoning power and authority. Some members of the committee expressed concern with issues such as establishing boundaries, legal responsibility, financing mechanisms and liability issues. The committee then reviewed special districts and quasi-governmental entities existing in other states. Specifically, the committee studied examples of the following types of governmental entities:

Special Community Improvement Districts

Special districts in general, are independent and co-exist with substantial administrative and fiscal independence from general purpose governments, such as county, municipal or township governments. Special district governments usually perform a single function, but in some instances, are authorized to provide related services.

The LaVale Zoning District

The LaVale Zoning District, a unique special district with limited zoning powers, was created for the purpose of regulating land use and building construction and design in a ten square mile area of an unincorporated suburb. The LaVale Zoning Board may also regulate the use of buildings and prescribe density limitations. Additionally, the Board may establish and enforce regulations.

Neighborhood Advisory Councils

Generally established through local ordinance or administrative action, neighborhood advisory councils exist in a number of localities. These types of councils are advisory in nature, but the scope of their duties nevertheless varies. Some neighborhood advisory councils deal with specialized school functions; others may advise counties or municipalities on a wide variety of functions performed by the parent government. As an illustration, the advisory neighborhood commissions in the District of Columbia advise the District government on matters of public policy including decisions regarding planning, streets, recreation, social services programs and sanitation in their respective neighborhoods.

A proposal was presented to the Committee to establish Retirement Village Advisory Councils (Appendix F). The Committee reviewed and discussed draft legislation addressing several technical and legal issues which legislative members agreed to resolve. The Committee approved, as a recommendation, Retirement Village draft legislation and any necessary technical modifications.

COMMITTEE RECOMMENDATIONS
Section III

The Joint Legislative Study Committee on Age-Specific Community Zoning Districts and Retirement Communities made the following recommendations:

- Legislation should be introduced to modify Arizona's fair housing statutes to conform to the Federal Fair Housing Act, contingent upon the passage of HR660 (*Housing for Older Persons Act of 1995*).
- Introduce legislation to establish a mechanism for the formation of Retirement Village Advisory Councils.

State of Arizona
Senate
Forty-second Legislature
First Regular Session
1995

CHAPTER 83

SENATE BILL 1096

AN ACT

Establishing the joint legislative interim study committee on age specific community zoning districts.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Joint legislative interim study committee on age specific community zoning districts; members; duties; report

A. A joint legislative interim study committee on age specific community zoning districts is established consisting of the following members:

1. Four legislators representing districts with substantial retirement populations, two members of the senate who are appointed by the president of the senate and two members of the house of representatives appointed by the speaker of the house of representatives.

2. Four public members representing retirement communities, two members who are appointed by the president of the senate and two members who are appointed by the speaker of the house of representatives.

3. One public member appointed jointly by the president of the senate and the speaker of the house of representatives representing the home builders' industry.

4. One representative from the Arizona attorney general's office appointed by the attorney general.

5. One representative from the governor's office appointed by the governor.

B. The president of the senate and the speaker of the house of representatives shall each designate a cochairman from among the committee's legislative members.

C. Appointed members serve at the pleasure of the person who made the appointment.

D. Committee members are not eligible to receive compensation or reimbursement for expenses.

E. The committee shall study issues related to senior citizens and retirement communities in the state including:

1. The common features that distinguish retirement communities, including both large and small communities.

2. Methods of addressing the specific needs of retirement communities in relationship to the local, state and national government.

3. The relationship between retirement communities and the Arizona fair housing act.

F. The committee shall prepare and submit a report on all aspects of the study to the president of the senate and the speaker of the house of representatives by December 1, 1995.

G. The study committee may use the services of staff from the legislative and executive branches as needed and as made available by the governor, the president of the senate and the speaker of the house of representatives.

Sec. 2. Repeal

This act is repealed from and after December 31, 1995.

APPROVED BY THE GOVERNOR APRIL 15, 1995

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 17, 1995

ARIZONA STATE LEGISLATURE
INTERIM MEETING NOTICE

Open to the Public

STUDY COMMITTEE ON AGE-SPECIFIC ZONING AND RETIREMENT COMMUNITIES

DATE: Thursday, August 3, 1995

TIME: 3:30 p.m.

PLACE: Senate Hearing Room 3

Senator Austin Turner
Cochairman

Representative Scott Bundgaard
Cochairman

Members

Senator Peter Goudinoff

Representative Ruben F. Ortega

Mr. Craig Ahlstrom, Farnsworth Companies

Mr. David C. Bartlett, Attorney General's Office

Mr. Jim Graham, Sun Lakes Home Owner's Association

Mr. Earl Miner, Green Valley Community Coordinating Council

Mr. Mort Reed, Sun City Home Owners Association

Mr. Fred Williams, Sun City West

7/28/95

aps

Individuals with disabilities may request accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Requests for accommodations must be made at least 72 hours in advance. If you require accommodations, please contact the Senate Secretary's Office at (602) 542-4231.

ARIZONA STATE LEGISLATURE
Forty-Second Legislature - First Regular Session

STUDY COMMITTEE ON AGE-SPECIFIC ZONING AND RETIREMENT
COMMUNITIES

Minutes of Meeting
Thursday, August 3, 1995
Senate Hearing Room 3 - 3:30 p.m.

(Tape 1, Side A - *Tape did not record.*)

Cochair Turner called the meeting to order at 3:33 p.m. and the roll was called by the secretary.

Members Present

Senator Peter Goudinoff
Mr. Craig Ahlstrom, Farnsworth Companies
Mr. David C. Bartlett, Attorney General's Office
Mr. Easterly (representing Earl Miner with the Green Valley Community Coordinating Council)
Mr. Jim Graham, Sun Lakes Home Owner's Association
Mr. Fred Williams, Sun City West
Representative Scott Bundgaard, Cochair
Senator Austin Turner, Cochair

Members Absent

Representative Ruben Ortega
Mr. Mort Reed, Sun City Home Owners Association

Speakers

Michael Grady, President, Palm Lakes Village Homeowners Association

Staff

Diana O'Dell, House Research Analyst
Jason Bezozo, Senate Research Assistant
Tami Ryall, Senate Research Analyst

Guest List (Attachment 1)

STUDY COMMITTEE ON AGE-SPECIFIC
ZONING AND RETIREMENT COMMUNITIES
August 3, 1995

Cochair Turner had Committee members introduce themselves and tell something about their interests.

Diana O'Dell, House Research Analyst, summarized the charge of the Committee (Attachment 2) which is, basically, to study issues related to senior citizens and retirement communities in Arizona.

Jason Bezozo, Senate Research Assistant, reviewed the activities of the ad hoc working group on age-specific zoning and fair housing. He noted that activities included discussions of the Federal Fair Housing Act, significant facilities and service requirements, the City of Hayward court decision, funding sources for a pilot project to test the precertification process in Arizona, Housing and Urban Development's (HUD) draft rule, and a tour of senior communities to receive their input into the rule-making process (Attachment 3).

AGE-SPECIFIC ZONING

Senator Goudinoff asked whether federal law applies to communities that are deed restricted or zoned, or whether it matters.

Tami Ryall, Senate Research Analyst, responded that the zoning element of age-specific law is a separate issue from the Federal Fair Housing Act. She explained that zoning has been used in the past as a way to measure compliance.

Mr. Bartlett explained that legislation was passed in the 1970's which allowed counties and cities to zone for retirement communities but in 1988 there was a complaint. He told the Committee that Maricopa County does zone particular groups but the Attorney General's Office (AG) challenged and it caught everyone's attention.

Senator Goudinoff commented that under federal law it would not matter whether a community was deed-restricted or zoned, but he noted that if federal law is changed, the distinction might be important.

Mr. Graham stated that it has never been an issue.

Senator Goudinoff commented that he has always resisted zoning laws because of his concerns that zoning is a police power of the state. He noted that under police power, a person can be told where to live based on age, whereas a deed restriction is contractual and by choice. He further distinguished by stating that deed restrictions can expire or be changed through negotiations, but if zoning is changed, it constitutes a taking. Senator Goudinoff opined that these retirement communities will not exist in 30 years because of lack of money and contended that if the property is zoned age-specific, property values will decline, there will be a push to change zoning, and people will argue that it is a taking.

Cochair Turner thanked Senator Goudinoff for his comments and then referred to the introduction of HR 660 which deletes the significant facilities and services requirement. He noted that the final HUD regulations are due to be out next week so that the process is going on simultaneously with the legislation.

Ms. Ryall clarified that the deadline for HUD to pass the final rule was July 31 but added that there is a feeling that HUD may be waiting to see what happens at the federal level if HR 660 passes.

Mr. Bartlett commented that HUD fully anticipates the bill to pass Congress and concurred with Ms. Ryall's statement.

Senator Goudinoff maintained that if passage of the bill is assumed, the distinction between zoning and deed restriction becomes significant, and if it fails, federal law overrides.

When Chairman Turner asked whether a change would need to be made to Arizona's Fair Housing Act, Mr. Bartlett commented on the probability of changing the state law if the federal statute changes, in order to maintain consistency.

Members confirmed for the Chairman that there are deed restrictions in Sun City West and Sun Lakes.

Mr. Williams told Chairman Turner that Sun City West has senior zoning and deed restrictions and opined that it is true in other communities as well.

Ms. Ryall communicated to the Committee the research findings on zoned communities, noting that changing zoning is accomplished by passage of a resolution and would allow properties to be grandfathered.

Making an assumption that he inherited a piece of age-specific property, Senator Goudinoff asked whether he could get a variance. Ms. Ryall explained that her research was approached from the standpoint of a mass of property owners rather than one individual. She explained that because of the short notice for today's meeting, and the technical nature of zoning, she could not answer all of the Committee's questions. She told Senator Goudinoff that she will get an answer for him for a later meeting.

Mr. Easterly, representing Mr. Earl Miner, commented on a similar situation in which a man left his property to his heirs. He noted that the heirs are renting the property to tenants meeting the age requirements. Mr. Easterly stated that the Pima County Board of Supervisors has been asked for a vote on the zoning overlay, which is allowed by the state, but it has chosen not to do it because of the problems Maricopa County has with it. Cochair Turner commented that it is also the status of Pima County.

Mr. Graham noted that Sun Lakes relies on deed restrictions and commented that zoning can be changed by the people who live in the area.

Senator Goudinoff opined that if a minority of the people do not want to change, a taking may be implied.

Michael Grady, President, Palm Lakes Village Homeowners Association, explained to Cochair Turner that the legislation currently before Congress addresses dropping significant facilities and services but does not address the 80-percent-over-55 occupancy requirement, so Arizona will still need a mechanism to establish the 80-percent rule. He noted that Palm Lakes Village is a deed-restricted community.

Mr. Bartlett stated that only once has there been a verification on the 80-percent-over-55 rule and it was essentially to accommodate the heir. He opined that whether or not there needs to be a mechanism by statute or rule is the issue. Mr. Bartlett added that the AG does not have a position on the issue right now and suggested that if there is some concern about establishing a mechanism, it could be by rule. He noted that the issue is only considered when there is a complaint. Mr. Bartlett commented that if the law changes regarding facilities and services, the 80-percent rule may not be as important because most communities will police it on their own.

Mr. Williams conveyed that he does not recall any arrangement in the proposed rules to terminate the 80-percent rule and suggested not spending any more time on it now.

Mr. Graham noted Sun Lakes' concern about compliance and told the Committee that it keeps a tight control. He stated that if there is a complaint, he assumes it will be contested.

Cochair Turner remarked that compliance has been more of a problem for the smaller communities. He said it has caused lawsuits and difficulty for small community homeowners who are unable to afford an attorney.

RETIREMENT COMMUNITY ISSUES

Cochair Turner turned to the subject of Issues of Concern to the Communities. He opined that the communities would like to have input and suggested that the Committee meet on the east side, the west side, and in Pima County to allow input by individuals who have concerns, rather than expect the Committee to have the answers to solve the problems. When Mr. Williams asked if there will be time to do that, Senator Turner suggested making a presentation following discussions between members of the Committee and their respective communities. He suggested the following topics for consideration and asked for additional suggestions from other members of the Committee:

- 1 Fair Housing Act exemption for senior communities which include facilities and services;
- 2 Limited powers for communities in areas of planning and zoning;
- 3 Tax equity (Attachment 4);
- 4 School district relationship of these communities;

5. Needs of the small communities as opposed to needs of larger retirement communities;

(Tape 1, Side B- *Tape did not record.*)

6. Health statistics of people living in retirement communities versus those not living in retirement communities; and

7. Contributions retirement communities make to surrounding areas.

Mr. Easterly distributed copies of The Retirement Community. Concept or Reality, by Earl Miner (Attachment 5). He suggested that the 80-percent verification process is easy, if there is a place on the homeowner's bill for verification, and noted that it works well in Green Valley's 44 homeowners associations. Mr. Easterly recommended discussing the age overlay zoning since it allows communities to get protection from the counties. He also suggested that there may be some things that should not be included in legislation but should be a matter of practice or policy.

Mr. Ahlstrom stated that he does not think Mesa has an overlay zoning classification, but he noted that all of the retirement communities in Mesa are deed-restricted and seem to be working very well. He opined that if the Committee tries to create something suitable for all people, the homeowners will not show up. He stressed the need for the right facilities and services.

Cochair Turner asked Mr. Ahlstrom if he has data showing the effect of retirement communities on surrounding communities. Mr. Ahlstrom responded that Farnsworth Companies made an economic study and the advantage was tremendous.

Cochair Turner requested that data be made available to the Committee for possible inclusion in the Committee report.

Mr. Ahlstrom opined that the retirement communities can and will govern themselves by putting proper information on their deed restrictions. He commented that Farnsworth Companies has a system for knowing how many citizens of a certain age are in its communities and stated that he will bring the information to the next meeting.

Mr. Graham stated that Sun Lakes and Leisure World govern themselves. He noted that people who serve on the board are volunteers and are very concerned about age restrictions.

Cochair Turner asked if the Sun Lakes Community is supportive of incorporation and Mr. Graham responded that they are not. Mr. Graham noted that Leisure World voted to stay out of the City of Mesa and opined that Sun Lakes wants to remain on their own.

Mr. Williams commented that government has recognized there is such a thing as a retirement community. He talked about an article he read in the newspaper which claimed that retirees spend 80-90 percent of their money locally. He stated that retirement communities are a multi-million dollar industry for an area, not including assets. Mr. Williams contended that people are attracted because

the communities have been designed to give them what they want. He maintained that the retirement communities are not looking for city status and do not want to take over all the functions of government. Mr. Williams commented that Sun City West believes there are some things, such as planning, zoning and architectural control, which could be better administered by the community. He added that Sun City West has police, a fire department, and shopping and wants to keep it as it is. Mr. Williams concluded by saying that Sun City West wants the few things that will allow its residents to maintain their lifestyle.

Senator Goudinoff expressed interest in reviewing an exit strategy in order to ensure a way to phase out a retirement community and not be trapped by government regulations. He suggested perhaps getting the Joint Legislative Budget Committee's input. Senator Goudinoff stated that people are not saving enough money for retirement and opined that, though it is a good industry now, it might not be 25-30 years from now. He commented that he does not want to see the communities trapped with zoning that would prohibit them from being converted to use for young families.

Discussions were held about Cochair Turner's idea of having fact-gathering meetings at some of the retirement communities. Ms. Ryall told Senator Turner that if there is not a specified subcommittee, and no formal action will be taken in the communities, any Committee member may attend who wishes.

Mr. Bartlett suggested narrowing the focus to some of the issues of the original committee.

Senator Goudinoff suggested, and Messrs. Bartlett and Ahlstrom concurred, that the Committee wait to see what action Congress will take.

Mr. Bartlett opined that it might make more sense to hold a meeting in Sun City if Congress passes HR 660.

Cochair Turner established Thursday, September 28, at 11:00 a.m., as a tentative date and time for the next meeting.

Cochair Turner stated that rather than have three separate meetings, he would ask Committee members from retirement communities present to their communities the questions the Committee has discussed and see if they have additional questions, in relationship to the Committee's charge, that can be brought back to the Committee at the September meeting.

Cochair Turner adjourned the meeting at 4:55 p.m.


Mildred Hollister, Secretary

(Original minutes, attachments and tape on file in the Office of the Chief Clerk.)

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8/21/95

STUDY COMMITTEE ON AGE-SPECIFIC
ZONING AND RETIREMENT COMMUNITIES

ARIZONA STATE LEGISLATURE
INTERIM MEETING NOTICE

Open to the Public

JOINT LEGISLATIVE INTERIM STUDY COMMITTEE ON
AGE-SPECIFIC COMMUNITY ZONING DISTRICTS

DATE: Thursday, September 28, 1995

TIME: 11:00 a.m.

PLACE: House Hearing Room #2

Senator Austin Turner
Cochairman

Representative Scott Bundgaard
Cochairman

Members

Senator Peter Goudinoff
Representative Ruben F. Ortega
Craig Ahlstrom
David C. Bartlett
Jim Graham
Earl Miner
Mort Reed
Fred Williams
Joe Lane

8/15/95

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ARIZONA STATE LEGISLATURE
Forty-second Legislature - First Regular Session
Interim Committee Meeting

JOINT LEGISLATIVE STUDY COMMITTEE ON AGE-SPECIFIC
COMMUNITY ZONING DISTRICTS

Minutes of Meeting
Thursday, September 28, 1995
House Hearing Room 2, 11:00 a.m.

TAPE 1, SIDE A

Cochair Bundgaard called the meeting to order at 11:10 a.m. and the secretary noted the attendance.

Members Present

Senator Peter Goudinoff	Mort Reed
Representative Ruben F. Ortega	Fred Williams
Craig Ahlstrom	Joe Lane
David C. Bartlett	Representative Scott Bundgaard, Cochair
Jim Graham	Senator Austin Turner, Cochair

Members Absent

Earl Miner

Speakers Present

Jane Lange, Chief, Office of Older Adult Health, Arizona Department of Health Services (DHS)
Jason Bezozo, Research Assistant, Arizona Senate
Fran Bell, representing Saddlebrooke Homeowners, Tucson

Cochair Bundgaard asked for a motion to approve the August 3, 1995 minutes. In view of the fact that the minutes were not distributed to Members prior to this meeting, it was decided that approval be withheld until the next meeting in order to give Members an opportunity to read the minutes.

PRESENTATIONS:

Jane Lange, Chief, Office of Older Adult Health, Arizona Department of Health Services (DHS), distributed Attachment 1, entitled "Health Status Profile of Arizona's Older Adults" (filed with original minutes in Office of Chief Clerk). The publication is a summary of the health status of Arizona's seniors. She gave a brief overview of this publication:

- Chapter 1, Older Arizonans: A Demographic Portrait -- 13.4 percent of Arizona's population are seniors, age 65 plus. This population is generally divided into three groups for demographic analysis: the 65 to 74 age group; the 75-84 age group; and the 85 plus age group. There is a marked difference in the growth of the groups, with the 85 plus being the fastest growing age group in the nation. In Arizona, between 1980 and 1990, this age group almost doubled .
- Chapter 2, Health Status Measures -- Health status measures include issues such as mortality rates, difficulty in maintaining independence and chronic diseases. 25 percent of Arizona's seniors have difficulty with the basic activities of daily living. The national rate is higher.
- Chapter 3, Health Care Utilization -- Seniors incur one-third of total health care expenditures nationally. The status of Arizona's seniors is a little better than the national average.
- Chapter 4, Healthy Aging in a Public Health Perspective -- The goals for the older population are: (1) to improve health and quality of life, and (2) to reduce the number of restricted activity days resulting from acute or chronic illness.

Mr. Williams queried how the study could be utilized in the study of age-specific communities. Before replying to the question, Ms. Lange stated she would need more specific information about the issues the Committee is addressing.

Mr. Ortega asked how other states use this type of demographic information to shape their public policy. Ms. Lange answered that the main purpose is long-term planning for future growth in terms of health care services. In response to Mr. Ortega, Ms. Lange said she does not know whether any other states use this kind of information in relation to age-specific communities.

Jason Bezozo, Research Assistant, Arizona Senate, advised that in response to discussion during the August 3 meeting, he has prepared material regarding a dezoning mechanism for county senior overlay zones (Attachment 2). Title 11, Section 829 of A.R.S. provides for downzoning through adoption of an ordinance or by changing the boundaries of a zoning district. Downzoning requires approval from the County Board of Supervisors and the County Planning and Zoning Commission. When an application for downzoning is submitted by a property owner, public meetings must be held by both the Commission and the Board of Supervisors. Notification of the meetings must be sent to each real property owner within 300 feet of the proposed amendment or change.

Mr. Goudinoff asked whether anyone has tried to downzone an age-restricted zone. Mr. Bezozo advised that recently, the Maricopa County Zoning Commission had downzoned a senior overlay for not complying with the Federal Fair Housing Act. The action was brought by the Commission.

Mr. Goudinoff queried whether it is possible for an individual to rezone his own house in an age-specific community. Mr. Bezozo said he would have to inquire whether a particular section could be rezoned within the overlay area.

Mr. Bezozo stated that H.R. 660, Housing for Older Persons Act of 1995, eliminates the significant facilities and services requirement for seniors-only housing from the 1988 Fair Housing Act. On April 6, 1995, H.R. 660 passed in the U.S. House of Representatives and is still to be heard by the U.S. Senate. The Final Rule defining significant facilities and services; Housing for Older Americans, is attached (Attachment 3).

Mr. Bartlett suggested that if H.R. 660 becomes law, this Committee may want to sponsor or recommend legislation at the State level so that Arizona's Fair Housing Law tracks with the Department of Housing and Urban Development (HUD) Fair Housing Law on significant facilities and services.

Mr. Reed recommended that should legislation be proposed on the State level, some consideration should be made, if necessary, of existing communities that have built their premise on significant facilities or services but may not have yet completed construction.

Mr. Bartlett opined that a change in the statute would not necessarily mean a change in the requirements of some of the major retirement communities because they began their existence before familial status was added to the Fair Housing Law of 1988. He said those requirements will probably remain and are decisions to be made by those communities. This bill pertains to other retirement communities which are less well funded, and to lower or middle class and mobile home communities whose concerns have led to the federal legislation.

With no further items on the agenda, Cochair Bundgaard scheduled the next meeting for October 26, at 11:00 a.m.

Mr. Williams objected to the meeting being adjourned. He said nothing has been accomplished and that it appears that nothing is going to be accomplished. He questioned the reason for being here. Cochair Bundgaard replied that the next step in the process is to wait for Congress to make a decision on H.R. 660. If H.R. 660 is passed by Congress, legislation can be drafted at the state level. Mr. Williams said he is in full accord with that action; however, that is only one aspect of the problems of retirement communities.

Mr. Williams related that discussions relating to retirement communities in the past have concerned other factors, such as: retirement communities have a need for tighter controls than what general county ordinances offer. The question is how to approach the needs of the unique character of retirement communities. He stated that retirement communities are not looking for incorporation; they are asking for consideration of corporate responsibilities. He declared that discussion should not be limited to the HUD issue.

Mr. Goudinoff recommended that Mr. Williams draw up a proposal and present it to Members. He stated that Mr. Williams' comments raise the question of legal responsibility.

Mr. Ortega said he concurs with Mr. Goudinoff, and said two questions come to mind: (1) if retirement communities are given additional authority, who comes within the jurisdiction of the additional authority, and (2) how are the boundaries defined, i.e., the demographic qualifications.

Mr. Williams alleged that more is needed than changing zoning ordinances. Other needs are architectural control; maintenance, such as for parkways; stricter zoning controls; and the creation of an entity, a Board or Commission, to accomplish goals.

Mr. Goudinoff opined that those are the types of things that are typically done through a homeowners' association. Creating a Board or Commission would be creating a governmental entity which, he opined, raises a liability issue.

Mr. Ortega referred to Special Districts which are already established in statute. He suggested that the Special Districts statute be researched to find out whether additional authorities or responsibilities would be appropriate. He said it may require further taxes for special communities, and that it is not fair for the county to pay for those additional amenities.

Mr. Goudinoff pointed out that all Special Districts legislation involves taxation.

Mr. Reed pointed out that there are approximately 15,000 single family dwellings in Sun City and there are 287 different CC&R's (deed restrictions). One problem is that interpretation of the CC&R's varies.

Mr. Goudinoff mentioned that overlay zoning legislation was passed to make up for the failure of developers to include deed restrictions. He asked if it is the intent of Members to ask the Legislature to void the existing covenants.

Mr. Ahlstrom stated that he is associated with a development in the East Valley which is totally governed by CC&R's. The homeowners' associations govern themselves and tax themselves by mandatory assessment of homeowners' fees. He said it works well for them. He asked for clarification of the report to be submitted to the Legislature on the Committee's recommendations.

Cochair Turner said that the Committee must submit a report by December 1. The Committee must either propose legislation, recommend that further study be done, or recommend that no action be taken. He said it is his understanding that since the last meeting on August 3, there have been some meetings by community representatives, and was hoping that their ideas would be presented at this meeting. He reminded Members that at the last meeting, Mr. Ahlstrom had volunteered to share information about his successful activities in the East Valley.

Mr. Ahlstrom said that an economic study was made. He suggested the study be copied and distributed to Members for review.

Fran Bell, representing Saddlebrooke Homeowners, Tucson, testified that she lives in a retirement community. Since construction in the community is ongoing, she said residents are still under the

jurisdiction of the developer. She stated concern that retirement communities cannot get much from county government and do not get a lot from county dollars. Additionally, she expressed concern that there is not much in the State that protects a buyer.

In response to Mr. Goudinoff's question about incorporation, Mrs. Bell responded that she is not advocating incorporation. She said there is no need to incorporate.

Mr. Ahlstrom asked Mrs. Bell to relate what services she would like that are not provided by the county. Mrs. Bell stated that although the county supervisors are "good," they are still adjudicated by State law and the opportunity for public input is not there.

Mr. Ahlstrom said that State law provides that if any property changes are proposed, all property owners within 300 yards have to be notified.

Mr. Williams again reiterated that retirement communities are unique entities. He said everyone recognizes that they are good economic clusters; that they bring an important economic atmosphere into the State. He emphasized that they should be encouraged.

Mr. Ortega proposed that staff research the section of law that applies to bringing relief to these communities, and to also research what other states are doing.

Mr. Reed expressed the need for direction because he indicated that what is needed is not really known. He suggested that it would be helpful to define a retirement community, identify the organization in the community that can speak for it in governmental matters, and list problems.

TAPE 1, SIDE B

Mr. Bartlett commented on two issues. He observed that H.R. 660 changes only one issue of the federal Fair Housing Law. If H.R. 660 does pass, then it may be desirable to track State law to federal law. With respect to additional authority being granted to retirement communities, he said it raises the following issues: a democratic method to pay for it, the type of mechanism wanted, and the money, i.e., taxes, to be raised. He remarked that some retirement communities do not want that. It becomes an issue of authority and money.

Cochair Turner stated that he would like to see a written report from community representatives and mentioned that previous legislation came from people in the community. He asked if requesting a continuance of this process would be an option.

Mr. Ortega pointed out that since this is a statutorily-created Committee, some options are taken away. He said that if the Committee desires a continuance for further study, it will be necessary to request a continuance from the Legislature.

Mr. Goudinoff asked if it is the desire of the Committee to have a bill ready for introduction in January 1996.

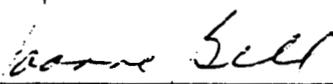
Cochair Turner referred to S.B. 1096, special governmental retirement communities, now: committee; age specific community zoning, Laws of 1995. He said last year's bill covered one specific issue and did not include all the issues raised here today. He emphasized that Members need to know more about the wishes of the communities before a bill can be drafted.

Cochair Bundgaard stated that the Committee is faced with a problem of direction. He volunteered to meet with staff and Members to arrive at a foundation for further study.

Mr. Lane suggested that Cochair Bundgaard work with staff and others to find out what Members want included in the proposed legislation. He asked that specific proposals be sent to each Member for review before the next meeting.

Mr. Ortega concurred that there is a need to get something more specific.

Without objection, the meeting adjourned at 12:20 p.m.



Joanne Bell, Committee Secretary

(Attachments and tape on file in the Office of the Chief Clerk.)

ARIZONA STATE LEGISLATURE

INTERIM MEETING NOTICE

OPEN TO THE PUBLIC

**STUDY COMMITTEE ON AGE-SPECIFIC ZONING
AND RETIREMENT COMMUNITIES**

DATE: Thursday, November 2, 1995

TIME: 11:00 a.m.

PLACE: House Hearing Room 3

Senator Warren Austin Turner
Cochairman

Representative Scott Bundgaard
Cochairman

MEMBERS:

Senator Peter Goudinoff
Craig Ahlstrom
David C. Bartlett
Jim Graham

Representative Ruben F. Ortega
Earl Miner
Mort Reed
Fred Williams

10/4/95

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Title II of the Americans With Disabilities Act prohibits the Arizona Senate from discriminating on the basis of disability in the provision of its services and public meetings. Individuals with disabilities may request reasonable accommodations, such as interpreters or alternative formats, by contacting the Senate Secretary's Office at (602) 542-4231 (voice) as soon as possible. Please be specific about the agenda item in which you are interested and for which you are requesting an accommodation. The Senate may not be able to provide certain accommodations prior to the meeting unless they are requested a reasonable time in advance of the meeting. This agenda will be made available in an alternative format on request.

ARIZONA STATE LEGISLATURE

**STUDY COMMITTEE ON AGE-SPECIFIC ZONING
AND RETIREMENT COMMUNITIES**

Minutes of Meeting
November 2, 1995 - 11:00 a.m.
House Hearing Room 3

Members Present

Senator Austin Turner, Cochairman
Senator Peter Goudinoff
David C. Bartlett
Jim Graham
Fred Williams

Representative Scott Bundgaard, Cochairman
Representative Ruben F. Ortega
Earl Miner
Mort Reed
Joe Lane

Member Absent

Craig Ahlstrom

Staff Present

Tami Ryall, Senate Research
Jason Bezozo, Senate Research
Diana O'Dell, House Research

Cochairman Turner called the meeting to order at 11:10 a.m., attendance was noted, and Mr. Jason Bezozo was asked to present an overview of HR 660, the 1995 housing act for older persons.

Jason Bezozo, Assistant Senate Research Analyst, explained that HR 660 was passed by the U.S. House of Representatives in April 1995 with a vote of 424-5. He stated that the legislation eliminates the significant facilities and services requirements for seniors-only housing from the 1988 Fair Housing Act. Mr. Bezozo stated that subsequent to this Committee's last meeting, HR 660 was approved for full committee action by the U. S. Senate Judiciary Committee's Subcommittee on the Constitution, Federalism and Property Rights. As of last week, Mr. Bezozo reported that the U.S. Senate Judiciary Committee referred the legislation to the full Senate body. He also reported that as of this date, HR 660 has not been placed on the Senate calendar.

Mr. Miner added that he has been in communication with U.S. Senator Kyle's staff regarding HR 660. Mr. Miner expressed concern that the bill has in it not only the elimination of the services and facilities but it also has a requirement that the Department of Housing and Urban Development (HUD) must come up with some new regulations relating to population. He explained that the HUD rules, published in August and made effective in September, specifically provide for a process that will take care of the need for any further action on the part of HUD relative to HR 660. Mr. Miner stated that he was

hopeful the HUD rules would be in harmony with HR 660, thereby eliminating a lot of detail work for the residents of retirement communities.

Chairman Turner asked Mr. Bezozo to update the Committee on his research of special districts and quasi-governmental entities.

Mr. Bezozo stated that in his communications with other state legislatures and national organizations, it was learned of the existence of several county subordinate districts which include (a) special improvement districts, (b) local zoning boards, and (c) neighborhood advisory councils.

Referencing special districts, Mr. Bezozo stated that special districts generally are independent and typically coexist with substantial administrative independence from general purpose governments such as county, municipal or township governments. Special districts usually perform a single function, and in some instances enabling legislation allows them to provide several types of services that are usually related.

By way of example, Mr. Bezozo informed the Committee of the existence of many community improvement districts throughout the United States. He explained that community improvement districts are a form of special tax districts that are governed and managed by community elected boards. He emphasized that these types of special tax districts are not created to replace local government but are established to enhance and complement the local authority by providing additional services that are secondary in nature such as security patrolmen, waste management, sidewalk improvement, maintenance and so forth. He stated that all of these special districts have the power to levy taxes or special assessments in order to defray the costs of the additional contracted services.

Like other states, Mr. Bezozo stated that Arizona has county subordinate agencies and districts that have certain characteristics of governmental units. He commented that Arizona has approximately 30 different types of special districts that account for more than 260 special district governments, including agricultural improvement districts, irrigation districts and fire protection districts.

Referencing local zoning boards, Mr. Bezozo commented that the State of Maryland has a unique special district in which the community has been granted some zoning powers. He explained that the LaVale Zoning District was created in Maryland Laws, 1957 (on file with original minutes) for the purpose of regulating land use and building construction in a ten-square mile area of an unincorporated suburban area. He stated that the statute also provides that the LaVale Zoning Board may regulate the use of buildings and the number of families housed per acre of land, as well as establish and enforce its

regulations. The statute provides for a hearing and appeals process. Regarding the financing of the LaVale Zoning Board, Mr. Bezozo explained that the monies come from building permit fees. He stated that while the Board does not issue building permits, the Board acts like an additional county agency and must sign off on the building permit application prior to its issuance by the county. Mr. Bezozo added that the Board members work on a volunteer basis.

Referencing neighborhood advisory councils, Mr. Bezozo commented on the existence of quasi-government neighborhood councils in many localities and in particular the metropolitan areas. Mr. Bezozo explained that such councils may be distinguished from privately organized civic associations and similar organizations when established by official legislative or administrative action, with members elected by the voters or appointed by public officials. He explained that while municipal neighborhood councils are advisory in nature, the scope of their duties vary. Some duties include dealing with specialized school functions while other duties include advising counties or municipalities on a wide variety of functions performed by the parent government. Mr. Bezozo stated that while most quasi-governmental neighborhood councils are generally established through local ordinance or administrative action, some have been authorized through state legislation, including municipal advisory councils in some California localities.

By way of example, Mr. Bezozo explained that there are twenty Planned District Ordinances (PDOs) in the City of San Diego. Commenting that while PDOs are not municipalities but rather enclaves of San Diego that do not have the power to vote or set a city ordinance, Mr. Bezozo explained that a PDO acts like a community planning group that may submit planning and design proposals to the city council for approval. Each PDO is different. Commenting that while the La Jolla PDO has very detailed ordinances, Mr. Bezozo stated that other districts have very general ordinances.

Mr. Williams asked if the Committee members could be provided with a copy of Mr. Bezozo's report outlining his research findings. Mr. Bezozo replied that copies would be made available.

Expressing appreciation of Mr. Bezozo's thorough presentation, Senator Turner asked if any of the county subordinate districts that he discussed could be operational in Arizona, under Arizona's current law.

Mr. Bezozo replied that while special districts do exist in Arizona, none of the special districts would apply to any of the conditions which some of the members of the Committee have been interested in. Regarding zoning issues, Mr. Bezozo stated that he found no government entity other than Maryland that establishes a specific zoning district within county government. He commented that the Maryland zoning district might be a type of

governmental entity the Committee could look at as well as neighborhood advisory councils. Mr. Bezozo commented that he did not know of any specific zoning districts or neighborhood advisory councils that exist in Arizona.

Senator Turner asked if the county or city could form a neighborhood advisory council. Mr. Bezozo answered that he learned of only two neighborhood advisory councils, one in California, established through state legislation, and one in the District of Columbia, enacted by the U.S. Congress.

Senator Turner inquired if his understanding was correct that the La Jolla PDO was established by legislation. Mr. Bezozo replied yes and added that the La Jolla PDO is only specific to the City of San Diego.

Mr. Miner commented that he was of the understanding, in speaking with the City Attorney of the City of San Diego one year ago, that the City was able to establish PDOs because they were a charter city. Mr. Miner asked if there was enabling legislation passed by the California Legislature that gave the City that authority.

Mr. Bezozo replied that he was of the understanding, in speaking with the County Attorney in San Diego, that PDOs were established through state legislation. He stated that he would check with San Diego officials again to verify the correctness of the information.

Mr. Bezozo informed the Committee that he had not yet received written materials requested of the City of San Diego relative to San Diego PDOs, as well as the enabling act. Mr. Bezozo commented that as soon as he is in receipt of the requested materials, including examples of neighborhood advisory councils, he will provide copies to the Committee members so that the matter can be reviewed in more detail.

Mr. Reed asked if the LaVale Zoning District in the State of Maryland was set up by the state legislature or the county. Mr. Bezozo explained that the zoning district was set up through state legislation in 1957, specifically involving a ten-square mile area.

Expressing a desire to read statutory language, Representative Ortega asked that Mr. Bezozo provide the Committee members with a copy of Maryland's statute. Mr. Bezozo referred Representative Ortega to the previously distributed LaVale Zoning District statute.

Mr. Williams asked if existing Arizona law would be in conflict with establishing another special district that would address the concerns of the retirement communities. Mr. Bezozo replied that he did not know of any constitutional or statutory prohibition against establishing districts and should be addressed by Legislative Council if it is the desire of the retirement communities to draft some form of legislation.

Inviting discussion of special governmental entities, Chairman Turner asked Mr. Reed to present the recommendations prepared by four different retirement communities of substantial size.

Mr. Reed read the prepared proposal for establishment of special governmental retirement entities as subdivisions of county government (on file with original minutes). He explained that the four retirement communities met several times in an attempt to materialize in writing something for the Committee to consider. He stated that the entity is known as a Retirement Village, defined as an area with specific boundaries with a population to be determined by legislation that qualifies under HUD regulations and Arizona Fair Housing law as an age-specific retirement community and as a planned community under Arizona law. He stated that such Retirement Village would have limited authority over certain standards, adopted by local vote, that affect the desirability and property values of the community such as (1) architectural harmony, (2) maintenance of specified common areas, structures and facilities, (3) upkeep of property by homeowners, (4) deed restrictions, and (5) zoning. He also stated that the authority would include the ability to select, from those standards, those appropriate for the community and to enforce those standards. Mr. Reed stated that such authority would be exercised by a board or commission from five to nine resident electors chosen by a vote of property owners and residents in the Retirement Village to serve without pay. He concluded by stating that funding of the board or commission would be determined by the Retirement Village.

Mr. Lane stated that he did not understand how an authority to enforce the standards would be developed. He asked if the retirement communities were suggesting the ability to have ordinances.

Mr. Reed replied, "not directly." He stated that while the residents of Sun City are governed by deed restrictions, there is no organization within Sun City that has the authority to enforce the deed restrictions. He also added that the County cannot enforce them.

Senator Goudinoff inquired if his understanding was correct that when a person violates a deed restriction, the person can be sued. Mr. Reed answered yes. Mr. Reed went on to explain that while a person can bring a legal action, the procedure is not as simple as one would believe it to be. By way of example, he stated that the Sun City Homeowners Association, since its inception, has filed three lawsuits on different occasions to enforce deed restrictions. He continued to explain that in each case, the lawsuits ensued over a period of 18-20 months before any action could be taken and the conditions continued to deteriorate during that same period of time. He stated that in most cases where deed restrictions are not being met, the Association attempts to work with the violator to resolve

the matter. Mr. Reed commented that approximately 75-90% of the cases are successfully resolved without filing a legal action.

Mr. Williams commented that many of the Covenants, Conditions and Restrictions (CC&Rs) do not necessarily designate a specific agency or organization to enforce the violations or to enforce the covenants against violations, leaving enforcement to the individual homeowner who is affected. He stated that while a homeowner has a right to enforce his rights, it places a burden on the homeowner. Mr. Williams commented that CC&Rs are generally declared on the property by the developer prior to the development of the community. He added that in many instances there is a complete lack of uniformity within the entire community because the community is often built in units or sections and the developers have filed different CC&Rs for each unit or section, complicating the issue further.

Mr. Bartlett commented that he did not understand how a Retirement Village would make a difference in the enforcement of deed restrictions when the Retirement Village would still have to go to court to enforce deed restrictions. He also commented that he did not understand how the Retirement Village envisioned raising money for the special district.

Representative Ortega asked if the retirement communities envision that the Retirement Village will have the ability to assess penalties and fines, absent litigation. He made reference to the LaVale Zoning District language.

Mr. Reed stated that approximately one-third of the deed restrictions on single family dwellings in Sun City do not mention who has the authority to respond and to enforce. He added that the first one-third of the deed restrictions, written in the early stages of Sun City, say that the Sun City Homeowners Association may but are not obligated to enforce the deed restrictions. Another one-third of the deed restrictions, interspersed from 1970 to 1978, say that the Sun City Homeowners Association shall enforce the deed restrictions. Mr. Reed identified the problem as a grey area, a black area and a white area that has to be taken care of by the Association.

Mr. Bartlett asked if his understanding was correct that the retirement communities want another entity, a Retirement Village, for the purpose of enforcing the deed restrictions.

Mr. Miner stated that a neighbor having to enforce another neighbor is at the present time a significant part of the retirement communities' problem. Referencing Mr. Bartlett's question, Mr. Miner explained that the retirement communities believe it will be easier to enforce deed restrictions through a governmental entity because the residents willingly will be able to recognize the authority of government rather than one neighbor against another.

Mr. Graham echoed Mr. Miner's statement. Commenting that while some residents will use the legal system to challenge or appeal deed restrictions, Mr. Graham stated that he was of the belief that the percentage will be very small. He remarked that dealing with the deed restriction problem at another level, under the litigation level, would result in a cost savings in legal fees and expenses. Mr. Graham also stated that he was of the belief that the violators will accept the decisions of the Retirement Village governmental entity as being final.

Representative Ortega commented that it was not clear in his mind whether the Retirement Village governmental entity could enforce and make retroactive something that was not contained in the original recorded deed. He also commented on the Retirement Village being "mediators" in those situations where specific deed restrictions are not a part of the original deed.

For clarification purposes, Mr. Miner pointed out that in order for an area to be identified as a Retirement Village, it would have to first qualify under the federal HUD law. He explained that the federal HUD law has certain requirements that must be met, including the requirement that a particular entity must have rules in effect, such as a rule that specifies at least 80% of units have one resident fifty-five years of age or older. Commenting that the retirement community residents would have agreed, at the time of purchase, to abide by certain rules in order to qualify as a Retirement Village, Mr. Miner stated that he was of the belief that the retroactive concern would be eliminated.

Senator Goudinoff acknowledged that he was of the understanding that the retirement communities were asking for state law authorizing a separate governmental entity known as a Retirement Village that will identify "who" it intends to sue and will eliminate a neighbor having to sue a neighbor and thereby solving such problems as deed restriction violations and so forth. He also acknowledged that he was of the understanding that the newly created agency, in the form of a board or commission, would have to impose standards that have already been agreed to. Senator Goudinoff asked for clarification from the retirement communities of the real authority of the board or commission with respect to enforcement and payment of attorney fees in the event that the alleged violator prevails and the court awards the defendant attorney fees. Senator Goudinoff asked if the board or commission would be able to accumulate enough funds for attorney fees and costs.

Mr. Reed replied that the board or commission would not commence a legal action until the necessary funds were first accumulated.

Senator Goudinoff stated that while he understood the Retirement Village would not take any legal action until the funds were first secured, he again asked how the Retirement

Village would fund "additional" attorney fees and costs that might be ordered by the court for reimbursement to the prevailing defendant/homeowner. He asked if the retirement communities envisioned renaming their neighborhood/homeowners associations as Retirement Village Boards or if another layer of government is being envisioned.

Mr. Miner stated that while the CC&Rs, as property rights, currently exist and will continue to exist, a Retirement Village Board is an additional layer of government. Mr. Miner expressed the necessity for this additional layer of government because the retirement communities' priorities are somewhat different than the counties' priorities. He explained that because of the priority differences, there would be times when it would be helpful if the retirement communities could handle the matters relative to the maintenance of the community as a retirement area because the retirement communities are much closer to the situation. Mr. Miner stated that the retirement communities seek the assistance of the Legislature in solving the issues of liability and funding as questioned by Senator Goudinoff.

Mr. Reed expressed agreement with Mr. Miner's comments. He added that "one blanket statement" would not cover the four retirement communities because of their slightly different needs and priorities.

Representative Ortega asked (a) if each of the four retirement communities would automatically become a Retirement Village if they qualified under the HUD age specific requirements or if each community would petition to become a Retirement Village, (b) if the purpose of leaving the population number "open" would make the option available to other retirement communities such as Sunsites Pierce in Cochise County that presently has a population of approximately 500 persons, and (c) if the retirement communities were in agreement to hold harmless the counties relative to the issue of liability.

Referencing the question on population, Senator Turner answered that the population limit would be a number mutually agreed upon. He cited an example of a number similar to the number of residents required to form a city.

Mr. Miner added that the population number was purposely left open for discussion among the Committee members to determine whatever figure would be appropriate. Referencing the issue of liability, Mr. Miner also added that the retirement communities are working cooperatively with the counties in helping them to understand what the retirement communities are seeking in the establishment of a new governmental entity and to address the concerns of the counties relative to a Retirement Village.

Referencing the issue of funding, Mr. Lane asked if the Retirement Village, under the Board of Supervisors, would have the county collect the monies and then in turn give back

some money to the Retirement Village or if the Retirement Village would have its own taxing and collecting powers through a sales tax or property tax.

Mr. Reed answered that Sun City envisions setting up a Deed Restriction Enforcement Fund for voluntary contributions. He explained that the Deed Restriction Enforcement Fund would be similar to, and patterned after, the existing Water Defense Fund.

Mr. Williams stated that the retirement communities do accept the responsibility of liability. He also stated that the retirement communities are seeking the guidance of the Committee members in suggesting alternative methods of funding that would be consistent with the goals and objectives of a Retirement Village.

Mr. Lane asked Mr. Williams if he thought the folks in his retirement community would be happier with a sales tax at the grocery store or a property tax to fund a Retirement Village.

Mr. Williams replied that he did not have a specific answer to the question. He stated that at the present time, the property owners are willing to pay an annual amount into the existing homeowners association for the limited purposes that the homeowners association has. He remarked that he did not believe any of the retirement communities were thinking of the idea of a sales tax.

Senator Goudinoff commented that he was of the opinion that if legislation were being drafted, the Legislature would want to leave it as broad as possible and give the Retirement Village the authority to assess a property tax, sales tax, income tax, poll tax, or whatever, thereby accomplishing their goal of being independent and responsible for their own govern. Discussion followed. Senator Goudinoff commented that a Retirement Village would have to have some form of taxing authority or assessment authority to satisfy any judgements that may be imposed on a Retirement Village.

Mr. Bartlett commented that he did not understand how a Retirement Village would not be a "city" when a Retirement Village wants some of the same government powers of the cities but not all of the powers of cities, such as the ability to tax, collect revenues, spend, impose authority, pass ordinances, regulate zoning, regulate architectural and so forth.

Mr. Graham answered that the retirement communities do not want their own police force, fire department, and so forth but they do want to protect the beauty and functionality of the retirement communities, with lien rights against the violating property owner within the Retirement Village boundaries that could be collected through a foreclosure proceeding.

Mr. Williams added that the retirement communities are not looking for big money. It takes a lot of money to administer a city. The retirement communities would require only a small

amount of money. Mr. Williams stated that it is the hope of the retirement communities that they can relieve the counties of some of the counties' responsibilities by letting the Retirement Village take over, to a degree, some of those responsibilities.

Senator Turner asked if it might be possible to have an advisory function through the county Zoning and Planning Board, with the Retirement Village's budget being a part of the county's budget.

Mr. Williams replied that his retirement community's experience has been that the counties are not very helpful when it comes to enforcement matters. Explaining that his retirement community has situations that should fall under county jurisdiction rather than CC&Rs, Mr. Williams stated that when the community goes to the county, the county is not very helpful.

Mr. Reed commented that the retirement communities' concern is property values and nothing more, such as architectural harmony, maintenance of specified common areas, upkeep of properties by the property owners and so forth. He stated that the retirement communities are concerned about deed restrictions as opposed to county ordinances. Mr. Reed explained that a problem arises when a homeowner applies for, and receives, a building permit from the county that is in violation of the deed restrictions of the community. The neighbor complains to the homeowners association and the association learns that the property owner was not even informed by the county of the violation. The homeowners association has no authority to resolve the matter.

Mr. Miner added that the retirement communities are only asking that they be given very limited powers and that those powers be removed from the county. Mr. Miner expressed agreement with Senator Turner's suggestions of an advisory type authority or limited areas of authority to not only create the enforcing process but to follow up the process with the cloak of authority of government. Mr. Miner stated that because some authority would be "carved out" from the county, there would be a need for very close cooperation with county officials.

Mr. Bartlett asked if his understanding was correct that the retirement communities want a statute that would allow the county, at their option, to (a) establish Retirement Villages that meet specific criteria, (b) allow the Retirement Villages to assess the property tax or some other such taxes and assessments to fund the specific limited authority relative to deed restrictions and zoning, (c) provide the Retirement Villages with the ability to assess the members, and (d) hold elections for purposes of determining who would represent the Retirement Villages.

Mr. Miner replied that Mr. Bartlett's understanding is correct. He clarified that the costs would be minimal because the Retirement Villages would utilize the services of individual

volunteers and volunteer groups. Mr. Miner stated that the greatest unsolved problems are the issues of liability and funding. He commented that the retirement communities seek the Committee's wisdom on these issues.

Discussion followed between Senator Goudinoff, Representative Ortega, Mr. Earl and Mr. Graham regarding the liability and funding issues relating to current methods being used by homeowners associations with the purchase of private liability insurance with large deductibles and high coverage.

Cochairman Turner announced that no further discussion would take place. He asked that staff work with the Committee members in developing some recommendations that can be voted on at the next Committee meeting. Cochairman Turner announced that the next meeting would be November 21, 1995 at 10:00 a.m.

Mr. Bartlett commented that without any basis, he could not, as an agency, make any recommendation. He added that Congress has not yet changed the law and that it would be inappropriate to have a bill going through the legislative process that might be inconsistent with federal law.

Senator Goudinoff asked that the recommendations be included on the agenda for the next meeting so that action can be taken. Referring to a recent newspaper article entitled, "Their Careers: Count on Nothing and Work Like a Demon," appearing in the October 31, 1995 issue of The Wall Street Journal (on file with original minutes), Senator Goudinoff commented that consideration needs to be given to the exit strategy issue and suggested that a sunset clause of perhaps twenty years be included in any proposed legislation.

Referring to the list of items for consideration presented in the August 3, 1995 meeting, Cochairman Turner stated that while the Fair Housing Act exemption and the limited planning and zoning powers were both discussed, there have been no proposals or discussions from the public or members of the Committee in the area of school district relationships. He commented that the benefits of retirement communities to the State was also discussed. Cochairman Turner expressed a desire to include some of that information in the Committee's report to the Legislature. Referencing a recent Sun City's report on the retirement community's contribution to the State's economy, Cochairman Turner asked if parts of the Sun City report could be provided to the Committee for inclusion in the Committee's report to the Legislature.

Mr. Reed replied that pertinent parts would be made available to the Committee members, including the fact that Sun City residents add \$630 million per year to the State's economy.

There being no further business, the meeting was adjourned at 12:15 p.m.

Respectfully submitted,



Nancy Boyd, Committee Secretary

(Tape and attachments on file in the Office of the Secretary of the Senate.)

ARIZONA STATE LEGISLATURE

INTERIM MEETING NOTICE

OPEN TO THE PUBLIC

STUDY COMMITTEE ON AGE-SPECIFIC COMMUNITY ZONING DISTRICTS

DATE: Tuesday, November 21, 1995

TIME: 10:00 a.m.

PLACE: House Hearing Room #3

AGENDA

1. Call to Order
2. Opening Remarks
3. Discussion of Retirement Village
4. Public Testimony
5. Develop Committee Legislative Recommendations
6. Other Business
7. Adjourn

Senator Warren Austin Turner
Cochairman

Representative Scott Bundgaard
Cochairman

MEMBERS:

Senator Peter Goudinoff
Craig Ahlstrom
David C. Bartlett
Jim Graham
Joe Lane

Representative Ruben F. Ortega
Earl Miner
Mort Reed
Fred Williams

11/8/95

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ARIZONA STATE LEGISLATURE

**STUDY COMMITTEE ON AGE-SPECIFIC ZONING
AND RETIREMENT COMMUNITIES**

Minutes of Meeting
November 21, 1995 - 10:00 a.m.
House Hearing Room 3

Members Present

Senator Austin Turner, Cochairman
Senator Peter Goudinoff
David C. Bartlett
Jim Graham
Fred Williams

Representative Scott Bundgaard, Cochairman
Representative Ruben F. Ortega
Craig Ahlstrom
Earl Miner
Mort Reed
Joe Lane

Member Absent

none

Staff Present

Jason Bezozo, Senate Research

Cochairman Bundgaard called the meeting to order at 10:05 a.m. and attendance was noted. See attached list for other attendees.

Cochairman Bundgaard summarized the issues discussed by the Committee regarding retirement communities, including discussion of H.R. 660, the Housing for Older Persons Act of 1995, (b) review of the procedures for down zoning senior overlays, (c) discussion of special governmental entities for retirement communities, and (d) review of different types of special government entities in other states. Cochairman Bundgaard announced that Mr. Bezozo will provide an update on H.R. 660 and review the Retirement Village proposal and that the Committee will vote on some recommendations for legislation.

Jason Bezozo, Assistant Senate Research Analyst, explained that H.R. 660 is federal legislation that eliminates the significant facilities and services requirements for seniors-only housing from the 1988 Fair Housing Act. He advised that H.R. 660 was heard by the Senate Judiciary Committee and referred to the full Senate but has not yet been placed on the Senate calendar as of this date.

Mr. Bezozo gave an overview of the proposed retirement village legislation (on file with original minutes). He explained that the bill allows a retirement community of 3500 persons to establish a Retirement Village. The retirement community must also qualify as an exempt retirement community under Housing and Urban Development laws. If two-thirds of the voters in the retirement community petition the Board of Supervisors, the Retirement Village is established and an election shall be called for choosing the members of the

Retirement Village Advisory Council. If 10% of the voters petition the Board of Supervisors, the Board shall call an election for the establishment of the Retirement Village. The ballot will also contain a list of individuals who have petitioned the Board of Supervisors to become a council member. The Advisory Council shall consist of seven members to serve for a term of two years. The petitioners will have 180 days from the date of filing to obtain the required number of signatures and the petitions must be filed at the County Recorder's Office or Elections Department. This legislation allows a Retirement Village to include within its boundaries any undeveloped contiguous land which has been designated as future age-restricted homes. The Retirement Village may include territory of a city or town if it is contiguous. The Advisory Council will select a president, vice president, treasurer and a secretary and the members will serve without compensation. The Advisory Council may receive and spend any monies made available from any private or public person or entity. The Advisory Council may advise and make recommendations to the local governing body on the following matters, except matters relating to commercial or industrial property:

- Architectural design and harmony
- Color and texture of improvements
- Construction materials
- Development density
- Grading and site development
- Height and bulk of buildings
- Landscaping
- Land use, including accessory uses
- Off-street parking
- On-street parking
- Public areas
- Site design, including infill
- Maintenance of specified common areas, structures and facilities
- Property upkeep
- Deed restriction enforcement
- Zoning; and
- Any other matters necessary to effectuate the adopted plan covering any area of the Retirement Village

Mr. Bezozo stated that the proposed legislation contains a delayed repeal date of June 30, 2026. In addition, some last minute revisions were added. Those include annexation and deannexation language which would allow the Retirement Village to change its boundaries if necessary. Another revision would allow the County Board of Supervisors to apply the ordinances specific to a Retirement Village.

Representative Ortega inquired how the population figure of 3,500 was established. Mr. Bezozo answered that the proposed legislation is a rework of the previously proposed legislation from last year regarding retirement communities. He explained that last years' legislation proposed a population threshold of 4,500. This years' proposed legislation is a lower figure so that a retirement community which is made up of several phases would allow each phase to establish a Retirement Village and not just have one Retirement Village per retirement community. Lowering the population number would allow several phases to establish their own retirement village.

Representative Ortega inquired of the reason that the proposed legislation (page 4, line 1) requires an accurate map of the boundaries for an annexation yet it is silent to the need for a map when a Retirement Village is established. Mr. Bezozo answered that he was not familiar with the language regarding annexation and deannexation. He stated that the language is taken from the cities and towns annexation language. Commenting that while he is not familiar with the procedure and process used by the cities and town to annex and deannex land, Mr. Bezozo explained that the issue was a concern that the Retirement communities be able to annex or deannex land if this land that is contiguous but not age restricted at the time that the Retirement Village is established. This would allow them to annex that specific land.

Representative Ortega suggested that the language prescribe that a map be provided or say that there not be an accurate map. We are talking about two procedures that are basically the same. One is that we ask for an accurate map and one is that we do not ask for an accurate map. We need to address that question.

Referencing page 1, line 17, Representative Ortega inquired how it is known whether the board of supervisors is satisfied that two-thirds of the qualified electors reside in the community. He asked if a two-thirds is a majority vote or a two-thirds vote. Mr. Bezozo stated that while he did not know the answer to the specific question, he would research the matter further with the county and report the findings to Representative Ortega.

Referencing page 2, line 1 and stating that he had never seen this particular language, Representative Ortega asked for an definition of an "order entered of record." Mr. Bezozo replied that the language comes from the cities and towns. He stated that he is not familiar with the procedure used in entering an order in the record. Mr. Bezozo added that he would research the matter further and report his findings to Representative Ortega.

Referencing page 2, line 16, Representative Ortega stated there is an inconsistency in election laws. Reading from the proposed legislation that "the ballot shall also list the names of all registered voters in the proposed community who file a petition with the Board of Supervisors for election," Representative Ortega commented that the people in the Retirement Village will be the only ones who can sign the petition and vote. He asked if the proposed legislation would break up electoral precincts. He commented that there has to be precinct boundaries. When ballots are drawn up, not every person in the county is

going to vote for the Retirement Village. Have you discussed any mechanism to make sure that precinct boundaries are followed to make it easier for the balloting process to take place. Mr. Bezozo replied that proposed language, as written, would allow any person that petitions the Board of Supervises who lives within the retirement community that is applying for a Retirement Village and within those boundaries, they may just petition. We did not discuss establishing districts within districts that are established for general elections. Representative Ortega commented that the reason for bringing up the question is that it raises confusion. If we do not follow precinct lines. We've chosen the county for the elections department in determining the outcome of an election. They are responsible for printing a ballot to make that determination. If you do not follow precinct lines, I am not sure the ballot can be used.

Commenting that while all of Representative Ortega's concerns are good points to be brought to the attention of the Committee that need to be addressed, Senator Turner reminded Representative Ortega that the Committee is in an advisory and early-phase of proposing legislation and is working with speed in order to meet the December 1, 1995 deadline. He acknowledged that the proposed legislation needs to be cleaned up, and he stated that the Rules Attorney will also review the proposed language.

Referencing the draft copy of the proposed legislation, Mr. Bartlett commented that the Attorney General does not have an opinion on the proposed legislation. He stated that he is of the opinion that three things need to be addressed. First, you are asking the county Board of Supervisors to make ordinances from the advisory committee presumably covering an area that is within the city and you will have a conflict of authority there. That needs to be sorted out. Second, the way it is drafted, it is mandatory of the County to clear the committees. If you want that, that is fine but it is not included in special words that a group of people could dictate that they set up an Advisory Committee without the Board being able to say, "no we do not want to do that." Third, the whole section on page 2, Section F, if I understand what you are trying to do, we do not want to include lots of farm land but my first reading is that it is unconstitutionally vague, it has to be urban but not rural. I understand what you are trying to do to eliminate the retirement communities to the current areas and there is vacant land next to them. There is a more artful way to say that without what looks like creating problems.

Commenting on Senator Turner's statement, Representative Ortega stated that these questions are brought up with that intent that when we go into the Legislative Session next year, we can come up with as clean of a bill as possible and something that can be worked in a practical manner. My intent is not to derail anything. I think we have worked long and hard to try to come up a solution and I think at least we have a framework here. The intent of my questions is strictly that to make sure that we have a clean as bill that is possible because these same questions will come up again if we do not address them before the session.

Representative Ortega commented that his next question deals with some confusion in the numbers. Referencing page 2, line 9, he stated that the language says "the Board within 60 days after filing of the petition shall call the election" and then on page 2, line 31, it says "Petitioners have 180 days from the date of the filing to obtain the required number of signatures." The way I read this language is that there are two processes. The first process is establishment of a Retirement Village which is a two-thirds petitioning process. The second process is the election of its Advisory Council. I am trying to make sure we do not run into some kind of a confusion as to directing the county to file an election, it must be within 60 days or the next general. Subsequent language states that petitioners have 180 days or six months. I just want to make sure that the language is not contradictory of each other.

Referencing Mr. Bartlett's comments, Representative Ortega asked where "urban" is defined in the statute. Mr. Bezozo stated that he did not know the answer but would research the matter and report his findings to Representative Ortega. Representative Ortega stated that he did not believe "urban" is defined in statute.

Referencing page 1, paragraph 1 which describes that a Retirement Village is comprised of 3500 people that meets the definition under the federal HUD requirements and referencing page 2, line 41 that says, "after future age restricted homes," referring to areas that shall be contiguous to the Retirement Village, Representative Ortega asked if age restricted homes is the same as defined in the Federal HUD laws and Title 41. Mr. Bezozo stated that the age restricted development is for undeveloped property that has been designated by a county or city as age restricted and in order to be developed they would have to be qualified for the HUD laws and if automatically qualified, they would have to meet their requirements.

Representative Ortega commented that just because you bring this into the Village for the future, we are looking at something that is not there yet that does not qualify them. So we are making a qualification on page 1 and erasing the qualification on page 2. That is another issue that needs to be cleaned up.

Addressing another concern with the language that says the Retirement Village may include the territory of its city or town, Representative Ortega stated that the contradiction is that the retirement community is going to the Board of Supervisors asking to be created into something but not yet requiring the same thing from another elected body such as a city or town. Representative Ortega asked if the proposed legislation is asking cities and towns to allow the Retirement Village to create itself. He questioned why permission is asked of the County but not the city or town. Mr. Bezozo explained that the county is a political subdivision of the State and in order to give its authorities and powers, it needs to be stated in statute, unlike cities and towns who have the power to establish their own ordinances.

Mr. Williams commented that he is glad that some of the questions are raised so that they will be addressed before proposed legislation is presented to the Legislature. I believe that these words relating to the creation of a council and the filing of the petitions are borrowed from existing language in the statutes in the creation of other entities. We are not creating something different here. It is the same language that would be used if a special district were to be created, a city, and so forth. He commented that the precinct places had nothing to do with the proposed legislation because the election that takes place is within the boundary of the area to be determined as a community. Mr. Williams stated that he believed the word "map" can be deleted from the language. He also commented on other concerns raised by Representative Ortega.

Senator Turner expressed a desire to make a motion on the proposed legislation.

Senator Turner moved the Committee recommend for legislative action, that the proposed legislation regarding Retirement Villages, conforming to Arizona statute, be developed and submitted by legislative members of this Committee concerning Retirement Villages and Councils. The motion was seconded by Mr. Ahlstrom.

Representative Ortega asked if the Committee is going to entertain further public discussion prior to voting on Senator Turner's motion.

Senator Turner commented that no written requests have been made known to the Cochairmen of the Committee.

Mr. Williams commented that he does not favor the proposed legislation, in its present form in a sense that it proposes an Advisory Council. Mr. Williams stated that he seeks a governmental entity which will have some individual authority.

Mr. Bartlett stated he does not intend to vote, one way or another on the proposed legislation. The Attorney General has not had a chance to review the proposal. He commented that is easier to establish Advisory Councils than it is to establish a body with political power.

Senator Turner commented that the action of this Committee is to recommend that we proceed with proposing legislation concerning Retirement Villages.

Cochairman Bundgaard stated that in order to have further discussion, it would be necessary that Senator Turner withdraw his motion and that Mr. Ahlstrom withdraw his second to the motion.

Senator Turner withdrew his motion. Mr. Ahlstrom withdrew his second to the motion.

Cochairman Bundgaard invited public comment.

L. Q. Yowell, President, Citizens for Self-Government, Sun City, Arizona, explained that at the November 11, 1995 meeting of the Board of Directors of the Citizens for Self-Government, the Board passed a resolution relative to Retirement Villages. He read the resolution and presented it to the Committee Secretary (on file with original minutes):

"Citizens for Self-Government stands opposed to efforts to establish legislation for a retirement village unless and until such legislation includes a provision for state-shared revenue funds commensurate with those provided to incorporated areas."

Dick Gray, a concerned citizen, stated that he was not prepared to make any comment at this point in time.

Sally Bender, Lobbyist, County Supervisors Association, stated that the County Supervisors Association would like to be kept apprised of any legislation that the Committee intends to go forward with. She expressed the need for the County Supervisors Association to be involved with the matter. She also commented that many of Representative Ortega's comments need to be addressed.

Discussion followed between Mr. Lane, Mr. Miner, Mr. Bartlett, Mr. Williams, Senator Turner, Representative Ortega and Ms. Bender regarding (a) senior overlay zones, (b) Retirement Village applicability to all 15 counties, (c) senior living clusters, (d) annexation of contiguous land, and (e) ownership of specific parcels of property in relationship to voting.

Cochairman Bundgaard invited further public discussion. There was none.

Senator Turner MOVED that the Committee recommend legislation to establish committees in Retirement Villages to assist the local government or county in planning and zoning.

Cochairman Bundgaard invited comment.

Discussion followed between Mr. Miner and Senator Turner.

Senator Turner modified his motion to read that the Committee adopt the proposed legislation as presented to the Committee, with any necessary changes.

Cochairman Bundgaard asked Senator Turner to clarify his motion. Senator Turner explained that his motion is to adopt the recommendation in preparing a bill for legislative consideration with any necessary changes.

Mr. Reed questioned the meaning of necessary changes in this case. Senator Turner replied that the changes would be those that arise during the legislative process resulting from concerns such as those expressed by Representative Ortega and perhaps other concerns of the Attorney General. Senator Turner stated that the proposed legislation has a legislator that is willing to sign on as the sponsor.

Mr. Bartlett stated that he is not going to vote on the motion. He added that he did not have a clear understanding on the motion.

Mr. Miner expressed support for the concept of the bill.

Discussion followed between Mr. Williams, Mr. Bartlett and Senator Turner regarding the motion.

Mr. Bartlett commented that he is of the belief that what Mr. Miner and Senator Turner are recommending is not the bill in front of the Committee members. He stated that Senator Turner wishes to have this Committee recommend to the Legislature that there be a law passed establishing Advisory Committees from Retirement Villages in the various counties subject to a vote of those people in the Retirement Village and that that Advisory Committee would have no authority other than to advise a Board of Supervisors on a list of requirements affecting essentially home ownership in the Retirement Village. That is different than what is in the proposed bill. Mr. Bartlett stated that if his understanding is correct of what Senator Turner is speaking to, Senator Turner wants the Committee to recommend the approach of establishing Advisory Committees from Retirement Villages as opposed to having independent elected bodies or opposed to recommending that no action be taken.

Senator Turner commented that Mr. Bartlett's analysis of the motion is correct. He explained that the concept needs to be worked into the language.

Discussion followed between Mr. Miner and Mr. Bartlett regarding the concept of Retirement Villages and the need that any State legislation regarding Retirement Villages be consistent with pending federal legislation as contained in H.R. 660.

Senator Turner asked Mr. Bezozo to recap the Turner motion as he understands it.

It is MOVED that the Committee work off the proposed bill and make recommendations to the concept of the Retirement Village with an Advisory

Council and that the recommendations would include those changes to work on those problems with the bill.

Senator Turner acknowledged Mr. Bezozo's understanding of the Turner motion is in fact the Turner motion.

Mr. Reed seconded the motion. The motion CARRIED by voice vote.

Mr. Bartlett suggested that the Committee recommend to the Legislature that Arizona's fair housing laws conform with the Federal Fair Housing Act.

Senator Turner MOVED that the Committee recommend legislation be introduced to conform Arizona's fair housing statutes with the Federal Fair Housing Laws in the event that H.R. 660 is enacted. Mr. Bartlett seconded the motion. The motion CARRIED by voice vote.

Chairman Bundgaard invited further discussion.

Mr. Williams stated that the residents of Sun City West have discussed the Retirement Village concept and have expressed their thoughts relative to retirement communities and school taxes. He submitted to the Committee the written concerns (on file with original minutes).

Discussion followed between Mr. Williams, Senator Turner, Mr. Bartlett, Senator Goudinoff, and Mr. Miner regarding the Committee's final report that is due December 1, 1995.

The meeting adjourned at 11:10 a.m.

Respectfully submitted,



Nancy Boyd, Committee Secretary

(Tape and attachments on file in the Office of the Secretary of the Senate.)

A PROPOSAL FOR
ESTABLISHMENT OF SPECIAL GOVERNMENTAL RETIREMENT ENTITIES
AS SUBDIVISIONS OF COUNTY GOVERNMENT

Provide in the law for a governmental type of entity to be known as a RETIREMENT VILLAGE, defined as an area with specific boundaries and a population of at least _____ that qualifies under HUD regulations and Arizona Fair Housing law as an age-specific retirement community, and as a planned community under Arizona statutes.

Such Retirement Village to have limited authority over certain standards, adopted by local vote, that affect the desirability and property values of the community, such as:

- architectural harmony
- maintenance of specified common areas, structures and facilities
- upkeep of their property by homeowners
- deed restrictions
- zoning.

The authority includes the ability to select from among the standards those appropriate for the community, and to enforce those standards.

Such authority to be exercised by a board or commission of from five (5) to nine (9) resident electors who are chosen by a vote of property owners and residents in the Village, and who will serve without pay.

Funding of the work of the board or commission shall be determined by the Village, since a single method is not appropriate to all.

ARIZONA STATE SENATE RESEARCH STAFF

MEMO

Jason Bezozo *JB*
Research Assistant
542-3171

**TO: Members of the Joint Legislative Study Committee on Age-Specific
Community Zoning Districts**

DATE: November 9, 1995

Re: Special Governmental Entities

At the September 28 meeting of the Joint Legislative Study Committee on Age-Specific Community Zoning Districts, I was asked to do some research on special districts and quasi-governmental entities. During my research, I contacted many state legislatures and national organizations including the National Association of Counties and the United States Census Bureau. I found several county subordinate districts which may be of interest to the Committee. These entities include special community improvement districts, a local zoning district and neighborhood advisory councils.

Special districts in general are independent and co-exist with substantial administrative and fiscal independence from general purpose governments, such as county, municipal or township governments (townships do not exist in Arizona). Special district governments usually perform a single function but in some instances are authorized to provide related services.

To illustrate one of these common arrangements, a *community improvement district* is a form of a special tax district which exists throughout the United States. Community improvement districts are governed and managed by community elected boards. These types of special taxing districts are not created to replace local government, but are usually established to enhance and complement the local authority by providing secondary services, such as security patrolmen, waste management and sidewalk improvement and maintenance. All of these community improvement districts have the power to levy taxes or special assessments to defray the costs of providing services.

Like all states, Arizona has county subordinate agencies and districts which have certain characteristics of governmental units. Arizona has about thirty types of special districts, accounting for more than 260 special district governments. Some of these include agricultural improvement districts, irrigation districts and fire protection districts.

A unique special district where the community has been granted limited zoning powers exists in Maryland. The LaVale Zoning District was created in 1957 for the purpose of regulating land use and building construction and design in a ten-square-mile area of an unincorporated suburb. The LaVale Zoning Board may regulate the use of buildings and the number of families which may be housed per acre of land. Additionally, the Board may establish and enforce regulations, and a hearing and appeals process is provided by statute.

Financing for the LaVale Zoning Board comes from building permit fees. The Board charges a \$2 application fee and \$2 per one thousand dollars of construction cost. The Board does not issue building permits, however. Instead the Board acts like an additional county agency which must sign off on the building permit application before it is issued by the county. Board members work on a volunteer basis and are not compensated for their time.

In a number of localities, most notably in metropolitan areas, quasi-governmental neighborhood advisory councils are known to exist. Councils of this type, when established by official legislative or administrative action and with members elected by the voters or appointed by public officials, may be distinguished from privately organized civic associations and similar organizations. Municipal neighborhood councils are advisory in nature, but the scope of their duties nevertheless varies. Some neighborhood advisory councils deal with specialized school functions, whereas others may advise counties or municipalities on a wide variety of functions performed by the parent government, as in the case of the advisory neighborhood commissions in the District of Columbia which may advise the District government on matters of public policy including decisions regarding planning, streets, recreation, social services programs, health, safety and sanitation in those neighborhood areas.

Quasi-governmental neighborhood advisory councils are generally established through local ordinance or administrative action, although some have been authorized through state legislation, as in the case of the municipal advisory councils in some California localities. For example, within San Diego there exist 20 Planned District Ordinances (PDO). PDOs are not municipalities; rather, they are enclaves of San Diego that do not have the power to vote or set city ordinance. Instead, a PDO acts like a community planning group and may submit planning and design proposals to the city council for approval. Each PDO is different. Some, like the La Jolla Planned District, generate detailed ordinances established to retain and enhance the economic, architectural, civic and social values and quality of life. Others, such as the Otay Mesa Planned District, execute general ordinances to control the use and development design of industrial and commercial areas.

At your request, I would be happy to send you copies of the enabling legislation for the LaVale Zoning District, the San Diego Municipal Code for Planned District Ordinances or the District of Columbia Code for the Advisory Neighborhood Commission. If you have any questions or need further information regarding this matter, please feel free to call me.

JB:jcs

§ 58-1

LaVALE ZONING DISTRICT

§ 58-1

Chapter 58

LaVALE ZONING DISTRICT

- § 58-1. Applicability of provisions.
- § 58-2. Purpose; authority of LaVale Zoning Board.
- § 58-3. Establishment and enforcement of restrictions.
- § 58-4. LaVale Zoning Board.
- § 58-5. Contributions to rescue squad.
- § 58-6. Appeals.
- § 58-7. Violations and penalties.

[HISTORY: Adopted and amended as indicated in text.]

GENERAL REFERENCES

Cresaptown Special Taxing District -- See Ch. 33.
LaVale Sanitary District -- See Ch. 56.
Special taxing areas -- See Ch. 73.
Land development -- See Ch. 141.

§ 58-1. Applicability of provisions. [1957, ch. 228,¹ sec. 337A]

The provisions of this chapter shall apply and be effective in the boundaries of LaVale Election District No. 29, as set forth in § 56-6 of Chapter 56, LaVale Sanitary District, said boundaries being the same as the present physical boundaries of Election District No. 29, Allegany County, except, however, that portion of said boundaries and of said Election District No. 29 as are set forth in § 33-1 of Chapter 33, Cresaptown Special Taxing District, that section defining the limits of the Cresaptown Special

¹ Editor's Note: Chapter 228 of 1957 was approved by the voters at a referendum on June 18, 1957.

§ 58-1 ALLEGANY COUNTY CODE § 58-3

Taxing Area or District, and this chapter does not intend to and does not include in its provisions any application to any part of the Cresaptown Special Taxing Area or District.

§ 58-2. Purpose; authority of LaVale Zoning Board. [1957, ch. 228, sec. 337B]

For the purpose of promoting health, safety, morals and general welfare; of enhancing safety from fire, panic and other dangers; of reducing traffic congestion; of providing adequate light and air; of preventing the overcrowding of land and undue concentration of population; of abetting provision of schools, parks and public facilities; and to promote the orderly growth of said LaVale Zoning District in the interest of all its inhabitants, the LaVale Zoning Board is hereby empowered within said district to regulate the use, height, area and type of construction of buildings and the use of land. The LaVale Zoning Board may, by appropriate regulations, restrict, control, limit or regulate the erection, alteration, repair and use of buildings and the use of land and regulate the number of families which may be housed per acre of land.

§ 58-3. Establishment and enforcement of restrictions. [1957, ch. 228, sec. 337C]

The LaVale Zoning Board shall determine the manner in which regulations and restrictions shall be established and enforced and from time to time amended, supplemented and changed. Before determining the regulations and restrictions to be enforced therein, it shall hold a public hearing or hearings thereon, giving at least fifteen (15) days' notice in a newspaper of general circulation throughout the district of the place and time of the beginning of such hearing or hearings. The LaVale Zoning Board shall have the power to amend, supplement or repeal the regulations or restrictions adopted by it, provided that, before doing so, it shall follow the same procedure with respect to notice and public hearings as is herein provided for the original regulations and restrictions.

§ 58-4. **LaVale Zoning Board.** [1957, ch. 228, sec. 337D; 1959, ch. 300, sec. 337D(c); 1968, ch. 110, sec. 359(c)]

- A. **Qualifications.** For the purpose of carrying out the provisions of this chapter, there shall be constituted and formed a Board of three (3) persons, which shall be known and designated as the "LaVale Zoning Board." Each member of the Board shall be a resident of the zoning district and a qualified voter therein and the owner of at least five hundred dollars (\$500.) worth of assessable real property within said zoning district or a resident of the district who has been a qualified voter for at least three (3) years.
- B. **Election.** The members of the Board shall be elected. The first election shall be held on June 18, 1957, and shall be conducted simultaneously with the election referendum set forth under the provisions of this chapter. The election for the three (3) members of the Board shall be conducted by the Board of Election Supervisors for Allegany County. Names of candidates for election of all duly qualified candidates shall be placed upon the voting machine or ballot, as the case may be. Any candidate for office who wishes his name placed upon the ballot must file with the Chairman of the Board of Election Supervisors for Allegany County a written petition requesting that he be a candidate for office, signed by at least twenty (20) registered voters of the district. This list of twenty (20) registered voters must be certified to for genuineness by the Clerk or Clerks of the Board of Election Supervisors for Allegany County. Each candidate for office at the June 18, 1957, election shall submit his petition for election, fully certified by the Board of Election Supervisors, to the Chairman of the Board of Election Supervisors no later than 12:00 midnight June 8, 1957. At the election to be held on June 18, 1957, the three (3) candidates receiving the highest number of votes shall be elected to office. The candidate receiving the most votes shall be elected to serve until the general election held in 1962 in Allegany County and shall be Chairman of the Board until the next succeeding general election. The candidate receiving the second highest number of votes shall be elected to serve until the general election held in 1960.

§ 58-4

ALLEGANY COUNTY CODE

§ 58-4

The candidate receiving the third highest number of votes shall be elected to serve until the general election held in 1958.

- C. Subsequent elections; terms; compensation; vacancies; powers and duties. The election of a member to said Board in the 1958 general election and all subsequent elections shall be upon the same terms and conditions as set forth above and also shall be conducted by the Board of Election Supervisors of Allegany County simultaneously with the balloting for all other elective offices. At all of these subsequent elections, beginning with the election of 1958, all candidates for office must have their petitions fully certified and presented to the Chairman of the Board of Election Supervisors at least sixty (60) days prior to such election. The person elected to office at the 1958 election shall hold office for a period of six (6) years. In a similar manner, the member elected to serve until 1960 shall be replaced or reelected at the 1960 election, and the candidate elected to serve until 1962 shall be replaced or reelected at the 1962 election. Thereafter, members of the Board whose terms expire shall be replaced or reelected every two (2) years for terms of six (6) years. The Chairman of the Board shall be chosen by its members after each general election. Members of the Board shall serve without compensation but shall be provided with funds to cover the expenses incurred in the performance of their duties. In the event of the removal from office of any member or his failure to qualify or his death in office or for his inability to serve for any reason whatsoever, this chapter shall not fail for want of a member of the Board, but in all such cases the Board of County Commissioners for Allegany County shall appoint a person to serve as a member of the Board to fill the unexpired term of the member of the Board. In the event that the original Board cannot or is not for any reason whatsoever elected at the June 18, 1957, referendum and election, the Board of County Commissioners of Allegany County shall appoint the entire Board as aforesaid. The LaVale Zoning Board shall exercise such duties, powers and authority as may be necessary and advisable for the proper administration and enforcement of this chapter.

§ 58-4

LaVALE ZONING DISTRICT

§ 58-7

D. Oath of office. Before assuming the duties of office, each member-elect shall take the constitutional oath of office, which shall be recorded in the office of the Clerk of the Circuit Court for Allegany County.

§ 58-5. Contributions to rescue squad. [1969, ch. 453]

The LaVale Zoning Board may, in its discretion, contribute not in excess of eight thousand dollars (\$8,000.) of the funds of the Zoning Board to the LaVale Volunteer Rescue Squad, Inc.; provided, however, that funds which have been collected for a specific purpose may not be used.

§ 58-6. Appeals. [1957, ch. 228, sec. 337E; 1968, ch. 110, sec. 360]

Any person, persons, taxpayer or officer of the district jointly or severally aggrieved by any decision of the LaVale Zoning Board may, within thirty (30) days after the filing of such decision in the office of the Zoning Board, appeal to the Circuit Court for Allegany County. The Court shall hear all such appeals without the intervention of a jury and shall have the power to affirm, modify or reverse, in part or in whole, any decision appealed from and may remand any case for the entering of a proper order or for further proceedings as the Court shall determine. An appeal may be taken to the Court of Appeals of Maryland from any final decision of the Circuit Court for Allegany County.

§ 58-7. Violations and penalties. [1957, ch. 228, sec. 337F]

Any violation of the rules, regulations and restrictions adopted pursuant to this chapter shall be a misdemeanor, punishable by a fine not to exceed one hundred dollars (\$100.). Any person who shall violate such rules, regulations and restrictions shall be deemed guilty of a separate offense for every day that such violation shall continue. In addition to other remedies, the Zoning Board may institute any appropriate action or proceedings to compel compliance with the zoning regulations and restrictions adopted pursuant to this chapter.

Rough Draft

Print date: November 20, 1995 1:31:30 pm)

Folder 370, Drafter DRT

REFERENCE TITLE: retirement villages; councils

State of Arizona
Senate
Forty-second Legislature
Second Regular Session
1996

S. B. _____

Introduced by _____

AN ACT

AMENDING TITLE 9, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 12; AMENDING SECTION 11-251.05, ARIZONA REVISED STATUTES; PROVIDING FOR THE DELAYED REPEAL OF TITLE 9, CHAPTER 12, ARIZONA REVISED STATUTES; RELATING TO RETIREMENT VILLAGES.

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 9, Arizona Revised Statutes, is amended by adding
3 chapter 12, to read:

4 CHAPTER 12

5 RETIREMENT VILLAGES

6 ARTICLE 1. GENERAL PROVISIONS

7 9-1301. Retirement villages; requirements establishment;
8 election; definition

9 A. A COMMUNITY THAT QUALIFIES AS AN EXEMPT RETIREMENT COMMUNITY UNDER
10 THE FEDERAL HOUSING AND URBAN DEVELOPMENT LAWS AND TITLE 41, CHAPTER 9 AND
11 THAT HAS A POPULATION OF THREE THOUSAND FIVE HUNDRED OR MORE PERSONS MAY
12 ESTABLISH A RETIREMENT VILLAGE UNDER THIS CHAPTER.

13 B. WHEN TWO-THIRDS OF THE QUALIFIED ELECTORS RESIDING IN A RETIREMENT
14 COMMUNITY DESCRIBED IN SUBSECTION A PETITION THE BOARD OF SUPERVISORS,
15 SETTING FORTH THE METES AND BOUNDS OF THE COMMUNITY AND THE NAME BY WHICH THE
16 PETITIONERS DESIRE THE COMMUNITY TO BE KNOWN AND REQUESTING ESTABLISHMENT OF
17 THE COMMUNITY AS A RETIREMENT VILLAGE, AND THE BOARD IS SATISFIED THAT TWO-
18 THIRDS OF THE QUALIFIED ELECTORS RESIDING IN THE COMMUNITY HAVE SIGNED THE

1 PETITION, IT SHALL DECLARE THE COMMUNITY A RETIREMENT VILLAGE BY AN ORDER
2 ENTERED OF RECORD. THE BOARD OF SUPERVISORS SHALL CALL AN ELECTION IN THE
3 MANNER PRESCRIBED IN SUBSECTION C FOR THE PURPOSE OF ELECTING A RETIREMENT
4 VILLAGE ADVISORY COUNCIL FOR A RETIREMENT VILLAGE ESTABLISHED PURSUANT TO
5 THIS SUBSECTION.

6 C. WHEN TEN PER CENT OF THE QUALIFIED ELECTORS RESIDING IN A
7 RETIREMENT COMMUNITY DESCRIBED IN SUBSECTION A PETITION THE BOARD OF
8 SUPERVISORS IN THE MANNER PRESCRIBED IN SUBSECTION B, REQUESTING THE CALLING
9 OF AN ELECTION FOR THE PURPOSE PROVIDED IN THIS SUBSECTION, THE BOARD, WITHIN
10 SIXTY DAYS AFTER FILING OF THE PETITION, SHALL CALL THE ELECTION, AND THE
11 ELECTION SHALL TAKE PLACE ON THE DATE OF THE NEXT GENERAL OR COUNTYWIDE
12 ELECTION SCHEDULED FOR ANY OTHER PURPOSE, EXCEPT THAT NO SUCH ELECTION MAY
13 BE CALLED WITHIN TWELVE MONTHS AFTER THE DATE OF A PREVIOUS ELECTION FOR
14 ESTABLISHMENT OF A RETIREMENT VILLAGE OF SUBSTANTIALLY THE SAME TERRITORY.
15 IN ADDITION TO THE QUESTION REGARDING ESTABLISHMENT OF THE RETIREMENT
16 VILLAGE, THE BALLOT SHALL ALSO LIST THE NAMES OF ALL REGISTERED VOTERS IN THE
17 PROPOSED COMMUNITY WHO FILE A PETITION WITH THE BOARD OF SUPERVISORS FOR
18 ELECTION TO THE RETIREMENT VILLAGE ADVISORY COUNCIL CONSISTING OF SEVEN
19 MEMBERS. THE TERM OF COUNCIL MEMBERS IS TWO YEARS. THE BOARD OF SUPERVISORS
20 SHALL DETERMINE THE ELECTED COUNCIL MEMBERS BASED ON THE VOTE. ONLY
21 QUALIFIED ELECTORS OF THE COMMUNITY SHALL VOTE AT THE ELECTION. IF A
22 MAJORITY OF QUALIFIED ELECTORS VOTING VOTES FOR ESTABLISHMENT, THE BOARD OF
23 SUPERVISORS BY AN ORDER ENTERED OF RECORD SHALL DECLARE THE COMMUNITY A
24 RETIREMENT VILLAGE.

25 D. BEFORE OBTAINING ANY SIGNATURES ON A PETITION REQUIRED BY
26 SUBSECTION B OR C, A COPY OF THE PETITION SHALL BE FILED WITH THE COUNTY
27 RECORDER, OR IN A COUNTY THAT HAS AN ELECTIONS DEPARTMENT, WITH THE COUNTY
28 ELECTIONS DEPARTMENT. THE PETITION SHALL STATE ITS PURPOSE CLEARLY AND
29 CONCISELY, AND THE PETITION SHALL BE IN THE FORM AND SIGNED AND VERIFIED AS
30 GENERALLY PROVIDED FOR INITIATIVE PETITIONS. PETITIONERS HAVE ONE HUNDRED
31 EIGHTY DAYS FROM THE DATE OF THE FILING TO OBTAIN THE REQUIRED NUMBER OF
32 SIGNATURES.

33 E. BY WHICHEVER PROCEEDING THE ESTABLISHMENT OF A RETIREMENT VILLAGE
34 IS ACCOMPLISHED, THE ORDER SHALL DESIGNATE THE NAME OF THE COMMUNITY AND ITS
35 METES AND BOUNDS, AND THEREAFTER THE INHABITANTS WITHIN THE DEFINED AREA ARE
36 A BODY POLITIC BY THE NAME DESIGNATED.

37 F. AN AREA TO BE ESTABLISHED AS A RETIREMENT VILLAGE SHALL NOT INCLUDE
38 LARGE AREAS OF UNINHABITED, RURAL OR FARM LANDS, BUT IT SHALL BE URBAN IN
39 NATURE, EXCEPT THAT ANY UNDEVELOPED LANDS THAT MAY BE CONTIGUOUS TO THE
40 RETIREMENT VILLAGE AND THAT HAVE BEEN DESIGNATED BY COUNTY AND COMMUNITY LAND
41 USE PLANNING GROUPS AS FUTURE AGE RESTRICTED HOMES SHALL BE INCLUDED IN THE
42 METES AND BOUNDS OF THE RETIREMENT VILLAGE'S BOUNDARIES.

43 G. THE RETIREMENT VILLAGE MAY INCLUDE TERRITORY OF A CITY OR TOWN IF
44 IT IS CONTIGUOUS AND OTHERWISE MEETS THE REQUIREMENTS OF THIS SECTION.

1 H. FOR THE PURPOSES OF THIS SECTION, "RETIREMENT COMMUNITY" MEANS A
2 LOCALITY IN WHICH A BODY OF RETIRED PEOPLE RESIDES IN MORE OR LESS PROXIMITY
3 HAVING COMMON INTERESTS IN SUCH SERVICES AS PUBLIC HEALTH, PUBLIC PROTECTION,
4 FIRE PROTECTION AND WATER THAT BIND TOGETHER THE RETIRED PEOPLE OF THE AREA
5 AND WHERE THE PEOPLE ARE ACQUAINTED AND MINGLE IN BUSINESS, SOCIAL,
6 EDUCATIONAL AND RECREATIONAL ACTIVITIES.

7 9-1302. Retirement village advisory council; authority

8 A. THE RETIREMENT VILLAGE ADVISORY COUNCIL SHALL SELECT A PRESIDENT,
9 VICE-PRESIDENT OR VICE-PRESIDENTS, SECRETARY AND TREASURER, AND THE COUNCIL
10 MEMBERS SERVE WITHOUT COMPENSATION.

11 B. THE COUNCIL MAY ESTABLISH A FINANCING PLAN FOR COUNCIL ACTIVITIES
12 AND MAY RECEIVE AND SPEND ANY MONIES MADE AVAILABLE TO THE COUNCIL FROM ANY
13 PRIVATE OR PUBLIC PERSON OR ENTITY.

14 C. THE COUNCIL SHALL ACT ONLY IN AN ADVISORY CAPACITY TO THE COUNTY
15 BOARD OF SUPERVISORS AND THE GOVERNING BODY OF A CITY OR TOWN FOR THE
16 VILLAGE'S RESIDENTS IN THOSE JURISDICTIONS. ADVICE AND RECOMMENDATIONS MAY
17 BE MADE IN THE FOLLOWING MATTERS, EXCEPT THAT NO DISCUSSION OR ACTION MAY BE
18 TAKEN BY THE COUNCIL RELATING TO COMMERCIAL OR INDUSTRIAL PROPERTY:

- 19 1. ARCHITECTURAL DESIGN AND HARMONY.
- 20 2. COLOR AND TEXTURE OF IMPROVEMENTS.
- 21 3. CONSTRUCTION MATERIALS.
- 22 4. DEVELOPMENT DENSITY.
- 23 5. GRADING AND SITE DEVELOPMENT.
- 24 6. HEIGHT AND BULK OF BUILDINGS.
- 25 7. LANDSCAPING.
- 26 8. LAND USE, INCLUDING ACCESSORY USES.
- 27 9. OFF-STREET PARKING.
- 28 10. ON-STREET PARKING.
- 29 11. PUBLIC AREAS.
- 30 12. SITE DESIGN, INCLUDING INFILL.
- 31 13. MAINTENANCE OF SPECIFIED COMMON AREAS, STRUCTURES AND FACILITIES.
- 32 14. PROPERTY UPKEEP.
- 33 15. DEED RESTRICTION ENFORCEMENT.
- 34 16. ZONING.

35 17. ANY OTHER MATTERS NECESSARY TO EFFECTUATE THE ADOPTED PLAN COVERING
36 AN AREA OF THE RETIREMENT VILLAGE.

37 ARTICLE 2. ANNEXATION AND DEANNEXATION

38 9-1311. Annexation of territory; procedures; notice; petitions;
39 access to information; restrictions

40 A. THE FOLLOWING PROCEDURES ARE REQUIRED TO EXTEND AND INCREASE THE
41 LIMITS OF A RETIREMENT VILLAGE BY ANNEXATION:

42 1. A RETIREMENT VILLAGE SHALL FILE IN THE OFFICE OF THE COUNTY
43 RECORDER OF THE COUNTY IN WHICH THE ANNEXATION IS PROPOSED A BLANK PETITION
44 REQUIRED BY PARAGRAPH 4 OF THIS SUBSECTION SETTING FORTH A DESCRIPTION AND

1 AN ACCURATE MAP OF ALL OF THE EXTERIOR BOUNDARIES OF THE TERRITORY CONTIGUOUS
2 TO THE RETIREMENT VILLAGE PROPOSED TO BE ANNEXED.

3 2. SIGNATURES ON PETITIONS FILED FOR ANNEXATION SHALL NOT BE OBTAINED
4 FOR A WAITING PERIOD OF THIRTY DAYS AFTER FILING THE BLANK PETITION.

5 3. AFTER FILING THE BLANK PETITION PURSUANT TO PARAGRAPH 1 OF THIS
6 SUBSECTION, THE ADVISORY COUNCIL SHALL HOLD A PUBLIC HEARING WITHIN THE
7 THIRTY DAY WAITING PERIOD TO DISCUSS THE ANNEXATION PROPOSAL. THE PUBLIC
8 HEARING SHALL BE HELD IN ACCORDANCE WITH TITLE 38, CHAPTER 3, ARTICLE 3.1,
9 EXCEPT THAT, NOTWITHSTANDING SECTION 38-431.02, SUBSECTIONS C AND D, THE
10 FOLLOWING NOTICES OF THE PUBLIC HEARING TO DISCUSS THE ANNEXATION PROPOSAL
11 SHALL BE GIVEN AT LEAST SIX DAYS BEFORE THE HEARING:

12 (a) PUBLICATION AT LEAST ONCE IN A NEWSPAPER OF GENERAL CIRCULATION,
13 WHICH IS PUBLISHED OR CIRCULATED IN THE RETIREMENT VILLAGE AND THE TERRITORY
14 PROPOSED TO BE ANNEXED, AT LEAST FIFTEEN DAYS BEFORE THE END OF THE WAITING
15 PERIOD.

16 (b) POSTING IN AT LEAST THREE CONSPICUOUS PUBLIC PLACES IN THE
17 TERRITORY PROPOSED TO BE ANNEXED.

18 (c) NOTICE BY FIRST CLASS MAIL SENT TO THE CHAIRMAN OF THE BOARD OF
19 SUPERVISORS OF THE COUNTY AND THE CITY OR TOWN, IF APPLICABLE, IN WHICH THE
20 TERRITORY PROPOSED TO BE ANNEXED IS LOCATED.

21 (d) NOTICE BY FIRST CLASS MAIL WITH AN ACCURATE MAP OF THE TERRITORY
22 PROPOSED TO BE ANNEXED SENT TO EACH OWNER OF THE REAL AND PERSONAL PROPERTY
23 AS SHOWN ON THE LIST FURNISHED PURSUANT TO SUBSECTION F OF THIS SECTION.

24 4. WITHIN ONE YEAR AFTER THE LAST DAY OF THE THIRTY DAY WAITING PERIOD
25 A PETITION IN WRITING SIGNED BY THE OWNERS OF ONE-HALF OR MORE IN VALUE OF
26 THE REAL AND PERSONAL PROPERTY AND MORE THAN ONE-HALF OF THE PERSONS OWNING
27 REAL AND PERSONAL PROPERTY THAT WOULD BE SUBJECT TO ANNEXATION BY THE
28 RETIREMENT VILLAGE MAY BE CIRCULATED AND FILED IN THE OFFICE OF THE COUNTY
29 RECORDER.

30 5. NO ALTERATIONS INCREASING OR REDUCING THE TERRITORY SOUGHT TO BE
31 ANNEXED MAY BE MADE AFTER A PETITION HAS BEEN SIGNED BY A PROPERTY OWNER.

32 6. THE COUNTY RECORDER SHALL NOT ACCEPT A FILING FOR ANNEXATION OF ANY
33 PART OF THE SAME TERRITORY FOR WHICH A FILING FOR ANNEXATION HAS ALREADY BEEN
34 MADE PURSUANT TO PARAGRAPH 4 OF THIS SUBSECTION.

35 B. ALL INFORMATION CONTAINED IN THE FILINGS, THE NOTICES, THE PETITION
36 AND OTHER MATTERS REGARDING A PROPOSED OR FINAL ANNEXATION SHALL BE MADE
37 AVAILABLE FOR PUBLIC INSPECTION.

38 C. THE ANNEXATION SHALL BECOME FINAL AFTER THE EXPIRATION OF THIRTY
39 DAYS FROM THE FILING OF THE PETITION ANNEXING THE TERRITORY.

40 D. FOR THE PURPOSE OF DETERMINING THE SUFFICIENCY OF THE PERCENTAGE
41 OF THE VALUE OF PROPERTY UNDER THIS SECTION, THE VALUES OF PROPERTY SHALL BE
42 DETERMINED AS FOLLOWS:

43 1. IN THE CASE OF PROPERTY ASSESSED BY THE COUNTY ASSESSOR, VALUES
44 SHALL BE THE SAME AS SHOWN BY THE LAST ASSESSMENT OF THE PROPERTY.

1 2. IN THE CASE OF PROPERTY VALUED BY THE DEPARTMENT OF REVENUE, VALUES
2 SHALL BE APPRAISED BY THE DEPARTMENT IN THE MANNER PROVIDED BY LAW FOR
3 MUNICIPAL ASSESSMENT PURPOSES.

4 E. FOR THE PURPOSE OF DETERMINING THE SUFFICIENCY OF THE PERCENTAGE
5 OF PERSONS OWNING PROPERTY UNDER THIS SECTION, THE NUMBER OF PERSONS OWNING
6 PROPERTY SHALL BE DETERMINED AS FOLLOWS:

7 1. IN THE CASE OF PROPERTY ASSESSED BY THE COUNTY ASSESSOR, THE NUMBER
8 OF PERSONS OWNING PROPERTY SHALL BE AS SHOWN ON THE LAST ASSESSMENT OF THE
9 PROPERTY.

10 2. IN THE CASE OF PROPERTY VALUED BY THE DEPARTMENT OF REVENUE, THE
11 NUMBER OF PERSONS OWNING PROPERTY SHALL BE AS SHOWN ON THE LAST VALUATION OF
12 THE PROPERTY.

13 3. IF AN UNDIVIDED PARCEL OF PROPERTY IS OWNED BY MULTIPLE OWNERS,
14 THESE OWNERS SHALL BE DEEMED AS ONE OWNER FOR THE PURPOSES OF THIS SECTION.

15 4. IF A PERSON OWNS MULTIPLE PARCELS OF PROPERTY, THE OWNER SHALL BE
16 DEEMED AS ONE OWNER FOR THE PURPOSES OF THIS SECTION.

17 F. THE COUNTY ASSESSOR AND THE DEPARTMENT OF REVENUE, RESPECTIVELY,
18 SHALL FURNISH TO THE RETIREMENT VILLAGE PROPOSING AN ANNEXATION, WITHIN
19 THIRTY DAYS AFTER A REQUEST AN ANNEXATION, A STATEMENT IN WRITING SHOWING THE
20 OWNER, THE ADDRESS OF EACH OWNER AND THE APPRAISAL AND ASSESSMENT OF ALL SUCH
21 PROPERTY.

22 G. TERRITORY IS NOT CONTIGUOUS FOR THE PURPOSES OF SUBSECTION A,
23 PARAGRAPH 1 OF THIS SECTION UNLESS:

24 1. IT ADJOINS THE EXTERIOR BOUNDARY OF THE ANNEXING RETIREMENT VILLAGE
25 FOR AT LEAST THREE HUNDRED FEET.

26 2. IT IS, AT ALL POINTS, AT LEAST TWO HUNDRED FEET IN WIDTH, EXCLUSIVE
27 OF HIGHWAYS.

28 3. THE DISTANCE FROM THE EXISTING BOUNDARY OF THE RETIREMENT VILLAGE
29 WHERE IT ADJOINS THE ANNEXED TERRITORY TO THE FURTHEST POINT OF THE ANNEXED
30 TERRITORY FROM THE BOUNDARY IS NO MORE THAN TWICE THE WIDTH OF THE ANNEXED
31 TERRITORY.

32 H. A CITY OR TOWN SHALL NOT ANNEX TERRITORY IF AS A RESULT OF SUCH
33 ANNEXATION UNANNEXED TERRITORY IS COMPLETELY SURROUNDED BY THE ANNEXING
34 RETIREMENT VILLAGE.

35 I. SUBSECTIONS G AND H OF THIS SECTION DO NOT APPLY TO TERRITORY THAT
36 IS SURROUNDED BY THE SAME RETIREMENT VILLAGE OR THAT IS BORDERED BY THE SAME
37 RETIREMENT VILLAGE ON AT LEAST THREE SIDES.

38 9-1312. Deannexation by petition to the county board of
39 supervisors; procedures; costs; zoning; preference

40 THE COUNTY BOARD OF SUPERVISORS SHALL ORDER THE DEANNEXATION OF
41 TERRITORY FROM A RETIREMENT VILLAGE AND SHALL RETURN THE TERRITORY TO THE
42 JURISDICTION OF THE COUNTY IF ALL OF THE FOLLOWING CONDITIONS ARE SATISFIED:

43 1. THE BOARD HAS RECEIVED A PETITION WITH THE SIGNATURES OF THE OWNERS
44 OF NOT LESS THAN ONE-HALF IN VALUE OF THE REAL AND PERSONAL PROPERTY OF THE

1 TERRITORY THAT IS SOUGHT TO BE DEANNEXED AND THAT IS SUBJECT TO TAXATION BY
2 THE RETIREMENT VILLAGE, AS SHOWN BY THE LAST ASSESSMENT OF THE PROPERTY.

3 2. THE PETITION ALSO CONTAINS THE SIGANTURES OF MORE THAN ONE-HALF OF
4 THE OWNERS OF THE REAL AND PERSONAL PROPERTY OF SUCH TERRITORY.

5 3. THE PETITION IS FILED WITH THE CLERK OF THE BOARD IN THE COUNTY IN
6 WHICH THE TERRITORY SOUGHT TO BE DEANNEXED IS LOCATED, TOGETHER WITH AN
7 ACCURATE MAP OF THE TERRITORY. A COPY OF THE PETITION SHALL ALSO BE SERVED
8 ON THE AFFECTED RETIREMENT VILLAGE IN THE SAME MANNER AS FOR SERVICE OF
9 PROCESS UNDER THE RULES OF CIVIL PROCEDURE.

10 Sec. 2. Section 11-251.05, Arizona Revised Statutes, is amended to
11 read:

12 11-251.05. Ordinances

13 A. The board of supervisors may:

14 1. In the conduct of county business, adopt, amend and repeal all
15 ordinances necessary or proper to carry out the duties, responsibilities and
16 functions of the county which are not otherwise specifically limited by
17 section 11-251 or any other law or in conflict with any rule or law of this
18 state.

19 2. Prescribe punishment by fine or imprisonment, or both, for the
20 violation of an ordinance adopted pursuant to paragraph 1 of this subsection.
21 A fine or imprisonment shall not exceed the maximum limitations for a class
22 1 misdemeanor.

23 B. Ordinance authority under subsection A of this section shall be in
24 addition to and preemptive of ordinance, rule making or regulatory authority
25 of any other county board or county commission. A county may not impose
26 taxes except as otherwise provided by law and as specified in section 11-251.

27 C. Prior to adoption, amendment or repeal of an ordinance under this
28 section, the board of supervisors shall hold a public hearing thereon at
29 least fifteen days' notice of which shall be given by one publication in a
30 newspaper of general circulation in the county seat. After adopted or
31 amended, the ordinance shall be published at least once in a newspaper of
32 general circulation in the county seat.

33 D. An ordinance adopted under this section may apply to the
34 unincorporated and incorporated areas in the county if the ordinance is not
35 in conflict with an existing city or town ordinance or state law or otherwise
36 regulated by the state. If the ordinance is intended to apply to any
37 incorporated area of the county, prior to the ordinance becoming effective
38 within the boundaries of a city or town, the city or town council shall
39 consider the ordinance and, if the council finds that the subject matter of
40 the ordinance is not either a matter of local concern or governed by an
41 existing city or town ordinance, the council shall approve by resolution the
42 application or enforcement of such ordinance within the boundaries of the
43 city or town. Upon thirty days' notice to the county, a city or town council
44 may rescind such approval by resolution if the subject matter of the

1 ordinance is governed or to be governed by a city or town ordinance. An
2 ordinance may apply to the unincorporated areas of the county, to part or
3 parts of such areas or to a combination of incorporated and unincorporated
4 areas of the county, as the board deems appropriate and subject to the
5 approval of a city or town as specified in this subsection.

6 E. AN ORDINANCE ADOPTED UNDER THIS SECTION MAY APPLY SPECIFICALLY TO
7 A RETIREMENT VILLAGE ON THE ADVICE AND RECOMMENDATIONS OF A RETIREMENT
8 VILLAGE ADVISORY COUNCIL PURSUANT TO SECTION 9-1302.

9 ~~E.~~ F. Nothing contained in this section shall be construed to
10 prohibit a county from exercising such powers and authority as are granted
11 under other provisions of state law.

12 Sec. 3. Delayed repeal

13 Title 9, chapter 12, Arizona Revised Statutes, as added by this act,
14 is repealed from and after June 30, 2026.

**ARIZONA STATE SENATE
RESEARCH STAFF**

MEMO

Jason Bezozo
Research Assistant
542-3171

**TO: MEMBERS OF THE STUDY COMMITTEE ON AGE-SPECIFIC ZONING AND
RETIREMENT COMMUNITIES**

DATE: September 21, 1995

Re: Senior Overlay Zones - Down Zoning Mechanism

The following is a response to the discussion of a de-zoning mechanism for county senior overlay zones during the August 3 meeting of the Study Committee on Age Specific Zoning and Retirement Communities. Title 11, Chapter 6, Article 2, Arizona Revised Statutes (11-829), provides for down zoning through adoption of an ordinance or by changing the boundaries of a zoning district. Down zoning requires the approval from the county board of supervisors and the county planning and zoning commission.

To initiate the process of down zoning a senior overlay, the property owner desiring the amendment or change is required to file an application for an amendment or change with the applicable county board of supervisors who shall submit the application to the zoning commission for a report. The commission is then required to hold a public meeting before submitting a report to the county board of supervisors. Although not in statute, the zoning commission typically conducts a takings survey before submitting a recommendation report to the county board of supervisors.

Upon receipt of the zoning commission's recommendation, the board of supervisors is also required to hold a public meeting. Notification must be sent by first class mail to each real property owner within three hundred feet of the proposed amendment or change. Real property owners within the zoning area are allowed to file approvals or protests of the proposed re-zoning. If twenty percent of the real property owners by *area and number* within the zoning area protests, an affirmative vote of three-fourths of all members of the board of supervisors is required to approve the re-zoning. After the public meeting, the board may adopt the amendment.

An amendment to a zoning ordinance may be initiated by a county planning and zoning commission as well. The same procedures for amending or changing an ordinance are followed as if the amendment was initiated by a property owner.

Attached, please find a copy of the statute prescribing the procedure for amending an ordinance or changing the boundaries of a zoning district. If you have any questions or need further information regarding this matter, please call me.

JB/cmh

11-829. Amendment of ordinance or change of zoning district boundaries;
definition

A. A property owner or authorized agent of a property owner desiring an amendment or change in the zoning ordinance changing the zoning district boundaries within an area previously zoned shall file an application for the amendment or change.

B. Upon receipt of the application the board shall submit it to the commission for a report. Prior to reporting to the board, the commission shall hold at least one public hearing thereon after giving at least fifteen days' notice thereof by one publication in a newspaper of general circulation in the county seat and by posting of the area included in the proposed change. In case of a rezoning, the posting shall be in no less than two places with at least one notice for each quarter mile of frontage along perimeter public rights-of-way so that the notices are visible from the nearest public right-of-way. The commission shall also send notice by first class mail to each real property owner as shown on the last assessment of the property within three hundred feet of the proposed amendment or change and each county and municipality which is contiguous to the area of the amendment or change. The notice sent by mail shall include, at a minimum, the date, time and place of the hearing on the proposed amendment or change including a general explanation of the matter to be considered, a general description of the area of the proposed amendment or change, how the real property owners within the zoning area may file approvals or protests of the proposed rezoning, and notification that if twenty per cent of the property owners by area and number within the zoning area file protests, an affirmative vote of three-fourths of all members of the board will be required to approve the rezoning. The following specific notice provisions also apply:

1. In proceedings that are not initiated by the commission involving rezoning, notice by first class mail shall be sent to each real property owner, as shown on the last assessment of the property, of the area to be rezoned and all property owners, as shown on the last assessment of the property, within three hundred feet of the property to be rezoned.

2. In proceedings involving one or more of the following proposed changes or related series of changes in the standards governing land uses, notice shall be provided in the manner prescribed by paragraph 3:

(a) A ten per cent or more increase or decrease in the number of square feet or units that may be developed.

(b) A ten per cent or more increase or reduction in the allowable height of buildings.

(c) An increase or reduction in the allowable number of stories of buildings.

(d) A ten per cent or more increase or decrease in setback or open space requirements.

(e) An increase or reduction in permitted uses.

3. In proceedings governed by paragraph 2, the county shall provide notice to real property owners pursuant to at least one of the following notification procedures:

(a) Notice shall be sent by first class mail to each real property owner, as shown on the last assessment, whose real property is directly affected by the changes.

(b) If the county issues utility bills or other mass mailings that periodically include notices or other informational or advertising materials, the county shall include notice of such changes with such utility bills or other mailings.

(c) The county shall publish such changes prior to the first hearing on such changes in a newspaper of general circulation in the county. The changes shall be published in a "display ad" covering not less than one-eighth of a full page.

4. If notice is provided pursuant to paragraph 3, subdivision (b) or (c), the county shall also send notice by first class mail to persons who register their names and addresses with the

county as being interested in receiving such notice. The county may charge a fee not to exceed five dollars per year for providing this service and may adopt procedures to implement this paragraph.

5. Notwithstanding the notice requirements set forth in paragraph 2, the failure of any person or entity to receive notice shall not constitute grounds for any court to invalidate the actions of a county for which the notice was given.

C. Upon receipt of the commission's recommendation the board shall hold a public hearing thereon at least fifteen days' notice of which shall be given by one publication in a newspaper of general circulation in the county seat and by posting the area included in the proposed change. After holding the hearing the board may adopt the amendment, but if twenty per cent of the owners of property by area and number within the zoning area file a protest to the proposed change, the change shall not be made except by a three-fourths vote of all members of the board. If any members of the board are unable to vote on the question because of a conflict of interest, the required number of votes for the passage of the question is three-fourths of the remaining membership of the board, except that the required number of votes in no event shall be less than a majority of the full membership of the board. In calculating the owners by area, only that portion of a lot or parcel of record situated within three hundred feet of the property to be rezoned shall be included. In calculating the owners by number or area, county property and public rights-of-way shall not be included.

D. The planning commission may on its own motion propose an amendment to the zoning ordinance and may, after holding a public hearing as required by this chapter, transmit the proposal to the board which shall thereupon proceed as set forth in this chapter for any other amendment.

E. Notwithstanding the provisions of title 19, chapter 1, article 4, a decision by the governing body involving rezoning of land which is not owned by the county and which changes the zoning classification of such land or which changes the zoning standards of such land as set forth in subsection B, paragraph 2 may not be enacted as an emergency measure and such a change shall not be effective for at least thirty days after final approval of the change in classification by the board.

F. For the purposes of this section "zoning area" means the area within three hundred feet of the proposed amendment or change.

Friday
August 18, 1995

Federal Register

Part VII

**Department of
Housing and Urban
Development**

24 CFR Part 100

Housing for Older Persons; Defining
Significant Facilities and Services;
Amendments; Final Rule

RECEIVED

AUG 25 1995

DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENTOffice of the Assistant Secretary for
Fair Housing and Equal Opportunity

24 CFR Part 100

[Docket No. FR-3502-F-08]

RIN 2529-AA66

Housing for Older Persons; Defining
Significant Facilities and Services;
AmendmentsAGENCY: Office of the Assistant
Secretary for Fair Housing and Equal
Opportunity, HUD.

ACTION: Final rule.

SUMMARY: This final rule implements section 919 of the Housing and Community Development Act of 1992. Section 919 requires the Secretary of HUD to issue "rules defining what are 'significant facilities and services especially designed to meet the physical or social needs of older persons' required under section 807(b)(2) of the Fair Housing Act to meet the definition of the term 'housing for older persons' in such section." This final rule amends HUD's regulations governing "housing for older persons", to provide the definitions required by section 919.

EFFECTIVE DATE: September 18, 1995.

FOR FURTHER INFORMATION CONTACT: Sara K. Pratt, Office of Investigations, Office of Fair Housing and Equal Opportunity, Room 5204, U.S. Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410-0500, telephone (202) 708-0836. Hearing or speech-impaired individuals may call HUD's TDD number (202) 708-0113, or 1-800-877-8399 (Federal Information Relay Service TDD). (Other than the "800" number, these are not toll-free numbers.)

SUPPLEMENTARY INFORMATION:

I. Background

A. The March 14, 1995 Proposed Rule

On March 14, 1995 (60 FR 13840), HUD published a rule which proposed to implement section 919 of the Housing and Community Development Act of 1992 (Pub. L. 102-550, approved October 28, 1992).

The Fair Housing Act (Title VIII of the Civil Right Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. 3601-19) (the Act) exempts "housing for older persons" from the prohibitions against discrimination because of familial status. Specifically, section 807(b)(2)(C) of the Act exempts housing intended and operated for occupancy by at least

one person 55 years of age or older per unit that satisfies certain criteria. The Act requires that the housing facility provide "significant facilities and services especially designed to meet the physical or social needs of older persons." HUD has implemented the "housing for older persons" exemption at 24 CFR part 100, subpart E.

Section 919 of the Housing and Community Development Act of 1992, requires the Secretary of HUD to issue rules further defining what are "significant facilities and services especially designed to meet the physical or social needs of older persons" required under section 807(b)(2) of the Fair Housing Act to meet the definition of the term "housing for older persons." The March 14, 1995 rule proposed to amend subpart E to provide the definitions required by section 919. Specifically, the rule proposed to create a new section establishing the criteria for determining whether a facility or service is "significant" or "specifically designed to meet the physical or social needs of older persons."¹ This proposed section set forth a "menu" of facilities and services which a housing provider could choose to furnish. Another proposed section permitted communities selecting a requisite number and type of facilities and services from the "menu" to "self-certify" their compliance with the Act. The preamble to the March 14, 1995 proposed rule described in detail the amendments to 24 CFR part 100, subpart E.

The March 14, 1995 proposed rule was HUD's second attempt at implementing the requirements of section 919. An earlier rule, published on July 7, 1994 (59 FR 34902), also proposed to define "significant facilities and services." The July 7, 1994 proposed rule was of great interest to many seniors. By close of business on November 30, 1994, 15,219 comments had been received. Based on the written comments received on the proposed rule, and the comments received at five public meetings held across the country, HUD decided to make significant changes to the July 7, 1994 proposed rule.

¹ The language of section 919 contains the word "especially" in the rules defining what are "significant facilities and services especially designed to meet the physical or social needs of older persons" required under section 807(b)(2) of the Fair Housing Act to meet the definition of the term "housing for older persons" in such section." (emphasis added) This final rule uses the word "specifically" rather than the word "especially" to comply with congressional intent and reflect the actual language of section 807(b)(2) of the Fair Housing Act.

On December 12, 1994 (59 FR 64104), HUD announced it would not proceed to final rulemaking on the July 7, 1994 proposed rule. Instead, HUD issued the March 14, 1995 proposed rule, which addressed the issues raised by the commenters and solicited additional public comment.

B. Discussion of Public Comments on the March 14, 1995 Proposed Rule

The March 14, 1995 proposed rule was of significant interest to the public. By the expiration of the public comment period on May 15, 1995, 1,080 comments had been received. The majority of commenters expressed support for the proposed rule and urged its adoption without further change. Most of these commenters thanked HUD for taking time to listen to the concerns expressed by seniors over the July 7, 1995 proposed rule. An extremely popular form letter, which comprised approximately 61% of the total comments received, read:

I support the newly proposed rule on Significant Facilities and Services for Housing for Older Persons under the Fair Housing Act. I believe the needs of seniors in senior housing are fairly reflected and supported in the flexibility of the new amendments. The new regulations are simple, clear, and realistic. I appreciate HUD staff's willingness to travel across the country and listen compassionately to testimony. Thank you for responding positively to the valid concerns of seniors and community leaders expressed in the hearings.

As a result of the positive public response, HUD has made very few changes to the March 14, 1995 proposed rule. The following section of the preamble presents a summary of the significant issues raised by the public commenters on the proposed rule, and HUD's responses to these comments.

Preamble's Comparative Analysis Language

Comment. Several commenters were opposed to the language in the preamble to the proposed rule stating that in order to qualify as 55-or-over housing, "the evidence must show that the housing in question is clearly distinguished from the bulk of other housing (except for other older persons housing) in a particular area." (60 FR 13840, 13841). These commenters felt the language would make the proposed self-certification mechanism meaningless. The commenters interpreted this preamble language to mean that the existence of similar facilities and services at family communities in the area would deny 55-or-over status to a community which otherwise meets the

"menu" requirements of proposed § 100.306.

HUD Response. HUD agrees that this preamble language may be interpreted to negate the effectiveness of self-certification. Accordingly, HUD wishes to emphasize that it is the existence, in the aggregate, of at least ten requisite facilities and services from the "menu" set forth in § 100.306 which establishes a community as 55-or-over housing. This is true even if a particular facility or service is also locally available at other types of housing.

The Proposed Definition of "Occupied By" Was Unfair

Comment. The definition of "occupied by" set forth in proposed § 100.306(e) required that units be occupied by a person 55 years of age or over, not only at the time of the alleged violation, but "at least 60 days in the preceding year." Several commenters believed that this proposed definition would impose unfair burdens on 55-or-over communities in meeting the Act's 80 percent occupancy requirement. The commenters pointed out that it is administratively difficult to determine when property occupants come and go.

HUD Response. HUD concurs with these commenters. HUD has revised the definition of "occupied by" set forth in the March 14, 1995 proposed rule by eliminating the 60-day requirement. This final rule defines "occupied by" to mean actual occupancy of a unit by one or more persons over 55 years of age or older.

Necessity of Age Verification Procedures

Comment. Several commenters believed that the proposed rule contained contradictory statements regarding the requirement of age verification procedures. The preamble stated that HUD would "not require the use of age verification procedures." (60 FR 13840, 13842). However, proposed § 100.316, which discussed a provider's intent to provide housing for older persons, included age verification procedures in the non-exclusive list of factors HUD will utilize in determining the existence of such intent. One commenter went so far as to suggest that the final rule make age-verification procedures a requirement for establishing intent.

HUD Response. HUD has decided not to impose yet another federal obligation on senior communities by requiring the use of age verification procedures. The Act does not require that age verification procedures be used. Proposed § 100.316 merely stated that routine use of age verification

procedures is one way which a community may indicate that it intends to be "housing for older persons."

If a community decides to utilize age verification procedures, they must comply with court established requirements. Specifically, the procedures must be enforceable, objective, and consistently applied. Age-verification records must be accurately maintained by the housing provider. The age verification mechanism must provide for a review of current residents, as well as of potential new residents. Furthermore, the age verification procedures must require some form of independent proof to confirm the age of the residents. Driver's licenses or copies of birth certificates are two acceptable methods to confirm age.

In sum, lease applications or other preliminary resident documentation should include a request for age verification data. Housing providers should make it clear to potential residents that the request is made to ensure conformity with the community's policy of maintaining the reliable records necessary for qualifying for the "housing for older persons" exemption. Age verification data must be confirmed through objective reliable means that at least one person who will be occupying the property will be 55 years of age or older.

Mandatory Continuation of Terminated Volunteer Services

Comment. Several senior commenters while supporting the proposed rule's authorization of the use of off-site or volunteer services, expressed worry that housing providers might not take steps to assure the continued availability of these services. These seniors wish housing providers to be required to locate an alternate means of providing the volunteer services, if for some reason the current services are discontinued.

HUD Response. The March 14, 1995 proposed rule, and this final rule, make the housing provider ultimately responsible for providing the significant facilities and services. If volunteer provided facilities and services are discontinued, the housing provider is responsible for ensuring that replacement facilities or services are provided, or the community will no longer qualify for the exemption. HUD does not agree with the commenters that it should require housing providers to continue specific volunteer services which have been terminated. The particular volunteer facilities and services to be provided are best

determined by the housing provider and the residents.

Definition of Housing Provider Not Sufficiently Broad

Comment. Two commenters wrote to express their belief that the proposed rule's definition of the term "housing provider" was not broad enough to cover unincorporated communities comprised of individual homeowners.

HUD Response. The definition of "housing provider" set forth in the March 14, 1995 proposed rule was intended to cover unincorporated communities. This final rule contains a revised definition which clarifies that single family communities may qualify for the exemption through community groups which effectively represent the interests of the residents. Specifically, the revised definition of "housing provider" reads: "The term housing provider includes any person or entity which represents the property owners of a community in their housing interests, including homeowners or resident associations, whether or not there is common ownership or operation of any portion of a community."

Revision of Impracticability Provisions

Comment. Several commenters believed the impracticability provisions set forth in proposed § 100.310 should be revised. The commenters objected to the statement in proposed § 100.310(b)(1) that "[d]emonstrating that . . . services and facilities are expensive to provide is not alone sufficient to demonstrate" impracticability. The commenters believed that this provision unfairly implied that "true" senior communities are those that can afford to have a lot of amenities.

HUD Response. HUD does not agree with the commenters. The "menu" established by § 100.306(d) and the provisions of § 100.306(e), which permit volunteers to provide facilities and services, effectively address the issue of cost, and will enable properties without large financial resources to qualify for the exemption. It has never been HUD's intention to require communities to provide expensive amenities in order to meet the "significant facilities and services" requirement. Moreover, § 100.310(b)(4) lists the income range of the residents as a factor in determining impracticability, allowing evidence of lack of affordability of facilities or services to be considered as part of an impracticability review.

Proposed Rule's Impact on Small Entities

Comment. Two commenters believed the March 14, 1995 proposed rule reflected a harsh attitude toward small 55-or-over communities. Specifically, the commenters felt that the "menu" set forth in proposed § 100.306 demonstrated a bias toward larger parks with clubhouses and resident organizations. One of the commenters suggested that communities with fewer than "40 or 50 spaces" be exempted from the requirements of the final rule.

HUD Response. HUD does not believe that any special exemptions are required for small 55-or-over communities. The "menu" set forth in § 100.306 is sufficiently broad to ensure that small communities may satisfy the "significant facilities and services" requirement without undue burden or expense. HUD prepared the list of "menu" items by reviewing suggestions made by the public commenters to the July 7, 1994 proposed rule, including the commenters at the five public hearings, as well as by carefully reviewing court decisions dealing with this issue. The "menu" is adequately diverse to cover all types of senior properties.

Proposed Rule Imposed an "Accessibility" Requirement

Comment. One of the reasons for the strong opposition to the July 7, 1994 proposed rule was the belief among seniors that it erroneously depicted all seniors as physically frail. In developing the March 14, 1995 proposed rule, HUD wished to correct this impression. Accordingly, the preamble to the proposed rule stated that a facility or service does not need to be "accessible to the disabled in order to be classified as 'significant' or 'specifically designed to meet the physical or social needs of older persons'" (60 FR 13840, 13841). However, many senior commenters believed that the rule imposed an accessibility requirement.

Specifically, the commenters objected to the preamble language stating that "[t]he Department believes that the Act imposes a strict burden upon a person claiming the exemption to provide credible and objective evidence showing that the facilities and services offered by the housing provider were designed, constructed or adapted to meet the particularized needs of older persons." (60 FR 13840, 13841). The commenters believed that the requirement that housing providers select two items from category 11, Health/Safety Needs, from the "menu" set forth in proposed § 100.306, was further proof of an

accessibility criterion for qualification as 55-or-over housing.

HUD Response. The commenters misinterpret the language of the preamble and the proposed rule. It is the existence of the requisite number and type of "menu" items, in the aggregate, which qualifies a community for the "housing for older persons" exemption. Elimination of category 11 of the "menu" would unfairly discriminate against communities which have chosen to provide any of the health/safety related items listed in this category. Inclusion of such a category in the "menu" does not imply that all seniors have difficulty with mobility. It simply reflects the fact that some residents of 55-or-over communities may desire the provision of several category 11 items to facilitate their use and enjoyment of the property.

Proposed § 100.306(f) Undermined Self-Certification

Comment. Proposed § 100.306(f) listed the criteria by which HUD will determine if, in the aggregate, the facilities and services provided by a housing provider are "significant." Several commenters objected to this provision, claiming that a housing provider's self-certification would be undermined by the uncertainty of its compliance with proposed § 100.306(f).

HUD Response. HUD does not believe that § 100.306(f) subverts the self-certification procedures set forth in § 100.307. Rather, the criteria listed in § 100.306(f) provide assurance that housing providers will not claim that they are eligible for the exemption based on facilities or services which are virtually non-existent, non-functional or unused. Paragraph (f) of § 100.306 is necessary to assure that the facilities and services are truly available in a meaningful way to residents.

Self-Certification Should Not Be Made Under Penalty of Perjury

Comment. Proposed § 100.307(e) stated that a housing provider shall sign a self-certification notice "under penalty of perjury of the laws of the United States." Several commenters believed that the imposition of civil penalties was sufficient to penalize housing providers posting false self-certification notices.

HUD Response. HUD does not agree that § 100.307(e) imposes an unjust sanction on housing providers who falsify their self-certification notices. Absent evidence indicating that the housing provider has not met the "menu" requirements of § 100.306(c), a housing provider who chooses to self-certify will be deemed by HUD to be in

compliance with the requirements of the Act. Given the force of a posted self-certification notice, HUD believes it is justified in requiring the high measure of certainty provided by the imposition of perjury sanctions. Paragraph (f) of § 100.307 obligates a housing provider who has posted a self-certification notice to ensure that the listed facilities and services are indeed available.

The Self-Certification Posting Requirements Should Be Revised

Comment. One commenter believed the posting requirements for the self-certification notice should be clarified. Proposed § 100.307(e) required that a copy of the self-certification notice be posted "in every public or common area where housing transactions are conducted." The commenter felt that some housing providers might have difficulty complying with this requirement. For example, in the case of homeowner associations where all developer sales have been completed, the only sales are by individuals, not by the association or a developer. In these instances, there are no common areas where "housing transactions" occur.

HUD Response. HUD has not revised § 100.307(e). Paragraph (e) of § 100.307 simply requires that the self-certification notice be posted in every area where housing transactions are conducted. In some instances, this may require that the notice be posted in the unit itself, or at the real estate office handling the listing of the property.

Revision of the Self-Certification Notice

Comment. One commenter suggested several revisions to the posted self-certification notice in order to make it more comprehensible. For example, the commenter suggested that a larger typeface notice might be easier to read for those seniors requiring eye-glasses.

HUD Response. HUD will consider formatting suggestions from the public before printing copies of the self-certification notice for distribution. However, nothing prevents a housing provider from enlarging the self-certification notice and posting the larger version, or otherwise making it available to residents and the public in alternative formats.

Proposed § 100.307(f) Undermined Self-Certification

Comment. Many commenters objected to proposed § 100.307(f), which stated that self-certification notices will not be considered "conclusive evidence of eligibility for the housing for older persons exemption." To many commenters this provision eliminated the main reason for self-certification.

which is to relieve the anxiety older persons feel that they may be violating the law. One of the commenters suggested slightly revising proposed § 100.307(f) so as to make the provision less offensive to seniors. According to this commenter, the "not conclusive" phrase should be replaced by a reiteration of HUD's authority to investigate fair housing complaints.

Other commenters urged the elimination of the "not conclusive" phrase and the insertion of new language strengthening the effect of the self-certification notice. Specifically, these commenters believed the self-certification notice should shift the burden of proof to complainants during fair housing investigations regarding 55-or-over status.

HUD Response. HUD agrees with the commenters that the "not conclusive" phrase may be misinterpreted by the public so as to undermine the certainty provided by a self-certification notice. Accordingly, HUD has revised § 100.307(f) by removing the "not conclusive" phrase and replacing it with the statement that "the posting of a self-certification notice will not preclude the Department from investigating a complaint of alleged housing discrimination where there is evidence that the housing provider fails to comply with the self-certification."

HUD wishes to emphasize that the purpose of the self-certification mechanism is to provide certainty to 55-or-over communities, not to insulate them from legitimate HUD fair housing investigations. HUD may receive information which suggests that a community does not meet the Act's 80 percent occupancy requirements, or that the self-certification notice is incorrect. In these situations, HUD's investigation will focus initially on the housing provider's own assurances, through the posted self-certification notice, that the requisite facilities and services are provided. If the significant facilities and services listed in the self-certification notice are actually provided and serving the community, the housing provider should not anticipate any difficulties in qualifying for that portion of the exemption. Additionally, if the provider furnishes facilities and services which are not listed on the self-certification notice (or if no self-certification notice is posted) HUD will still consider all available evidence regarding what facilities and services were available at the time of the alleged discriminatory incident.

HUD wishes to emphasize that nothing in this regulation changes the requirement, set forth by the courts and administrative law judges, that in a

judicial or administrative proceeding, the housing provider bears the burden of ultimately proving its eligibility for any exemption under the Act by a preponderance of the evidence.

Proposed Exemptions to 80% Occupancy Requirement Exceed Legal Authority

Comment. Section 807(b)(2)(C)(ii) of the Act, which HUD is implementing in § 100.315, requires "that at least 80 percent of the units are occupied by at least one person 55 years or older per unit." Paragraph (b)(2) of proposed § 100.315 permitted housing with unoccupied units to meet the 80 percent occupancy test, so long as "at least 80 percent of the occupied units [were] occupied by at least one person 55 years of age or over." One commenter believed this provision contradicted the explicit language of the Act and suggested that providers claiming the exemption based on § 100.315(b)(2) be required to reserve all units for occupancy by a person 55 years of age or older.

Furthermore, paragraph (b)(4) of proposed § 100.315(b)(4) permitted housing with an insufficient percentage of units occupied by older persons to meet the 80 percent test, so long as the housing "reserve(d) all unoccupied units for occupancy by at least one person 55 years of age or older until at least 80 percent of the units [were] occupied" by older persons. Another commenter objected to this provision, as well as to proposed § 100.315(b)(2), on the grounds that the Act's 80 percent occupancy requirements should be strictly construed. The commenter believed that any exceptions to the 80 percent occupancy requirements set forth in the Act were meant by Congress to apply solely to housing occupied before the Act's effective date.

HUD Response. The Act provides that a property "shall not fail to meet the requirements for housing for older persons by reason of * * * (B) unoccupied units. * * * " (42 U.S.C. 3607). HUD believes it is justified in interpreting the Act to allow a community which, although it does not currently meet the 80 percent occupancy requirement, reserves all unoccupied units for occupancy by a person 55 years of age or older. This may be the only way for a community which believed that it was ineligible for "housing for older persons" status, and which has therefore permitted occupancy by families, to qualify for the exemption. There is no support for the commenter's assertion that this provision of the Act is limited to situations occurring before the Act's

effective date. HUD believes that housing which seeks to qualify as "housing for older persons" should be able to do so, even if its occupied units do not meet the 80 percent occupancy test. Furthermore, HUD believes such housing should be protected against claims of unlawful discrimination during the qualification process, so long as it provides significant facilities and services, has the requisite intent, and has reserved all unoccupied units for at least one resident 55 years of age or older.

Proposed § 100.310(b)(7) Violated Statutory Authority

Comment. Section 100.310 permitted the granting of a waiver to housing providers in cases where it would be impracticable to furnish "significant facilities and services." Proposed § 100.310(a) required that the persons seeking a waiver also demonstrate "that such housing is necessary to provide important housing opportunities for older persons." Proposed § 100.310(b)(7) would have accorded residents' preferences a weight in the waiver determination. If "90 percent of the residents of the housing" had stated that a facility or service was "not necessary or desired", this certification would have been relevant as to whether the provider could have claimed an impracticability waiver to the Act's requirements. One commenter felt proposed § 100.310(b)(7) would have exceeded HUD's authority under the Act. The commenter pointed out that the proposed rule would have permitted residents to legitimize discriminatory preferences:

HUD Response: HUD agrees with the commenter. Upon further analysis, HUD has determined that individual residents should not be authorized by regulation to waive the rights of future residents, or the rights of families with children, by voting on the necessity or desirability of a facility or service. Accordingly, proposed § 100.310(b)(7) has been eliminated.

Items Listed in Proposed § 100.306 Were Not Significant

Comment. Many of the commenters believed that the "menu" set forth in proposed § 100.306 did not list facilities and services that were "significant" or "specifically designed for the physical or social needs of older persons." One of these commenters believed that with almost no effort, most properties could qualify under the March 14, 1995 proposed rule. Since the commenters believed that the requirements of § 100.306 could be easily met, they feared that unscrupulous housing

providers would utilize the rule to disguise their unlawfully discriminatory policies against families with children. These commenters also believed that proposed § 100.306 could possibly be in violation of existing case law, which states that the "significant facilities and services" requirement is not met by merely adding minor amenities to a traditional development.

HUD Response. The commenters erroneously focus on the individual items listed in § 100.306(d). It is the existence, in the aggregate, of the requisite number and type of "menu" items that satisfies the "significant facilities and services" requirement. However, in the development of this final rule, HUD made the determination that some minor revisions to the list of "menu" items were necessary. This final rule includes these changes.

Self-Certification May Violate Existing Law

Comment. Proposed § 100.307 permitted housing providers which met the requirements of proposed § 100.306 to self-certify their compliance with the Act's requirements. Several commenters expressed doubts as to the legality of this self-certification mechanism. Some commenters believed proposed § 100.307 established a licensing procedure unauthorized by Congress.

These commenters also noted an apparent inconsistency in the proposed rule's language regarding self-certification. The language of proposed § 100.307 suggested a limited effect for the self-certification, namely the authorization of "the publication of advertisements, notices or the making of other statements" necessary to establish the property as 55-or-over housing. The preamble, on the other hand, indicated greater significance for the self-certification, stating that "absent evidence to the contrary, the Department will assume that those communities which have chosen to self-certify are in compliance with the Act's requirements." (60 FR 13840, 13841). The commenters feared that this inconsistency meant HUD intended to shift the burden of proof to complainants to show that the housing met the exemption requirements. In such a case, the preamble language would have exceeded statutory authority, the Act's legislative history, and case-law.

These commenters believed that as an alternative to self-certification, HUD should certify the 55-or-over housing. The commenters believed that only HUD or substantially equivalent state agencies could provide meaningful certification of a community's exempt

status. These commenters suggested that at the very least HUD require periodic updates of the self-certification notices.

HUD Response. HUD has not revised the proposed rule as a result of these comments. The rule's self-certification mechanism allows communities to determine with certainty whether they comply with the "significant facilities and services" requirement. The posting of a self-certification notice merely identifies for the public those facilities and services on which the provider bases its claim of eligibility for that portion of the "housing for older persons" exemption. Self-certification is not, nor was it intended to be, a de-facto licensing procedure.

There was no inconsistency between the language of the proposed rule and the preamble. Absent evidence that the posted self-certification notice is incorrect, HUD will assume that housing providers which have chosen to self-certify are in compliance with the Act. However, HUD will still be required to conduct an investigation when it is provided with information which indicates that the assertions in the self-certification are incorrect or that the property otherwise does not qualify for the "housing for older persons" exemption. This rule does not modify in any way the fact that housing providers bear the burden of proving their compliance with the Act's requirements during a judicial or administrative enforcement proceeding.

HUD rejects the commenters' suggestion that HUD certify each property seeking to qualify as housing for older persons. In addition to the fact that such a procedure would be intrusive and involve HUD in the day to day operations of non-federal housing, HUD neither has the resources nor the desire to inspect the many properties which might claim the exemption. Moreover, a HUD-certification procedure might be construed as a de-facto licensing mechanism, which is beyond the scope of HUD's authority under the Act.

While this final rule does not require periodic reviews of self-certification notices, HUD agrees that it is both sensible and necessary for housing providers to periodically update such notices. These reviews would prevent the filing of fair housing complaints from persons claiming the assertions in the posted self-certification notice are false.

Self-Certification Is Misleading and Will Deter Legitimate Complaints

Comment. Some commenters noted that the posting of a self-certification notice would not preclude a legal

challenge to the housing community's status as 55-or-over housing. However, these commenters believed that the language of proposed § 100.307 would lead some communities to believe that self-certification immunizes them from such complaints. The commenters felt that the proposed rule's language was misleading and could fuel anti-government sentiment. These commenters felt that self-certification was "bad public policy."

The commenters found another possibility for confusion in the language of proposed § 100.307(f), which permitted housing providers which have self-certified to advertise, post notices, or make other statements "evidencing the operation of the property in question . . . as excluding families with children as described in section 807(b)(2) of the Act." The commenters pointed out that this language might be incorrectly interpreted to suggest that the exclusion of children is required by the "housing for older persons" exemption.

Furthermore, these commenters feared that a prominently displayed, "official looking" self-certification notice would deter families from pursuing legitimate fair housing complaints.

HUD Response. The easy answer to the commenters' "self certification is bad public policy" argument is the fact that the vast majority of the commenters applauded HUD's inclusion of a self-certification mechanism in the March 14, 1995 proposed rule. HUD rejects the notion that self-certification will lead housing providers to believe they are "immunized" from legitimate fair housing complaints.

HUD reiterates that the purpose of the self-certification provisions is to permit communities to ascertain with confidence whether they comply with the Act's requirements, not to insulate them from HUD investigations of legitimate complaints. A posted self-certification notice is only as good as the facts which underlie it. It is necessary for 55-or-over communities to periodically update the self-certification notices in order for them to have the desired certainty in case a complaint is filed.

The commenters were correct in asserting that the Act does not require the exclusion of children from housing for older persons. Additionally, the Act does not mandate that 100 percent of senior-housing residents be 55 years of age or older. HUD wishes to emphasize that a qualified 55-or-over community may permit the remaining 20 percent of units to be occupied by persons under 55; allow some small number of families

with children to reside in the property; and allow some number of units to be occupied by surviving spouses, or heirs of a senior resident. However, the general intent to be classified as "housing for older persons" must be continued, as should careful record keeping, to ensure that the community does not drop below the 80 percent occupancy requirement and to ensure that the requisite intent to be housing for older persons is indicated.

Self-Certification Has Federalism Implications

Comment. One commenter wrote that the easily met requirements of proposed § 100.306 posed a danger to individual property rights. The commenter believed that the proposed rule would allow some, but not all, of the homeowners of a tract or development, without any common interests or privity, to organize an association and restrict free alienation of the property of the nonmembers.

HUD Response. HUD does not agree with the commenter. The courts have upheld the constitutionality of the "housing for senior persons" exemption against claims that it amounted to a deprivation of property rights. See *Senior Civil Liberties Association v. Kemp*, 965 F.2d 1030 (11th Cir. 1992). This final rule merely authorizes a housing provider to undertake certain actions in order to qualify for the exemption. The rule's self-certification provision has no more impact on Federalism issues than does the exemption itself.

II. Other Matters

A. Environmental Impact

A Finding of No Significant Impact with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implements section 102(2)(C) of the National Environmental Policy Act of 1969 (NEPA). This Finding of No Significant Impact is available for public inspection between 7:30 a.m. and 5:30 p.m. weekdays in the Office of the Rules Docket Clerk, Office of the General Counsel, Department of Housing and Urban Development Room 10276, 451 Seventh Street, SW, Washington, DC 20410-0500.

B. Executive Order 12866

This final rule was reviewed by the Office of Management and Budget (OMB) under Executive Order 12866 on Regulatory Planning and Review, issued by the President on September 30, 1993. Any changes made in this final rule as a result of that review are clearly

identified in the docket file, which is available for public inspection in the office of the Department's Rules Docket Clerk, Room 10276, 451 Seventh Street, SW, Washington, DC 20410-0500.

C. Impact on Small Entities

The Secretary, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), has reviewed this final rule before publication and, by approving it, certifies that the final rule will not have a significant impact on a substantial number of small entities.

D. Executive Order 12606, the Family

The General Counsel, as the Designated Official under Executive Order 12606, *The Family*, has determined that this final rule does not have potential for significant impact on family-formation, maintenance, and general well-being, and, thus is not subject to review under the Order.

E. Executive Order 12612, Federalism

The General Counsel, as the Designated Official under section 6(a) of Executive Order 12612, *Federalism*, has determined that this final rule will not have substantial, direct effects on States, on their political subdivisions, or on their relationship with the Federal government, or on the distribution of power and responsibilities among the various levels of government. The Fair Housing Act, and section 919 of the Housing and Community Development Act of 1992 direct HUD to provide further guidance on the meaning of significant facilities and services so that States, local governments, and housing providers will have a better understanding of what housing is exempt from the Fair Housing Act's prohibition against discrimination on the basis of familial status.

F. Regulatory Agenda

This final rule was listed as sequence number 1504 in the Department's Semiannual Regulatory Agenda, published on May 8, 1995 (60 FR 23358, 23373) under Executive Order 12866 and the Regulatory Flexibility Act.

List of Subjects in 24 CFR Part 100

Aged, Fair Housing, Individuals with disabilities, Mortgages, Reporting and recordkeeping requirements.

Accordingly, 24 CFR part 100 is amended as follows:

PART 100—DISCRIMINATORY CONDUCT UNDER THE FAIR HOUSING ACT

1. The authority citation for part 100 is revised to read as follows:

Authority: 42 U.S.C. 3535(d) and 3600-3620.

Subpart E—Housing for Older Persons

2. In subpart E, § 100.304 is revised, and new §§ 100.305, 100.306, 100.307, 100.310, 100.315 and 100.316 are added, to read as follows:

§ 100.304 55 or over housing.

(a) The provisions regarding familial status in this part shall not apply to housing intended and operated for occupancy by at least one person 55 years of age or older per unit, provided that, at the time of an alleged violation of the Act, the housing satisfies the requirements of:

- (1) Sections 100.304, 100.305, 100.306, 100.315 and 100.316; or
- (2) Sections 100.310, 100.315 and 100.316.

(b) With reference to complaints filed pursuant to the Act, this means that the person or entity claiming the exemption must affirmatively prove by a preponderance of evidence as of the date of an alleged violation of the Act that the housing meets the requirements of paragraph (a) of this section.

(c) For purposes of this part, *older persons* means persons 55 years of age or older.

(d) For purposes of this part, *housing provider* means:

- (1) The owner or manager of a housing facility; or
- (2) The owner or manager of the common and public use areas of a housing facility, where the dwelling units are individually owned.
- (3) The term "housing provider" may include any person or entity which operates a housing facility. The term "housing provider" includes any person or entity which represents the property owners of a community in their housing interests, including homeowners or resident associations, whether or not there is common ownership or operation of any portion of a community.

(e) For purposes of this part, *occupied by means one or more persons over the age of 55 actually occupying a unit at the time of an alleged violation of the Act.*

(f) With reference to self-certifications of compliance with the provisions of this part, the housing provider claiming the exemption for 55 and older housing may demonstrate publicly, by the posting of one of the notices described in § 100.307, compliance with the provisions of this part.

§ 100.305 Criteria.

(a) The provisions regarding familial status in this part shall not apply to

housing intended and operated for occupancy by at least one person 55 years of age or older per unit, pursuant to this part.

(b) The housing shall have significant facilities and services specifically designed to meet the physical or social needs of older persons as described in § 100.306.

(c) At least 80 percent of the units in the housing shall be occupied by at least one person who is at least 55 years of age or older as described in § 100.315.

(d) The housing provider shall publish and adhere to policies and procedures which demonstrate an intent by the housing provider to provide housing for older persons as described in § 100.316. The publication of policies and procedures describing an intent to provide housing as "adult housing" shall not suffice for this purpose.

§ 100.306 Significant facilities and services specifically designed for older persons.

(a) The provisions regarding familial status in this part shall not apply to housing intended and operated for occupancy by at least one person 55 years of age or older per unit, *provided that* the person or entity asserting the exemption affirmatively demonstrates through credible and objective evidence that facilities and services specifically designed to meet the needs of older persons are "significant". Significant facilities and services which are specifically designed for older persons are those which actually or predictably benefit the health, safety, social, educational or leisure needs of older persons.

(b) The facilities and services provided by a housing provider are significant and specifically designed to meet the housing needs of older persons when the housing provider meets the criteria found in paragraphs (c), (d), and (e) of this section and complies with the criteria found in paragraph (f) of this section.

(c) A housing provider provides significant facilities and services if it makes available, directly or indirectly, at least 2 facilities or services in at least five categories described in paragraph (d) of this section, including at least 2 of the facilities described in paragraph (d)(10) of this section (category 10) or in paragraph (d)(11) of this section (category 11).

(d) Facilities and services which may be considered for purposes of qualifying for the 55 and older housing exemption are the following:

(1) Category #1 (Social Needs)

Social and Recreational Services provided on a regular, organized basis:

- softball, golf, shuffleboard tournaments, lawn bowling, billiards or similar team activity
- bridge club, card games, organized chess or checkers
- exercise classes— low-impact, stretching, t'ai-chi, swim-therapy
- bingo
- fellowship meetings
- musical theater group
- dances, square dancing, polka, ballroom dancing,
- at least weekly potluck dinners, breakfasts, luncheons, or coffees
- coordinated holiday parties for residents
- Lions club, clubs or classes for sewing, needlepoint, art, gardening, music, books, golf, bowling, photography, travel, etc.
- cooking classes
- crafts classes: ceramics, macrame, woodworking, jewelry, quilting, painting
- field trips—bowling, sightseeing, concerts, plays, hiking, shopping outlets
- fashion shows
- on-site movies or other theatrical events
- liaison/coordination with activities at community-wide senior centers and activities
- emergency meal service for residents who are ill or in need
- organized travel opportunities

(2) Category #2 (Educational Needs)

- Continuing education activities:*
- at least monthly presentations on subjects such as health care, nutrition, stress management, medicare, insurance, social security, tax preparation, vacation planning, gardening, crime prevention
 - consumer protection education
 - regularly offered CPR classes
 - regularly offered language study classes
 - regularly offered videotapes on health care
 - courses available at local educational institutions
 - library with magazines designed for older persons and material available in large print

(3) Category #3 (Educational Needs)

- Information and counseling services:*
- providing new residents with package of information about local services of interest to seniors
 - bulletin board for exchange of information or services
 - printed resident directory provided to each resident

- free information on cable TV programs for residents—internal or external support groups for residents
- seminars on the aging process
- seminars on estate planning, dealing with death or other issues affecting older persons
- on-site legal services
- informational sessions on fire safety, mental health issues, political and environmental issues
- seminars on governmental benefits programs

(4) Category #4 (Physical Needs)

- Homemaker services:*
- employees assist with housework or yardwork
 - organized committee of residents to perform light household tasks or yard work for those who cannot do them themselves
 - referrals to housecleaning services
 - bill-paying services
 - pet care/pet therapy services
 - minor home repair service
 - tool loan service

(5) Category #5 (Safety Needs)

- Outside maintenance/health and safety services:*
- on-staff medical personnel with first aid/CPR training
 - on-staff repair, maintenance and painting services
 - meals on wheels
 - snow shoveling and plowing
 - system for referrals to doctors or other health care professionals
 - regular system to contact residents who are house-bound to make sure they are o.k.
 - system for referrals for transportation services for residents
 - referrals to income tax preparers
 - referrals to repair and maintenance services
 - security guards/patrols, organizing neighborhood or block watch
 - organizing committee of residents to do household repairs and yard work for those who cannot do them themselves
 - exterior lighting and alarm systems monitoring
 - vacation house watch
 - limited access to property by controlled access gate or similar system

(6) Category #6 (Health Needs)

- Emergency and preventative health care programs:*
- meetings about nutrition, back care, breast cancer/self-examination/ mammogram, prostate cancer screening, vision care, or other health care topics (see continuing education)

- monthly blood pressure checks
- annual flu vaccine shots available
- periodic vision or hearing tests
- staff or volunteers pick up food from social services for mobility impaired seniors
- organizing committee or buddy system of residents to do errands for people who become ill and/or to stay with sick persons while their spouses do errands
- emergency telephone network, staff or volunteers monitor people who have serious medical problems
- doctor/medical facilities located within two miles of facility
- health care equipment pool for resident use

(7) Category #7 (Social/Health Needs)

Congregate dining:

- available congregate dining for at least one meal each day
- sit-down meal service
- special menus for dietary needs
- activities conducted in conjunction with congregate dining

(8) Category #8 (Transportation)

Transportation to facilitate access to social services:

- transportation provided to doctors' offices, shopping, religious services, outside social or recreational activities
- public bus stop or train station within walking distance and bus schedules and maps available
- organized system to provide transportation for residents who cannot drive
- sign-up board for shared transportation needs
- shared ride services to social events, functions, medical care, shopping

(9) Category #9 (Social Needs)

Services to encourage and assist residents to use available facilities and services:

- volunteer or staff activity planner
- swimming or water aerobics instructors
- dance or exercise instructors
- crafts instructors
- newsletters, newspapers or flyers informing residents of activities, trips, clubs, etc.
- monthly calendar of events
- resident council or committees to encourage participation in activities

(10) Category #10 (Leisure Needs)

Social and Recreational Facilities:

- clubhouse, communal kitchen, or communal dining area
- library with large print books or subscriptions to publications targeted to older persons

- sauna, jacuzzi or whirlpool
- recreation or game room, arts and crafts room, community room or meeting room
- television room for communal use with VCR
- ping pong, pool or billiard tables, shuffleboard courts, horseshoe pits or bocce ball (with functional equipment)
- golf course
- stage, piano and dance floor
- woodworking shop
- restaurant for resident use
- bank
- legal assistance
- travel agency
- convenience store
- barber shop
- dry cleaners
- hair salon
- lapidary
- kiln
- fishing pond

(11) Category #11 (Health/Safety Needs)

Accessible physical environment:

- accessible clubhouse
- at least one accessible bathroom facility in public and common use areas
- ramps (curbs or drainage ditches are cut or ramped to allow wheelchair/walker access)
- ramped sidewalks in public and common use areas; stairs at a minimum
- benches in all public and common use areas
- assigned and designated parking spaces, including handicapped parking
- accessible swimming pool (i.e., ramped entrance to pool area)
- accessible management office
- accessible dining area or activity area
- vans, buses available with wheelchair lifts or easy access for persons with mobility difficulties
- lift to assist in swimming pool use
- Amplifiers provided on at least 25% of public phones

(12) Category #12 (Social, Leisure, Health, Safety or Educational Needs)

Other:

- Any facility or service which is not listed above but which is designed to meet the health, safety, social or leisure needs of persons who are 55 and older and which is actually available to and used by residents of the property.

(e) A housing provider provides significant facilities and services if the facilities and services are provided on the premises by paid staff, resident volunteers, or by agencies, entities or

persons other than the housing provider. A housing provider provides significant facilities and services if the facilities or services are provided off the premises by paid staff, resident volunteers, or by agencies, entities or persons other than the housing provider, provided that if facilities or services are made available off the premises, the housing provider, through paid staff, resident volunteers, or by agencies, entities or persons other than the housing provider, shall make available transportation services or coordination of information and transportation resources which ensure that residents are aware of and have ready access to such facilities or services.

(f) In determining whether a housing provider provides significant facilities and services, the Department will evaluate the facilities or services that meet the requirements of § 100.305 by the following criteria to determine whether the facilities in the aggregate and the services in the aggregate are "significant":

(1) The extent to which a facility or service can accommodate the older population of the housing facility. The capacity of each facility or service specifically designed to meet the physical or social needs of older persons depends upon but is not limited to such factors as:

(i) The size of the facility in relationship to the scope of the service offered;

(ii) The length of time during which the facility or service is made available or the service is offered;

(iii) The frequency with which the facility or service is made available or the service is offered; and

(iv) Whether the facility or service is offered only at one location or there are a number of locations at which the facility is made available or at which the service is offered.

(2) The extent to which the facility or service will be of benefit to older persons, given the climate and physical setting of the housing facility.

(3) The extent to which the facility or service is actually usable by and regularly available to residents on a day-to-day basis.

§ 100.307 Self-Certification.

(a) A housing provider may indicate, by display of a notice complying with this part, its intent to provide housing for older persons in substantially the same form as the self-certification form which will be made available by the Office of Fair Housing and Equal Opportunity.

(b) Such a notice shall be provided by the Department, and shall include, at a minimum, a certification of compliance with § 100.315 and an indication of the housing provider's intent to provide, and its certification that it does in fact provide, facilities and services which comply with § 100.306.

(c) Such a notice shall be signed by one or more housing providers, with authority to sign.

(d) Such a notice shall be signed under penalty of perjury of the laws of the United States.

(e) Such a notice shall be posted in every public or common area where housing transactions are conducted.

(f) A copy of a current self-certification shall be considered by the Department to be sufficient evidence of compliance with the Act to allow the publication of advertisements, notices or the making of other statements as evidencing the operation of the property in question as housing for older persons and as excluding families with children as described in section 807(b)(2) of the Act. However, the posting of a self-certification notice will not preclude the Department from investigating a complaint of alleged housing discrimination where there is evidence that the housing provider fails to comply with the self-certification.

§ 100.310 Impracticability.

(a) The provisions regarding familial status in this part shall not apply to housing intended and operated for occupancy by at least one person 55 years of age or older per unit, provided that the person or entity affirmatively demonstrates through credible and objective evidence that the housing satisfies the requirements of §§ 100.305, 100.306, 100.315 and 100.316 or §§ 100.310, 100.315 and 100.316. Housing satisfies the requirements of § 100.310 if it is not practicable to provide significant facilities and services designed to meet the physical or social needs of older persons and the housing facility is necessary to provide important housing opportunities for older persons.

(b) In order to satisfy the requirements of § 100.310 the housing provider must affirmatively demonstrate through credible and objective evidence that the provision of significant facilities and services designed to meet the physical or social needs of older persons would result in depriving older persons in the relevant geographic area of needed and desired housing. The following factors, among others, are relevant in meeting the requirements of § 100.310:

(1) Whether the owner or manager of the housing facility has endeavored to

provide significant facilities and services designed to meet the physical or social needs of older persons either by the owner or by some other entity. Demonstrating that such services and facilities are expensive to provide is not alone sufficient to demonstrate that the provision of such services is not practicable.

(2) The amount of rent charged, if the dwellings are rented, or the price of the dwellings, if they are offered for sale.

(3) The geographical or other physical limitations inherent in the property which makes the provisions of facilities or services impracticable.

(4) The income range of the residents of the housing facility.

(5) The demand for housing for older persons in the relevant geographic area.

(6) The vacancy rate of the housing facility.

(7) The availability of other similarly priced housing for older persons in the relevant geographic area. If similarly priced housing for older persons with significant facilities and services is reasonably available in the relevant geographic area then the housing facility does not meet the requirements of § 100.310.

§ 100.315 80 percent occupancy.

(a) The provisions regarding familial status in this part shall not apply to housing intended and operated for occupancy by at least one person 55 years of age or older per unit, provided that the person or entity demonstrates through credible and objective evidence that housing satisfies the requirements of §§ 100.305, 100.306, 100.315 and 100.316 or §§ 100.310, 100.315 and 100.316. Housing satisfies the requirements of § 100.315 if at least 80 percent of the units in the housing facility are occupied by at least one person 55 years of age or older per unit except that a newly constructed housing facility for first occupancy after March 12, 1989 need not comply with § 100.315 until 25 percent of the units in the facility are occupied.

(b) Housing satisfies the requirements of this section even though:

(1) On September 13, 1988, under 80 percent of the occupied units in the housing facility are occupied by at least one person 55 years of age or older per unit, provided that at least 80 percent of the units that are occupied by new occupants after September 13, 1988 are occupied by at least one person 55 years of age or older.

(2) There are unoccupied units, provided that at least 80 percent of the occupied units are occupied by at least one person 55 years of age or over.

(3) There are units occupied by employees of the housing provider (and family members residing in the same unit) who are under 55 years of age provided they perform substantial duties directly related to the management or maintenance of the housing.

(4) There are insufficient units occupied by at least one person 55 years of age or over to meet the 80 percent requirement, but the housing provider, at the time the exemption is asserted:

(i) Reserves all unoccupied units for occupancy by at least one person 55 years of age or older until at least 80 percent of the units are occupied by at least one person who is 55 and older; and

(ii) Meets the requirements of:

(A) §§ 100.305, 100.306, 100.307 and 100.316; or

(B) §§ 100.310, 100.315, and 100.316.

(iii) Where application of the 80 percent rule results in a fraction of a unit, that unit shall be considered to be included in the units which must be occupied by at least one person who is 55 or older.

§ 100.316 Intent to provide housing for older persons.

(a) The provisions regarding familial status in this part shall not apply to housing intended and operated for occupancy by at least one person 55 years of age or older per unit, provided that the person or entity proves that the housing satisfies the requirements of §§ 100.305, 100.306, 100.315 and 100.316 or §§ 100.310, 100.315 and 100.316. Housing satisfies the requirements of § 100.316 if the owner or manager of a housing facility publishes and adheres to policies and procedures which demonstrate an intent by the housing provider to provide housing for persons 55 years of age or older.

(b) The following factors, among others, are relevant in determining whether the owner or manager of a housing facility has complied with the requirements of § 100.316:

(1) The manner in which the housing facility is described to prospective residents.

(2) The nature of any advertising designed to attract prospective residents.

(3) The use of age verification procedures.

(4) Lease provisions.

(5) Written rules and regulations.

(6) Actual practices of the owner or manager in enforcing relevant lease provisions and relevant rules or regulations.

(7) The public posting of the self-certification described in this part.

Note: The following appendix, "Housing for Older Persons—Self-Certification," will not be codified in title 24 of the Code of Federal Regulations.

Dated: July 31, 1995.

Susan Forward,

Deputy Assistant Secretary for Enforcement and Investigations.

BILLING CODE 4210-28-P

U.S. Department of Housing and Urban Development

Housing for Older Persons — Self-Certification

The undersigned hereby certifies that

intends to meet the criteria set forth in the Federal Fair Housing Act in order to qualify as housing for older persons.

This housing facility provides the following facilities and/or services:

Category #1 (Social Needs)

Social and Recreational Services provided on a regular, organized basis

- softball, golf, shuffleboard tournaments, lawn bowling, billiards, or similar team activities
- bridge club, organized card games, chess, or checkers
- exercise classes - low-impact, stretching, tai-chi, swim-therapy
- bingo
- fellowship meetings
- musical theater group
- dances, square dancing, polka, ballroom dancing
- at least weekly potluck dinners, breakfasts, luncheons, coffees
- coordinated holiday parties for residents
- Lions club, clubs or classes for sewing, needlepoint, art, gardening, music, books, golf, bowling, photography, travel, etc
- cooking classes
- crafts classes: ceramics, macrame, woodworking, jewelry, quilting, painting
- field trips - bowling, sightseeing, concerts, plays, hiking, shopping outlets
- fashion shows
- on-site movies or other theatrical events
- liaison/coordination with activities at community-wide senior centers and activities
- emergency meal service for residents who are ill or in need
- organized travel opportunities

Category #2 (Educational Needs)

Continuing education activities

- at least monthly presentations on subjects such as health care, nutrition, stress management, medicare, insurance, social security, tax preparation, vacation planning, gardening, crime prevention
- consumer protection education
- regularly offered CPR classes
- regularly offered language study classes
- regularly offered videotapes on health care
- courses available at local educational institutions
- library with magazines for older persons and material available in large print

Category #3 (Educational Needs)

Information and counseling services

- providing new residents with package of information about local services of interest to seniors
- bulletin board for exchange of information or services
- printed resident directory provided to each resident
- free information on cable TV programs for residents
- internal or external support groups for residents
- seminars on the aging process
- on-site legal services
- informational sessions on fire safety, mental health issues, political and environmental issues
- seminars on estate planning, dealing with death or other issues affecting older persons
- seminars on governmental benefits programs

Category #4 (Physical Needs)

Homemaker services

- employees assist with housework or yardwork
- organized committee of residents to perform light household tasks or yard work for those who cannot do them themselves
- referrals to housecleaning services
- bill-paying services
- pet care/pet therapy services
- minor home repair service
- tool loan service

Category #5 (Safety Needs)

Outside maintenance/health and safety services

- on-staff medical personnel with first aid/CPR training
- on-staff repair, maintenance and painting services
- meals on wheels
- lawn care and grass cutting, shrubbery and tree trimming
- snow shoveling and plowing
- systems for referrals to doctors or other health care professionals
- regular system to contact residents who are house-bound to make sure they are o.k.
- referrals for transportation
- systems for referrals to income tax preparer
- systems for referrals to repair and maintenance services
- security guards/patrols, organizing neighborhood or block watch
- organizing committee of residents to do household repairs and yard work for those who cannot do them themselves
- exterior lighting - alarm systems monitoring
- vacation house watch
- limited access to property by controlled access gate or similar system

Category #6 (Health Needs)

Emergency and preventative health care programs

- meetings about nutrition, back care, breast cancer/self-examination/mammogram, prostate cancer screening, vision care, or other health care topics (see continuing education)
- monthly blood pressure checks
- annual flu vaccine shots available
- periodic vision or hearing tests
- staff or volunteers pick up food from social services for mobility impaired seniors
- organizing committee or buddy system of residents to do errands for people who become ill and/or to stay with sick persons while their spouses do errands
- emergency telephone network, staff or volunteers monitor people who have serious medical problems
- doctor/medical facilities located within two miles of facility
- health care equipment pool for resident use



This housing facility has determined to provide and does in fact provide at least 10 of the following services and facilities by offering at least 2 facilities or services in at least 5 of the following categories, including specifically at least two facilities from category 10 or from category 11. This housing facility also limits occupancy consistent with the Fair Housing Act which requires that at least 80% of units be occupied by at least one person who is 55 years of age or older. As housing for older persons, we claim an exemption from the provisions of the Fair Housing Act regarding discrimination based on familial status—that is, the presence of persons under the age of 18.

Category #7 (Social/Health Needs)

Congregate dining

- available congregate dining for at least one meal each day
- sit-down meal service
- special menus for dietary needs
- activities conducted in conjunction with congregate dining

Category #8 (Transportation)

Transportation to facilitate access to social services

- transportation provided to doctors' offices, shopping, religious services, outside social or recreational activities
- public bus stop or train station within walking distance and bus schedules and maps available
- organized system to provide transportation for residents who cannot drive
- sign-up board for shared transportation needs
- shared services to social events, functions, medical care, shopping

Category #9 (Social Needs)

Services to encourage and assist residents to use available facilities and services

- volunteer or staff activity planner
- swimming or water aerobics instructors
- dance or exercise instructors
- crafts instructors
- newsletters, newspapers or flyers informing residents of activities, trips, clubs, etc.
- monthly calendar of events
- resident council or committees to encourage participation in activities

Category #10 (Leisure Needs)

Social and Recreational Facilities

- clubhouse, communal kitchen, or communal dining area
- library with large print books or subscriptions to publications targeted to older persons
- sauna, jacuzzi or whirlpool
- recreation or game room, arts and crafts room, community room or meeting room
- television room for communal use with VCR
- exercise equipment
- ping pong, pool or billiard tables, shuffleboard courts, horseshoe pits or bocce ball (with functional equipment)
- golf course
- stage, piano and dance floor
- woodworking shop
- restaurant for resident use
- bank
- legal assistance
- travel agency
- convenience store

- barber shop
- dry cleaners
- hair salon
- lapidary
- kiln
- fishing pond

Category #11 (Health/Safety Needs)

Accessible physical environment

- accessible clubhouse
- at least one accessible bathroom facility in public and common use areas
- ramps (curbs or drainage ditches are cut or ramped to allow wheelchair/walker access)
- ramped sidewalks in public and common use areas; stairs at a minimum
- benches in public and common use areas
- assigned and designated parking spaces, including handicapped parking
- accessible swimming pool (i.e., ramped entrance to pool area)
- accessible management office
- accessible dining area or activity area
- vans, buses available with wheelchair lifts or easy access for persons with mobility difficulties
- lift to assist in swimming pool use
- amplifiers provided on at least 25% of public phones

Category #12 (Social, Leisure, Health, Safety or Educational Needs)

Other

- Any facility or service which is not listed above but which is designed to meet the health, safety, social or leisure needs of persons who are 55 and older and which is actually available to and used by residents of the property. (Describe)

SIGNED UNDER PENALTY OF PERJURY OF THE LAWS OF THE UNITED STATES OF AMERICA.

signature

printed name

title

authorized representative of the above named housing provider.

**AN ANALYSIS
OF THE SIZE AND IMPORTANCE OF
THE "RETIREMENT INDUSTRY" IN
ARIZONA**

Prepared by
Dennis Doby, Economist
December 6, 1994

JLBC

INTRODUCTION

The report is done at the request of Representative Bob Burns, House Appropriations Chairman and JLBC Vice-Chairman. The report is intended to assess the importance of the "Retirement Industry" in Arizona. Since retirement is a subjective term, the focus of this analysis is on people aged 65 and over. It should be understood that this does not imply that turning 65 means a person will retire. Age specific statistics generally use 65 years of age as one of the primary cutoff points and is therefore used in this analysis. The analysis is broken into four main sections: population, income, expenditures, and governmental impacts. Population by state, consumer expenditure, and net migration tables are attached at the end of the report.

POPULATION

At the turn of the century in 1900, just over 3 million people in the United States were aged 65 years and over and accounted for 4.1% of the total population. By 1990, the elderly population had grown more than tenfold to over 31 million people and accounted for 12.5% of the total population. Middle series population projections from the Bureau of the Census indicate that by the year 2030 almost 70 million in the United States will be 65 years and over and this group will represent 20% of the total population. To put this in a different perspective, in 1900, approximately 1 out of every 24 Americans were elderly. Ninety years later, in 1990, the ratio was up to 1 in 8. In 2030, the youngest of the "Baby Boom" generation, people born from 1946 to 1964, will be age 66, and the ratio will have increased to 1 in 5. In Arizona the ratio will have increased to 1 in 5 some 10 years earlier, by the year 2020.

Table 1

United States Population by Age: 1990 & 2030				
Age	1990		2030	
	Number	% of Total	Number	% of Total
0 to 24 years	90,976,000	36.5%	114,840,000	32.8%
25 to 64 years	127,187,000	51.0%	164,977,000	47.1%
65 years & over	31,228,000	12.5%	70,175,000	20.1%
Total Population	249,391,000	100.0%	349,992,000	100.0%

Source: U.S. Bureau of the Census, Current Population Reports, P25-1104, November 1993.

Table 1 provides population by age for the United States in 1990 and 2030. The data indicates that the elderly population will grow from 12.5% of total population in 1990 to 20.1% by 2030, increasing by 38,947,000. The 0 to 24 years of age bracket is expected to add an additional 23,864,000 and the 25 to 64 years bracket is expected to increase by 37,790,000. Projections indicated that both groups will have a smaller share of total population by 2030, as a result of the doubling of the 65 years and over group in the 40 years from 1990 to 2030.

Population projections by state indicate that the number of states with more than one million people 65 years and over will increase from 9 in 1990 to 19 by 2020. Table 2 indicates that the majority of the increase will occur in the ten year period between 2010 and 2020.

Table 2

Number of States with at least 1 Million people 65 years & over			
	1990	2010	2020
Over 1 Million	9	10	19
Over 2 Million	3	4	5
Over 3 Million	1	2	5

Source: U.S. Bureau of the Census, Current Population Reports, P25-1111, March 1994.

In the 20 years leading up to 2010, the 65 years and over population will add 9 million to their ranks, and in the 10 years from 2010 to 2020, an additional 13 million increase is projected. The dramatic rise in the elderly in the 2010 to 2020 period is the result of the "baby boomers" turning 65 starting in the year 2011. The last of the "boomers" will reach age 65 by the year 2029.

In Arizona, data from the 1990 Census of Population and Housing indicates that 479,000 people, or 13.1% of the population, was 65 years and over, compared to 12.5% for the nation as a whole (see Figure 1). By the year 2020, the proportion of the Arizona population 65 years and over will be up to 19.6% versus 16.4% nationally (see Table 3), and approximately 1 out of every 5 people will be elderly.

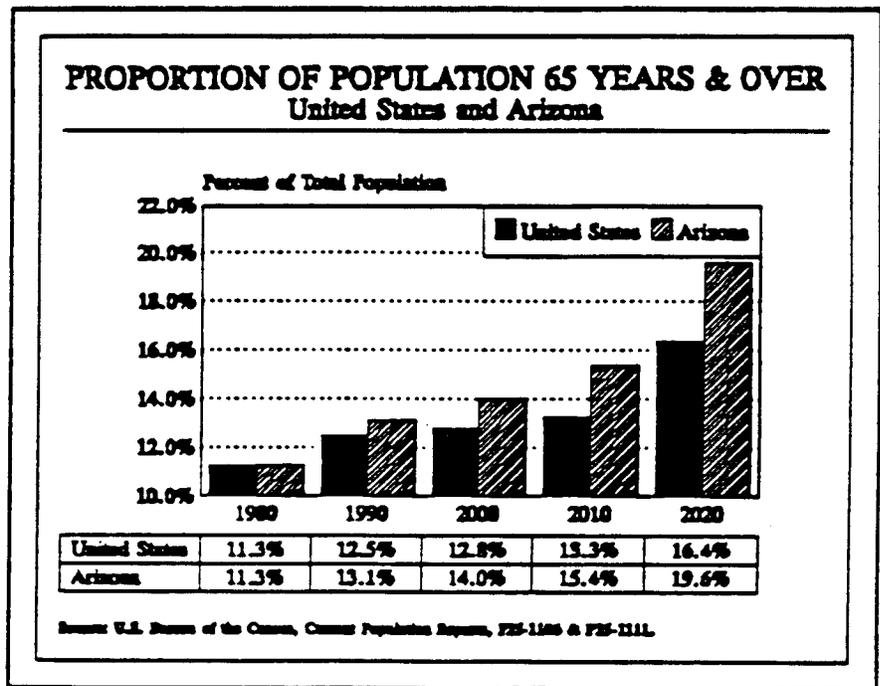


Figure 1

In a state by state comparison of the proportion of the population 65 years and over, Arizona ranked 20th in 1990 (see Table 4). March 1994 population projections from the Bureau of the Census indicate that Arizona is projected to rank 2nd by 2020 (see Table 5). Arizona is not the only state projected to have a rather substantial

Table 3

Total Population & Population 65 Years & Over: 1980 to 2020 In Thousands										
	1980	% of Total	1990	% of Total	2000	% of Total	2010	% of Total	2020	% of Total
United States	226,546	100.0	249,391	100.0	279,241	100.0	300,431	100.0	325,942	100.0
65 to 74 Yrs	15,581	6.9	18,099	7.3	18,551	6.7	20,978	7.0	30,910	9.5
75 to 84 Yrs	7,729	3.4	10,080	4.0	12,438	4.5	13,157	4.4	15,480	4.7
85 & Over	2,240	1.0	3,049	1.2	4,333	1.6	5,969	2.0	6,959	2.1
65 & Over	25,549	11.3	31,228	12.5	35,322	12.8	40,104	13.3	53,349	16.4
Arizona	2,718	100.0	3,665	100.0	4,437	100.0	5,074	100.0	5,713	100.0
65 to 74 Yrs	202	7.4	291	7.9	327	7.4	412	8.1	647	11.3
75 to 84 Yrs	85	3.1	152	4.1	224	5.0	254	5.0	327	5.7
85 & Over	19	0.7	38	1.0	72	1.6	117	2.3	146	2.6
65 & Over	307	11.3	481	13.1	623	14.0	783	15.4	1,120	19.6

Source: U.S. Bureau of the Census, Current Population Reports, P25-1106 and P25-1111, November 1993 and March 1994.

increase in the proportion of elderly, as Maine, Tennessee and North Carolina are also projected to move into the top ten from positions of 17, 26 and 31 respectively in 1990. North Carolina is one of the states that has been actively trying to attract more affluent retirees.

It is important to remember that these are projections and not forecasts or predictions. As the Bureau of the Census puts it, projections are always "correct" in the sense that they are the accurate results of mathematical calculations based on specified assumptions. Specified assumptions include fertility, mortality and immigration rates and the middle series projections quoted in this article do not anticipate significant changes in any of the components of population from recent trends.

One may argue that recent population trends used by the Bureau of the Census are not indicative of what the future holds for Arizona, and may understate our population growth. Census population projections for Arizona indicate a net domestic migration increase of 143,000 for the 1990 to 1995 period in Arizona. This compares to an increase of 216,177 from 1985 to 1990 (see Appendix 1 and 2). Given the rapid economic expansion in Arizona over the last year and a half, a decline in net migration of 73,000 seems high, even with a national recession in 1991

that slowed the rate at which Arizona was attracting people. Additionally, in the five year period from 2015 to 2020 net domestic migration in Arizona is projected to be only 97,000.

Projections show that Arizona is expected to have the second fastest growth in elderly population during the 30 year period from 1990 to 2020, with the elderly population increasing by 132.8% to 1,120,000 (see Table 6). The increase could be overstated given the efforts by other states to attract more affluent retirees. Florida, which has the highest percentage of elderly population, is projected to increase by only 110.1% and rank 12th, well ahead of the United States average of 70.8%, but 22.7 percentage points behind the growth projected for Arizona.

The oldest of the old (those 85 years and over) in Arizona are projected to increase by almost fourfold by 2020, from 38,000 in 1990 to 146,000 in 2020 (see Table 3). It is this rapidly growing segment of the elderly population that is most likely to need government assistance, most notably for health care and long-term care.

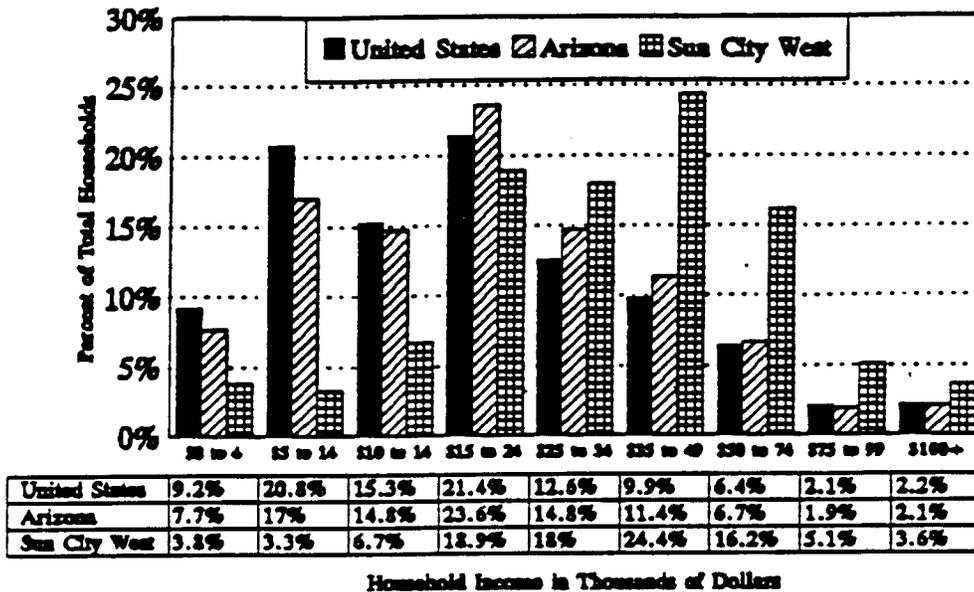
INCOME

Distribution of household income by age is available from the 1990 Census of Population and Housing. Income distributions for the population 65 and over are shown in Figure 2 for the United States, Arizona and the retirement community of Sun City West. Sun City West was chosen because of data availability, and the fact that it represents one of the newer, but well established, retirement communities in Arizona. Arizona has a slightly higher percentage of elderly households with incomes above \$25,000 than the nation. The distributions are close however, with approximately one-third of elderly households having household incomes over \$25,000.

The household income distribution for the retirement community of Sun City West, on the other hand, indicates a distribution where approximately two-thirds of the households have incomes above \$25,000. These households account for only 1.5% of all retiree households in Arizona, however. According to the 1990 Census of Population and Housing, there were 112,534 retiree households in Arizona with incomes above \$25,000. These more affluent retiree households in Arizona represented 36.9% of the 304,711 retiree households, and 8.2% of the 1,371,885 total households, counted in the 1990 census. Nationally, 33.4% of retiree households have incomes above \$25,000. In Arizona 26.2% of retiree households have incomes between \$25,000 and \$50,000, compared to 22.6% for the United States. The percentage of retiree households with incomes over \$50,000 is 10.7% in Arizona, and 10.8% nationally. Affluent households have the potential to make a greater economic impact on the Arizona economy. In Arizona, 20.8% of all household have incomes above \$50,000, compared to the national average of 24.5%.

Household incomes for the 65 years and over segment of Arizona's population indicates that Arizona households are slightly better off than their national counterparts. In Arizona, 63.1% of retiree households have incomes below \$25,000, compared to the national average of 66.6%. Poverty data from the 1990 Census of Populations and Housing, Summary Tape File 3A, tends to support the idea as well. Nationally, the poverty rate was 10.4% for 65 to 74 year olds, 16.5% for people 75 years and over, and 12.8% for the combined 65 years and over group. In Arizona the poverty rate was 9.3% for 65 to 74 year olds and 13.2% for people 75 years and

Household Income Distribution in 1989 Head of Household 65 Years or Older



Source: U.S. Bureau of the Census, 1990 Census of Population and Housing.

Figure 2

over. For people 65 years and over in Arizona the combined poverty rate was 10.8%, well below the national average of 12.8%. This is not the case for the under 65 population, where the poverty rate in Arizona was 16.5%, compared to the national rate of 13.2%. In general, poverty rates are higher for elderly females than elderly males. The poverty rate for elderly males in Arizona was 7.7% and for elderly females the rate was 13.2%.

Additionally, fewer households in Arizona receive some type of public assistance income than nationally. Nationally, 8.9% of people living in households (a statistic which excludes people living in group quarters [e.g. prisons]), receive some type of public assistance income compared to 7.8% of people in Arizona. For the 65 years and over crowd, 10.2% receive public assistance income nationally versus just 7.6% in Arizona.

Social Security has been the primary source of income for many retirees with 92% receiving Social Security benefits in 1990. Additionally, more women should be collecting benefits in their own name in the future as the result of more women in the labor force now than in the past. Presumably, given that retiree incomes are higher in Arizona than nationally, social security income is a smaller, but still significant income source in Arizona. Changes in tax laws (i.e. the creations of individual retirement accounts in 1981) has increased the likelihood of

retirees having private pension income. As a greater proportion of the elderly develop private pensions and other investment income, future retirees will hopefully be less dependent on social security benefits. The surplus in social security trust fund is expected to start declining not long after the first of the "baby boomers" retire in 2011, and there is no guarantee that future retirees can count on Social Security as a stable source of retirement income.

EXPENDITURES

The Bureau of Labor Statistics Consumer Expenditure Survey can be used to provide estimates of expenditures in Arizona for households whose head is 65 years or over and for households whose head is under 65 years of age. Data by expenditure category is provided in Tables 7 and 8 for both 1980 and 1990. The data is in current dollars and has not been adjusted for inflation.

Average expenditures for 65 years of age and over households increased by 78% from 1980 to 1990 according to the Consumer Expenditure Survey data (see Table 7). Inflation, as measured by the Consumer Price Index, increased by 59% over the same period. Therefore, real expenditures increased by 19%, an increase of approximately one and one-half percent per year. Younger households, those whose head is less than 65 years of age, increased their expenditures by 56% (see Table 8). When inflation is factored in, real expenditures of the under 65 households actually declined from 1980 to 1990. This is due in large part to the fact that income before taxes for the younger households increased by only 64% compared to the 95% increase for the over 65 age households.

For both younger and older households, the largest percentage increase in expenditures was for pensions and retirement contributions. The largest dollar increase in elderly household expenditures was for housing, transportation, health care, and food in that order. For under 65 year old households the four largest dollar increases were for housing, transportation, pensions, and food.

For the elderly in 1990, housing, food, transportation, and health care account for 77% of total expenditures, whereas these four categories account for just under 70% of annual expenditures for the under 65 age group. The difference can be attributed to the amount spent on health care with the elderly allocating 11.7% of their annual expenditures to health care compared to 4.1% for the under 65 households. The largest expenditure for both groups was for housing with both groups allocating just over 30%. The direct economic impact of expenditures by older households in Arizona in 1990 was \$6.2 billion (see Table 7) according to JLBC Staff estimates. Using an economic multiplier of 2.2, the dollars spent by elderly households translates into total direct and indirect impact of over \$13 billion. As the older population makes up a greater percentage of the total population in Arizona, from 13.1% in 1990 to 19.6% in 2020, elderly expenditures should also rise, from 17.9% in 1990 to possibly 25% or more by the year 2020.

Data from the Consumer Expenditure Survey for the United States can be found in Tables 9 and 10. Incomes, from 1980 to 1990 for the under 65 age households, grew at a faster rate nationally, a 74% increase, than in Arizona, a 64% increase. This is in contrast to almost identical rates for the over 65 age households, a 96% increase nationally and 95% in Arizona.

Also, taxable expenditures of the elderly increased slightly from 1980 to 1990 while the taxable expenditures of the under 65 households declined by two percentage points over the period.

Slightly more detailed data from the 1992 Consumer Expenditure Survey in Table 11 indicates that the elderly have reduced their taxable expenditures slightly since 1990. For all United States households, approximately 61% of total expenditures are taxable, compared to 65% for the over 65 households. Table 11 also includes income before taxes and income after taxes at the national level. Income after taxes is 91% of income before taxes for all households and 94% for elderly households. It is also interesting to note that average annual expenditures for the elderly households is greater than income after taxes. This phenomenon could not be maintained by younger households who must save now so they have accumulated wealth for their own retirement.

GOVERNMENTAL IMPACTS

According to data from the Arizona Department of Revenue (DOR), the average income tax liability of taxpayers 65 and over was \$604.09 in the 1990 tax year compared to \$878.63 for taxpayers under 65 years of age (see Figure 3). Figure 3 indicates that taxpayers in retirement communities like Sun City (zip codes 85351, 85372-85375) pay more in income taxes than the 65 and over population as a whole, \$676.21, but still well below the \$878.64 average tax liability for the under 65 age group. DOR income tax data for the 1990 tax year, that includes data on taxpayers with the same filing

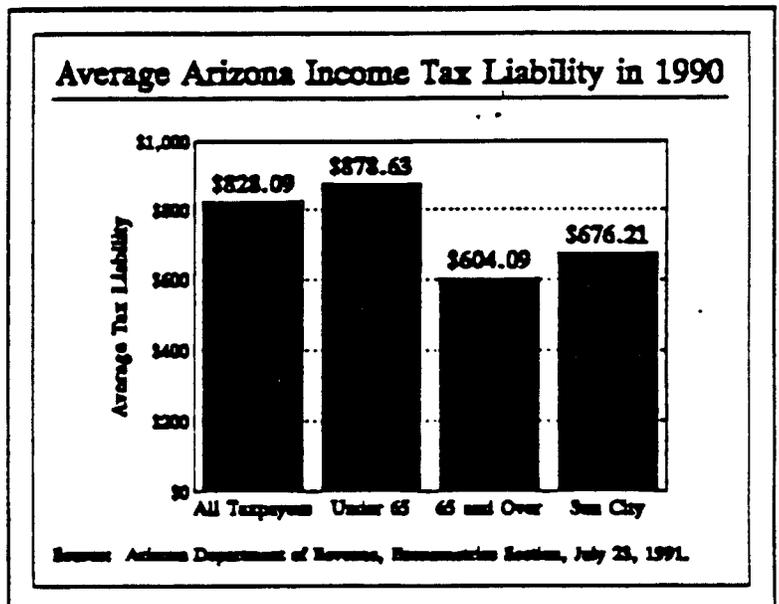


Figure 3

criteria in 1991 and 1990, indicate that taxpayers over 65 had taxable income of \$2.6 billion and paid \$127.3 million in income taxes. Arizona taxpayers over 65 accounted for 13.5% of the resident returns filed in Arizona and 11.8% of the tax liability.

An analysis of the expenditure data for Arizona, in Tables 7 and 8 attached at the end of the report, derived from the National Consumer Expenditure Survey data, indicates total expenditures of approximately \$34.7 billion in 1990. Of that total, \$6.2 billion was spent by people 65 and over, and \$28.5 billion was spent by people under 65. The expenditures can be further broken down into taxable and non-taxable expenditures. Our analysis of the data show that 66% of elderly expenditures are taxable compared to 63% for the population under 65. A higher proportion of elderly expenditures are related to housing costs (i.e. property taxes, utilities, and maintenance and repair), personal care, and miscellaneous expenditures. The under

65 population have a higher proportion of their expenditures going to transportation, food away from home, entertainment and apparel.

The elderly also benefit from state government services such as: general government, inspection & regulation, education, protection & safety, transportation, and natural resource expenditures, as does the population as a whole. Health and welfare expenditures, directed primarily toward the elderly population in Arizona, include Arizona Health Care Cost Containment System (AHCCCS) Long-Term Care, the Division of Aging and Community Services Home and Community Based Long Term Care, and Department of Health Services provision for Geriatric Residential Beds.

CONCLUSIONS

Population projections by state, issued by the U.S. Bureau of the Census in March 1994, indicate that the number of people aged 65 years and over in Arizona will increase from 481,000 in 1990 to 1,120,000 by the year 2020. This rather substantial increase would move Arizona from 20th to 2nd, behind only Florida, in a state by state comparison of the proportion of state population 65 years and over.

Population projections also indicate that growth of the population 65 years and over in Arizona will out-pace the growth rate for the under 65 population over the next 30 years. Additionally, if retiree incomes grow in the same manner, then retiree expenditures in Arizona could account for well over 20% of total expenditures by the year 2020. There is some doubt as to whether retiree incomes can keep pace with population growth. The future of the Social Security Trust Fund is questionable, and employers have been requiring employees to pick up a greater share of the cost of their pension benefits. Both scenarios could potentially lead to lower retirement income for future retirees. On the other hand, many baby-boomers have developed their own individual retirement accounts, deferred compensation plans, and retirement portfolios, which should mitigate the loss of social security and private pension benefits.

There are advantages to attracting higher income retirees to Arizona. They are more likely to have higher taxable income, be less dependent on social security income, purchase newer and more expensive homes, buy more household furnishings, and spend more on transportation than the retiree population as a whole. In general, the more affluent retirees are also more independent, healthier, require fewer hospital stays, have more insurance, have accumulated more wealth, and are less likely to need governmental assistance for their long-term care.

Economists, such as W.L. Chilton, a retired economist living in Sun City, have cited the following examples as important consequences flowing from the in-migration of 'affluent' retirees:

- The inflow of seniors is likely to draw friends and relatives who, in turn, may decide to retire in Arizona. Thus, both tourism and relocation can be winners.
- New or expanded medical facilities based on the needs of seniors also serve the whole community.

- Arizona's financial institutions benefit as retiree investments are an additional source of funds.
- Retirees volunteer their time in neighboring communities.
- The retirement industry is a desirable growth sector from an environmental and minimum infrastructure use point of view.

If projections hold true, then the retirement industry should continue to be one the fastest growing industries in Arizona. Unfortunately, there is currently no survey data available that can be used to provide an accurate and timely index to track this industry on a quarterly basis. Even annual data available is often dated by the time it is released. The importance of the retirees to the economy cannot be ignored, but additional survey data is needed to accurately track this group on a timely basis.

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POPULATION 65 YEARS AND OVER IN 1990 - RANKED BY PERCENT OF TOTAL 1/

Rank	State	Population July 1, 1990	Persons 65 yrs. and over	% of Total
1	Florida	13,003,000	2,372,000	18.2%
2	Pennsylvania	11,897,000	1,829,000	15.4%
2	Iowa	2,780,000	427,000	15.4%
4	Rhode Island	1,004,000	151,000	15.0%
4	West Virginia	1,795,000	269,000	15.0%
6	Arkansas	2,355,000	349,000	14.8%
7	South Dakota	698,000	101,000	14.5%
8	North Dakota	638,000	90,000	14.1%
8	Nebraska	1,581,000	223,000	14.1%
10	Missouri	5,125,000	718,000	14.0%
11	Kansas	2,481,000	343,000	13.8%
11	Oregon	2,858,000	393,000	13.8%
13	Massachusetts	6,012,000	818,000	13.6%
14	Connecticut	3,287,000	445,000	13.5%
14	Oklahoma	3,151,000	425,000	13.5%
16	Montana	801,000	107,000	13.4%
17	Maine	1,229,000	164,000	13.3%
17	New Jersey	7,734,000	1,030,000	13.3%
17	Wisconsin	4,904,000	653,000	13.3%
20	ARIZONA	3,682,000	481,000	13.1%
20	Dist. of Columbia	605,000	79,000	13.1%
22	New York	18,002,000	2,344,000	13.0%
22	Ohio	10,866,000	1,409,000	13.0%
24	Alabama	4,050,000	522,000	12.9%
25	Kentucky	3,691,000	467,000	12.7%
26	Tennessee	4,892,000	618,000	12.6%
	UNITED STATES	249,391,000	31,228,000	12.5%
27	Indiana	5,557,000	696,000	12.5%
27	Illinois	11,452,000	1,434,000	12.5%
27	Minnesota	4,386,000	547,000	12.5%
30	Mississippi	2,577,000	320,000	12.4%
31	North Carolina	6,650,000	807,000	12.1%
32	Idaho	1,013,000	122,000	12.0%
32	Delaware	669,000	80,000	12.0%
34	Michigan	9,312,000	1,110,000	11.9%
34	Vermont	564,000	67,000	11.9%
36	Washington	4,896,000	576,000	11.8%
37	South Carolina	3,501,000	396,000	11.3%
37	New Hampshire	1,108,000	125,000	11.3%
39	Hawaii	1,114,000	124,000	11.1%
39	Louisiana	4,227,000	469,000	11.1%
41	Maryland	4,797,000	517,000	10.8%
42	Virginia	6,206,000	665,000	10.7%
42	New Mexico	1,522,000	163,000	10.7%
44	Nevada	1,218,000	129,000	10.6%
45	California	29,883,000	3,129,000	10.5%
46	Wyoming	455,000	47,000	10.3%
47	Texas	17,058,000	1,718,000	10.1%
47	Georgia	6,507,000	654,000	10.1%
49	Colorado	3,311,000	330,000	10.0%
50	Utah	1,732,000	152,000	8.8%
51	Alaska	554,000	23,000	4.2%

1/ Totals may not add due to independent rounding.

Source: United States Bureau of the Census, Current Population Reports, P25-1106.
Prepared by JLBC Staff June 15, 1994.

POPULATION 65 YEARS AND OVER IN 2020 -- RANKED BY PERCENT OF TOTAL 1/

Rank	State	Population July 1, 2020	Persons 65 yrs. and over	% of Total
1	Florida	19,449,000	4,983,000	25.6%
2	ARIZONA	5,713,000	1,120,000	19.6%
3	Arkansas	3,005,000	580,000	19.3%
4	West Virginia	1,852,000	342,000	18.5%
5	Maine	1,400,000	256,000	18.3%
6	Pennsylvania	12,656,000	2,302,000	18.2%
7	North Carolina	9,014,000	1,633,000	18.1%
8	Iowa	3,038,000	545,000	17.9%
9	Rhode Island	1,090,000	195,000	17.9%
10	Tennessee	6,434,000	1,128,000	17.5%
11	Missouri	6,123,000	1,071,000	17.5%
12	Massachusetts	6,363,000	1,109,000	17.4%
13	Connecticut	3,617,000	630,000	17.4%
14	Wisconsin	5,846,000	1,013,000	17.3%
15	New Hampshire	1,399,000	237,000	16.9%
16	Kentucky	4,313,000	730,000	16.9%
17	Minnesota	5,426,000	917,000	16.9%
18	South Carolina	4,685,000	788,000	16.8%
19	Nebraska	1,885,000	317,000	16.8%
20	Delaware	871,000	146,000	16.8%
21	Ohio	11,870,000	1,985,000	16.7%
22	Vermont	658,000	110,000	16.7%
23	Alabama	5,231,000	874,000	16.7%
24	Mississippi	3,100,000	514,000	16.6%
25	Oregon	4,367,000	724,000	16.6%
26	Kansas	3,130,000	517,000	16.5%
27	South Carolina	863,000	142,000	16.5%
28	Oklahoma	4,020,000	661,000	16.4%
	UNITED STATES	325,942,000	53,349,000	16.4%
29	New Jersey	9,058,000	1,480,000	16.3%
30	North Dakota	719,000	117,000	16.3%
31	Montana	1,071,000	174,000	16.2%
32	Indiana	6,488,000	1,048,000	16.2%
33	New York	19,111,000	3,028,000	15.8%
34	Virginia	8,388,000	1,318,000	15.7%
35	Washington	7,960,000	1,244,000	15.6%
36	Nevada	2,145,000	334,000	15.6%
37	Idaho	1,600,000	246,000	15.4%
38	Colorado	4,871,000	743,000	15.3%
39	Michigan	10,377,000	1,579,000	15.2%
40	Georgia	9,426,000	1,418,000	15.0%
41	New Mexico	2,338,000	351,000	15.0%
42	Maryland	6,289,000	929,000	14.8%
43	Illinois	13,218,000	1,952,000	14.8%
44	Hawaii	1,815,000	262,000	14.4%
45	Louisiana	5,193,000	741,000	14.3%
46	Texas	25,592,000	3,639,000	14.2%
47	California	47,953,000	6,622,000	13.8%
48	Dist. of Columbia	636,000	87,000	13.7%
49	Utah	2,749,000	333,000	12.1%
50	Wyoming	658,000	73,000	11.1%
51	Alaska	866,000	53,000	6.1%

1/ Totals may not add due to independent rounding.

Source: United States Bureau of the Census, Current Population Reports, P25-1111.

Prepared by JLBC Staff June 23, 1994.

POPULATION 65 YEARS AND OVER -- 1990 to 2020 -- RANKED BY PERCENT CHANGE 1/

Rank	State	Persons 65 yrs. & over July 1, 1990	Persons 65 yrs. & over July 1, 2020	% Change
1	Nevada	129,000	334,000	158.9%
2	ARIZONA	481,000	1,120,000	132.8%
3	Alaska	23,000	53,000	130.4%
4	Colorado	330,000	743,000	125.2%
5	Utah	152,000	333,000	119.1%
6	Georgia	654,000	1,418,000	116.8%
7	Washington	576,000	1,244,000	116.0%
8	New Mexico	163,000	351,000	115.3%
9	Texas	1,718,000	3,639,000	111.8%
10	California	3,129,000	6,622,000	111.6%
11	Hawaii	124,000	262,000	111.3%
12	Florida	2,372,000	4,983,000	110.1%
13	North Carolina	807,000	1,633,000	102.4%
14	Idaho	122,000	246,000	101.6%
15	South Carolina	396,000	788,000	99.0%
16	Virginia	665,000	1,318,000	98.2%
17	New Hampshire	125,000	237,000	89.6%
18	Oregon	393,000	724,000	84.2%
19	Tennessee	618,000	1,128,000	82.5%
19	Delaware	80,000	146,000	82.5%
21	Maryland	517,000	929,000	79.7%
	UNITED STATES	31,228,000	53,349,000	70.8%
22	Minnesota	547,000	917,000	67.6%
23	Alabama	522,000	874,000	67.4%
24	Arkansas	349,000	580,000	66.2%
25	Vermont	67,000	110,000	64.2%
26	Montana	107,000	174,000	62.6%
27	Mississippi	320,000	514,000	60.6%
28	Louisiana	469,000	741,000	58.0%
29	Kentucky	467,000	730,000	56.3%
30	Maine	164,000	256,000	56.1%
31	Oklahoma	425,000	661,000	55.5%
32	Wyoming	47,000	73,000	55.3%
33	Wisconsin	653,000	1,013,000	55.1%
34	Kansas	343,000	517,000	50.7%
35	Indiana	696,000	1,048,000	50.6%
36	Missouri	718,000	1,071,000	49.2%
37	New Jersey	1,030,000	1,480,000	43.7%
38	Michigan	1,110,000	1,579,000	42.3%
39	Nebraska	223,000	317,000	42.2%
40	Connecticut	445,000	630,000	41.6%
41	Ohio	1,409,000	1,985,000	40.9%
42	South Dakota	101,000	142,000	40.6%
43	Illinois	1,434,000	1,952,000	36.1%
44	Massachusetts	818,000	1,109,000	35.6%
45	North Dakota	90,000	117,000	30.0%
46	New York	2,344,000	3,028,000	29.2%
47	Rhode Island	151,000	195,000	29.1%
48	Iowa	427,000	545,000	27.6%
49	West Virginia	269,000	342,000	27.1%
50	Pennsylvania	1,829,000	2,302,000	25.9%
51	Dist. of Columbia	79,000	87,000	10.1%

1/ Totals may not add due to independent rounding.

Source: United States Bureau of the Census, Current Population Reports, P25-1106 and P25-1111.
Prepared by JLBC Staff June 23, 1994.

Expenditures in Arizona, Head of Household 65 Years of Age or Over

Using National Consumer Expenditure Interview Survey Data for 1980 and 1990

	1990	1980	Change	% Chg.
Population 65 Years or Over	479,000	307,000	172,000	56%
Households	304,711	192,978	111,733	58%
Income before taxes	\$21,310	\$10,917	\$10,393	95%
Average Expenditures Per Household				
Average	\$20,439	\$11,462	\$8,978	78%
Housing	\$6,506	\$3,712	\$2,794	75%
Food	\$3,660	\$2,462	\$1,198	49%
Transportation	\$3,238	\$1,846	\$1,392	75%
Health Care	\$2,385	\$1,126	\$1,259	112%
Cash Contributions	\$1,160	\$604	\$556	92%
Entertainment	\$751	\$297	\$454	152%
Apparel & Services	\$696	\$426	\$270	63%
Pensions, Retirement, etc.	\$529	\$160	\$369	231%
Miscellaneous	\$465	\$191	\$274	144%
Life and Other Insurance	\$282	\$141	\$141	100%
Personal Care	\$258	\$144	\$114	79%
Tobacco	\$176	\$106	\$71	67%
Reading	\$155	\$93	\$62	66%
Alcoholic Beverages	\$128	\$127	\$1	1%
Education	\$51	\$26	\$25	95%

Total Expenditures -- Head of Household 65 Years of Age or Older in Thousands of Dollars

Total	1990	1980	Change	% Chg.
Total	\$6,228,120	\$2,241,269	\$3,986,851	178%
Housing	\$1,982,301	\$725,776	\$1,256,525	173%
Food	\$1,115,217	\$481,334	\$633,882	132%
Transportation	\$986,670	\$361,001	\$625,670	173%
Health Care	\$726,821	\$220,242	\$506,579	230%
Cash Contributions	\$353,588	\$118,113	\$235,475	199%
Entertainment	\$228,833	\$58,169	\$170,664	293%
Apparel & Services	\$211,946	\$83,257	\$128,690	155%
Pensions, Retirement, etc.	\$161,286	\$31,304	\$129,981	415%
Miscellaneous	\$141,642	\$37,299	\$104,343	280%
Life and Other Insurance	\$85,812	\$27,530	\$58,282	212%
Personal Care	\$78,575	\$28,196	\$50,379	179%
Tobacco	\$53,762	\$20,648	\$33,114	160%
Reading	\$47,214	\$18,205	\$29,009	159%
Alcoholic Beverages	\$38,943	\$24,866	\$14,077	57%
Education	\$15,508	\$5,106	\$10,402	204%

Source: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey 1980 and 1990.
Prepared by JLBC Staff (October 27, 1994)

Expenditures in Arizona, Head of Household Under 65 Years of Age

Using National Consumer Expenditure Interview Survey Data for 1980 and 1990

	1990	1980	Change	% Chg.
Population Under 65 Years	3,203,000	2,431,000	772,000	32%
Households	1,067,164	766,576	300,588	39%
Income before taxes	\$32,109	\$19,632	\$12,478	64%
Average Expenditures Per Household				
Average	\$26,680	\$17,121	\$9,559	56%
Housing	\$8,182	\$4,817	\$3,365	70%
Transportation	\$5,097	\$3,733	\$1,365	37%
Food	\$4,201	\$3,240	\$962	30%
Pensions, Retirement, etc.	\$2,458	\$1,067	\$1,391	130%
Entertainment	\$1,370	\$778	\$592	76%
Apparel & Services	\$1,358	\$934	\$424	45%
Health Care	\$1,091	\$634	\$457	72%
Cash Contributions	\$690	\$421	\$269	64%
Miscellaneous	\$571	\$262	\$309	118%
Education	\$421	\$224	\$197	88%
Life and Other Insurance	\$335	\$276	\$59	21%
Tobacco	\$274	\$190	\$84	44%
Alcoholic Beverages	\$263	\$291	(\$28)	-10%
Personal Care	\$225	\$143	\$81	57%
Reading	\$142	\$111	\$32	28%
Total Expenditures -- In Thousands of Dollars				
Total	\$28,472,299	\$13,124,683	\$15,347,615	117%
Housing	\$8,731,621	\$3,692,540	\$5,039,081	136%
Transportation	\$5,439,735	\$2,861,312	\$2,578,423	90%
Food	\$4,483,309	\$2,483,347	\$1,999,961	81%
Pensions, Retirement, etc.	\$2,622,678	\$817,940	\$1,804,738	221%
Entertainment	\$1,462,201	\$596,476	\$865,725	145%
Apparel & Services	\$1,449,629	\$716,066	\$733,563	102%
Health Care	\$1,164,345	\$485,744	\$678,601	140%
Cash Contributions	\$735,936	\$322,599	\$413,337	128%
Miscellaneous	\$609,250	\$200,794	\$408,456	203%
Education	\$449,685	\$172,004	\$277,681	161%
Life and Other Insurance	\$357,814	\$211,867	\$145,947	69%
Tobacco	\$292,053	\$145,428	\$146,625	101%
Alcoholic Beverages	\$280,449	\$222,940	\$57,508	26%
Personal Care	\$239,832	\$109,994	\$129,838	118%
Reading	\$151,829	\$84,894	\$66,935	79%

Source: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey 1980 and 1990.
Prepared by JLBC Staff October 27, 1994

Average Annual Expenditures, Consumer Expenditure Survey, 1980 - United States

	Under 65			65 & over
# of Consumer Units (000's)	65,023			17,029
Persons in consumer unit	3.0			1.8
Income before taxes	\$20,386			\$9,615
Avg. Ann. Expenditures	\$17,779	Taxable	Non-Taxable	\$10,095
Food at home	\$2,540		X	\$1,745
Food away from home	\$824	X		\$424
Alcoholic beverages	\$302	X		\$112
Mortgage interest	\$974		X	\$102
Property taxes	\$317	X		\$328
Maintenance, ins., repairs	\$382	X	X	\$458
Rented dwellings	\$863		X	\$498
Other lodging	\$257	X		\$143
Utilities	\$1,228	X		\$990
Household operations	\$222	X	X	\$375
Household furnishings & equip.	\$760	X		\$374
Apparel and Services	\$970	X		\$375
Transportation	\$3,876	X		\$1,626
Health insurance	\$200	X		\$320
Medical services	\$364		X	\$487
Drugs & Medical Supplies	\$95		X	\$186
Entertainment	\$808	X		\$262
Personal care products	\$149	X		\$127
Reading	\$115	X		\$82
Education	\$233		X	\$23
Tobacco	\$197	X		\$93
Miscellaneous	\$272	X	X	\$168
Cash contributions	\$437	X	X	\$532
Life & other insurance	\$287	X		\$124
Pensions & social security	\$1,108		X	\$141
Non-taxable	\$6,156			\$3,669
Percent of total	35%			36%
Taxable	\$11,625			\$6,427
Percent of total	65%			64%

Prepared by JLBC Staff - October 27, 1994

Average Annual Expenditures, Consumer Expenditure Survey, 1990 - United States

	Under 65			65 & over
# of Consumer Units (000's)	76,889			20,079
Persons in consumer unit	2.8			1.7
Income before taxes	\$35,433			\$18,842
Avg. Ann. Expenditures	\$29,442	Taxable	Non-Taxable	\$18,072
Food at home	\$3,353		X	\$2,494
Food away from home	\$1,284	X		\$741
Alcoholic beverages	\$290	X		\$113
Mortgage interest	\$2,195		X	\$367
Property taxes	\$555	X		\$760
Maintenance, ins., repairs	\$484	X	X	\$753
Rented dwellings	\$1,715		X	\$839
Other lodging	\$581	X		\$410
Utilities	\$1,941	X		\$1,697
Household operations	\$460	X	X	\$393
Household furnishings & equip.	\$1,099	X		\$533
Apparel	\$1,499	X		\$615
Transportation	\$5,625	X		\$2,863
Health insurance	\$475	X		\$990
Medical services	\$535		X	\$664
Drugs & Medical Supplies	\$194		X	\$456
Entertainment	\$1,512	X		\$664
Personal care products	\$248	X		\$228
Reading	\$157	X		\$137
Education	\$465		X	\$45
Tobacco	\$302	X		\$156
Miscellaneous	\$630	X	X	\$411
Cash contributions	\$761	X	X	\$1,026
Life & other insurance	\$370	X		\$249
Pensions & social security	\$2,712		X	\$468
Non-taxable	\$10,997			\$6,065
Percent of total	37%			34%
Taxable	\$18,445			\$12,008
Percent of total	63%			66%

Prepared by JLBC Staff - October 27, 1994

Average Annual Expenditures, Consumer Expenditure Survey, 1992 - United States

	All		65 & over
# of Consumer Units (000's)	100,019		21,763
Persons in consumer unit	2.5		1.7
Income			
Income before taxes	\$33,854		\$20,890
Federal income taxes	\$2,286		\$885
State & local income taxes	\$624		\$192
Other taxes	\$157		\$207
Income after taxes	\$30,787		\$19,606
Avg. Ann. Expenditures			
	\$29,846	Taxable	Non-Taxable
			\$20,616
Food at home	\$2,643		X
Food away from home	\$1,631	X	
Alcoholic beverages	\$301	X	
Mortgage interest	\$1,968		X
Property taxes	\$782	X	
Maintenance, ins., repairs	\$560	X	X
Rented dwellings	\$1,761		X
Other lodging	\$340	X	
Utilities	\$1,984	X	
Household operations	\$487	X	X
Housekeeping supplies	\$433	X	
Household furnishings	\$1,162	X	
Apparel and Services	\$1,710	X	
Vehicle purchases	\$2,189	X	
Gas and oil	\$973	X	
Other vehicle expenses	\$1,776	X	
Public transportation	\$290		X
Health insurance	\$725	X	
Medical services	\$533		X
Drugs	\$278		X
Medical supplies	\$97		X
Entertainment	\$1,500	X	
Personal care products	\$387	X	
Reading	\$162	X	
Education	\$426		X
Tobacco	\$275	X	
Miscellaneous	\$765	X	X
Cash contributions	\$958	X	X
Life & other insurance	\$353	X	
Pensions & social security	\$2,397		X
Summary			
Non-taxable	\$11,778		\$7,192
Percent of total	39%		35%
Taxable	\$18,068		\$13,423
Percent of total	61%		65%

NET MIGRATION IN ARIZONA: 1985 TO 1990

<u>Rank</u>	<u>State</u>	<u>To</u>	<u>From</u>	<u>Net Migration to AZ</u>
1	California	109,134	136,465	27,331
2	Illinois	14,446	39,171	24,725
3	Colorado	19,962	38,514	18,552
4	Texas	28,364	43,671	15,307
5	New York	9,807	23,753	13,946
6	Iowa	5,373	15,963	10,590
7	Michigan	10,903	21,398	10,495
8	Minnesota	7,376	17,350	9,974
9	Wisconsin	6,074	14,756	8,682
10	Ohio	11,799	19,984	8,185
11	New Mexico	15,003	23,080	8,077
12	New Jersey	4,029	10,702	6,673
13	Wyoming	1,671	8,092	6,421
14	Oklahoma	5,700	11,843	6,143
15	Pennsylvania	7,199	13,148	5,949
16	Utah	12,297	18,018	5,721
17	Montana	2,680	7,448	4,768
18	Kansas	5,513	10,281	4,768
19	Nebraska	3,238	7,982	4,744
20	Missouri	7,789	11,934	4,145
21	South Dakota	1,670	5,027	3,357
22	North Dakota	1,143	4,493	3,350
23	Indiana	7,665	10,863	3,198
24	Louisiana	2,040	5,052	3,012
25	Idaho	4,832	7,561	2,729
26	Alaska	2,753	5,273	2,520
27	Connecticut	2,545	5,028	2,483
28	Massachusetts	4,384	6,169	1,785
29	Hawaii	3,988	4,720	732
30	Kentucky	2,668	3,167	499
31	Mississippi	1,524	1,985	461
32	West Virginia	959	1,381	422
33	District of Columbia	568	945	377
34	New Hampshire	1,394	1,766	372
35	Vermont	552	915	363
36	Rhode Island	844	1,121	277
37	Maryland	4,318	4,584	266
38	Delaware	512	664	152
39	Maine	1,241	1,348	107
40	Arkansas	3,825	3,830	5
41	Alabama	2,374	2,349	(25)
42	Florida	14,994	14,919	(75)
43	Oregon	11,466	11,268	(198)
44	South Carolina	2,814	2,547	(267)
45	Virginia	7,431	6,937	(494)
46	Georgia	6,293	5,354	(939)
47	North Carolina	6,523	5,377	(1,146)
48	Washington	18,421	17,255	(1,166)
49	Tennessee	4,901	3,436	(1,465)
50	Nevada	20,645	10,934	(9,711)
	TOTAL	433,644	649,821	216,177

Source: United States Bureau of the Census, 1990 Special Tabulations.
Prepared by JLBC Staff July 1, 1994.

Arizona Migration – 1985 to 1990 – By Age

<u>Age</u>	<u>In-Migration</u>	<u>Out-Migration</u>	<u>Net-Migration To Arizona</u>	<u>% of Total</u>
0-4	0	0	0	0.0%
5-9	48,021	39,281	8,740	4.0%
10-14	41,636	30,209	11,427	5.3%
15-19	46,449	31,710	14,739	6.8%
20-24	73,555	47,793	25,762	11.9%
25-29	83,464	68,972	14,492	6.7%
30-34	72,068	59,540	12,528	5.8%
35-39	57,049	42,335	14,714	6.8%
40-44	45,882	30,662	15,220	7.0%
45-49	33,744	20,180	13,564	6.3%
50-54	25,046	13,335	11,711	5.4%
55-59	23,584	9,697	13,887	6.4%
60-64	29,530	9,893	19,637	9.1%
65-69	30,608	8,869	21,739	10.1%
70-74	18,954	7,735	11,219	5.2%
75+	20,231	13,433	6,798	3.1%
Total	649,821	433,644	216,177	100.0%
0-24	209,661	148,993	60,668	28.1%
25-64	370,367	254,614	115,753	53.5%
65+	69,793	30,037	39,756	18.4%
Total	649,821	433,644	216,177	100.0%

Source: Arizona Department of Economic Security, Population Statistics Unit, November, 1994
 Prepared by JLBC Staff November 22, 1994

The design of Sun City with the recreation, services and stores located near each cluster of homes has made the use of automobiles and golf cars a convenient mode for getting around the community. There is little wonder why so few today express a strong need for transportation services. The Sun City respondents, however, expressed desire for transportation services in the future. Their concern may stem from two factors. The first is that many recognize the need for assistance as they become older. The second is that many have perceived that traffic congestion in Sun City has increased.

Table 25
Comparison of Percentage of Population that Has
Personal Transportation by Age

Age Group	Sun City			U.S. ¹
	Auto	Golf Car	TOTAL	
61 to 70	97.1	.49	97.6	85.9
71 to 80	95.9	1.45	97.3	76.2
81 to 90	88.8	2.54	91.3	58.8
91+	60.0	20.00	80.0	55.2

Notes: 1. Cutler, S.J. and R.T. Coward, 1992

Commerce

Overall the vast majority of businesses were satisfied with their business in Sun City. Eighty-one percent of the business respondents agreed that business in Sun City is good or very good.

We estimate that Sun City residents spend more than \$630,775,000 per year. This estimate was obtained by using the national average of household spending for populations in the same age and income categories as Sun City residents.

Table 26 enumerates the average amount of money spent by Sun City households for a variety of goods and services. Every year Sun City residents spend \$49 million on groceries, \$21 million at restaurants, \$25 million on health insurance, \$25 million on financial products and services and \$18 million for gifts.

Table 26
Average Annual Expenditures of Sun City Residents by Age Group
for Selected Goods and Services

Item	< 55	55 to 64	65 to 74	75+	Total
Number of Households	429	2,080	8,158	12,415	23,082
Food at Home	\$ 1,349,899.90 \$ 3,146.62	\$ 5,488,121.60 \$ 2,638.52	\$ 19,289,427.00 \$ 2,364.48	\$ 23,137,214.00 \$ 1,863.65	\$ 49,264,662.50
Food Away from Home	\$873,980.25 \$2,037.25	\$3,283,092.80 \$1,578.41	\$8,989,789.60 \$1,101.96	\$8,491,611.70 \$683.98	\$21,638,474.35
Household Services	\$165,563.97 \$385.93	\$807,622.40 \$388.28	\$2,292,071.60 \$280.96	\$7,354,025.20 \$592.35	\$10,619,283.17
Housekeeping Supplies	\$209,356.29 \$488.01	\$1,037,254.40 \$498.68	\$3,504,676.80 \$429.60	\$3,905,634.80 \$314.59	\$8,656,922.29
Household Furnishings	\$687,103.56 \$1,601.64	\$2,956,782.40 \$1,421.53	\$7,264,943.70 \$890.53	\$6,759,843.30 \$544.49	\$17,668,672.96
Apparel (Men & Women)	\$556,567.44 \$1,297.36	\$2,093,644.80 \$1,006.56	\$6,862,917.50 \$841.25	\$4,373,307.90 \$352.26	\$13,886,437.64
Footwear	\$143,835.12 \$335.28	\$429,083.20 \$206.29	\$1,375,520.30 \$168.61	\$1,902,722.90 \$153.26	\$3,851,161.52
Other Accessories	\$159,193.32 \$371.08	\$552,240.00 \$265.50	\$1,303,648.40 \$159.80	\$1,302,457.60 \$104.91	\$3,317,539.32
Health Insurance	\$271,411.14 \$632.66	\$1,557,004.80 \$748.56	\$8,816,758.50 \$1,080.75	\$14,299,348.00 \$1,151.78	\$24,944,522.44

Item	< 55	55 to 64	65 to 74	75+	Total
Number of Households	429	2,080	8,158	12,415	23,082
Medical Services	\$302,878.29 \$706.01	\$1,397,281.60 \$671.77	\$5,473,120.60 \$670.89	\$5,647,211.00 \$454.87	\$12,820,491.49
Drugs	\$113,697.87 \$265.03	\$704,225.60 \$338.57	\$3,433,539.00 \$420.88	\$5,906,436.20 \$475.75	\$10,157,898.67
Medical Supplies	\$52,947.18 \$123.42	\$182,020.80 \$87.51	\$1,040,552.90 \$127.55	\$1,428,594.00 \$115.07	\$2,704,114.88
Entertainment	\$221,364.00 \$516.00	\$839,300.80 \$403.51	\$2,096,361.20 \$256.97	\$2,029,480.00 \$163.47	\$5,186,506.00
Electronic Equipment	\$271,720.02 \$633.38	\$920,025.60 \$442.32	\$2,411,586.30 \$295.61	\$2,130,165.70 \$171.58	\$5,733,497.62
Pets, Toys, Etc.	\$142,891.32 \$333.08	\$620,796.80 \$298.46	\$1,276,482.20 \$156.47	\$900,956.55 \$72.57	\$2,941,126.87
Personal Care Products	\$210,141.36 \$489.84	\$851,260.80 \$409.26	\$2,825,849.60 \$346.39	\$3,417,849.50 \$275.30	\$7,305,101.26
Reading	\$84,860.49 \$197.81	\$411,465.60 \$197.82	\$1,349,088.40 \$165.37	\$1,438,526.00 \$115.87	\$3,283,940.49
Education	\$358,257.90 \$835.10	\$967,616.00 \$465.20	\$538,428.00 \$66.00	\$468,790.40 \$37.76	\$2,333,0992.30
Financial Products/Services	\$2,089,667.50 \$4,871.02	\$8,080,072.00 \$3,884.65	\$10,478,461.00 \$1,284.44	\$5,004,610.60 \$403.11	\$25,652,811.10
Gifts	\$674,838.45 \$1,573.05	\$2,895,484.80 \$1,392.06	\$7,679,370.10 \$941.33	\$6,761,209.00 \$544.60	\$18,010,902.35

Sun City residents do not acquire all of their goods and services in Sun City. Table 27 shows the amount of money spent by Sun City residents in Sun City and outside of Sun City for selected goods and services. It is apparent that Sun City residents are purchasing the greatest proportion of the funds for groceries, medical services, pharmaceuticals (drugs), and financial products and services in Sun City. A substantial amount of Sun City resident's funds are being spent outside of Sun City for apparel, gifts, household furnishings, restaurants and entertainment.

Table 27
The Average Annual Amount
Spent by Sun City Residents in Sun City
and Outside of Sun City for Selected Goods

Products/Services	Spent In Sun City	Spent Outside of Sun City	Total
Food at Home	\$45,816,136	\$ 3,448,526	\$49,264,662
Restaurant	\$14,497,778	\$ 7,140,696	\$21,638,474
Household Furnishings	\$12,014,698	\$ 5,653,975	\$17,668,673
Apparel	\$10,287,807	\$ 7,449,792	\$17,737,599
Medical Services	\$ 9,871,778	\$ 2,948,713	\$12,820,491
Drugs	\$ 9,345,267	\$ 812,632	\$10,157,899
Entertainment	\$ 3,371,229	\$ 1,815,277	\$ 5,186,506
Financial Products or Services	\$25,139,755	\$ 513,056	\$25,652,811
Gifts	\$12,967,849	\$ 5,043,053	\$18,010,902

The design of Sun City with the recreation, services and stores located near each cluster of homes has made the use of automobiles and golf cars a convenient mode for getting around the community. There is little wonder why so few today express a strong need for transportation services. The Sun City respondents, however, expressed desire for transportation services in the future. Their concern may stem from two factors. The first is that many recognize the need for assistance as they become older. The second is that many have perceived that traffic congestion in Sun City has increased.

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81 to 90	88.8	2.54	91.3	58.8
91+	60.0	20.00	80.0	55.2

Notes: 1. Cutler, S.J. and R.T. Coward, 1992

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Table 26 enumerates the average amount of money spent by Sun City households for a variety of goods and services. Every year Sun City residents spend \$49 million on groceries, \$21 million at restaurants, \$25 million on health insurance, \$25 million on financial products and services and \$18 million for gifts.

Table 26
Average Annual Expenditures of Sun City Residents by Age Group
for Selected Goods and Services

Item	< 55	55 to 64	65 to 74	75+	Total
Number of Households	429	2,080	8,158	12,415	23,082
Food at Home	\$ 1,349,899.90 \$ 3,146.62	\$ 5,488,121.60 \$ 2,638.52	\$ 19,289,427.00 \$ 2,364.48	\$ 23,137,214.00 \$ 1,863.65	\$ 49,264,662.50
Food Away from Home	\$873,980.25 \$2,037.25	\$3,283,092.80 \$1,578.41	\$8,989,789.60 \$1,101.96	\$8,491,611.70 \$683.98	\$21,638,474.35
Household Services	\$165,563.97 \$385.93	\$807,622.40 \$388.28	\$2,292,071.60 \$280.96	\$7,354,025.20 \$592.35	\$10,619,283.17
Housekeeping Supplies	\$209,356.29 \$488.01	\$1,037,254.40 \$498.68	\$3,504,676.80 \$429.60	\$3,905,634.80 \$314.59	\$8,656,922.29
Household Furnishings	\$687,103.56 \$1,601.64	\$2,956,782.40 \$1,421.53	\$7,264,943.70 \$890.53	\$6,759,843.30 \$544.49	\$17,668,672.96
Apparel (Men & Women)	\$556,567.44 \$1,297.36	\$2,093,644.80 \$1,006.56	\$6,862,917.50 \$841.25	\$4,373,307.90 \$352.26	\$13,886,437.64
Footwear	\$143,835.12 \$335.28	\$429,083.20 \$206.29	\$1,375,520.30 \$168.61	\$1,902,722.90 \$153.26	\$3,851,161.52
Other Accessories	\$159,193.32 \$371.08	\$552,240.00 \$265.50	\$1,303,648.40 \$159.80	\$1,302,457.60 \$104.91	\$3,317,539.32
Health Insurance	\$271,411.14 \$632.66	\$1,557,004.80 \$748.56	\$8,816,758.50 \$1,080.75	\$14,299,348.00 \$1,151.78	\$24,944,522.44

Item	< 55	55 to 64	65 to 74	75+	Total
Number of Households	429	2,080	8,158	12,415	23,082
Medical Services	\$302,878.29 \$706.01	\$1,397,281.60 \$671.77	\$5,473,120.60 \$670.89	\$5,647,211.00 \$454.87	\$12,820,491.49
Drugs	\$113,697.87 \$265.03	\$704,225.60 \$338.57	\$3,433,539.00 \$420.88	\$5,906,436.20 \$475.75	\$10,157,898.67
Medical Supplies	\$52,947.18 \$123.42	\$182,020.80 \$87.51	\$1,040,552.90 \$127.55	\$1,428,594.00 \$115.07	\$2,704,114.88
Entertainment	\$221,364.00 \$516.00	\$839,300.80 \$403.51	\$2,096,361.20 \$256.97	\$2,029,480.00 \$163.47	\$5,186,506.00
Electronic Equipment	\$271,720.02 \$633.38	\$920,025.60 \$442.32	\$2,411,586.30 \$295.61	\$2,130,165.70 \$171.58	\$5,733,497.62
Pets, Toys, Etc.	\$142,891.32 \$333.08	\$620,796.80 \$298.46	\$1,276,482.20 \$156.47	\$900,956.55 \$72.57	\$2,941,126.87
Personal Care Products	\$210,141.36 \$489.84	\$851,260.80 \$409.26	\$2,825,849.60 \$346.39	\$3,417,849.50 \$275.30	\$7,305,101.26
Reading	\$84,860.49 \$197.81	\$411,465.60 \$197.82	\$1,349,088.40 \$165.37	\$1,438,526.00 \$115.87	\$3,283,940.49
Education	\$358,257.90 \$835.10	\$967,616.00 \$465.20	\$538,428.00 \$66.00	\$468,790.40 \$37.76	\$2,333,0992.30
Financial Products/Services	\$2,089,667.50 \$4,871.02	\$8,080,072.00 \$3,884.65	\$10,478,461.00 \$1,284.44	\$5,004,610.60 \$403.11	\$25,652,811.10
Gifts	\$674,838.45 \$1,573.05	\$2,895,484.80 \$1,392.06	\$7,679,370.10 \$941.33	\$6,761,209.00 \$544.60	\$18,010,902.35

Sun City residents do not acquire all of their goods and services in Sun City. Table 27 shows the amount of money spent by Sun City residents in Sun City and outside of Sun City for selected goods and services. It is apparent that Sun City residents are purchasing the greatest proportion of the funds for groceries, medical services, pharmaceuticals (drugs), and financial products and services in Sun City. A substantial amount of Sun City resident's funds are being spent outside of Sun City for apparel, gifts, household furnishings, restaurants and entertainment.

Table 27
The Average Annual Amount
Spent by Sun City Residents in Sun City
and Outside of Sun City for Selected Goods

Products/Services	Spent In Sun City	Spent Outside of Sun City	Total
Food at Home	\$45,816,136	\$ 3,448,526	\$49,264,662
Restaurant	\$14,497,778	\$ 7,140,696	\$21,638,474
Household Furnishings	\$12,014,698	\$ 5,653,975	\$17,668,673
Apparel	\$10,287,807	\$ 7,449,792	\$17,737,599
Medical Services	\$ 9,871,778	\$ 2,948,713	\$12,820,491
Drugs	\$ 9,345,267	\$ 812,632	\$10,157,899
Entertainment	\$ 3,371,229	\$ 1,815,277	\$ 5,186,506
Financial Products or Services	\$25,139,755	\$ 513,056	\$25,652,811
Gifts	\$12,967,849	\$ 5,043,053	\$18,010,902

ARIZONA DEPARTMENT OF HEALTH SERVICES
**HEALTH STATUS PROFILE OF
ARIZONA'S OLDER ADULTS**



**HEALTH STATUS PROFILE OF
ARIZONA'S OLDER ADULTS**



Fife Symington
Governor
State of Arizona

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May 1995

Arizona Department of Health Services

**THE HEALTH STATUS
PROFILE OF ARIZONA'S
OLDER ADULTS**

1995

This introduction would not be complete without drawing attention to ADHS' pivotal planning document, *Arizona 2000: Plan for a Healthy Tomorrow*. *Arizona 2000* was prepared in 1993 as our state's implementation plan for the national *Healthy People 2000* document. In the fourth section of this profile, you will find further discussion on both of these references. The national document has a specific section addressing older adults; the Arizona document's objectives for the older population are interspersed throughout *Arizona 2000*. As mentioned by Kane (1994), despite the enormous impact that seniors have had on health and health care, the unique aspects of this population have not been a conspicuous part of the public health agenda.

It is anticipated that this publication will serve as a valuable resource for public health planning in all areas of the state. It will also be a unique reference for the state's aging network in its planning for the 1995 White House Conference on Aging. Finally, it will be a resource tool for policymakers, public health professionals, health care clinicians (providers, researchers, and educators), and our older residents, as well as the aging network at the state and local levels.

Acknowledgments are due to a number of people who were instrumental in the preparation of this document: Lydia Mrela, for the initial compilation of its data; Dr. Betty Gale, who developed the implications, summarized the material in a public health perspective, and added the literature review references; and Jane Pearson and Merrill Krenitz, who critiqued the narrative for clarity and style for its final writing. This document has been a collaborative effort throughout the process, in the true spirit of public health.

Jane L. Lange, RN, MPH
Chief, Office of Older Adult Health

Introduction

This report, *The Health Status Profile of Arizona's Older Adults*, presents a portrait of the overall health status of our state's residents who are 65+. The older adult population of our state, as well as that of the entire country, is increasing rapidly and at an unprecedented rate. Although it is not yet clear whether morbidity (occurrence of illness) has improved along with the increase in life expectancy, the fact is that people are living longer and the number of older adults who need health and social services is increasing (Choi, 1994).

This is especially true for those seniors age 85+. Though Arizona's total resident senior population of 13.4% is only slightly higher than the national percentage of 12.7%, we have one of the highest population growth rates for seniors in the entire country. Between 1990 and 1993, there were only two other states experiencing a greater increase in seniors than ours. In 1993, our resident senior population was 529,000. In less than thirty years, it will reach 1,000,000. Added to this resident population, Arizona has large numbers of senior winter visitors every year.

These numbers have vast implications for our state's entire health and social services system. In thirty years, more than 256,000 seniors will live alone in the community. Older women living alone will exceed older men by four to one. The number of seniors who have a disability will double, reaching 172,000 persons with a mobility or self-care limitation. More than 100,000 seniors will need assistance with one or more home-management activities (e.g., meal preparation). Almost as many will need assistance with one of the basic activities of daily living (e.g., bathing). Finally, 54,000 will be too functionally disabled to live independently and will need to be placed in some type of institutional setting.

This profile is divided into four sections. The demographic characteristics of the state's 65+ population are presented in the first section. This is followed by a four part section on health status measures. The third section presents selected health service utilization data. Finally, healthy aging is discussed from a public health perspective.

Each section contains a brief narrative supported by data and the literature. The citations are not exhaustive by any means but are a fairly broad sample of gerontological and public health literature. At the end of the document, the Appendices contain a glossary of terms, a description of methods and sources, and tables of additional data.

The Health Status Profile of Arizona's Older Adults is being published several years into the development of ADHS's new Office of Older Adult Health. The Office was formed in 1992 to provide a point of coordination for all of the Department's activities affecting seniors. Additional functions include: (1) development and implementation of public health policy for our older population; and (2) being the catalyst for promoting health and preventing disease and disability for Arizona seniors.

The Office of Older Adult Health has a Team which is set up to establish statewide priorities for older adults. The primary five-year objective of this group is to address the state's senior suicide problem. Two additional five-year objectives address prevention of fall injuries and pedestrian injuries. This profile will highlight some of the features of these critical ongoing problems. The Older Adult Health Team has also been instrumental in completing a separate Departmental report this year. This report of *ADHS Activities/Services for Seniors* outlines the existing Departmental programs which address older adult public health issues.

Even though Arizona ranks lower than other states in numbers of disabled seniors, the number of our seniors who will need assistance with either basic or instrumental activities of daily living will more than double in the next forty years.

In 1992, the top two chronic impairments for seniors, as reported by cause for physician's office visits, were arthritis and high blood pressure. Older adults account for approximately 20% of all visits to physicians. One half of these 20% are made to general practice physicians or internists. Their three most common reasons for physician visits are general medical examination, postoperative visit and blood pressure screening. The average length of stay in a hospital increases with age among males but not among females. Females are less likely to die while hospitalized than males, but are also less likely to be discharged home.

It is quite possible that programs designed for mainstream older adults may not be reaching segments of the aging population who are at increased risk for health problems. Generally the term "special population" is used to describe a segment of the general population that is at higher than average risk for diseases, impairments, or death. For many public health practitioners, the entire older population may seem to be "special" because of increased age. But from the vantage of designing and targeting health promotion programs, groups of older people with certain risk factors have an increased likelihood of experiencing health problems. These groups have been identified as the ethnic minority, the medically underserved, the oldest-old, the poor, the illiterate and the frail.

In conclusion, the data indicate that several policy issues must be addressed. The increase in the 85+ population means that health care costs for our seniors will continue to rise dramatically. Health promotion and disease prevention programs will help to contain this increasing cost. There are options to long term institutional settings that deserve further consideration: home health care, assisted living environments, and respite care for family members. Finally, health status indicators for seniors need to be more clearly identified and developed.

Executive Summary

The intent of this *Health Status Profile of Arizona's Older Adults* is to identify a broad range of health-related issues characteristic of adults 65 years and over. The purpose is to provide data to help target interventions so that more older Arizonans can maintain a functional, independent life in the community, where they may communicate their wisdom, knowledge, and experience to younger generations.

As in the U. S in general, older adults in Arizona are a heterogeneous group. Their profile is one of cultural richness and diversity. Aging processes are not universal and each group (geographic location, shared experience, ethnic background) of older Arizonans must be recognized for different values, beliefs and philosophies about life. Many Arizonans are aging successfully. A recent publication from the National Institute on Aging reported that, indeed, **aging is not synonymous with disability and decline.**

The rate of growth of the older population in Arizona is much greater than that of the U.S. older population. Only two other states have experienced higher growth rates since 1990. Arizona's older population is projected to triple, reaching 1.5 million older persons, by the year 2040. Ethnic minority senior populations are growing the fastest and are also by far the poorest in the state. The growth rate of Arizona's Hispanic seniors greatly exceeds that of any other ethnic group; it also exceeds the national growth rate for this ethnic group of seniors. Four counties, Yavapai, Mohave, Gila and LaPaz, have a much higher rate of seniors than the state as a whole.

Senior poverty rates vary by gender, ethnicity and living arrangements. Since older women are in a majority (57%) and live longer than men, there are more older women living in poverty. The poverty rate of seniors 75+ and living alone are the highest. The poverty rate among older Native Americans (3 out of every 5) is much higher than among any other ethnic group. Poor seniors tend to have lower levels of participation in assistance programs and experience higher rates of acute and chronic conditions.

Even though national mortality rates for seniors have gone up more than those in Arizona, our state's senior mortality rates have also increased. In addition, mortality rates for older males have increased more than for females. Arizona's ethnic minority mortality rates among seniors exceed the national rate for their peers. Of all ethnic groups, African American Arizonans have experienced the greatest mortality rate increases.

Within the last fifty years, deaths due to malignant neoplasms (cancers) have increased by more than 20% among seniors age 65-74. The other top five causes of death have decreased during this time period. A dramatic increase in death rates from COPD (chronic obstructive pulmonary disease) among older females has also occurred, tripling between 1970 and 1990.

Between 1980 and 1990, Arizona's annual mortality rates were consistently lower for rural than for urban seniors. The mortality rate of senior residents of Yuma County was 26% lower than the state wide rate.

Older Arizonans have the highest suicide rates of any age group, with non-natives experiencing the highest rates. Those 85+ are at greatest risk; in 1992, they were more than 2.5 times as likely to die from suicide than their peers nationally.

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1. OLDER ARIZONANS: A DEMOGRAPHIC PORTRAIT

In this section a demographic portrait of older Arizonans is presented. Topics include the demographic transition; ethnic and geographic differences; socioeconomic status; and marital status, living arrangements and gender differences. For further detailed information on each of these topics, contact the Population Statistics Unit of the Arizona Department of Economic Security.

A. The Demographic Transition

The 20th century has seen a dramatic change in the age composition of the U.S. population. This has been most noticeable in the increase in numbers of the population age 65+. Nationally, the older population tripled, from 4% of the total population in 1900 to 12% in 1990. By 2030, the older population is expected to reach 20% of the total. This trend is commonly referred to as the "greying" of America.

The older population is generally divided into three groups for demographic analysis: the first is those between the ages of 65 and 74; the second, ages 75 and 84; and the third, age 85+. Even though people physically and mentally age at much different rates, each of these groups have typically different characteristics in terms of overall functional status, presence of chronic disease, and level of independence.

Between the years of 1900 and 1990, the 65+ population in Arizona increased from about 3,300 to almost 500,000. (Chart 1). Between 1950 and 1960, the entire older population doubled; between 1970 and 1980, the two oldest age groups doubled; and, between the 1980 and 1990, the 85+ group almost doubled (Appendix, Table 1).

Chart 1
Number of senior Arizonans by age group, 1970, 1980 and 1990

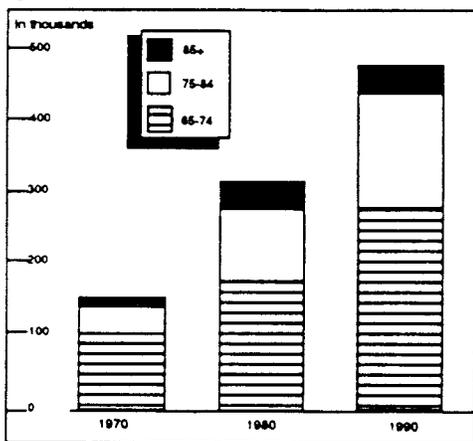
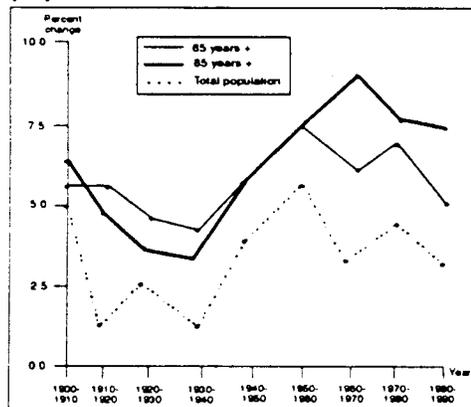


Chart 2
Average annual growth rate for seniors 65+, seniors 85+, and total population, Arizona, 1900-1990



Arizona's older population grew during the past 90 years at the unprecedented average annual rate of 5.7%. This was 1.5 times faster than the total population in the state (Chart 2), and more than twice the corresponding national rate of 2.6% (U. S. Bureau of the Census [USBC], 1943, 1973, 1983, 1992). In 1900, 2.7% of Arizona's population was over 64 years of age; in 1990 it was 13.1% (Appendix, Table 2). Between 1950 and 1990, those 85 years and over were the fastest growing segment of the seniors population, with an average annual growth rate of 7.6%. The 65+ population in Arizona is expected to triple by 2040, reaching 1.5 million. (Arizona Department of Economic Security [DES], 1986, 1993).

Older Arizonans: A Demographic Portrait ■

B. Ethnic Differences

In 1990, Arizona's general population was 71% non-Hispanic white, 19% Hispanic, 6% Native American and 3% African American. In contrast to the general population, ethnic minority groups had greater percentages of people younger than 25 years of age (51.4%) than did the non-Hispanic whites (31.9%) (USBC, 1992). Further, non-Hispanic whites made up 88.6% of the older population while ethnic minority groups accounted for only 11.4%. Thus, Arizona's ratio of seniors ranged from 1 in 20 persons among Native Americans and Hispanics, to 1 in 16 persons among African Americans and finally, to 1 in 6 among non-Hispanic whites (Chart 3) (USBC, 1992; DES, 1986).

Chart 3 ■
Percent of seniors 65+ by ethnic group, Arizona, 1990

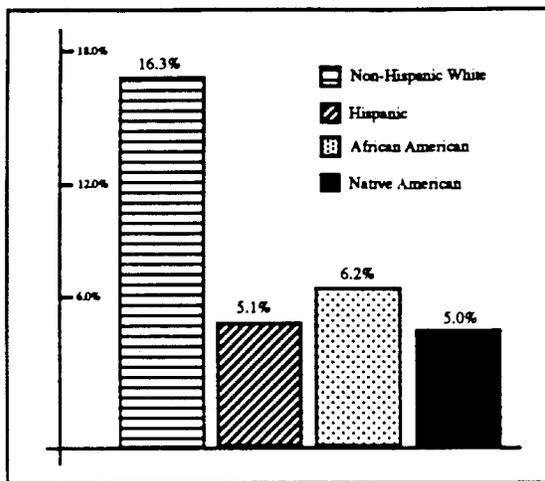
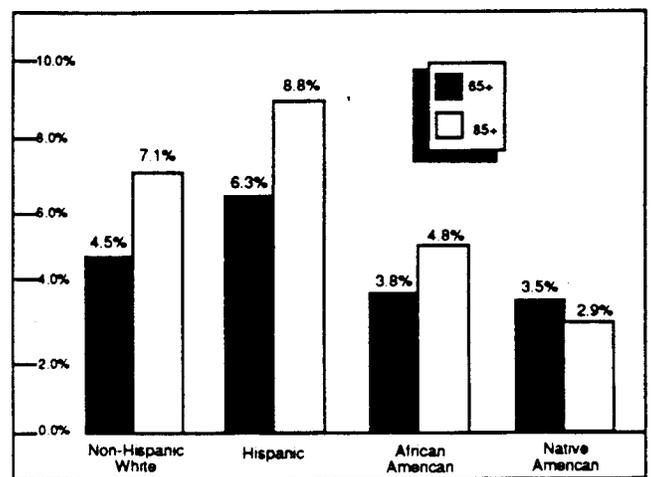


Chart 4 ■
Average annual growth rate for all seniors 65+ and seniors 85+, by ethnic group, Arizona, 1900-1990



From 1980 to 1990, Arizona's Hispanic senior population had the highest annual growth rate, surpassing that found among non-Hispanic whites, African Americans and Native Americans (Chart 4). The number of Hispanic seniors increased by 128% versus the increase of 41% for Native American seniors.

C. Geographic Differences

The vast majority of the state's seniors, 90%, live in six counties: Maricopa, Mohave, Pima, Pinal, Yavapai and Yuma. However, four counties have significantly higher proportions of seniors than the state's 1990 rate of 13.1. They are Yavapai (23.8), Mohave (20.6), Gila (19.4) and LaPaz (19.1). (See Chart 5)

D. Socioeconomic Status

In 1990, 1 in every 6 Arizonans lived in poverty. (In 1995, the federal poverty level is \$7,470 for one person and \$10,030 for two persons.) Seniors 65+ were less likely to be poor (10.8%) than adults aged

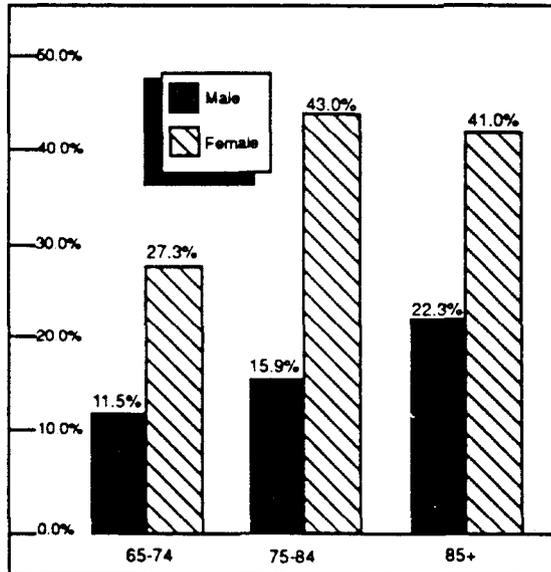
much more common among females than males. Poverty and near-poverty status is more common among the older widowed than among the married.

Social support for older persons can be provided by both family and friend confidants (Antonucci & Cantor, 1991; Ulbrich & Bradsher, 1993). In particular, a positive association between marriage and well-being has been reported (Depner & Ingersoll-Dayton, 1985; Turner, 1981). However, less than 50% of Arizona's women 65+ are married, compared to more than 79% of senior males.

One in four, or about 120,000 senior Arizonans lived alone (Appendix, Table 8). Women accounted for 77% of seniors 65+ who lived alone. Older males were less likely to live alone than females (Chart 7).

Compared to the younger seniors (65-74 years), the seniors (85+) were 10 to 20 times as likely to live in an institutional setting, such as a nursing home (1% versus 10% for males, 1% versus 20% for females.) Women accounted for more than 71% of all seniors who are institutionalized.

Chart 7 ■
**Percent of senior males and senior females
65+ who lived alone, Arizona, 1990**



2. HEALTH STATUS MEASURES

A. Trends and Patterns in Mortality

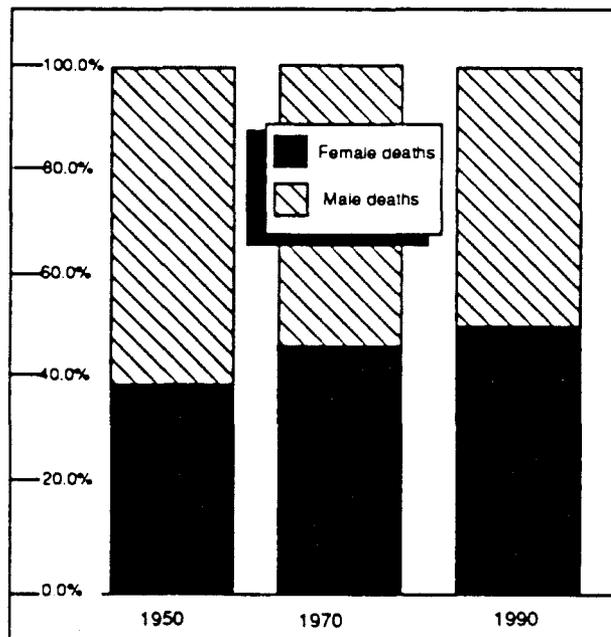
1. The Epidemiologic Transition

The epidemiologic transition here refers to complex changes in the patterns of mortality among seniors. Declines in death rates for persons under 65 years of age have over time led to the growth in the population over age 65. This has contributed to an increase in the percentage of deaths accounted for by the older population. To illustrate this, seniors accounted for 31.2% of total deaths in Arizona in 1940. By 1950, seniors accounted for 37% of the state's total deaths. By 1990, 40 years later, senior deaths were 71.3% of total mortality (Gersten & Mrela, 1992; Mrela, 1994).

Another important aspect of the epidemiologic transition is that male-female differences in mortality have widened markedly in the twentieth century, with female mortality rates becoming much lower than that for males. At the turn of the century, the differences in mortality rates between males and females were negligible. By 1980, the mortality rates of males 65-74 years old were almost twice as high as their female counterparts; 60% higher in the 75-84 years age group; and 27% higher among those 85 and older (National Center for Health Statistics [NCHS], 1993a, 1993b, 1993c).

Declines in death rates for females under 65 have contributed to an increase in the percentage of deaths accounted for by older females. In 1950, there were 38 female deaths for every 100 deaths of persons 65+. In 1970, females accounted for 45%, and in 1990 for 49% of all deaths among seniors in Arizona (Chart 8).

Chart 8
Changes in the proportional contribution of female deaths to total mortality among seniors, Arizona, 1950, 1970 and 1990



Health Status Measures

Hispanic seniors had the lowest average annual total mortality rate in the 1989-1991 period as compared to the other Arizona ethnic groups (Chart 11). Arizona's African American seniors were 57.7% more likely to die than Hispanics, 35.4% more likely than non-Hispanic whites, and 25.4% more likely than Native Americans (Mrela, 1994). Arizona's Native Americans have a much higher mortality rate (32% higher) than their peers nationwide. Total mortality rates declined between 1980 and 1990 by 18% for Hispanics, by 14% for Native Americans, and by 3% for white non-Hispanics, while it remained the same for African Americans.

Heart disease death rates declined least for African American seniors and most for Hispanic seniors between 1980 and 1990 (Appendix, Table 13). African Americans had the highest increase in cancer mortality while Hispanics had the lowest. The ethnic group with the highest death rate for both heart disease and cancer, in both 1980 and 1990, was African Americans. White non-Hispanic seniors were the only ethnic group for which chronic obstructive pulmonary disease (COPD) was one of the five leading causes of death. Diabetes was one of the five leading causes of death for the ethnic minority groups, ranking fourth for Native Americans and Hispanics and fifth for African Americans. In both 1980 and 1990, Native Americans had the highest rate of diabetes by far. By 1990, Hispanics became the ethnic group with the second highest diabetes death rate; in 1980, it was African Americans.

Chart 11
Mortality among seniors 65 + by ethnic group, Arizona (average annual rates for 1989-1991) and United States (1989)

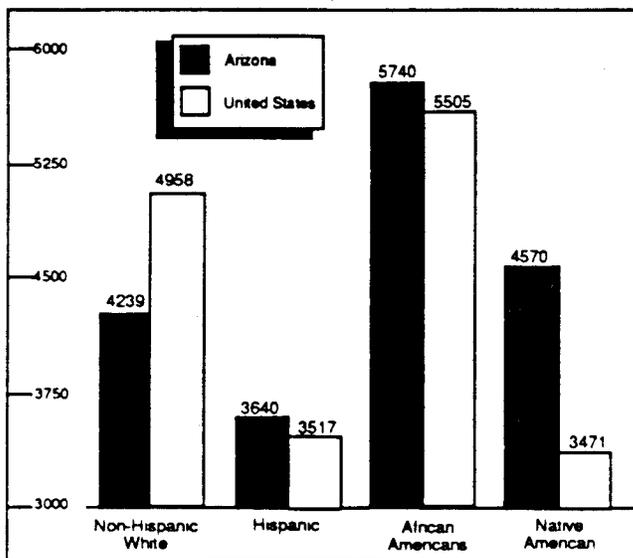
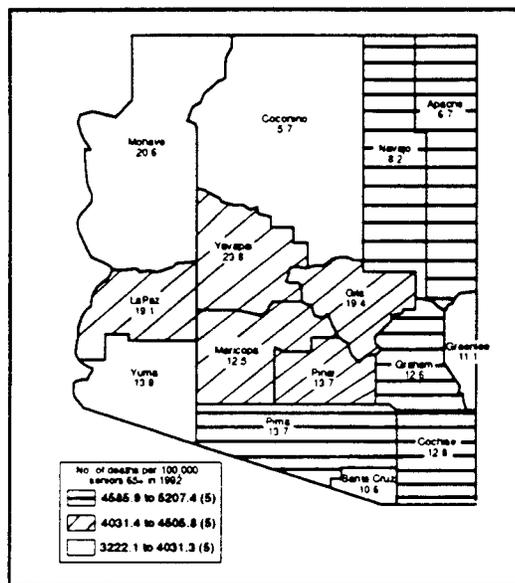


Chart 12
Comparison of mortality rates among seniors 65+ by county of residence, Arizona, 1992



5. Geographic Differences in Mortality

Prior to 1990, Maricopa and Pima counties were delineated by the Census Bureau as the only urbanized areas in Arizona. Beginning in 1990, Yuma County was added as urban. The remaining counties comprise Arizona's rural areas.

Between 1980 and 1990, mortality rates for all causes declined more for rural than for urban seniors. (Appendix, Table 17). This further improved the relative survival chances of rural to urban seniors. During the same time period, annual mortality rates were consistently lower for rural than for urban seniors (Appendix, Table 18).

2. Leading Causes of Mortality

Between 1940 and 1990, dramatic declines in death rates for almost all causes of death were experienced by every gender and age group among seniors. Deaths due to tuberculosis declined by 99.2%, from 209.9 in 1940 to 1.7 in 1990. Similar patterns of decline were noted for deaths from pneumonia and influenza, unintentional injuries and diseases of the heart but deaths due to malignant neoplasms (cancers) have increased by 21.7% among seniors age 65-74 during the same period.

The top four causes of senior mortality have remained the same between 1940 and 1990: diseases of the heart, malignant neoplasms, cerebrovascular disease, and pneumonia/influenza.

3. Gender Differences in Mortality

From 1970 to 1990, the decline in the death rates was 2 times greater for older males (22.3%) than for older females (11.1%). Large declines were experienced by males in their mortality rates from cerebrovascular disease (46.6%), diseases of the heart (32%), and chronic obstructive pulmonary diseases (COPD) (25.8%) (see Chart 9). A similar pattern was noted for female mortality from cerebrovascular diseases (49.3%) and diseases of the heart (21.8%). Unlike males, however, senior females 65+ experienced a large increase in death rates from COPD diseases (emphysema, asthma). Rates of COPD deaths among females 65+ have increased more than three times from 73.8 in 1970 to 223.3 in 1990 (Chart 10).

Chart 9 ■
Changes in mortality rates for the five leading causes of death among senior males 65+, Arizona, 1970, 1980, and 1990

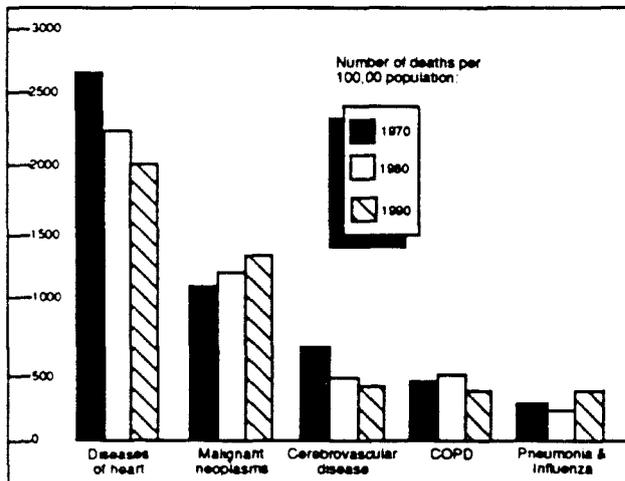
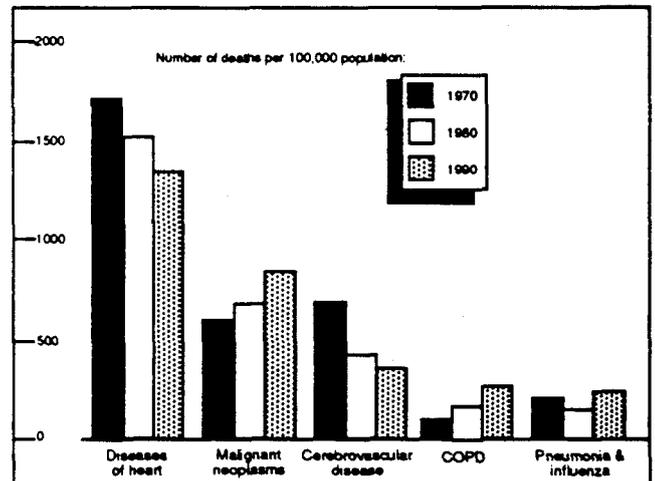


Chart 10 ■
Changes in mortality rates for the five leading causes of death among senior females 65+, Arizona, 1970, 1980 and 1990



4. Ethnic Differences in Mortality

Nationwide, seniors were 15% more likely to die than their peers in Arizona in the 1989-1991 period. However, Arizona Hispanic, African American, and Native American seniors had higher mortality rates than their national peers (NCHS, 1993b).

As illustrated on (Chart 14), the average annual suicide mortality rate for native seniors (21.6) was lower than the rate for non-native seniors (31.4) and only slightly higher than the 1990 national rate of 20.6 (USBC, 1992). A similar pattern was noted for all age groups and among younger Arizonans. In nine of the last eleven years, the suicide rate among older Arizonans (65+) was the highest among all age groups (Mrela, 1993).

Chart 15 shows that each age group of Arizona's seniors experienced substantially higher suicide mortality rates than their peers nationwide. In particular, the oldest old residents of Arizona were at highest risk; they were 2.6 times more likely to die from suicide in 1992 than their peers nationally.

Chart 13 Native and non-native Arizonans as a percent of all persons in a specified age group, Arizona, 1990

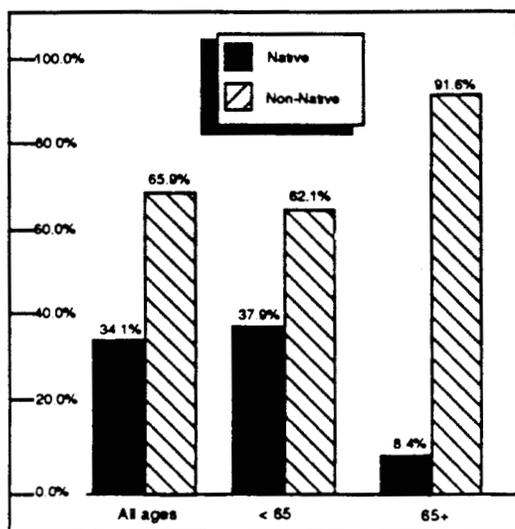


Chart 14 Suicide mortality rates for native and non-native Arizonans by age group*

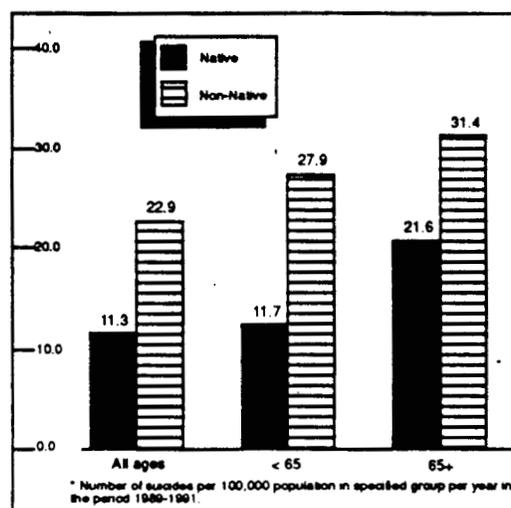
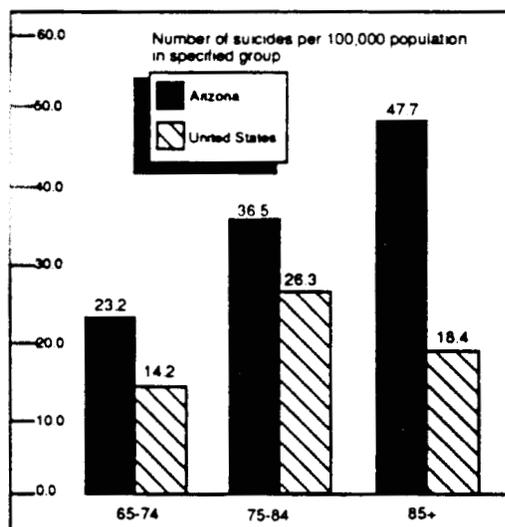


Chart 15 Comparison of suicide mortality rates by age group among seniors 65+, Arizona and United States, 1992



The decline in heart disease and cerebrovascular mortality was much greater for rural than urban seniors from 1980 to 1990 (Appendix, Table 17). The smaller decline in total mortality rates for urban seniors was primarily due to the fact that death rates increased for older urban females, 85+ years (Appendix, Table 18). In 1990, rural older females had better survival chances than rural males; rural older males had better survival chances than their urban peers.

Apache, Cochise, Graham, Navajo and Pima Counties had the highest mortality rates among seniors in 1992 (Chart 12). The rates of death of seniors who resided in Coconino, Greenlee, Mohave, Santa Cruz and Yuma Counties were at least 10% below the state rate. Senior residents of Yuma County had the best survival chances of all counties in 1992; their mortality rate was 26% lower than the statewide average.

6. Injury-Related Mortality

a. Suicide Risk Among Arizona's Seniors

Every age group in Arizona in every year between 1970 and 1993 was at greater risk for suicide compared to its respective national group. The high risk individual for suicide is white, 65+, widowed, male, living alone (Schmid et al., 1994) and likely to have made a recent visit to a physician for various complaints (Miller, 1978). It appears that the higher influx of people from other parts of the country to Arizona could contribute to our higher suicide rate.

In his classic 1897 work *Suicide: A Study in Sociology*, Emile Durkheim proposed that suicide is directly linked to the degree of cohesion present in a society and to a person's feelings of social integration. According to Durkheim, suicide proneness exists only in relation to specific social conditions.

One of the indirect measures of social integration is the proportion of the population which is native-born in an area. Arizona is one of the states with the lowest rates of native-born residents. Both in 1980 and 1990, only one in three Arizonans were native-born. Moreover, older Arizonans are less likely to be native-born than are younger Arizonans. The 1990 rate of natives among persons 64 years and younger (37.9%) was 4.5 times greater than the rate of 8.4% among senior Arizonans (Chart 13). This situation is further compounded by the fact that three out of every four persons who come to Arizona move out again. For the vast majority of the state's seniors, Arizona has been a retirement destination, not a place to grow old. The state's migration patterns add to the social isolation of many of our non-native-born seniors.

The social and public health significance of the state's migration processes are worth exploring further. Gersten et al. (1986) have stated "Difficulties in forming a stable social network are compounded when many people are, in fact, temporary and leave that environment.....Nor is it likely that attachment to the larger community can serve in its stead when that community's newness and continual change impede development and recognition of, let alone identification with, an historically-based character...Social integration is promoted by stable, long-term, native residents in an area who provide a foundation for inter-generational continuity." Gersten et al. (1986) have reported a significant inverse correlation between Arizona's suicide rates and percent of native-born residents. Suicide rates are high and rate of native-born residents is low.

B. Functional Impairments

Older persons have stated that being able to do their daily routines in spite of chronic conditions is what quality of life means (Gerety, 1993; Strauss & Corbin, 1988). When they have too many impairments to remain independent, their perception of their health becomes more negative or limited. Thus, older adults' health perceptions are usually in line with clinical assessments of their health. Functional status affects, to some extent, the living arrangements of older persons. Functional status also affects older adults' risk of institutionalization and active life expectancy (Van Nostrand et al., 1993; Wolinsky et al., 1993).

The broadest definition of functional health status includes assessment of a full range of physical, psychological, social, and cognitive functioning (Kaplan et al., 1992, Lawton, 1991; Patrick & Bergner, 1990). However, many scales that are in common usage today do not measure the full range of functioning. The two that are used here, the Activities of Daily Living Scales and the Instrumental Activities of Daily Living Scales (Katz, 1983), have very widespread usage at the national level (Cornoni-Huntley et al., 1992; Van Nostrand et al., 1993) and in long term care services assessment (Kane & Kane, 1987; 1989), even though they are limited in their measurement of overall function.

Activities of Daily Living (ADL) include the activities of eating, toileting, dressing, bathing, getting in and out of a bed or chair, getting around inside the home, and walking. Instrumental Activities of Daily Living (IADL) include meal preparation, shopping, money management, telephone use, light housework, and heavy housework. A large number of those needing help with IADL's get their needs met with formal care (care delivered by a purchase arrangement) only. However, almost no one with 3 or more ADL's can remain in the community with formal care only. At this point, they require the help of friends and family (Guralnik, 1993).

In addition to the ADL and IADL measures of functional status, the 1990 census questionnaire included, for the first time, a question on general self-care limitations (see Glossary, "Mobility and/or Self-Care Limitation"). Persons were identified as having a self-care limitation if they had a health condition that lasted six or more months which made it difficult for them to take care of their own personal needs.

Arizona data included here on functional impairments is estimated data, based on health data of older Americans (Benson & Marano, 1994; Van Nostrand et al., 1993).

1. Difficulties With Basic Activities of Daily Living

Almost 25% of the older population experience problems performing personal care ADL's. Younger seniors, those 65 to 74 years of age, are more likely to be free of ADL difficulties than those in the 75-and-over group. In addition, females ages 65 to 74 who live alone are more likely than males to have difficulty with one or more personal care activities (Van Nostrand et al., 1993).

The two most commonly experienced ADL difficulties are walking and getting outside. Difficulty with eating and toileting are the least frequently experienced. Among the oldest old, 85+ years, there almost three times as many females as males having difficulty walking outside. The extent to which commu-

b. Unintentional Injury Deaths Among Arizona's Seniors

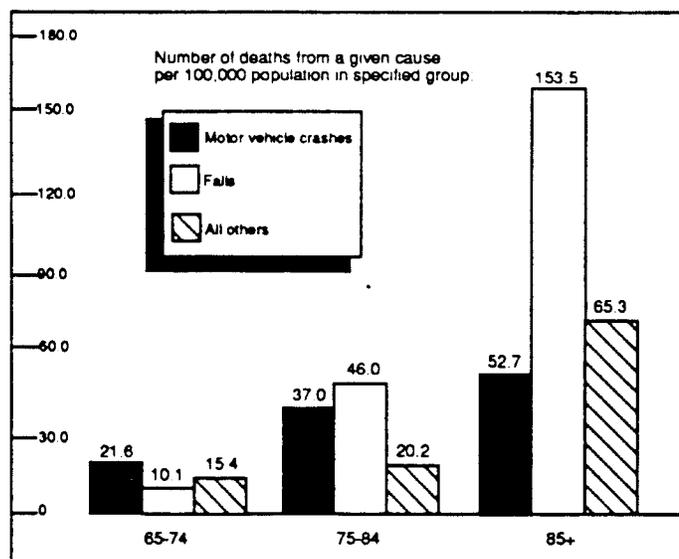
In addition to being more likely to die from suicide compared to their peers nationally, older Arizonans are also more likely to die as drivers or pedestrians in motor vehicle crashes (Mrela, 1993).

In 1992, there were 391,780 licensed senior drivers 65+ in Arizona (Arizona Department of Transportation [ADOT], 1992). On a per-mile basis, older drivers have a greater fatality rate than drivers of any other age. In Arizona in 1992, seniors were fatally injured in motor vehicle crashes at a 50% higher rate than the remainder of the population (Gersten & Mrela, 1992). Seniors are more physically vulnerable than younger people, and are therefore more likely to die from related crash injuries. However, younger-driver problems vastly exceed older-driver problems in terms of driver error (U. S. Department of Transportation [USDOT], 1993).

Arizona's seniors have a higher rate of fatalities from motor vehicle crashes than the national senior rate. In 1992 the rate was 21.6 for Arizona seniors aged 65-74 versus the national rate of 11.7 for this group. The Arizona rate for seniors 75-84 was 37.8; for seniors 85+, it was 52.7. By contrast, the national figure for seniors age 75+ was 14.1.

Falls are the most common type of fatal injury in the 75-84 and 85+ years of age categories (Chart 16). Compared to younger seniors (65-74 years), seniors (85+) were 15 times more likely to die in 1992 from a fall-related injury. National figures show that fall-related traumas, such as hip fractures, cause excessive mortality rates and occur at an annual rate of 29 per 1,000 in persons over age 85 (Ory et al., 1993). Recently, the incidence of hip fractures has been increasing for both males and females. Of the seniors who live to be 90, 32% of the females and 17% of the males will suffer a hip fracture. One-quarter of persons who experience a fractured hip will die within six months of the injury (American Association of Retired Persons [AARP], 1993).

Chart 16
Mortality rates by age group for major causes of unintentional injury death among seniors 65+, Arizona, 1992



2. Difficulties With Instrumental Activities of Daily Living

Approximately 28 percent of older adults experience difficulty with instrumental activities of daily living (IADL's). The pattern of difficulties with IADL's by gender and age group is similar to that for the basic ADL's. Greater percentages of males and younger adults are free from IADL problems than are females and older, old adults. However, it is important to note that men typically tend to perform fewer IADL's throughout their lifespan than women, thus men's reports of difficulty may be underestimated.

The most frequent IADL limitation is difficulty with heavy housework, experienced by more than 90,000 older females and 28,000 older males (Appendix, Table 23). The second most frequent limitation is shopping (Charts 20, 21, 22). The least frequent are difficulties with telephone use and money management.

Chart 20
 Estimated number of Arizonans aged 65-74 who have difficulty performing one or more instrumental activities of daily living, by gender and activity, Arizona, 1992

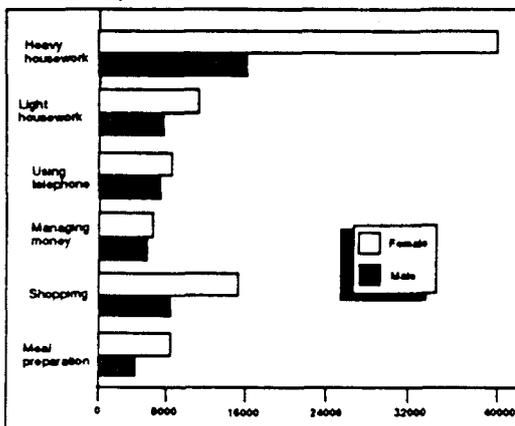


Chart 21
 Estimated number of Arizonans aged 75-84 who have difficulty performing one or more instrumental activities of daily living, by gender and activity, Arizona, 1992

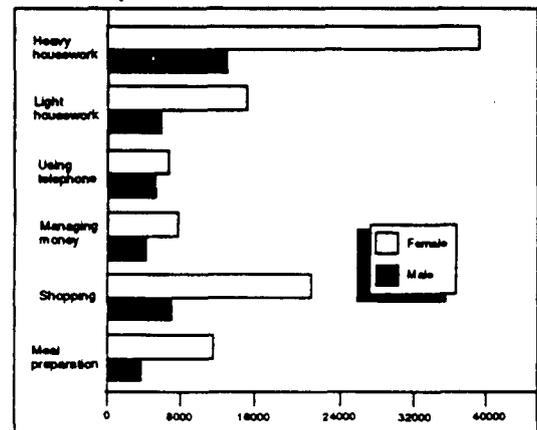
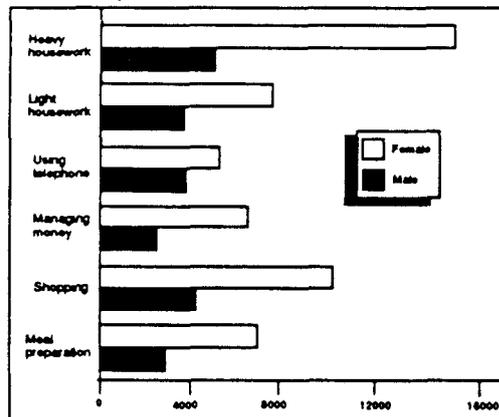


Chart 22
 Estimated number of Arizonans aged 85+ who have difficulty performing one or more instrumental activities of daily living, by gender and activity, Arizona, 1992



nity-residing seniors, by age group, experience difficulty in each of the ADL's are shown in Charts 17, 18 and 19.

Chart 17 ■■

Estimated number of Arizonans aged 65-74 who have difficulty performing one or more activities of daily living, by gender and activity, Arizona, 1992

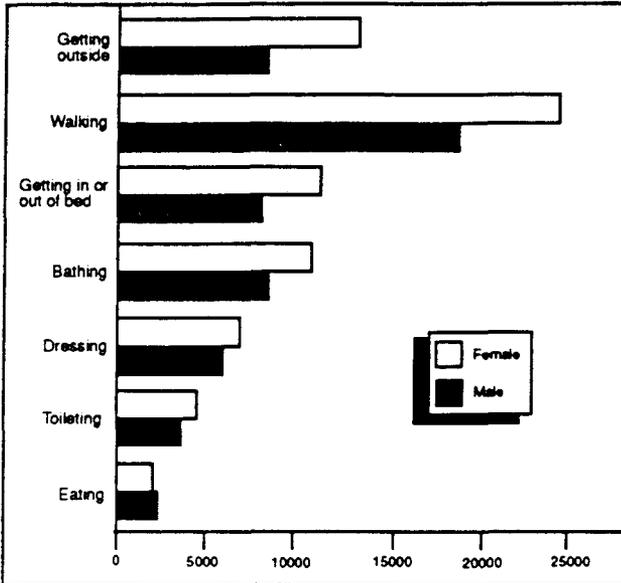


Chart 18 ■■

Estimated number of Arizonans aged 75-84 who have difficulty performing one or more activities of daily living, by gender and activity, Arizona, 1992

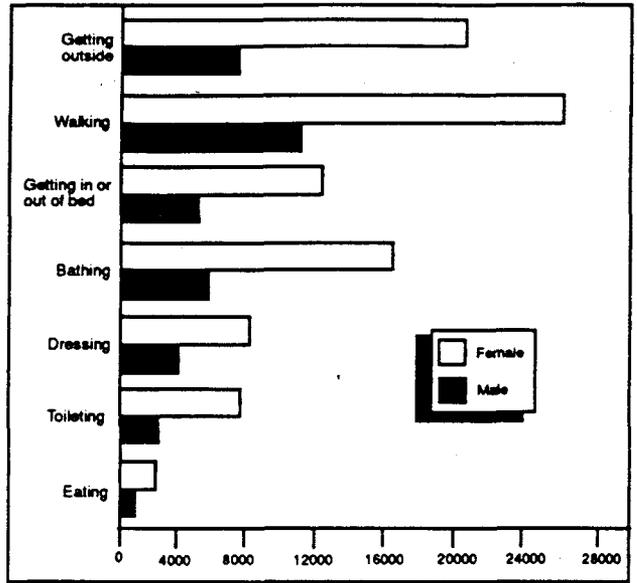
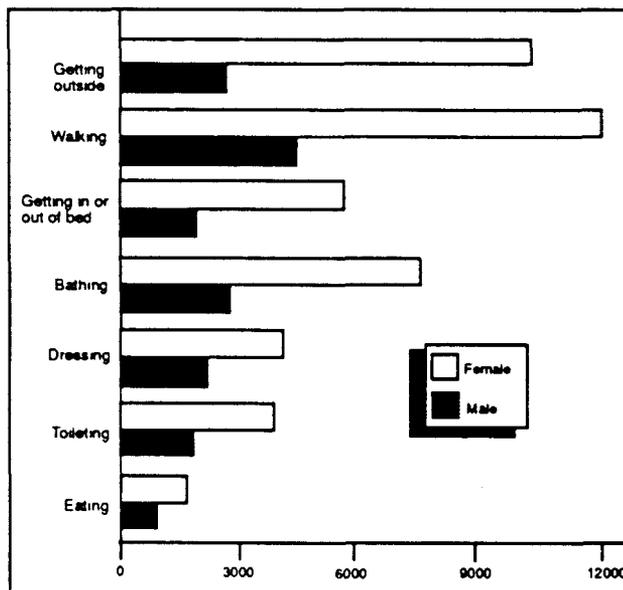


Chart 19 ■■

Estimated number of Arizonans aged 85+ who have difficulty performing one or more activities of daily living, by gender and activity, Arizona, 1992



As individuals grow older, acute conditions become less frequent and chronic conditions become more prevalent. **The likelihood of having a chronic disease or disabling condition increases rapidly with age.** More than 4 out of 5 seniors have at least one chronic condition, and multiple conditions are common (U.S. Department of Health and Human Services, 1991). **Arthritis and hypertension are the most common chronic conditions among seniors.** These are followed, in order of occurrence, by hearing impairment, heart disease, cataracts, orthopedic impairment or deformity, chronic sinusitis, diabetes, visual impairment, and varicose veins.

Hearing impairments are the most common type of sensory impairment among seniors. Hearing impairment can include deafness in both ears as well as other hearing problems.

The mental health problems of seniors are significant in their overall occurrence and in their influence on physical condition and quality of life. **Symptoms of depression are found in a large proportion of seniors.** Some of this is caused by the losses associated with aging, e.g. loss of spouse and physical illness. Suicide, which has been covered in detail in the first chapter of this profile, is more common among seniors than among any other age group nationally and in Arizona.

The types of medical conditions experienced by older people vary by gender. Older men are more likely than women to experience acute illnesses that are life threatening. Older women are more likely to have chronic illnesses that cause physical limitations. Arthritis and osteoporosis, for example, are much more common among older women than men; coronary heart disease is much more common among older men. Older women are more likely than men to be depressed. However, the suicide rate is much higher among older men than women.

D. Health-Related Knowledge and Behaviors

Contrary to popular opinion, older people tend to view their health positively. According to result of a 1989 survey conducted by the National Center for Health Statistics, nearly 71% of seniors living in the community described their health as excellent, very good or good. Only 29% reported that their health as fair or poor.

There are some marked differences in health-related behaviors by gender, according to reports of the Behavioral Risk Factor Surveillance:

- more older men than women smoke (one out of seven vs. one out of nine)
- more females than males were overweight (14 females for every 10 males)
- more males than females were involved in an injury crash (130 males compared to 100 females)
- men were more likely than women to have walked for exercise in the past two weeks, and to play sports regularly
- women were more likely than men to have no permanent teeth

3. Mobility and Self-Care Limitations

Among all states, the rate of mobility and self-care limitations was highest in Mississippi (27.7%); this is twice as high as in South Dakota (13.3%), the lowest ranking state. Arizona ranked 43rd among the states with a rate of 16.5% (Ziegel et al., 1993).

In order to obtain the 1992 estimate of the number of Arizona seniors who had mobility and self-care limitations, the 1990 population breakdowns (or census shares) by age and gender were applied to the 1992 total estimated population.

Using this method, approximately 84,500 older persons in Arizona have a mobility or self-care limitation (Appendix, Table 9) and of that number, 65%, or 54,000, are women. Sixty percent of all seniors who have difficulty with mobility and self-care activities are 75+ years of age. As shown in Chart 16, there are 35,000 women and 16,000 men, 75+ years old, who report a mobility or self-care limitation.

4. Projection of Seniors Who Will Need Assistance

By 2030, for the first time in Arizona's history, more than 1,000,000 older adults will reside in the state. Assuming that no dramatic change of the health status of these seniors will take place, the vast majority of them will live in the community. Even now, there are two to three times the number of people living in the community who are at the same functional level as nursing home clients (Branch, 1993).

This projected increase in size of our older population means that more than 95,000 of them will need the help of another person with one or more ADL's by 2030. Almost 140,000 of them will need assistance with home-management, or IADL's.

Unlike ADL's which are necessities of life, help with IADL's may be required for a variety of reasons other than disability. For example, men report needing more help than women with housekeeping and meal preparation (Penning & Strain, 1994). Yet whatever factors influence functional limitations, their presence has obvious implications for community service delivery and the ability of older persons to function independently. The number of older Arizonans who are in need of assistance with either basic or instrumental activities of daily living will more than double between 1990 and 2030. (Appendix, Table 24)

C. Chronic Conditions and Health Problems

The Committee on Health Promotion and Disability Prevention of the Institute on Medicine (IOM) has identified thirteen chronic conditions and impairments which affect a large number of older people, as well as play a significant role in causing disability among them. These conditions include: high blood pressure; misuse of medications; specific infectious diseases, including respiratory infections; osteoporosis; sensory loss; oral health problems; cancer; poor nutritional status; smoking; depression; physical inactivity; social isolation; and falls (Berg & Cassells, 1992). It is important to note that interventions are already available to at least modify the disabling effect of each of these.

3. HEALTH SERVICE UTILIZATION

Seniors are major users of health care services. They incur one-third of our total health care expenditures nationally. The provision of health care is a large part of the national health budget (Health Care Financing Administration [HCFA], 1990; Hickey & Stilwell, 1991) and acute care is responsible for the major financial impact (Van Nostrand et al., 1993).

A. Office Visits among Older Adults

After the age of 24, office visit rates tend to increase with age. Persons age 75+ have the highest rate, with 5.9 visits per year. This is more than three times as many as persons aged 15-24. In Arizona, seniors made approximately 2.6 million visits in 1992 and accounted for 22% of all patient visits (Schappert, 1992).

Offices Visits by Physician Specialty

Approximately half of all office visits (an estimated 1.28 million) among seniors were made to general or family practice physicians and to internists. Ophthalmologists and general surgeons received a combined total of 23% of all office visits of seniors patients. Younger seniors, 65-74 years, accounted for 79% of all visits by seniors to psychiatrists. Seniors, 75+, accounted for 53% of all senior visits to ophthalmologists (Schappert, 1993a, 1993b).

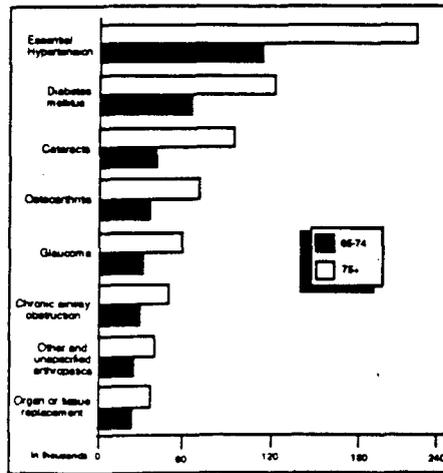
Office Visits by Most Frequent Reasons

The most common reason for seniors' office visits in 1992 was general medical examination. Of the ten most frequent reasons for visits, three were not symptom-related. (These visits came under the "diagnostic/screening and preventive categories" and included general medical examination, postoperative visit, and blood pressure screening.) The other seven most common reasons, comprising about 90% of the visits among the ten most frequent reasons, included cough, vision dysfunction, hypertension, diabetes, chest pain, back symptoms, and stomach pain.

Office Visits by Most Frequent Principal Diagnoses

The most frequent principal diagnosis among seniors in 1992 was hypertension. This diagnosis was given for 8% of all visits among seniors. This was followed, in terms of total numbers of visits, by the following diagnoses: diabetes mellitus, cataracts, other forms of ischemic heart disease, osteoarthritis, glaucoma and chronic airway obstruction (Chart 23).

Chart 23
Estimated number of office visits by most frequent principal diagnosis and patient's age, Arizona, 1992



B. Hospital Use among Older Adults

The likelihood of hospitalization increases with age. In 1992, seniors, 85+, were admitted to hospitals in Arizona at a 2.1 times greater rate than the seniors 65-74 years (Brennan, 1994).

Rate of Discharges

In 1992, more than 25% of Arizona seniors were discharged from short-stay hospitals. Males accounted for 17% more discharges than females. Both male and female seniors had lower hospital discharge rates than their peers nationwide (Van Nostrand et al., 1993).

Hospitalizations by Most Frequent Diagnostic Categories

Medicare, as well as most third-party payers, now reimburse hospitals for inpatient care using a pre-established payment schedule based on patients' diagnosis-related groups (DRGs). Heart failure and shock was the only diagnostic category included among the top five DRGs in both genders of seniors.

The other most common DRG's among seniors age 65-74 included major joint and limb reattachment procedures and chronic obstructive pulmonary disease. For seniors age 75-84, other common diagnoses were: simple pneumonia and pleurisy, specific cerebrovascular disease and major joint and limb reattachment procedures. For seniors age 85+, other common diagnoses were specific cerebrovascular disease and simple pneumonia and pleurisy.

The average length of stay in a hospital increased with age among males but not females. For females, the length of stay was lower for those age 85+ than it was for those age 75-84.

The average charges per person per day decreased with age among males, resulting in the lowest charges for seniors, 85+ . Charges per person per day also decreased with age for females, but charges were the same for those age 75-84 as for those 85+.

■ Discharge Status

In 1992, 5.4% of all hospitalized seniors died during short-stay hospitalization. As expected, those 85+ were more likely to die while hospitalized (8%). **Females were less likely to die while hospitalized than males, but also less likely to be discharged home.** They were more likely than males to be transferred to an institutional setting, such as another hospital, skilled nursing facility, or intermediate care facility (Appendix, Tables 35 and 36).

Healthy Aging In A Public Health Perspective ■

4. HEALTHY AGING IN A PUBLIC HEALTH PERSPECTIVE

In 1990, the Public Health Service issued a document setting the direction nationally for promoting health and preventing disease and disability. This plan, called *Healthy People 2000*, was the collaborative effort of a broad cross-section of health care providers, consumers and business representatives. *Healthy People 2000* outlines several hundred specific objectives for improving the health of Americans by the year 2000. **The main goal for the older adult population is to improve health and quality of life. A more specific objective is to reduce the number of restricted activity days resulting from acute or chronic conditions.** Health promotion priorities for the older population include physical activity, nutrition, substance use (alcohol, drugs and tobacco), mental health, unintentional injuries, oral health, and chronic disabling conditions.

A number of national advocacy groups for seniors, including the American Association of Retired People (AARP), have recognized the significance of *Healthy People 2000*. AARP has printed and widely distributed a summary of the objectives addressing senior health status. AARP has also recommended that the Public Health Service focus resources on expanding data collection for assessing health status in older adults.

In its efforts to implement *Healthy People 2000* for the older population, the Public Health Service entered into an agreement with the Administration on Aging. The result was the three-year national Eldercare Campaign, launched in 1991, which focused increased attention on achieving a nationwide commitment to improving eldercare. Fifteen million dollars of Campaign funds were allocated to local affiliates to develop broad-range approaches addressing the needs of vulnerable older adults. The Eldercare Campaign included a National Eldercare Institute on Health Promotion, which was developed to provide resources on health promotion and disease prevention.

State health departments across the country took a similar proactive approach to educating the public in the implementation of *Healthy People 2000*. The Arizona Department of Health Services coordinated its statewide effort with the local community in producing its version, *Arizona 2000: Plan for a Healthy Tomorrow*, in 1993.

Healthy People 2000 and *Arizona 2000* address the older population through some of the following strategies (ADHS, 1991; Lange, 1993):

- ☛ Ensuring that all older persons have access to a community support program to assist them to continue to live independently.
- ☛ Initiating local campaigns to increase the awareness of older adults about the benefits of changing major risk factors in their life.
- ☛ Improving the use of primary care settings for early detection and treatment of depression and anxiety disorders in the seniors.
- ☛ Establishing non-hospital support services for Arizonans who suffer from arthritis and Alzheimer's disease.

- ☞ Ensuring that seniors with irreversible dementias have access to the following services in their communities: supportive home care, adult day care, transportation, case management, and legal assistance.
- ☞ Initiating statewide and local campaigns to increase awareness of primary care providers of the special health issues and needs of older adults.
- ☞ Establishing programs to reduce the likelihood of falls and hip fractures.
- ☞ Ensuring that seniors receive vaccines against each year's type of influenza and Haemophilus influenzae type b meningitis.
- ☞ Expanding basic dental treatment services to homebound seniors.
- ☞ Initiating detection and treatment of diabetes at early stages to reduce onset of severe and costly complications such as blindness, foot and leg amputation, and end stage renal disease.
- ☞ Expanding emergency medical services in rural areas, which are at elevated risk for traumatic injury and death.
- ☞ Expanding community-based long-term care services in rural areas, which are often lacking many of these services.
- ☞ Developing capacity to inspect, license, and enforce standards for adult care homes to reduce adverse health effects from substandard care, abuse, and neglect.
- ☞ Establishing health coalitions in local communities where the particular needs of special populations are known.
- ☞ Reducing injuries and death from suicide, falls, motor vehicle crashes, and abuse and neglect.

The following tables are a comparison between the 1987-1990 status of older Arizonans and the *Healthy People 2000* objectives. (The comparisons are limited to those objectives for which Arizona has available data. Data to determine the number of deaths by cause, age group, gender and race/ethnicity among Arizona residents were obtained from the death certificate information entered on the annual mortality tapes of the Arizona Department of Health Services.) Comparisons are presented for: suicide deaths; deaths caused by motor vehicle crashes; deaths from falls and fall-related injuries; deaths from pneumonia and influenza; sedentary lifestyle; and female preventive care (mammograms, breast examinations, and pap smears).

Reduce suicides among white men aged 65+ to no more than 39.2 per 100,000

	<u>1987</u>	<u>1990</u>
Arizona	56.6	57.0
United States	46.7	44.4

Reduce deaths among seniors aged 70+ caused by motor vehicle crashes to no more than 20 per 100,000.

	<u>1987</u>	<u>1990</u>
Arizona	25.5	26.4
United States	22.6	23.9

Reduce deaths from falls and fall-related injuries among seniors 65-84 to no more than 14.4 per 100,000.

	<u>1987</u>	<u>1990</u>
Arizona	17.3	20.2
United States	18.1	17.8

Reduce deaths from falls and fall-related injuries among seniors 85+ to no more than 105 per 100,000

	<u>1987</u>	<u>1990</u>
Arizona	103.6	116.7
United States	133.0	143.1

Reduce pneumonia and influenza deaths among seniors 65+*

	<u>1987</u>	<u>1990</u>
Arizona	179.5	221.4
United States	202.9	226.8

Reduce to no more than 22% the proportion of seniors 65+ who engage in no leisure-time physical activity.

<u>U.S.</u>	<u>Arizona</u>
29%	31%

Increase to at least 80% the proportion of women 70+ who ever received a clinical breast examination and a mammogram.

<u>U.S.</u>	<u>Arizona</u>
48%	69.6%

Increase to at least 60% the proportion of women 70+ who received a clinical breast examination and a mammogram within the preceding 1 to 2 years

<u>U.S.</u>	<u>Arizona</u>
45%	58.2%

Increase to at least 95% the proportion of women 70+ with uterine cervix who ever received a Pap test.

<u>U.S.</u>	<u>Arizona</u>
76%	93.8%

* Originally, this objective targeted only epidemic-related pneumonia and influenza deaths. However, there are no reliable baseline data for Arizona to estimate the fraction of pneumonia & influenza deaths that occur beyond the normal yearly fluctuations in mortality

Increase to at least 70% the proportion of women 70+ with uterine cervix who received a Pap test within the preceding 1 to 3 years..

<u>U.S.</u>	<u>Arizona</u>
33%	65.5%

The ADHS Office of Older Adult Health is addressing three injury prevention efforts in its five-year program plan: suicide prevention, fall injury prevention, and pedestrian injury prevention. Each of these are included in *Healthy People 2000* and *Arizona 2000* objectives. The incidence of each of these is greater for Arizona's senior population than the national rate. The economic burden of each is extremely high. Thus, they each are deserving of more resources and monitoring than they are now receiving.

Substantial reductions in death rates and improvements in basic preventive programs are required for Arizona to achieve the national *Healthy People 2000* health objectives for older adults. Local communities can use the objectives, in conjunction with needs assessments, as guidelines to develop programs. Just as importantly, Arizona needs to improve its capacity to track critical aspects of health status that have never been monitored.

Appendices

■ **Glossary**

■ **Methods and Sources**

■ **List of Charts**

■ **List of Tables**

Glossary

GLOSSARY*

Average annual rate of change or growth (% change) - In this report average annual rate of change or growth is the geometric mean and is calculated as follows:

$$((Tl/Te)^{1/n} - 1) \times 100$$

where Tl = later time period

Te = earlier time period

N = number of years in interval

The geometric rate of change assumes that a variable increases or decreases at the same rate during each year between the two time periods.

Average length of stay - The average length of stay per discharged patient is calculated by dividing the total number of hospital days for a specified group by the total number of discharges for that group.

Cause of death - Every death is attributed to one underlying or primary condition, based on the information reported on the death certificate and utilizing the international rules for selecting the underlying cause of death from the reported conditions. Beginning with 1979, the International Classification of Diseases, Ninth Revision (ICD-9) has been used for coding the cause of death. Listed below are categories and International Classification of Diseases codes for the causes of death mentioned in this report:

<u>Cause of Death</u>	<u>ICD Code</u>
Infectious and parasitic diseases	001-139
- HIV infection	042-044
Malignant neoplasms (cancers)	140-208
- Malignant neoplasm of trachea, bronchus and lung	162
- Malignant neoplasm of female breast	174
- Malignant neoplasm of cervix uteri	180
- Malignant neoplasm of prostate	185
Diabetes	250
Alcoholism	291, 303, 571.0-571.3
Diseases of heart	390-398, 402, 404-429
Cerebrovascular disease (stroke)	430-438
Atherosclerosis	440
Other diseases of the arteries	441-448
Influenza and pneumonia	480-487
Chronic obstructive pulmonary disease	490-496
Congenital anomalies	740-759
Unintentional injuries	E800-E949
- Motor vehicle-related	E810-E825
- Fall-related	E880-E888
- Fire and Flames	E890-E899

*In this publication, the meaning of health-related terms is based on Health, United States 1992 and Healthy People 2000 Review. Hyattsville: National Center for Health Statistics, 1993. The meaning of demographic terms is consistent with the definitions of the U.S. Bureau of the Census.

Cause of Death

ICD Code

Suicide

E950-E959

Homicide/legal intervention

E960-E978

Condition - A health condition is a departure from a state of physical or mental well-being. Based on duration, there are two categories of conditions, acute and chronic. An **acute condition** is a condition that has lasted less than 3 months and has involved either a physician visit or restricted activity. A **chronic condition** refers to any condition lasting 3 months or is a condition classified as chronic regardless of its time of onset (for example, diabetes).

Death rate - It is calculated by dividing the number of deaths in a population in a year by the mid-year resident population. It is expressed as the number of deaths per 1,000 or per 100,000 population. The rate may be restricted to deaths in specific age, gender, race/ethnicity or from specific causes of death.

Diagnosis Related Group (DRG) - Approximately 490 groups of similar illnesses or procedures, each group with its specific code number. DRG's were developed to more effectively administer and provide uniform reimbursement for Medicare services. Instead of paying for each service provided, many providers are reimbursed by the DRG. Insurance companies also use the DRG in a similar manner.

Disability - It is a general term that refers to any long- or short-term reduction of a person's activity as a result of an acute or chronic condition.

Discharge - The formal release of an inpatient by a hospital, that is, the termination of a period of hospitalization by death or by disposition to a place of residence, nursing home or another hospital.

Functional status - The ability of an individual to perform basic or instrumental activities of daily living. **Activities of daily living** include seven personal care activities (eating, toileting, dressing, bathing, transferring, walking, and getting outside). **Instrumental activities of daily living** refer to six home-management activities (meal preparation, shopping, money management, telephone use, light housework, and heavy housework).

Group quarters - All persons not living in households are classified by the Census Bureau as living in group quarters. Two general categories of persons in group quarters are recognized: (1) institutionalized persons (patients or inmates of an institution at the time of enumeration), (2) other persons in group quarters (when there 10 or more unrelated persons living in a rooming house, a group home or a dormitory).

Household - A household includes all the persons who occupy a housing unit (a house, an apartment, a mobile home).

Householder - One person in each household is designated by the Census Bureau as the householder. In most cases, this is the person, or one of the persons, in whose name the house is owned, being bought or rented. Two types of householders are distinguished: a family householder and a nonfamily householder. A **family householder** is a householder living with one or more persons related to him or her by birth, marriage, or adoption. A **nonfamily house** is a householder living alone or with nonrelatives only.

Methods and Sources

Methods

There are two types of data in this report. First, the **actual accounts** of population in the census years, of annually diagnosed cancer cases, reported discharges from hospitals and registered deaths. Second, the **approximations** of the number of people in Arizona in specified demographic subgroups in the intercensal years and, among them, those with damaged health, impairments, acute and chronic conditions, but also those who have specified health knowledge and habits. Except for population projections, these approximations were derived from national and state surveys of health characteristics of specified age-and-gender groupings. According to this approach, the national percentages of people affected with a particular condition, or who habitually engage in certain health practices, were applied to identical demographic subgroups in the state.

In the absence of comprehensive and current subnational data bases of health conditions and health practices, the synthetic estimation gives some sense of the scope of threats to health on a local level. By combining the national estimates of specific health parameters with population data for a given state, this technique is based on a reasonable assumption that *the state's boundaries do not make its residents immune to problems experienced nationally*.

The disadvantage of this approach is its lack of sensitivity to state-specific risk factors, endemic health problems and unique challenges to health promotion and disease prevention. Obviously, synthetic estimates are an outcome of necessity, rather than a preference, to area-specific surveys and surveillance systems.

Listed on the following pages are data sources for actual accounts and approximations presented in this report.

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TABLE 1.

**TOTAL POPULATION AND ARIZONA'S SENIORS
(65 Years and Older) BY AGE GROUP,
CENSUS YEARS, 1900-1990**

YEAR	TOTAL POPULATION ALL AGES	TOTAL PERSONS 65+	65-74	75-84	85+
1900	122,931	3,328	2,422	727	179
1910	204,354	5,794	4,069	1,390	335
1920	334,162	9,977	7,133	2,305	539
1930	435,573	15,768	11,123	3,872	773
1940	499,261	23,909	17,186	5,636	1,087
1950	749,587	44,241	31,447	10,802	1,992
1960	1,302,161	90,225	63,634	22,499	4,092
1970	1,770,900	161,474	107,740	44,233	9,501
1980	2,718,215	307,362	202,120	86,104	19,138
1990	3,665,228	478,774	290,044	151,013	37,717

TABLE 2.

**AGE DISTRIBUTION OF ARIZONA'S SENIORS
(65 Years and Older) AS A PERCENTAGE OF THE TOTAL POPULATION,
CENSUS YEARS, 1900-1990**

YEAR	TOTAL POPULATION ALL AGES	TOTAL PERSONS 65+	65-74	75-84	85+
1900	100.0	2.7	2.0	0.6	0.1
1910	100.0	2.8	2.0	0.7	0.2
1920	100.0	3.0	2.1	0.7	0.2
1930	100.0	3.6	2.5	0.9	0.2
1940	100.0	4.8	3.4	1.1	0.2
1950	100.0	5.9	4.2	1.4	0.3
1960	100.0	6.9	4.9	1.7	0.3
1970	100.0	9.1	6.1	2.5	0.5
1980	100.0	11.3	7.4	3.2	0.7
1990	100.0	13.1	7.9	4.1	1.0

Sources: U.S. Department of Commerce, Bureau of the Census. *Vital Statistics Rates in the United States 1900-1940*. Washington, D.C. 1943. U.S. Department of Health, Education and Welfare. *Vital Statistics Rates in the United States 1940-1960*. Washington, D.C. 1968. U.S. Department of Commerce, Bureau of the Census. *1970 Census of the Population, Vol. I. Characteristics of the Population, Part 4: Arizona*. Washington, D.C. 1973. U.S. Department of Commerce, Bureau of the Census. *Characteristics of the Population, Part 4: Arizona*. Washington, D.C. 1983. U.S. Department of Commerce, Bureau of the Census. *1990 Census of Population. General Population Characteristics, Arizona*. Washington, D.C. 1992.

TABLE 3.

**PROJECTED GROWTH OF ARIZONA'S SENIORS
(65 Years and Older) BY AGE GROUP AND TEN-YEAR INTERVAL,
1990-2040**

YEAR	TOTAL PERSONS 65+	65-74	75-84	85+
1990	478,774	290,044	151,013	37,717
2000	577,553	284,970	214,428	78,155
2010	670,484	347,487	209,335	113,662
2020	920,543	549,018	257,011	114,514
2030	1,278,677	739,398	402,505	136,774
2040	1,487,627	744,866	534,889	207,872

Sources: Arizona Department of Economic Security, Research Administration, Population Statistics Unit, Population Projections 1993-2040, February 1993.

TABLE 4.
SENIORS BY AGE GROUP AND ETHNICITY
ARIZONA 1980 AND 1990

65-74 YEARS	1980	1990
NON-HISPANIC WHITE	180,868	255,829
HISPANIC	12,839	22,278
BLACK	3,020	4,169
NATIVE AMERICAN	4,444	6,133
ASIAN	860	1,635
TOTAL	202,031	290,044
75-84 YEARS	1980	1990
NON-HISPANIC WHITE	76,411	135,526
HISPANIC	5,121	9,833
BLACK	1,286	2,055
NATIVE AMERICAN	1,976	2,971
ASIAN	439	628
TOTAL	85,233	151,013
85 YEARS AND OVER	1980	1990
NON-HISPANIC WHITE	16,684	33,277
HISPANIC	1,202	2,594
BLACK	393	628
NATIVE AMERICAN	795	1,060
ASIAN	64	158
TOTAL	19,138	37,717

TABLE 5.

**ARIZONA'S SENIORS
(65 Years and Older) BY GENDER, AGE GROUP AND YEAR,
1987-1992**

YEAR		TOTAL PERSONS 65+	65-74	75-84	85+
1987	TOTAL	421,074	255,171	132,638	33,265
	Male	180,482	114,787	54,866	10,829
	Female	240,592	140,384	77,772	22,436
1988	TOTAL	438,538	265,754	138,139	34,645
	Male	187,186	119,050	56,905	11,231
	Female	251,352	146,704	81,234	23,414
1989	TOTAL	455,948	276,304	143,624	36,020
	Male	193,998	123,383	58,975	11,640
	Female	261,950	152,921	84,649	24,380
1990	TOTAL	478,774	290,044	151,013	37,717
	Male	206,937	131,571	62,897	12,469
	Female	271,837	158,473	88,116	25,248
1991	TOTAL	491,594	297,906	154,852	38,836
	Male	212,478	135,136	64,593	12,749
	Female	279,116	162,770	90,259	26,087
1992	TOTAL	504,063	305,462	158,780	39,821
	Male	217,867	138,563	66,232	13,072
	Female	286,195	166,899	92,548	26,749

Sources: U.S. Department of Commerce, Bureau of the Census. 1990 Census of Population. General Population Characteristics. Arizona. Washington, D.C. 1992 (data for 1990). Arizona Department of Economic Security, Research Administration, Population Statistics Unit. Baseline Projections 1986-2010. December 12, 1986 (total persons 65+ in 1987 - 1989). In order to obtain population counts for 1991 and 1992, the 1990 percentages of population breakdowns (or census shares) by age and gender were applied to total state population projections published by the Department of Economic Security.

TABLE 6.**PERSONS 65 YEARS AND OVER BY MARITAL STATUS, AGE GROUP AND GENDER
ARIZONA 1990**

AGE GROUP/GENDER	TOTAL	NOW MARRIED	NEVER MARRIED	SEPARATED	WIDOWED	DIVORCED
TOTAL 65 YRS & OVER	478,774	294,294	13,429	3,793	138,087	29,171
Male	206,937	164,332	5,215	1,977	24,270	11,413
Female	271,837	129,962	8,214	1,816	113,817	18,028
TOTAL 65-74 YEARS	290,044	202,792	7,703	2,684	58,666	20,883
Male	131,571	108,766	3,448	1,379	9,784	8,194
Female	158,473	94,026	4,255	1,305	46,198	12,689
TOTAL 75-84 YEARS	151,013	81,008	4,345	941	57,654	7,065
Male	62,897	48,276	1,449	510	10,074	2,588
Female	88,116	32,732	2,896	431	47,580	4,477
TOTAL 85 YRS & OVER	37,717	10,494	1,381	168	24,451	1,223
Male	12,469	7,290	318	88	4,412	361
Female	25,248	3,204	1,063	80	20,039	862

TABLE 7.

PERCENT DISTRIBUTION OF PERSONS 65 YEARS AND OVER
 BY MARITAL STATUS, AGE GROUP AND GENDER,
 ARIZONA 1990

AGE GROUP/GENDER	TOTAL	NOW MARRIED	NEVER MARRIED	SEPARATED	WIDOWED	DIVORCED
TOTAL 65 YRS & OVER	100.0	61.5	2.8	0.8	28.8	6.1
Male	100.0	79.4	2.5	0.9	11.7	0.5
Female	100.0	47.8	3.0	0.7	41.9	6.6
TOTAL 65-74 YEARS	100.0	70.0	2.6	0.9	20.2	7.2
Male	100.0	82.7	2.6	1.0	7.4	6.2
Female	100.0	59.3	2.7	0.8	29.1	8.0
TOTAL 75-84 YEARS	100.0	53.6	2.9	0.6	38.2	4.7
Male	100.0	76.7	2.3	0.8	16.0	4.1
Female	100.0	37.1	3.3	0.5	54.0	5.1
TOTAL 85 YRS & OVER	100.0	27.8	3.7	0.4	64.8	3.2
Male	100.0	58.5	2.5	0.7	35.4	2.9
Female	100.0	12.7	4.2	0.3	79.4	3.4

TABLE 8.

**LIVING ARRANGEMENTS OF PERSONS 65 YEARS AND OVER
BY AGE GROUP, ARIZONA
1990**

LIVING ARRANGEMENTS	ALL 65+	65-74	75-84	85+
LIVING IN FAMILY HOUSEHOLDS	337,856	224,338	95,752	17,766
LIVING IN NON-FAMILY HOUSEHOLDS	125,134	62,012	49,544	13,578
MALE	30,609	16,933	10,719	2,957
LIVING ALONE	27,857	15,090	9,988	2,779
FEMALE	94,525	45,079	38,825	10,621
LIVING ALONE	91,430	43,240	37,844	10,346
INSTITUTIONALIZED PERSONS	13,613	2,222	5,227	6,164
OTHER PERSONS IN GROUP QUARTERS	2,171	1,472	490	209
TOTAL PERSONS:	478,774	290,044	151,013	37,717

TABLE 9.

**CHANGES IN MALE-TO-FEMALE RATIOS IN MORTALITY RATES BY
BIRTH COHORT, AGE GROUP AND YEAR OF DEATH,
UNITED STATES, 1900-1980**

AGE AT DEATH

BIRTH COHORT	65-74	75-84	85+	YEAR OF DEATH
1906 - 1915	1.91			
1896 - 1905	1.89	1.62		
1886 - 1895	1.71	1.50	1.27	1980
1876 - 1885	1.48	1.33	1.15	1970
1866 - 1875	1.19	1.24	1.11	1960
1856 - 1865	1.12	1.10	1.13	1950
1846 - 1855	0.99	1.06	1.10	1940
1836 - 1845	1.10	1.00	1.04	1930
1826 - 1835	1.11	1.09	1.00	1920
1816 - 1825		1.08	1.00	1910
1806 - 1815			1.05	1900

* Based of gender and age specific death rates, 1900-1980

** Number of death per 100,000 males

Number of death per 100,000 females

NOTE: The value of 1 means that male and female mortality rates are identical.

TABLE 10.

**COMPARISON OF MORTALITY RATES AMONG SENIORS 65-74 YEARS FOR
SELECTED LEADING CAUSES OF DEATH IN ARIZONA
1940 & 1990**

NUMBER OF DEATH PER 100,000 POPULATION AGED 65-74

CAUSE OF DEATH	1940	1990	PERCENT CHANGE FROM 1940
DISEASES OF HEART	1,448.9	742.3	-48.8
PNEUMONIA & INFLUENZA	993.6	64.5	-93.5
MALIGNANT NEOPLASMS	634.2	772.0	+21.7
CEREBROVASCULAR DISEASE	506.2	119.6	-76.4
UNINTENTIONAL INJURIES	261.8	47.1	-82.0
TUBERCULOSIS	209.9	1.7	-99.2
ALL CAUSES	4,707.3	2,352.8	-50.0

TABLE 11.

**RATES FOR THE FIVE LEADING CAUSES OF DEATH AMONG
SENIORS 65 YEARS AND OVER BY GENDER, ARIZONA,
SELECTED YEARS, 1970, 1980 & 1990**

MALE	1970	1980	1990	% CHANGE FROM 1970
Diseases of Heart	2588.5	2188.5	1759.5	-32.0
Malignant Neoplasms (cancers)	1097.0	1181.3	1277.2	+16.4
Cerebrovascular Disease	658.2	374.2	351.8	-46.6
Chronic Obstructive Pulmonary Disease	415.9	416.8	308.8	-25.8
Influenza & Pneumonia	235.6	202.2	253.2	+7.5
TOTAL: ALL CAUSES	6414.0	5448.8	4981.7	-22.3
FEMALE	1970	1980	1990	% CHANGE FROM 1970
Diseases of Heart	1687.4	1477.8	1319.9	-21.8
Malignant Neoplasms	600.0	662.5	811.5	+35.3
Cerebrovascular Disease	670.1	394.0	339.9	-49.3
Chronic Obstructive Pulmonary Disease	73.8	136.6	223.3	+202.6
Influenza & Pneumonia	175.3	151.2	197.2	+12.5
TOTAL: ALL CAUSES	4133.7	3600.0	3673.9	-11.1

TABLE 12.

**MORTALITY RATES¹ FOR THE FIVE LEADING CAUSES² OF DEATH AMONG SENIORS
(65-74, 75-84, 85 YRS & OLDER) BY GENDER
ARIZONA, 1980 & 1990**

GENDER/CAUSES	1980			1990			% CHANGE FROM 1980-1990		
	65-74	75-84	85+	65-74	75-84	85+	65-74	75-84	85+
MALE									
Diseases of Heart	1414.8	3235.9	8531.1	1052.7	2370.5	6135.2	-25.6	-26.7	-28.1
Malignant Neoplasms	905.5	1637.2	3000.7	938.7	1736.2	2534.3	+3.7	+6.1	-15.5
Chronic Obstructive Pulmonary Disease	320.9	611.9	976.9	221.2	518.3	890.2	-31.1	-15.3	-8.9
Cerebrovascular Disease	183.0	581.6	2233.1	132.3	472.2	1347.3	-27.7	-18.8	-39.7
Pneumonia & Influenza	71.1	333.5	1535.2	89.7	337.1	1555.9	+26.2	+1.1	+1.4
All Causes	3622.0	7819.5	21127.0	3050.1	6847.7	15951.6	-15.8	-12.4	-24.5
Number of all Deaths:	3364	2837	1211	4013	4307	1989	+19.3	+51.8	+64.2
FEMALE									
Diseases of Heart	644.4	2016.3	6724.8	484.6	1578.6	5659.9	-24.8	-21.7	-15.8
Malignant Neoplasms	541.9	811.0	1167.4	633.6	974.9	1358.5	+16.9	+20.2	+16.4
Cerebrovascular Disease	130.0	582.2	1983.1	109.2	413.1	1532.8	-16.0	-29.1	-22.7
Chronic Obstructive Pulmonary Disease	96.1	181.8	319.9	145.1	304.1	431.7	+51.0	+67.3	+35.0
Pneumonia & Influenza	30.2	196.1	1039.5	43.5	178.2	1227.8	44.0	-9.1	+18.1
All Causes	1867.4	4798.6	14225.2	1773.8	4384.0	13121.8	-5.0	-8.6	-7.8
Number of all Deaths:	2040	2349	1779	2811	3863	3313	+37.8	+64.5	+86.2
TOTAL:									
Diseases of Heart	998.4	2535.4	7292.5	742.3	1908.4	5817.0	-25.7	-24.7	-20.2
Malignant Neoplasms	708.9	1162.7	1743.6	772.0	1291.9	1747.2	+8.9	+11.1	+0.2
Cerebrovascular Disease	154.4	581.9	2061.6	119.6	437.7	1471.5	-22.5	-24.8	-28.6
Chronic Obstructive Pulmonary Disease	199.4	364.9	526.4	179.6	393.3	583.3	-9.9	+7.8	+10.8
Pneumonia & Influenza	49.0	254.6	1195.3	64.5	244.4	1336.3	+31.6	-4.0	+11.8
All Causes	2670.0	6084.5	16394.3	2352.8	5410.1	14057.3	-11.9	-11.1	-14.3
Number of all Deaths:	5404	5186	2990	6824	8170	5302	+26.3	+57.5	+77.3

¹Rates are presented per 100,000 population.
²The five causes with the greatest number of deaths in 1990.

**MORTALITY RATES FOR THE FIVE LEADING CAUSES OF DEATH¹
AMONG SENIORS (65 YRS & OLDER) BY ETHNICITY
ARIZONA, 1980 & 1990**

<u>ETHNICITY</u>	<u>LEADING CAUSES OF DEATH</u>	<u>1980</u>	<u>1990</u>	<u>\$ CHANGE % FROM 1980</u>
WHITE ²	Diseases of Heart	1808.8	1537.5	-15.0
	Malignant Neoplasms	908.6	1035.2	+13.9
	Cerebrovascular Disease	389.9	331.6	-15.0
	Chronic Obstructive Pulmonary Disease	279.0	299.3	+7.3
	Pneumonia & Influenza	161.9	220.0	+35.9
	ALL CAUSES	4386.9	4272.7	-2.6
	(Number of all Deaths)	(12027)	(18119)	(+50.7)
	HISPANIC	Diseases of Heart	1687.1	1247.3
Malignant Neoplasms		828.4	836.3	+1.0
Cerebrovascular Disease		383.9	260.8	-32.1
Diabetes		166.7	184.3	+10.6
Pneumonia & Influenza		212.2	164.4	-22.5
ALL CAUSES		4450.2	3642.7	-18.2
(Number of all Deaths)		(881)	(1285)	(+45.9)
BLACK		Diseases of Heart	2057.1	1941.0
	Malignant Neoplasms	958.6	1328.1	+38.6
	Cerebrovascular Disease	479.3	481.6	+0.5
	Pneumonia & Influenza	179.7	204.3	+13.7
	Diabetes	279.6	175.1	-37.4
	ALL CAUSES	5452.4	5443.7	-.02
	(Number of all Deaths)	(273)	(373)	(+36.6)
	NATIVE AMERICAN	Diseases of Heart	1345.5	1131.4
Malignant Neoplasms		532.6	590.3	+10.8
Pneumonia & Influenza		546.6	482.1	-11.8
Diabetes		420.5	403.4	-4.1
Cerebrovascular Disease		182.2	255.8	+40.4
ALL CAUSES		5199.7	4476.6	-13.9
(Number of all Deaths)		(371)	(455)	(+22.6)
TOTAL: ALL ETHNIC GROUPS ³		Diseases of Heart	1792.3	1509.9
	Malignant Neoplasms	892.1	1012.8	+13.5
	Cerebrovascular Disease	385.2	326.5	-15.2
	Chronic Obstructive Pulmonary Disease	263.5	278.8	+5.8
	Pneumonia & Influenza	173.7	221.4	+27.5
	ALL CAUSES	4418.2	4239.2	-4.1
	(Number of all Deaths)	(13580)	(20296)	(+49.5)

¹Leading causes are based on 1990 vital records.

²Includes only white of non-Hispanic origin.

³Includes other ethnic groups.

TABLE 14.

**MORTALITY RATES FOR THE FIVE LEADING CAUSES OF DEATH¹
AMONG SENIORS (65-74) BY ETHNICITY
ARIZONA, 1980 & 1990**

<u>ETHNICITY</u>	<u>LEADING CAUSES OF DEATH % CHANGE</u>	<u>1980</u>	<u>1990</u>	<u>FROM 1980</u>
WHITE ²	Malignant Neoplasms	698.3	797.0	+14.1
	Disease of Heart	975.5	751.2	-23.0
	Chronic Obstructive Pulmonary Disease	209.5	195.3	-6.8
	Cerebrovascular Disease	150.0	119.0	-20.7
	Pneumonia & Influenza	45.5	61.5	+35.2
	ALL CAUSES	2575.1	2364.4	-8.2
	(Number of all Deaths)	(4757)	(6040)	(+27.0)
	HISPANIC	Disease of Heart	1335.1	600.5
Malignant Neoplasms		1026.2	582.9	-43.2
Diabetes		176.5	136.9	-22.4
Cerebrovascular Disease		253.8	119.2	-53.0
Pneumonia & Influenza		99.3	66.2	-33.3
ALL CAUSES		3895.0	2017.9	-48.2
(Number of all Deaths)		(353)	(457)	(+29.5)
BLACK		Disease of Heart	1655.6	1247.3
	Malignant Neoplasms	1059.6	1031.4	-2.7
	Cerebrovascular Disease	331.1	215.9	-34.8
	Diabetes	165.6	167.9	+1.4
	Chronic Obstructive Pulmonary Disease	198.7	96.0	-51.7
	ALL CAUSES	4602.7	3574.0	-22.4
	(Number of all Deaths)	(139)	(149)	(+7.2)
	NATIVE AMERICAN	Disease of Heart	877.6	652.2
Malignant Neoplasms		382.5	391.3	+2.3
Diabetes		360.0	309.8	-13.9
Pneumonia & Influenza		45.0	195.7	+268.2
Unintentional Injuries		270.0	179.4	-33.6
ALL CAUSES		3285.3	2559.9	-22.1
(Number of all Deaths)		(146)	(157)	(+7.5)
TOTAL: ALL ETHNIC GROUPS ³		Malignant Neoplasms	708.9	772.0
	Disease of Heart	998.4	742.3	-25.7
	Chronic Obstructive Pulmonary Disease	199.4	179.6	-9.9
	Cerebrovascular Disease	154.4	119.6	-22.5
	Pneumonia & Influenza	49.0	64.5	+31.6
	ALL CAUSES	2670.0	2352.8	-11.9
	(Number of all Deaths)	(5404)	(6824)	(+26.3)

¹Leading causes are based on 1990 vital records.

²Includes only white of non-Hispanic origin.

³Includes other ethnic groups.

TABLE 15.

**MORTALITY RATES FOR THE FIVE LEADING CAUSES OF DEATH¹
AMONG SENIORS (75-84 YRS) BY ETHNICITY
ARIZONA, 1980 & 1990**

<u>ETHNICITY</u>	<u>LEADING CAUSES OF DEATH</u> <u>% CHANGE</u>	<u>1980</u>	<u>1990</u>	<u>FROM 1980</u>
WHITE ²	Diseases of Heart	2543.6	1918.5	-24.6
	Malignant Neoplasms	1198.5	1304.6	+8.9
	Cerebrovascular Disease	593.3	441.8	-25.5
	Chronic Obstructive Pulmonary Disease	386.4	419.6	+8.6
	Pneumonia & Influenza	242.3	244.5	+0.9
	ALL CAUSES	6068.3	5408.9	-10.9
	(Number of all Deaths)	(4633)	(7322)	(+58.0)
HISPANIC	Diseases of Heart	2700.6	1811.8	-32.9
	Malignant Neoplasms	1041.7	1211.2	+16.3
	Cerebrovascular Disease	540.1	320.3	-40.7
	Diabetes	192.9	260.3	+34.9
	Pneumonia & Influenza	308.6	150.2	-51.3
	ALL CAUSES	6423.6	5095.1	-20.7
	(Number of all Deaths)	(333)	(509)	(+52.9)
BLACK	Diseases of Heart	2954.9	2335.8	-21.0
	Malignant Neoplasms	777.6	1703.2	+119.0
	Cerebrovascular Disease	622.1	681.3	+9.5
	Pneumonia & Influenza	233.3	292.0	+25.2
	Diabetes	466.6	243.3	-47.9
	ALL CAUSES	6531.9	6715.3	+2.8
	(Number of all Deaths)	(84)	(138)	(+64.3)
NATIVE AMERICAN	Diseases of Heart	1670.0	1514.6	-9.3
	Malignant Neoplasms	607.3	774.2	+27.5
	Diabetes	506.1	538.5	+6.4
	Pneumonia & Influenza	657.9	538.5	-18.2
	Cerebrovascular Disease	253.0	471.2	+86.3
	ALL CAUSES	6174.1	5823.0	-5.7
	(Number of all Deaths)	(122)	(173)	(+41.8)
TOTAL: ALL ETHNIC GROUPS ³	Diseases of Heart	2535.4	1908.4	-24.7
	Malignant Neoplasms	1162.7	1291.9	+11.1
	Cerebrovascular Disease	581.9	437.7	-24.8
	Chronic Obstructive Pulmonary Disease	364.9	393.3	+7.8
	Pneumonia & Influenza	254.6	244.4	-4.0
	ALL CAUSES	6084.5	5410.1	-11.1
	(Number of all Deaths)	(5186)	(8170)	(+57.5)

¹Leading causes are based on 1990 vital records.

²Includes only white of non-Hispanic origin.

³Includes other ethnic groups.

TABLE 16.

**MORTALITY RATES FOR THE FIVE LEADING CAUSES OF DEATH¹
AMONG SENIORS (85 YRS & OLDER) BY ETHNICITY
ARIZONA, 1980 & 1990**

<u>ETHNICITY</u>	<u>LEADING CAUSES OF DEATH % CHANGE</u>	<u>1980</u>	<u>1990</u>	<u>FROM 1980</u>
WHITE ²	Diseases of Heart	7575.3	6030.3	-20.4
	Malignant Neoplasms	1783.2	1769.4	-0.8
	Cerebrovascular Disease	2113.6	1516.6	-28.3
	Pneumonia & Influenza	1091.1	1339.1	+22.7
	Chronic Obstructive Pulmonary Disease	517.5	607.9	+17.5
	ALL CAUSES	16441.2	14314.5	-12.9
	(Number of all Deaths)	(2637)	(4757)	(+80.4)
HISPANIC	Diseases of Heart	5998.4	4660.9	-22.3
	Malignant Neoplasms	1396.9	1591.5	+16.2
	Cerebrovascular Disease	2054.2	1250.5	-39.1
	Pneumonia & Influenza	1396.9	1061.0	-24.1
	Chronic Obstructive Pulmonary Disease	821.7	568.4	-30.8
	ALL CAUSES	16023.0	12087.9	-24.6
	(Number of all Deaths)	(195)	(319)	(+63.6)
BLACK	Diseases of Heart	3816.8	5254.8	+37.7
	Malignant Neoplasms	1526.7	2070.1	+35.6
	Cerebrovascular Disease	1526.7	1592.4	+4.3
	Pneumonia & Influenza	508.9	1114.7	+119.0
	Infections & Parasitic	1017.8	318.5	-68.7
	ALL CAUSES	12722.7	13694.3	+7.6
	(Number of all Deaths)	(50)	(86)	(+72.0)
NATIVE AMERICAN	Diseases of Heart	3018.9	2830.2	-6.3
	Malignant Neoplasms	1132.1	1226.4	+8.3
	Pneumonia & Influenza	3018.9	1981.1	-34.4
	Cerebrovascular Disease	754.7	660.4	-12.5
	Diabetes	503.1	566.0	+12.5
	ALL CAUSES	12956.0	11792.5	-9.0
	(Number of all Deaths)	(103)	(125)	(+21.4)
TOTAL: ALL ETHNIC GROUPS ³	Diseases of Heart	7292.5	5817.0	-20.2
	Malignant Neoplasms	1743.6	1747.2	+0.2
	Cerebrovascular Disease	2061.6	1471.5	-28.6
	Pneumonia & Influenza	1195.3	1336.3	+11.8
	Chronic Obstructive Pulmonary Disease	526.4	583.3	+10.8
	ALL CAUSES	16394.3	14057.3	-14.3
	(Number of all Deaths)	(2990)	(5302)	(+77.3)

¹Leading causes are based on 1990 vital records.

²Includes only white of non-Hispanic origin.

³Includes other ethnic groups.

TABLE 17.

MORTALITY RATES¹ FOR THE FIVE LEADING CAUSES² OF DEATHS AMONG SENIORS
(65-74, 75-84, 85 YRS & OLDER) IN URBAN & RURAL AREAS³
ARIZONA, 1980 & 1990

AREA/CAUSES	1980					% CHANGE FROM 1980-90				
	65-74	75-84	85+	65-74	75-84	85+	65-74	75-84	85+	85+
URBAN										
Diseases of Heart	994.4	2305.5	6275.8	727.1	1901.9	5844.3	-26.9	-17.5		-6.9
Malignant Neoplasms	719.4	1043.7	1495.4	775.9	1302.5	1744.5	+7.9	+24.8		+16.7
Cerebrovascular Disease	146.6	539.8	1725.0	123.5	442.5	1474.9	-15.8	-18.0		-14.5
Chronic Obstructive Pulmonary Disease	212.4	327.1	447.4	187.8	386.6	617.2	-11.6	+18.2		+38.0
Pneumonia & Influenza	46.9	214.1	900.7	62.0	236.3	1322.2	+32.2	10.4		+46.8
All Causes	2656.9	5455.2	13640.7	2339.5	5371.0	14014.7		-1.5		+2.7
Number of all Deaths:	4077	4103	2317	5171	6433	4314	+26.8	+56.8		+86.2
RURAL										
Diseases of Heart	1010.9	4261.5	12267.7	791.1	1933.5	5695.8	-21.8	-54.6		-53.6
Malignant Neoplasms	676.0	2055.9	2974.0	759.2	1251.6	1759.2	+12.3	-39.1		-40.9
Cerebrovascular Disease	178.8	898.2	3856.9	107.2	419.4	1456.4	-40.0	-53.3		-62.2
Chronic Obstructive Pulmonary Disease	158.2	648.7	929.4	153.6	419.4	432.6	-2.9	-35.4		-53.5
Pneumonia & Influenza	55.5	558.9	3020.5	72.4	275.3	1398.7	+30.5	-50.7		-53.7
All Causes	2726.6	10808.4	31273.2	2395.0	5560.4	14246.6	-12.2	-48.6		-54.4
Number of all Deaths:	1327	1083	673	1653	1737	988	+24.6	+60.4		+46.8
STATEWIDE										
Diseases of Heart	998.4	2535.4	7292.5	742.3	1908.4	5817.0	-25.7	-24.7		-20.2
Malignant Neoplasms	708.9	1162.7	1743.6	772.0	1291.9	1747.2	+8.9	+11.1		+0.2
Cerebrovascular Disease	154.4	581.9	2061.6	119.6	437.7	1471.5	-22.5	-24.8		-28.6
Chronic Obstructive Pulmonary Disease	199.4	364.9	526.4	179.6	393.3	583.3	-9.9	+7.8		+10.8
Pneumonia & Influenza	49.0	254.6	1195.3	64.5	244.4	1356.3	+31.6	-4.0		+11.8
All Causes	2670.0	6084.5	16394.3	2352.8	5410.1	14037.3	-11.9	-11.1		-14.3
Number of all Deaths:	5404	5186	2990	6824	8170	5302	+26.3	+57.5		+77.3

¹Rates are presented per 100,000 population.

²The five causes with the greatest number of deaths in 1990.

³Prior to 1990, Maricopa and Pima Counties were delineated by the Census Bureau as urbanized areas in Arizona. Beginning in 1990, Yuma county met the criteria of the Census Bureau and was classified as urban. The remaining counties comprise Arizona's rural areas.

TABLE 18.

**MORTALITY RATES¹ AMONG SENIORS (65-74, 75-84, 85 YRS & OLDER)
BY GENDER IN URBAN AND RURAL AREAS²
ARIZONA, 1980 & 1990**

AREAS & GENDER	1980			1990			PERCENT CHANGE FROM 1980 TO 1990		
	65-74	75-84	85+	65-74	75-84	85+	65-74	75-84	85+
URBAN									
Male	3664.5	7091.9	18828.4	3048.0	6812.4	15777.3	-16.8	-3.9	-16.2
Female	1844.5	4299.1	12485.5	1772.1	4388.6	13172.7	-3.9	+2.1	+5.5
Total	2656.9	5455.2	13640.7	2339.5	5371.0	14014.7	-12.0	-1.5	+2.7
RURAL									
Male	3502.9	12220.7	34025.4	3056.1	6967.2	16640.2	-12.8	-43.0	-51.1
Female	1947.5	9316.6	29416.3	1779.5	4364.6	12882.1	-8.6	-53.2	-56.2
Total	2726.6	10808.4	31273.2	2395.0	5560.4	14246.6	-12.2	-48.6	-54.4
STATEWIDE									
Male	3622.0	7819.5	21127.0	3050.1	6847.7	15951.6	-15.8	-12.4	-24.5
Female	1867.4	4798.6	14225.2	1773.8	4384.0	13121.8	-5.0	-8.6	-7.8
Total	2670.0	6084.5	16394.3	2352.8	5410.1	14057.3	-11.9	-11.1	-14.3

¹Rates are presented per 100,000 population.

²Prior to 1990, Maricopa and Pima counties were delineated by the Census Bureau as urbanized areas in Arizona. Beginning in 1990, Yuma county met the criteria of the Census Bureau and was classified as urban. The remaining counties comprise Arizona's rural areas.

TABLE 19.

MORTALITY RATES FOR THE FIVE LEADING CAUSES OF DEATH AMONG SENIORS
(65 YRS & OVER) BY COUNTY OF RESIDENCE IN ARIZONA, 1992

TOTAL STATE	APACHE	COCHISE	COCONINO	GILA	GRAHAM	GREEN LEE	LA PAZ	MARICOPA	MOHAVE	NAVAJO	PIMA	PINAL	SANTA CRUZ	YAVAPAI	YUMA
DISEASES OF HEART	1442.1	1510.6	1289.8	1592.0	1888.4	1177.7	1976.7	1542.2	1238.9	1347.3	1609.5	1268.4	1275.8	1533.2	1046.4
MALIGNANT NEOPLASMS	1050.7	756.5	739.5	962.6	1144.5	749.5	917.8	1070.2	1064.5	1044.5	1077.5	982.6	941.7	1002.5	874.1
CEREBROVASCULAR DISEASES	316.8	331.0	326.7	296.2	400.6	428.3	247.1	333.1	257.0	439.0	320.7	285.8	273.4	202.7	242.5
CHRONIC OBSTRUCTIVE PULMONARY DISEASE	284.7	94.6	172.0	246.8	343.3	214.1	282.4	289.7	344.1	317.9	286.3	339.4	91.1	239.6	236.1
PNEUMONIA & INFLUENZA	186.5	354.6	223.6	160.4	114.4	107.1	141.2	196.3	128.5	272.5	193.6	131.0	60.8	169.5	95.7
DIABETES	89.9	141.8	154.9	148.1	85.8	107.1	35.3	86.0	64.2	136.2	94.7	107.2	121.5	47.9	76.6
UNINTENTIONAL INJURIES	82.7	236.4	120.4	74.0	143.1	214.1	70.6	76.3	73.4	151.4	78.1	113.1	30.4	103.2	57.4
MOTOR VEHICLE RELATED	29.2	70.9	68.8	12.3	28.6	.0	35.3	23.6	36.7	60.6	26.0	53.6	.0	44.2	25.5
OTHER THAN MOTOR VEHICLE	53.6	165.5	51.6	61.7	114.4	214.1	35.3	52.6	36.7	90.8	52.1	59.5	30.4	59.0	31.9
INFECTIOUS & PARASITIC DISEASES	58.3	165.5	137.6	49.4	57.2	107.1	.0	54.4	22.9	106.0	71.8	89.3	91.1	40.5	31.9
HIV INFECTION	1.4	.0	.0	.0	.0	.0	.0	.7	.0	.0	5.2	.0	.0	.0	.0
ATHEROSCLEROSIS	54.4	47.3	.0	111.1	171.7	107.1	.0	48.4	133.1	45.4	72.9	17.9	30.4	33.2	31.9
DISEASES OF ARTERIES	51.8	70.9	51.6	24.7	.0	214.1	.0	51.6	36.7	75.7	48.9	71.5	30.4	59.0	82.9
SUICIDE	29.4	23.6	.0	74.0	57.2	.0	35.3	21.5	55.1	45.4	37.5	35.7	30.4	51.6	19.1
ALCOHOLISM	17.7	94.6	34.4	12.3	28.6	.0	.0	13.3	18.4	15.1	26.0	11.9	30.4	14.7	25.5
TOTAL: ALL CAUSES	4373.5	4846.3	3920.9	4430.5	5207.4	3854.4	4165.2	4436.1	3877.2	4596.7	4829.6	4031.4	3736.3	4116.9	3

TABLE 20.

**COMPARISON OF SUICIDE MORTALITY RATES* AMONG SENIORS
(65 YEARS AND OLDER) BY AGE GROUP AND YEAR
ARIZONA & UNITED STATES, 1987-1992**

YEAR	TOTAL PERSONS 65+	65-74	75-84	85+
1987				
Arizona	31.1	28.2	34.7	39.1
United States	21.8	19.4	25.8	22.1
1988				
Arizona	32.6	23.3	49.9	34.6
United States	21.1	18.4	25.9	20.5
1989				
Arizona	34.2	27.9	46.6	33.3
United States	20.2	18.0	23.1	22.8
1990				
Arizona	31.3	26.2	35.8	53.0
United States	20.6	17.9	24.9	22.2
1991				
Arizona	29.3	24.2	34.9	46.3
United States	19.7	16.9	23.5	24.0
1992				
Arizona	29.4	23.2	36.5	47.7
United States	18.6	14.2	26.3	18.4

*Number of suicides per 100,000 persons in specified age group.

NOTE: Data for the United States are from the National Center for Health Statistics.

TABLE 21.**DISABILITY STATUS OF PERSONS 65 YEARS AND OVER
BY GENDER AND AGE GROUP
ARIZONA, 1992**

GENDER AGE GROUP	TOTAL PERSONS	WITH A MOBILITY OR SELF-CARE LIMITATION	WITH A MOBILITY LIMITATION	WITH A SELF- CARE LIMITATION
MALES, 65 YRS & OVER	217,867	30,410	22,596	18,661
65-74	138,563	13,995	9,353	9,145
75 YRS & OVER	79,304	16,415	13,243	9,516
FEMALES, 65 YRS & OVER	286,196	54,092	44,296	29,029
65-74	166,899	19,544	14,353	11,015
75 YRS & OVER	119,297	34,548	29,943	18,014
TOTALS: 65 YRS & OVER	504,063	84,502	66,892	66,351
65-74	305,462	33,539	23,706	20,160
75 YRS & OVER	198,601	50,963	43,186	27,530

TABLE 22.

**ESTIMATED NUMBER OF SENIOR ARIZONANS (65 Years & Over)
WHO HAVE DIFFICULTY PERFORMING ONE OR MORE BASIC¹ ACTIVITIES OF DAILY
LIVING, BY GENDER AND AGE GROUP
ARIZONA, 1992**

WITH DIFFICULTY IN:²

AGE/GENDER	EATING	TOILETING	DRESSING	BATHING	GETTING IN & OUT OF BED	WALKING	GETTING OUTSIDE
ALL 65 YRS & OVER	9,400	23,590	30,290	50,430	43,060	92,030	59,190
Male	3,840	7,510	11,340	15,850	14,160	32,700	16,570
Female	5,560	16,080	18,950	34,580	28,900	59,330	42,620
65-74 YRS TOTAL	4,530	8,410	12,920	19,160	18,940	41,160	21,250
Male	2,360	3,740	6,240	8,310	7,760	17,460	7,900
Female	2,170	4,670	6,680	10,850	11,180	23,700	13,350
75-84 YRS TOTAL	2,860	9,650	11,400	21,460	17,340	36,630	26,080
Male	730	2,250	3,440	5,170	4,570	11,460	6,090
Female	2,130	7,400	7,960	16,290	12,770	25,170	19,990
85 YRS & OVER	2,010	5,530	5,970	9,810	6,780	14,240	11,860
Male	750	1,520	1,660	2,370	1,830	3,780	2,580
Female	1,260	4,010	4,310	7,440	4,950	10,460	9,280

¹Instrumental activities of daily living include meal preparation, shopping, managing money, using telephone, light housework, heavy housework.

²Will not add to total persons because more than one difficulty may be experienced per person.

NOTE: All numbers are rounded to the nearest ten. The sum of individual cells may not equal to row/column total because of rounding.

TABLE 23.

**ESTIMATED NUMBER OF SENIOR ARIZONANS (65 Years and Over) WHO
HAVE DIFFICULTY IN PERFORMING INSTRUMENTAL¹ ACTIVITIES OF DAILY LIVING,
BY GENDER AND AGE GROUP
ARIZONA, 1992**

WITH DIFFICULTY IN²

AGE & GENDER	TOTAL PERSONS HAVING ONE MORE DIFFICULTIES	MEAL PREPARATION	SHOPPING	MANAGING MONEY	USING TELEPHONE	LIGHT HOUSE WORK	HEAVY HOUSE WORK
65 & OVER	141,640	36,470	64,670	26,800	25,660	41,054	118,980
Male	40,740	10,100	18,140	9,280	11,460	12,650	28,770
Female	100,900	26,370	46,530	17,520	14,200	28,404	90,210
65-74 TOTAL	64,760	12,140	22,420	7,610	9,880	14,120	54,580
Male	20,640	4,300	7,900	3,600	4,710	5,270	14,690
Female	44,120	7,840	14,520	4,010	5,170	8,850	39,890
75-84 TOTAL	55,400	15,080	28,050	11,460	9,350	17,250	45,520
Male	15,030	3,510	6,950	3,780	4,170	4,570	10,070
Female	40,370	11,570	21,100	7,680	5,180	12,680	35,450
85+ & OVER	23,130	9,250	14,200	7,730	6,430	9,684	18,880
Male	5,670	2,290	3,290	1,900	2,580	2,810	4,010
Female	17,460	6,960	10,910	5,830	3,850	6,874	14,870

¹Instrumental activities of daily living include meal preparation, shopping, managing money, using telephone, light housework, heavy housework.

²Will not add to total persons because more than one difficulty may be experienced per person.

NOTE: All numbers are rounded to the nearest ten. The sum of individual cells may be equal to row/column total because of rounding.

TABLE 24.

**NUMBER OF PERSONS 65 YEARS AND OVER
LIVING IN THE COMMUNITY* WHO NEED HELP WITH ACTIVITIES OF DAILY LIVING
OR INSTRUMENTAL, ACTIVITIES OF DAILY LIVING. ARIZONA, 1990 AND PROJECTION
FOR THE YEAR 2000, 2010 AND 2023.**

	1990	2000	2010	2023
ALL PERSONS 65 YRS & OVER	478,774	577,553	670,484	1,024,191
Need Help with ADL's	44,445	53,615	62,240	95,080
Need Help with IADL's	64,820	78,190	90,770	138,650
65-74 YEARS	290,044	284,970	347,487	610,405
Need Help with ADL's	16,970	16,670	20,330	35,710
Need Help with IADL's	31,670	31,120	37,945	66,660
75-84 YEARS	151,013	214,428	209,335	298,283
Need Help with ADL's	17,430	24,750	24,165	34,430
Need Help with IADL's	25,280	35,890	35,040	49,930
85 YEARS & OVER	37,717	78,155	113,662	115,503
Need Help with ADL's	10,660	22,080	32,110	32,630
Need Help with IADL's	7,460	15,460	22,480	22,840

* Excludes institutionalized persons and other persons in group quarters.

TABLE 25.**ESTIMATED NUMBER* OF OFFICE VISITS BY PHYSICIAN'S SPECIALTY AND PATIENT'S AGE
ARIZONA, 1992**

PHYSICIAN SPECIALTY	ALL 65 YRS & OVER	65-74	75+
ALL VISITS	2,600.0	1,433.8	1,166.2
GENERAL & FAMILY PRACTICE	756.5	415.7	340.8
INTERNAL MEDICINE	525.0	270.0	255.0
OBSTETRICS & GYNECOLOGY	27.3	20.2	7.1
OPHTHALMOLOGY	352.6	164.3	188.3
ORTHOPEDIC SURGERY	106.5	60.8	45.7
DERMATOLOGY	94.8	53.5	41.3
GENERAL SURGERY	133.1	80.3	52.8
PSYCHIATRY	22.3	17.7	4.6
OTOLARYNGOLOGY	57.5	32.7	24.8
UROLOGICAL SURGERY	75.1	40.3	34.8
NEUROLOGY	22.7	12.8	9.9
CARDIOVASCULAR DISEASE	105.8	59.3	46.5
OTHER:	318.3	205.3	113.0

*NOTE: Number of visits in THOUSANDS.

TABLE 26.

**NUMBER OFFICE VISITS BY TEN MOST FREQUENT PRINCIPAL
REASONS FOR A VISIT, ACCORDING TO PATIENT'S AGE
ARIZONA, 1992**

PERSONS 65 YEARS AND OVER

<u>PRINCIPAL REASONS FOR VISITS</u>	<u>NUMBER OF VISITS IN THOUSANDS</u>
ALL VISITS	2,599.6
General Medical Examination	110.2
Postoperative Visits	96.9
Vision Dysfunctions	91.4
Blood Pressure Test	81.0
Hypertension	74.4
Diabetes Mellitus	60.1
Cough	57.7
Chest Pain & Related Symptoms	56.8
Back Symptoms	53.6
Stomach Pain, Cramps & Spasms	47.3

PERSONS 65-74 YEARS

<u>PRINCIPAL REASONS FOR VISITS</u>	<u>NUMBER OF VISITS IN THOUSANDS</u>
ALL VISITS	1,433.8
General Medical Examination	61.1
Postoperative Visits	51.6
Vision Dysfunctions	47.3
Blood Pressure Test	43.7
Hypertension	42.2
Diabetes Mellitus	32.1
Cough	31.5
Chest Pains & Related Symptoms	31.2
Back Symptoms	28.4
Stomach Pain, Cramps & Spasms	25.7

PERSONS 75 YEARS AND OVER

<u>PRINCIPAL REASONS FOR VISITS</u>	<u>NUMBER OF VISITS IN THOUSANDS</u>
ALL VISITS	1,165.8
General Medical Examination	49.1
Postoperative Visits	45.3
ision Dysfunction	44.1
Blood Pressure Test	37.3
Hypertension	32.2
Diabetes Mellitus	28.0
Cough	26.2
Chest Pains & Related Symptoms	25.6
Back Symptoms	25.2
Stomach Pain, Cramps & Spasms	21.6

TABLE 27.

**NUMBER OFFICE VISITS BY 10 MOST FREQUENT PRINCIPAL DIAGNOSES
ACCORDING TO PATIENT'S AGE
ARIZONA, 1992**

PERSONS 65 YEARS AND OVER

<u>PRINCIPAL DIAGNOSIS</u>	<u>NUMBER OF VISITS IN THOUSANDS</u>
All Principal Diagnoses	2,600.0
Essential Hypertension	218.1
Diabetes Mellitus	128.0
Cataract	89.7
Other Forms of Ischemic Heart Disease	73.0
Osteoarthritis & Allied Conditions	68.1
Glaucoma	51.9
Chronic Airway Obstruction	49.3
Disorders of Lipoid Metabolism	44.7
Other & Unspecified Arthropathies	41.9
Organ or Tissue Replacement (By Means Other Than Transplant)	40.3

PERSONS 65-74 YEARS

<u>PRINCIPAL DIAGNOSIS</u>	<u>NUMBER OF VISITS IN THOUSANDS</u>
All Principal Diagnoses	1,433.8
Essential Hypertension	118.8
Diabetes Mellitus	68.4
Cataract	40.0
Other Forms of Ischemic Heart Disease	33.3
Osteoarthritis & Allied Conditions	32.4
Glaucoma	24.1
Chronic Airway Obstruction	23.5
Disorder of Lipoid Metabolism	22.9
Other & Unspecified Arthropathies	22.0
Organ or Tissue Replacement (By Means Other Than Transplant)	21.4

PERSONS 75 YEARS AND OVER

<u>PRINCIPAL DIAGNOSIS</u>	<u>NUMBER OF VISITS IN THOUSANDS</u>
All Principal Diagnoses	1,166.2
Essential Hypertension	99.3
Cataract	59.6
Diabetes Mellitus	49.7
Osteoarthritis & Allied Conditions	39.7
Glaucoma	35.7
Other Forms of Ischemic Heart Disease	27.8
Organ or Tissue Replacement (By Means Other Than Transplant)	25.8
Heart Failure	21.8
Other & Unspecified Arthropathies	19.9
Chronic Airway Obstruction	18.9

TABLE 28.

**NUMBER AND RATE OF SENIOR PATIENTS (65 YRS & OLDER)
DISCHARGED FROM ARIZONA HOSPITALS IN 1992
BY GENDER AND AGE GROUP**

NUMBER OF PATIENTS DISCHARGED:

GENDER	TOTAL PERSONS 65+	65-74	75-84	85+
MALE	64,099	32,887	24,751	6,461
FEMALE	71,858	32,267	28,080	11,511
TOTAL	- 135,957	65,154	52,831	17,972

RATE OF PATIENTS DISCHARGED PER 1,000 POPULATION:

GENDER	TOTAL	65-74	75-84	85+
MALE	-294.2	237.3	373.7	494.3
FEMALE	251.1	193.3	303.4	430.3
TOTAL	269.7	213.3	332.7	451.3

Source: Office of Health Care Licensure, ADHS.

Note: Only Hospitals with more than 50 beds are required to report discharge information to state.

TABLE 29.

NUMBER AND RATE OF MALE PATIENTS 65-74 YEARS OF AGE DISCHARGED IN OM ARIZONA HOSPITALS BY FIVE MOST FREQUENT DIAGNOSTIC CATEGORIES, LENGTH OF STAY AND AVERAGE CHARGE

DIAGNOSTIC CATEGORY	NUMBER OF PATIENTS DISCHARGED	RATE*	AVERAGE LENGTH OF STAY	AVERAGE CHARGE
ALL FIVE MOST FREQUENT CONDITIONS	5,347	38.5	5.0	\$13,700.00**
1. Heart Failure & Shock	1,267	9.1	5.52	\$9,535.25
2. Vascular Procedures Except Major Reconstruction Without Pump (Angioplasty, Phlebectomy)	1,115	8.0	4.27	\$20,717.93
3. Major Joint & Limb Reattachment Procedures (Replacement or Reattachment of Foot, Arm, Hip)	1,111	8.0	6.57	\$22,222.73
4. Transurethral Prostatectomy Without Complications (Removal of Prostate by Means of an Operating Cystoscope)	954	6.9	2.59	\$5,394.67
5. Chronic Obstructive Pulmonary Disease (Chronic Bronchitis, Emphysema)	900	6.5	6.00	\$8,864.52

*Per 1,000 population.

**Rounded to the nearest one hundred dollars

TABLE 30.

**NUMBER AND RATE OF FEMALE PATIENTS 65-74 YEARS OF AGE DISCHARGED IN 1992
FROM ARIZONA HOSPITALS BY FIVE MOST FREQUENT DIAGNOSTIC CATEGORIES
LENGTH OF STAY AND AVERAGE CHARGE**

DIAGNOSTIC CATEGORY	NUMBER OF PATIENTS DISCHARGED	RATE*	AVERAGE LENGTH OF STAY	AVERAGE CHARGE
ALL FIVE MOST FREQUENT CONDITIONS	5,463	32.7	6.4	\$13,000.00**
1. Major Joint & Limb Reattachment Procedures (Replacement or Reattachment of Foot, Arm, Hip)	1,636	9.8	7.02	\$21,862.10
2. Heart Failure & Shock	1,106	6.6	5.70	\$9,596.44
3. Chronic Obstructive Pulmonary Disease (Chronic Bronchitis, Emphysema)	1,071	6.4	6.32	\$8,732.35
4. Simple Pneumonia & Pleurisy (Inflammation of the Pleura) with Complications	889	5.3	6.31	\$9,104.38
5. Specific Cerebrovascular Disease (Brain Disorders, Stroke)	761	4.6	6.11	\$9,726.17

*Per 1,000 population.

**Rounded to the nearest one hundred dollars.

TABLE 31.

NUMBER AND RATE OF MALE PATIENTS 75-84 YEARS OF AGE DISCHARGED IN 1992 FROM ARIZONA HOSPITALS BY FIVE MOST FREQUENT DIAGNOSTIC CATEGORIES, LENGTH OF STAY AND AVERAGE CHARGE

DIAGNOSTIC CATEGORY	NUMBER OF PATIENTS DISCHARGED	RATE*	AVERAGE LENGTH OF STAY	AVERAGE CHARGE
ALL FIVE MOST FREQUENT CONDITIONS:	4,934	74.5	6.1	\$11,100.00**
1. Heart Failure & Shock	1,323	20.0	5.57	\$8,674.98
2. Simple Pneumonia & Pleurisy (Inflammation of the Pleura) With Complications	1,092	16.5	6.63	\$9,821.78
3. Specific Cerebrovascular Disease (Brain Disorder, Stroke)	968	14.6	6.55	\$9,760.43
4. Major Joint & Limb Reattachment Procedures (Replacement or Reattachment of Foot, Arm, Hip)	813	12.3	7.30	\$22,062.88
5. Transurethral Prostatectomy Without Complications	738	11.1	4.02	\$7,199.55

*Per 1,000 population.

**Rounded to the nearest one hundred dollars.

TABLE 32.**NUMBER AND RATE OF FEMALE PATIENTS 85 YEARS AND OLDER DISCHARGED IN 1992 FROM ARIZONA HOSPITALS BY FIVE MOST FREQUENT DIAGNOSTIC CATEGORIES, LENGTH OF STAY AND AVERAGE CHARGE**

DIAGNOSTIC CATEGORY	NUMBER OF PATIENTS DISCHARGED	RATE*	AVERAGE LENGTH OF STAY	AVERAGE CHARGE
ALL FIVE MOST FREQUENT CONDITIONS:	3,233	120.8	6.7	\$11,200.00**
1. Heart Failure & Shock	963	36.0	5.52	\$7,810.25
2. Specific Cerebrovascular Disease (Brain Disorder, Stroke)	602	22.5	6.50	\$8,338.76
3. Hip & Femur Procedures Expect Major Joint, With Complications (Operations on Hip & Femur)	583	21.8	7.84	\$14,738.07
4. Simple Pneumonia & Pleurisy (Inflammation of the Pleura) With Complications	568	21.2	6.64	\$8,910.13
5. Major Joint & Hip Reattachment Procedures (Replacement or Reattachment of Foot, Arm, Hip)	517	19.3	7.94	\$19,603.72

*Per 1,000 population.

**Rounded to the nearest one hundred dollars.

TABLE 33.**NUMBER AND RATE OF MALE PATIENTS 85 YEARS AND OLDER DISCHARGED IN 1992 FROM ARIZONA HOSPITALS BY FIVE MOST FREQUENT DIAGNOSTIC CATEGORIES, LENGTH OF STAY AND AVERAGE CHARGE**

DIAGNOSTIC CATEGORY	NUMBER OF PATIENTS DISCHARGED	RATE*	AVERAGE LENGTH OF STAY	AVERAGE CHARGE
ALL FIVE MOST FREQUENT CONDITIONS:	1,617	123.6	6.8	\$9,700.00 [™]
1. Simple Pneumonia & Pleurisy (Inflammation of the Pleura) With Complications	458	35.0	6.99	\$9,641.50
2. Heart Failure & Shock	435	33.3	5.80	\$8,302.22
3. Specific Cerebrovascular Disease (Brain Disorder, Stroke)	266	20.3	6.80	\$9,168.41
4. Respiratory Infections & Inflammations	238	18.2	9.82	\$14,303.98
5. Gastrointestinal Hemorrhage With Complications (Bleeding Ulcer, Bleeding of Anus)	220	16.8	5.24	\$8,158.37

*Per 1,000 population.

™Rounded to the nearest one hundred dollars.

TABLE 34.**MORTALITY RATE OF FEMALE PATIENTS 75-84 YEARS OF AGE DISCHARGED IN 1992 FROM ARIZONA HOSPITALS BY FIVE MOST FREQUENT DIAGNOSTIC CATEGORIES, LENGTH OF STAY AND AVERAGE CHARGE**

DIAGNOSTIC CATEGORY	NUMBER OF PATIENTS DISCHARGED	RATE*	AVERAGE LENGTH OF STAY	AVERAGE CHARGE
ALL FIVE MOST FREQUENT CONDITIONS:	5,939	55.1	8.1	\$13,400.00**
1. Heart Failure & Shock	1,536	16.6	5.64	\$8,525.78
2. Simple Pneumonia & Pleurisy (Inflammation of the Pleura) With Complications	973	10.5	6.42	\$9,545.12
3. Specific Cerebrovascular Disease (Brain Disorder, Stroke)	1,168	12.6	6.77	\$9,672.96
4. Major Joint & Limb Reattachment Procedures (Replacement or reattachment of Foot, Arm, Hip)	1,464	15.8	7.35	\$21,069.70
5. Rehabilitation	798	8.6	17.93	\$18,659.28

*Per 1,000 population.

**Rounded to the nearest one hundred dollars.

TABLE 35.

**NUMBER OF SENIOR PATIENTS (65 YRS & OLDER) DISCHARGED IN 1992 FOR ARIZONA HOSPITALS
BY AGE GROUP, GENDER AND DISCHARGE STATUS**

DISCHARGE STATUS	ALL PERSONS 65+			65-74 YEARS			75-84 YEARS			85+		
	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE
1. Discharged to Home or Self-Care	95,914	47,337	48,577	51,389	26,429	24,960	35,615	17,465	18,150	8,910	3,443	5,467
2. Transferred to Another Short-Term General Hospital	3,313	1,699	1,614	1,601	910	691	1,248	635	613	464	154	310
3. Transferred to a Skilled Nursing Facility	16,883	6,091	10,792	4,266	1,718	2,548	7,550	2,841	4,709	5,067	1,532	3,535
4. Transferred to an Intermediate Care Facility	1,209	421	788	391	141	250	508	194	314	310	86	224
5. Transferred to Another Type of Institution	3,733	1,555	2,178	1,547	703	844	1,608	661	947	578	191	387
6. Transferred to Home Under Care of Organized Home Health Service Organization	7,303	2,949	4,354	3,024	1,291	1,733	3,093	1,235	1,858	1,186	423	763
7. Left Against Medical Advice	324	210	114	194	133	61	106	62	44	24	15	9
8. Expired	7,275	3,837	3,438	2,742	1,562	1,180	3,101	1,658	1,443	1,432	617	815
9. Other	3	0	3	0	0	0	2	0	2	1	0	1
TOTAL	135,957	64,099	71,858	65,154	32,887	32,267	52,831	24,751	28,080	17,972	6,461	11,511

TABLE 36.

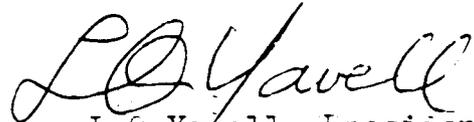
**DISCHARGE STATUS PER 100 SENIOR PATIENTS (65 YRS & OLDER) DISCHARGED IN 1992
FROM ARIZONA HOSPITALS BY AGE GROUP**

DISCHARGED STATUS	ALL PERSONS 65+			65-74 YEARS			75-84 YEARS			85+		
	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE
1. Discharged to Home or Self-Care	70.5	73.8	67.6	78.9	80.4	77.4	67.4	70.6	64.6	49.6	53.3	47.5
2. Transferred to Another Short-Term General Hospital	2.4	2.6	2.2	2.5	2.8	2.1	2.4	2.6	2.2	2.6	2.4	2.7
3. Transferred to a Skilled Nursing Facility	12.4	9.5	15.0	6.5	5.2	7.9	14.3	11.5	16.8	28.2	23.7	30.7
4. Transferred to an Intermediate Care Facility	0.9	0.6	1.1	0.6	0.5	0.8	1.0	0.8	1.1	1.7	1.3	1.9
5. Transferred to Another Type of Institution	2.7	2.4	3.0	2.4	2.2	2.6	3.0	2.8	3.4	3.2	3.0	3.4
6. Transferred to Home Under Care of Organization Home Health Services Organization	5.4	4.6	6.1	4.6	3.9	5.4	5.9	5.0	6.6	6.6	6.5	6.6
7. Left Against Medical Advice	0.2	0.3	0.2	0.3	0.4	0.2	0.2	0.3	0.2	0.1	0.2	0.1
8. Expired	5.4	6.0	4.8	4.3	4.7	3.7	5.9	6.7	5.1	8.0	9.5	7.1
9. Other		*	*	*	*	*	*	*	*	*	*	*
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Quantity less than 0.05%

AT 11/13/95 MEETING

Citizens for Self-Government stands opposed to efforts to establish legislation for a retirement village unless and until such legislation include provision for state-shared revenue funds commensurate with those provided to incorporated areas.



L. Q. Yowell, President
Citizens for Self-Government