

# Senior currents

Wednesday, May 7, 1986 — Santa Cruz Sentinel—B-9

## Santa Cruz County's image is a'changin'

By ROBERT STAYTON

Special to The Sentinel

SANTA CRUZ — Like an old photograph too long in the sun, the image of Santa Cruz as a retirement community is fading. Santa Cruz has experienced profound changes in the last 25 years and seniors may be the most strongly affected by them.

Prior to 1960, Santa Cruz was a small, out-of-the-way beach resort community. Fine weather, the ocean and low-cost housing swelled the retirement population. The fine weather and ocean are still here, but something is happening to the retirement population.

The 1960 census showed that

senior citizens (age 65 and over) outnumbered young adults (18 to 34) in Santa Cruz County. The following 20 years saw a huge influx of new residents, accelerated by the opening of UCSC in 1965. The county population grew 4 percent a year during that time, while the rest of the state grew at a 2-percent rate. In actual numbers, the county grew from 84,000 to 181,000 in 20 years.

During this growth period, the relative proportion of seniors dropped from 19 percent of the total county population in 1960 to 13 percent in 1980. The city of Santa Cruz experienced an even greater decline, from 25 percent to 14 percent.

Paradoxically, the actual number of seniors in the county grew, by 56 percent over 20 years. But other age groups grew more, thus reducing the proportion of seniors in the population.

While the senior population was growing slowly, the younger generation was exploding. The 18- to 34-year-old age group more than tripled their numbers. This large increase is mirrored to a lesser extent in state and national census figures as the post-World War II baby boom comes of age.

In Santa Cruz, the young adult bulge dropped the median age from 38 to 30 between 1960 and 1980. The median age has equal numbers of people older and younger. This change brought the local median age in line with the state's, which remained at about 30 over that period.

Despite having the same median age as the state, the Santa Cruz County population is a different mix of ages, with more people on the high and low extremes.

In Santa Cruz, the 13-percent portion of seniors is still higher than the state's 10 percent. For comparison, only four states have a higher proportion of seniors than Santa Cruz County, but 32 states have a higher proportion than the state of California. So much for California's image as a retirement state.

On the other extreme, more babies are being born now. This

trend was noted in the recent release of the Santa Cruz City General Plan Housing Element. Between 1978 and 1983, births in Santa Cruz County have risen 27.5 percent, the first increase in the birth rate in almost 30 years.

According to the state Population Research Unit, the reason is that a large number of females from the baby boom are now reaching their prime child-bearing age, between 20 and 35. Because of the dominant number of young adults in the county, births have increased to the point that they are now the biggest force in population growth. In fact, births have replaced in-migration as the No. 1 cause for population growth in the county.

During the same period of population shift, something happened to the cost of housing which greatly affected the senior population. According to the 1985 county General Plan, "The increase in price of housing which occurred in the 1970s was unprecedented for the state and nation; the price increase in Santa Cruz County was even more stunning."

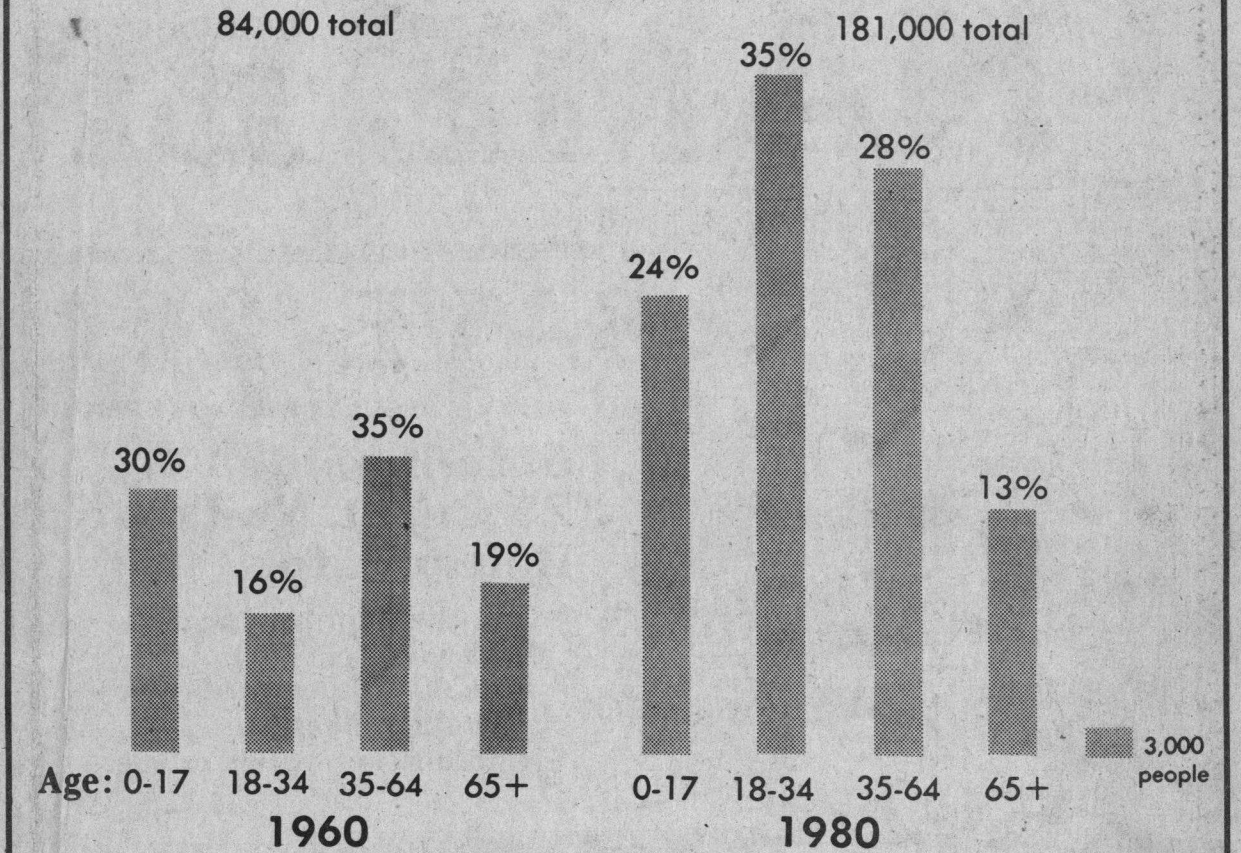
In 1970 the median price for a house in Santa Cruz was \$20,000, which was slightly below state and national averages. The low prices were an obvious attraction for people who were retiring.

By 1980, the median home price had skyrocketed to nearly \$100,000, which was 61 percent higher than the national median price. If home prices had followed the Consumer Price Index over that time, the median home price in Santa Cruz should have been only \$47,000 in 1980.

Buying a house became much more difficult. In 1970, you needed a \$5,000 household income to afford the \$124 month payment on the average house. The median income in Santa Cruz at that time was \$9,100, so a great majority could afford it.

By 1980, you needed a \$35,000 income to qualify for an \$884 per month mortgage on the average house. But the median income of local residents was only \$21,000. The

### Santa Cruz County population by age group



average person was not even close to affording the average house in 1980.

For senior citizens, the impact depended on whether they bought before or after this real estate boom. Three quarters of senior households in the county own their own homes, compared to only half of non-senior households. Seniors that bought their present home before the boom are still paying a low monthly mortgage payment. Many have paid off their homes completely.

As a result, the portion of income spent on housing by elderly homeowners actually declined from 27 percent of their income in 1975 to 21 percent in 1980, according to county planners. All other age groups had to set aside an increased portion of their income for housing ownership.

This financial blessing has its drawbacks, too. Many seniors are stuck in homes larger than their needs. Their low income prevents them from qualifying for a mortgage on a smaller home. And the maintenance that goes along with ownership becomes more of a burden as both

home and homeowner age.

Left on the outside are those seniors who are trying to buy a house after the boom. Most people experience a one-third to one-half cut in personal income when they retire, according to the Population Reference Bureau in Washington D.C. Many experience poverty for the first time in their lives.

A 1979 city survey of economic trends found 55 percent of city seniors reporting household income of less than \$6,000. Purchasing a single-family home is out of the question.

Mobile homes offer a low-cost alternative for home ownership, and fully 28 percent of county seniors live in them. In fact, seniors dominate the local mobile home market, occupying nearly three-fourths of all mobile homes in the county. The number of mobile homes grew from 861 to 5,538 between 1960 and 1980. Today they make up 7 percent of the county's housing, versus 3.6 percent statewide.

But seniors from other counties

and states perusing Santa Cruz want ads in hopes of retiring here will probably be dismayed. In fact, seniors in general are staying put these days.

"Contrary to popular opinion, relatively few Americans move during their retirement years," says the Population Reference Bureau. Most want to stay in their old house and neighborhood where their friends and family are. "Older persons migrating to the Sunbelt states tend to be the younger and more affluent of the elderly population."

The new image of Santa Cruz that is emerging is younger and more affluent. But seniors are still here in large numbers and represent a major force in the community.

For example, the 1979 economic study found that the elderly population spends more money locally than all the tourists and UCSC students combined. And local planners still predict the numbers of seniors will grow in the years to come.

The old image hasn't faded yet.