MILKEN INSTITUTE

May 2025

Financial Innovations Lab®

Models for Financing Affordable and LGBTQ+-Affirming Elder Housing at Scale

About the Milken Institute

The Milken Institute is a nonprofit, nonpartisan think tank focused on accelerating measurable progress on the path to a meaningful life. With a focus on financial, physical, mental, and environmental health, we bring together the best ideas and innovative resourcing to develop blueprints for tackling some of our most critical global issues through the lens of what's pressing now and what's coming next.

About Milken Institute Finance

Milken Institute Finance drives research and program development to increase access to capital, savings, and investments, particularly for underserved individuals, businesses, and communities. Our thought leadership, research, and insights influence private-sector practices and public-sector policies that improve equitable access, efficiency, and reliability of financial markets and institutions.

About Financial Innovations Labs

Financial Innovations Labs® bring together researchers, policymakers, and business, financial, and professional practitioners to create market-based solutions to business and public policy challenges. Using real and simulated case studies, participants consider and design alternative capital structures and then apply appropriate financial technologies to them.

Acknowledgments

Ivy Hsu, Caitlin MacLean, and Kanika Singh prepared this report. We are grateful to those who participated in the Financial Innovations Lab for contributing to the ideas and recommendations summarized in this report. We thank our Milken Institute colleague Théo Cohan for her work on the project and report. We especially thank SAGE for their support.

Contents

Introduction

The number of Americans aged 65 and older, known as elders or older adults, will increase to 82 million by 2050 (a 47 percent increase from 2022), accounting for nearly a quarter of the US population.[1] Many, however, will be financially unprepared for retirement. Currently, one in five households led by people over 50 have no retirement savings, and 61 percent of elders worry about not having enough financial resources to support themselves in later life.[2] At the same time, Americans are living longer and with more chronic diseases, presenting additional challenges to expand and enhance housing and long-term care options to meet growing needs.

Amid the growing demand, there is also a need for diverse care options as many older adults prefer to stay in their homes, while others transition to communities that offer a continuum of care ranging from independent to assisted living services. Unfortunately, many of these options are costly and out of reach for low- and middle-income Americans. In response, in 2024, the Milken Institute released a report, *Innovative Financing and Care Models to Scale Affordable Housing Solutions for Middle-Income Older Adults*, which outlined four market-based recommendations for advancing the affordable housing market for middle-income older adults. Through this work, it became apparent that the lack of housing and care options is more pronounced for marginalized communities, such as the LGBTQ+ elder community. For these communities, economic disparities, family arrangements that may not include children to help provide care, and social isolation further intensify the challenges of aging.[3]

According to Gallup's 2024 survey, nearly 14 million American adults identify as LGBTQ+, with 1.1 million already aged 65 and older,[4] a number expected to surpass 7 million by 2030. This growth underscores the need for housing solutions that address the unique challenges that this population faces.[5] Financial insecurity is a major barrier, with 40 percent of LGBTQ+ older adults (LOAs) living below the federal poverty line ($15,560 annual income for a single person),[6] making it difficult to afford even subsidized housing.[7] Some affordable housing programs set rents based on area median income (AMI) guidelines rather than adjusting rent based on individual earnings, which can make them unaffordable for those with very low incomes. Homeownership rates reflect this challenge, as only 49 percent of LOAs own homes, compared to the national average of 65 percent, limiting their ability to build long-term financial security and potentially "age in place."[8] These disparities stem from systemic barriers, such as a lifetime of employment discrimination, lack of familial support, and reduced access to financial tools, all of which contribute to lower homeownership rates and wealth accumulation.

Beyond financial barriers, LOAs face additional social and health challenges, such as a higher risk of social isolation and discrimination in existing elder housing, and half report feeling socially isolated, a risk factor strongly correlated with negative health outcomes.[9] Transgender and nonbinary elders are particularly vulnerable, with 63 percent reporting isolation.[10] This social exclusion can lead to fear of discrimination in long-term care settings, forcing some LOAs to "re-closet" themselves to access housing and medical services. Therefore, housing models must be both affordable and inclusive. Without affirming spaces, community programming, and social services, many face discrimination or inadequate care, underscoring the need for intentional, LGBTQ+-friendly housing solutions. Despite these growing challenges, the housing supply remains scarce. As of 2023, there were only approximately 1,500 LGBTQ+-affirming and affordable elder housing units across 20 states, with just 37 developments in various stages of planning or operation.[11]

Given the projected growth of the LGBTQ+ older adult population, the waitlists for affirming developments such as Stonewall House already span three to six years, signaling a worsening housing crisis. Existing affordable and affirming developments already struggle to fill their income-restricted units because they are still too expensive for LGBTQ+ older adults, many of whom fall below current area median income guidelines.

A further challenge has been the lack of financial incentives for developers to integrate LGBTQ+-friendly services, inclusive design, culturally competent programming, and workforce training. Some of the additional costs include specialized staff training, unique services and programming (e.g., case management, cultural and recreational programs, health and wellness events), and inclusive architectural elements, which add additional layers of project expenses beyond traditional elder housing models. Smaller and under-resourced Black, Indigenous, and people of color (BIPOC) or transgender (trans)-led organizations that typically serve LGBTQ+ subpopulations, such as underserved trans elders and older LGBTQ+ people of color, may not be able to afford these added costs, in addition to piecing together different streams of public and private capital to start projects, which can be complex and time-consuming. Even after developments are built, operators struggle to secure sustainable funding to maintain LGBTQ+ elder services. Additionally, the lack of quantifiable data on long-term benefits and cost-effectiveness of affirming housing and services deters new investment.

What Is LGBTQ+-Affirming Housing?

As defined by SAGE, the largest and oldest nonprofit organization dedicated to improving the lives of LGBTQ+ elders, ”affirming housing“ refers to communities that welcome everyone regardless of sexual orientation or gender identity, with housing designed specifically to meet the needs of LGBTQ+ elders.[12] This is usually accomplished through the addition of LGBTQ+ culturally competent staff, onsite programs, and services. For example, SAGE partnered with BFC Partners to create and open New York city-based Stonewall House, the largest LGBTQ+-affirming elder housing development in the US. SAGE offers on-site supportive services in addition to a 6,800-square-foot older adult center, SAGE Center Brooklyn. Through fitness and arts programming, community meals, and an open lobby concept design, Stonewall House and its co-located SAGE Center Brooklyn encourage connection and social engagement to combat the disproportionate isolation many LGBTQ+ older adults face.

To address LGBTQ+ elder housing disparities and financing gaps, the Milken Institute partnered with SAGE to conduct a Financial Innovations Lab® (“Lab”) market landscape. From September 2024 to February 2025, the Milken Institute conducted 40 interviews with key stakeholders and subject-matter experts across sectors, including academia, financial services, government, health care, sustainability, nonprofit, and philanthropy. This report summarizes key findings and research from the market landscape, including current funding challenges, stakeholder insights, and a menu of recommendations to sustainably finance and advance the market of housing that prioritizes both affordability and inclusivity for LOAs.

Current Funding and Financing Overview

Elder housing encompasses a wide range of options, from aging at home to active-living retirement communities and assisted living, memory care, and skilled nursing facilities. For those who require minimal support, senior apartments and independent living communities provide social engagement opportunities and amenities. More intensive care options, such as assisted living and nursing homes, serve elders with mobility limitations or chronic medical needs, while memory care provides supportive residential care for individuals living with Alzheimer's disease and other dementias. For elders who prefer to age in place, models like Programs of All-Inclusive Care for the Elderly (PACE) integrate medical and social services into one center elders can visit to receive care instead of having to transition into institutional care.

For LOAs, access to culturally competent services often occurs within local LGBTQ+ centers and the broader aging network, including many Area Agencies on Aging. These public or private nonprofit entities provide safe and inclusive spaces along with essential resources such as health and wellness programs, educational initiatives, and social support groups. They help combat social isolation and connect LOAs to needed services.

On a national level, SAGE supports this work through partnerships with local providers across the country via SAGECollab. Additionally, through its partnership with CenterLink, SAGE has launched SAGELink. This initiative supports LGBTQ+ community centers by providing networking opportunities, peer-to-peer support, and capacity-building resources to help develop, expand, and improve programs for LOAs. Beyond the services SAGE provides directly to LOAs, it also operates the National Resource Center on LGBTQ+ Aging, the first and only technical assistance resource center for service providers focused on improving the services and support for LOAs, their families, and caregivers in the US.[13]

At the local level, Openhouse San Francisco, an LOA supportive services and housing community-based organization and On Lok, the founding organization of the PACE model, have collaborated to create a community-based adult day program designed with and for the LGBTQ+ community. Known as "Club 75," this program offers a safe and affirming space where LOAs can engage with their community and access services such as housing assistance, social worker support, case management, and care coordination. The center also provides meals, transportation, and LGBTQ+-themed activities to promote social engagement.

LGBTQ+ centers and organizations like SAGE cannot alone meet the growing demand for affirming housing and services. New financing models and partnerships are needed to sustainably support the development of affirming housing and integration of culturally competent services at scale.

Increasing the supply of elder housing is expensive, including the high cost of construction and real estate for facilities to provide adequate care. Yet, few Americans can afford these options because they lack savings. Consequently, developers must cobble together various forms of funding and financing, depending on the market they are serving. Luxury communities can be financed because higher rents allow owners and operators to turn enough of a profit to repay investors.

At the other end of the spectrum, housing for some lower- to moderate-income populations benefits from federal subsidies, such as the Low-Income Housing Tax Credit (LIHTC). This program incentivizes private investment in "capital-A Affordable housing" by granting tax credits to developers, which they sell to investors in exchange for upfront capital. Government-backed grants, loans, and tax-exempt bonds are also used to help finance projects that cater to low-income elders. These subsidies, while helpful, often fall short of meeting the full costs of predevelopment, construction, and operation, especially for developments that seek to include LGBTQ+-friendly services, programs, and workforce training. Consequently, developers struggle to find cost-effective financing.

For nonsubsidized or "lowercase-a affordable elder housing," this private-sector financing serves as the primary funding source, requiring developers to navigate a complex web of financial tools. Banks and financial institutions offer construction loans, bridge loans, and mortgage financing, providing essential capital for project development. In recent years, private equity firms have entered the market, investing in care options such as PACE centers, viewing them as long-term, stable investments. Meanwhile, community development financial institutions cater to underserved communities by offering concessional loans with more flexible terms. Beyond traditional lenders, philanthropic organizations and mission-aligned corporations, particularly those focused on LGBTQ+ advocacy, health care, or aging services, contribute grants or program-related investments to projects that align with their social impact goals, such as improving health outcomes and reducing long-term care costs.

As federal funding sources remain uncertain and often insufficient, there is an opportunity for LGBTQ+-friendly states, financial institutions, private investors, and corporations to fill the critical gaps. Partnerships between the private and public sectors will be key to ensuring that all older adults, regardless of identity or financial status, have access to affordable, safe, and affirming housing options.

Solutions Overview

This summary of recommendations presents five market-tested solutions as identified from the Lab discussions and research.

Solution 1: Issue Social Bonds to Fund LGBTQ+-Affirming and Affordable Elder Housing, Programs, and/or Services

Uncertainty in federal funding and support for existing social supports and programs under the current administration leaves cities and states as the primary government actors to help address gaps in affordable and affirming housing. State-issued social bonds offer an alternative mechanism that allows local governments to finance affirming and affordable housing independent of federal decision-making. These are debt securities issued by governments, agencies, or corporations to fund projects that address social challenges, such as affordable housing, health-care access, or conservation. Investors, especially those who evaluate opportunities using environmental, social, or governance (ESG) factors, are drawn to these bonds for both financial returns and their measurable impact.

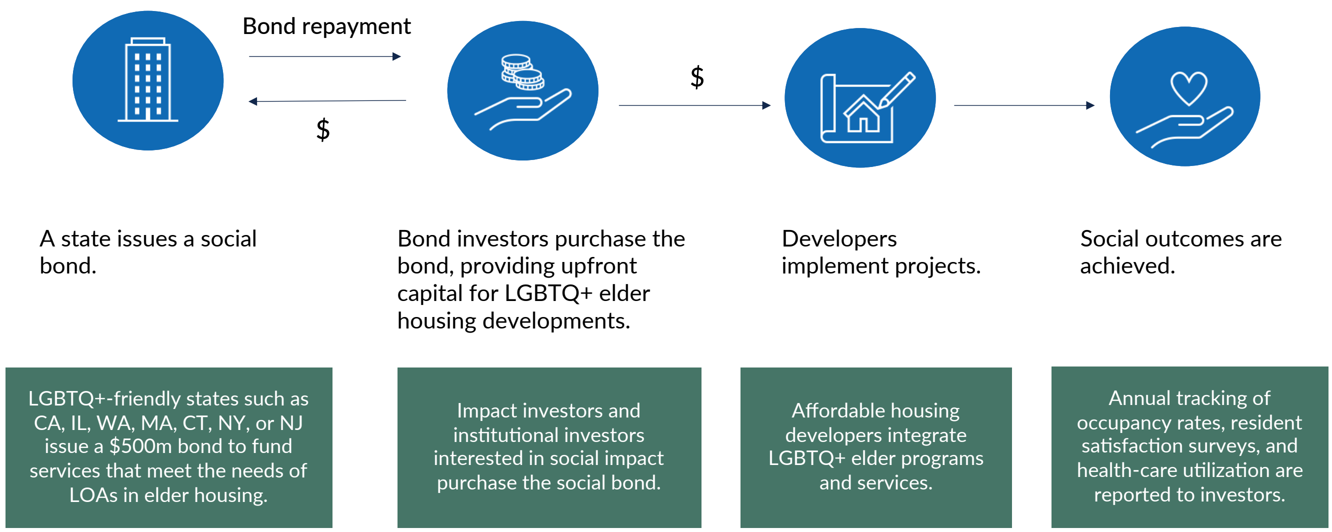
A compelling case is the Portland Housing Bureau's state-issued bond initiative, which raised $258.4 million to finance the construction and preservation of 1,300 affordable housing units in which bond repayment was linked to local property tax adjustments.[14] The bond provided a stable, long-term funding stream without vulnerability to changes in federal funding. This is especially important for affirming housing projects that require patient (long-term) capital to fund ongoing service provision to remain affirming for years to come.

Financial institutions have also demonstrated the viability of this approach by issuing social bonds to fund initiatives that align with their ESG priorities. In 2020, Morgan Stanley issued a $1 billion social bond to support affordable housing across the US.[15] One of the keys to its success was its use of a structured framework with a defined set of impact metrics, such as the number of housing units created, geographic distribution, and the inclusion of nonprofit partnerships. Bond proceeds were used not only for housing development but also for essential supportive services for vulnerable populations.

To apply this model to affirming elder housing and services, Lab interviewees recommended the following:

- Identify one or two LGBTQ+-friendly states that could pilot a social bond for LOA housing that includes supportive services. This could also include housing authorities or other municipalities, depending on the current debt burden for any specific entity and its ability to repay based on current or future revenue streams (examples: Washington, Illinois, or Connecticut)
- Adopt an impact framework with transparent, measurable key performance indicators (e.g., housing retention rates, health-care cost savings, social isolation improvements)
- Leverage social bond proceeds for both housing construction and service integration
- Expand investor base by marketing to social impact/ESG-focused investors and financial institutions
- Encourage financial institutions and corporations to issue social bonds for elder housing that includes services for LOAs by demonstrating data-backed community health outcomes

Figure 1: Snapshot of a Social Bond Model



Source: Milken Institute (2025)

Solution 2: Design an Impact Investment Fund to Create LGBTQ+-Affirming and Affordable Elder Living Environments

Affirming housing developments often include specialized services, such as on-site case workers, health-care provision partnerships, and community programming, which, while critical, increase operational costs without generating direct financial returns. These services alone should not be overly burdensome; however, developers face challenges in high construction costs, long-term maintenance, and the limited future cash flows based on the market pricing for unit affordability. One method to lower costs for those owning and operating affirming communities is to access capital that is lower cost than traditional bank loans or private equity. Impact investment funds offer a solution to these challenges by providing patient capital aligned with social impact goals. Unlike traditional investment vehicles, which prioritize high, short-term financial returns, impact investment incorporates concessionary capital, meaning investors accept lower financial returns (in many forms that include longer and more flexible repayment periods, lower interest rates, or a partial guarantee) in exchange for measurable social benefits.

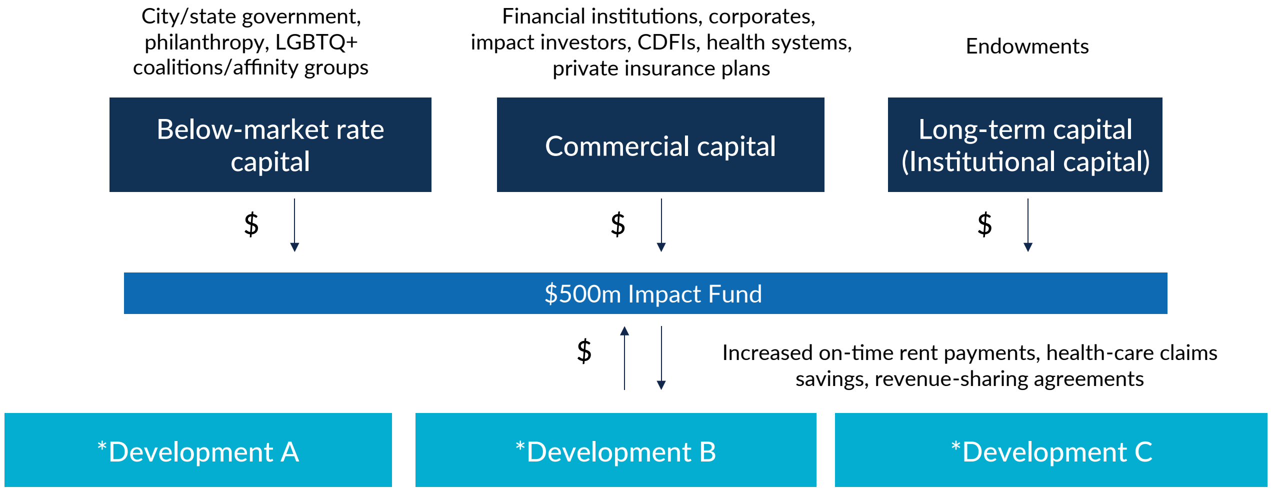
By structuring an impact fund with a tiered capital approach—where philanthropic organizations and mission-driven foundations provide concessionary capital while corporate and institutional investors contribute market-rate capital—the fund can lower financial risk for traditional investors, making projects more attractive and feasible. As a result, the fund can offer low-cost loans to developers, ensuring that projects remain financially sustainable without requiring rent increases. Additionally, this blended approach serves as catalytic funding, unlocking opportunities for developments that might not otherwise secure financing.

One of the most promising financing strategies for affordable housing is leveraging investment from the health-care sector, as housing stability is a critical determinant of health outcomes. Recognizing this, Kaiser Permanente contributed $15 million of its own capital to its $85 million Housing for Health Equity Fund, which acquires multi-unit properties to ensure long-term affordability and prevent displacement.[16] The fund's investment model offers investors a 1–5 percent financial return, which is lower than traditional real estate investments, but with the understanding that the investment will additionally drive long-term health-care cost savings. This approach is especially relevant for affirming elder housing, where LOAs face higher rates of chronic illness, social isolation, and housing insecurity, all of which contribute to increased public health-care expenditures.[17]

An impact investing fund for affirming elder housing could:

- De-risk investments by structuring a first-loss reserve backed by philanthropic capital
- Expand investor participation from institutional investors, corporate social responsibility funds, and ESG-focused firms
- Tie investment returns to impact metrics, such as housing stability rates, health-care cost savings, and lower rates of social isolation
- Implement structured revenue-sharing where investors receive a portion of rental income over time, aligning incentives with long-term affordability and resident well-being

Figure 2: Snapshot of an Impact Investment Fund Model



*Site acquisition, construction costs, onsite clinical and non-clinical social workers, case management, transport, healthy meals, community building programming, wellness programs, educational opportunities, data collection and health outcome evaluation, rent payments

Source: Milken Institute (2025)

Solution 3: Use a Pay-for-Performance Model to Fund LGBTQ+-Affirming Elder Programming, Workforce Training, and Inclusive Design Improvements

When housing successfully integrates culturally competent health, social services, and inclusive design principles, insurers, health-care providers, and government agencies stand to benefit from reduced emergency room visits, improved medication adherence, and lower rates of social isolation-related health issues (e.g. heart disease, depression, and cognitive decline).[18] In recognition of these favorable outcomes, some health-care payers and housing operators are partnering to improve risk assessment and reduce costs associated with preventable hospitalizations and chronic conditions. These models, called pay-for-performance contracts, are promising but have been challenging to scale, often constrained by the lack of upfront and ongoing capital needed for service integration, workforce training and certification, and continued service provision.

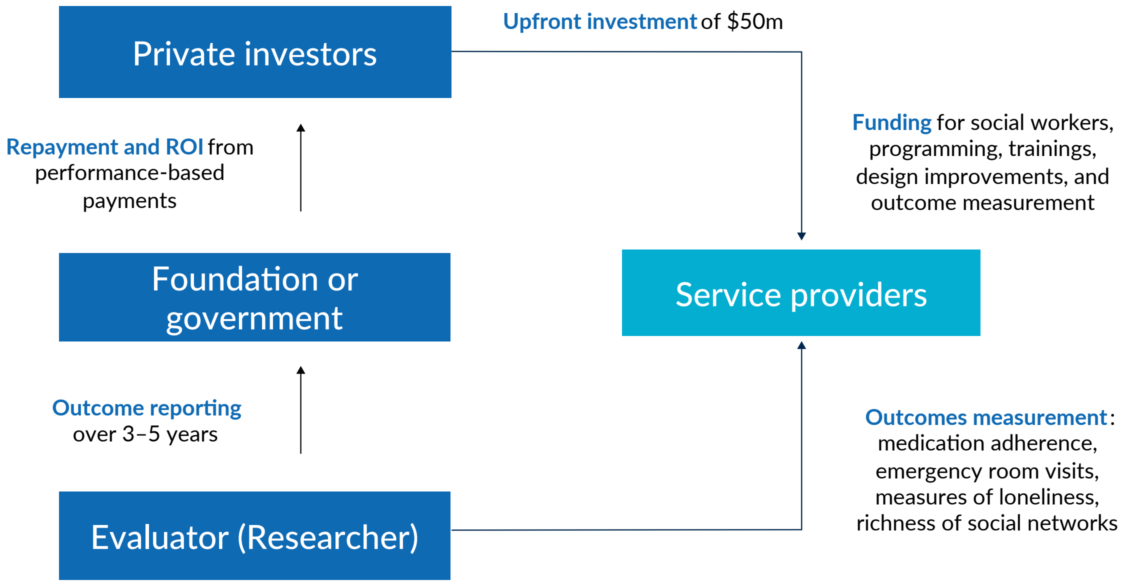
Pay-for-performance structures offer a solution by aligning private investment with measurable social outcomes, ensuring that capital flows into evidence-based interventions that allow for scaling successful models. For example, private investors could provide the initial capital to fund LGBTQ+-specific services in elder housing (e.g., care management, mental health support, and community programs). An outcome payer—such as an insurance company, state health agency, or philanthropic foundation—agrees to repay the investors only if the program achieves predetermined success metrics. These could include reduced hospitalization rates, improved medication adherence, or decreased reliance on emergency services.

Given the persistent challenges in securing low-cost capital for affordable and affirming housing, pay-for-performance models provide an alternative financing strategy that is both outcomes-driven and can attract a wider pool of impact-focused investors. The Strong Families Fund is a case study that could be replicated for resident service funding. In this model, investors helped to capitalize new development of housing that included health services, while grants from the Kresge Foundation and the Robert Wood Johnson Foundation funded up to $90,000 in annual performance payments for 10 years to investors, only when the inclusion of the additional services achieved certain social metrics. By using this model, building tenants received access to services they otherwise would not have had, and existing investors gained additional financial returns when the projects and services were successful, creating a "win-win."

A pay-for-performance investment into affirming services could:

- Secure long-term capital to fund services, programs, and training
- Form partnerships among operators and LGBTQ+ elder service providers with health-care providers, insurance companies, and philanthropic organizations serving as the outcome payers
- Track key health and housing stability metrics to provide information demonstrating the cost-effectiveness of affirming and affordable housing
- Build the case for further public-private partnerships and investment in inclusive elder care models

Figure 3: Snapshot of a Pay-for-Performance Model



Source: Milken Institute (2025)

Solution 4: Create an LGBTQ+ Elder Housing Prize to Reward Best-in-Class Developments and Increase Market Visibility

Beyond financial barriers, elder housing developers and operators often don't understand or prioritize effective models for inclusive design and cultural competency training and programming. There is not a one-size-fits-all approach to serving the LOA population. Without education and awareness of tools and best practices within the industry, like SAGE's Housing Development Toolkit, many housing developments leave LOAs isolated or re-closeted. New developers interested in the market may not know where to begin without a standard to follow that successfully addresses LOA needs.

The Centers for Medicare and Medicaid Services (CMS) Health Care Innovation Awards are an example of how prize incentives can drive large-scale improvements in service delivery and cost-effectiveness. With a funding pool of $1 billion, CMS awarded grants ranging from $1 million to $30 million for providers, payers, local government, public-private partnerships, and multi-payer collaboratives that demonstrated measurable improvements in health-care delivery, cost reduction, and health outcomes.[19] Private-sector incentive competitions have also been used to accelerate progress and solve challenges. The Milken-Motsepe Innovation Prize Program, for example, launched in partnership with the Milken Institute and the Motsepe Foundation, has spurred advancements in agriculture, green energy, and FinTech, with funding used to cover initial development costs but also attract new investment into businesses and help scale innovation.[20]

In the context of affirming housing, prize funding provided through mission-aligned foundations and LGBTQ+-friendly state government agency grants could support a range of initiatives and organizations. These might include an engineering firm that creates prefabricated options or other construction products that enable easy conversion of housing units into age-friendly and affirming spaces, a service organization that designs innovative affirming programming, new volunteerism program pilots that find creative ways to combat social isolation, mobile wellness clinics tailored to LOA needs, or new telehealth tools that allow LOAs to comfortably age in place if they prefer.

An LGBTQ+ elder housing prize could:

- Encourage replication of effective models, demonstrate the importance of affirming housing within the broader affordable elder housing landscape, and attract more investment into certified high-quality developments
- Reward winners with incentives, such as an appropriate prize purse, enhanced reputation, flexible financing terms, access to new markets, increased market value, and industry recognition
- Engage an independent and diverse panel of judges with the opportunity to include a high-profile celebrity to bring various perspectives, and expert insights, and build awareness
- Establish an industry standard for excellence for affordable and affirming housing design and service delivery

Figure 4: Example of Qualifying Criteria for an Affordable and LGBTQ+-Affirming Housing Prize

Criteria	
Team members	LGBTQ+-focused nonprofit, elder housing operator, state/city government, regional agencies, design/architecture firm, elder housing developer
Submission criteria	☐ Adherence to SAGE's suite of housing developer toolkits and resources for building LGBTQ+ elder housing ☐ Inclusive design ☐ Partnerships with SAGE-certified LGBTQ+ nonprofits to advise on the development ☐ Workforce that has completed LGBTQ+ culturally competent trainings ☐ Variety of programming and LGBTQ+ support offered ☐ High ratio of LGBTQ+ residents to non-LGBTQ+ residents ☐ Use of energy-efficient infrastructure ☐ Healthy building measures
Certification	Awarded to teams that have met criteria and showcased affirming design for LGBTQ+ elders, integration of LGBTQ+ elder services/programming, partnerships with LGBTQ+ elder organizations, etc. Philanthropic foundations or LGBTQ+-friendly state government agencies could fund the award.
Leadership Council and incentives	Winning development leadership teams form the council. The council is invited to participate in invite-only meetings and events with key stakeholders.

Source: Milken Institute (2025)

Solution 5: Establish Financial-Sector Partnerships to Incentivize LGBTQ+-Affirming Elder Services Integration

Given the uncertainty around the availability of federal and some state government funding sources, the LGBTQ+ elder housing market must identify new champions in the private sector. These could include private equity firms that already invest in elder care models, such as independent living communities and services like PACE. Many corporates and financial services firms also operate employee resource groups (ERGs) that could be engaged as allies in supporting affirming housing initiatives.

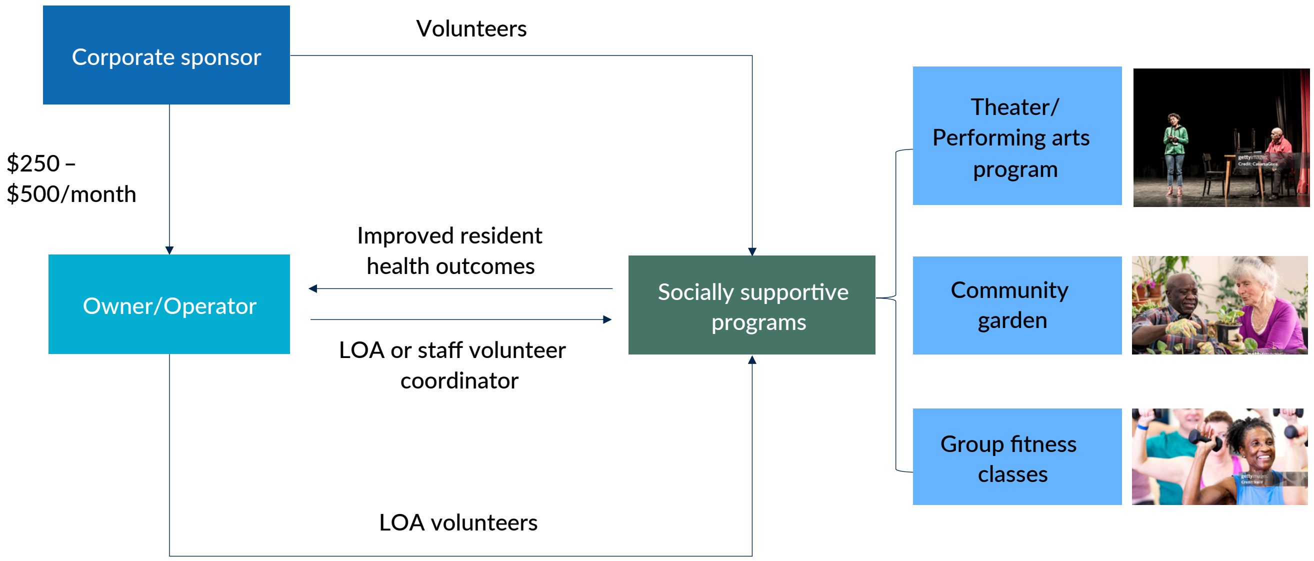
To better engage financial institutions and private investors in supporting affirming housing and services, several strategies could be used:

1. **Allocate a portion of fees or carry to a pooled fund for LGBTQ+-affirming elder services:** Private equity firms, especially those that already invest in elder housing and PACE centers, could allocate a percentage of their carried interest (profits) to a pooled fund supporting LGBTQ+ service integration in PACE centers. For example, Ares Management's Pathfinder Fund has allocated 5-10 percent of its carried interest profits to social impact initiatives, generating millions for global health and education programs.[21] A similar model could help finance cultural competency training, affirming services, and programming in PACE centers or affordable elder housing communities.
2. **Partner with LGBTQ+ employee resource groups and corporate affinity groups:** LGBTQ+ ERGs at financial institutions and mission-aligned corporates could sponsor affirming programming to enhance elder well-being. These sponsorships could fund resident-led onsite businesses (e.g., edible gardens), community-building initiatives (e.g., intergenerational volunteer programs), or social engagement activities (e.g., theater productions). An example is Broadway Senior, a program that adapts Broadway musicals in elder living communities with community volunteers and elder residents as performers. By combining corporate sponsorships and resident engagement, operators may reduce their programming costs while preventing social isolation in their communities.

Given increased sensitivity toward explicit support for diversity, equity, and inclusion (DEI) initiatives in the current environment, Lab interviewees suggested framing projects within the broader aims of supporting affordable elder housing that is inclusive and affirming to all sexual orientations and gender identities. Within this context, to establish financial-sector partnerships and move affirming elder housing forward, operators may:

- Identify mission-aligned financial institutions to create preferential loan terms for affordable elder housing projects that integrate affirming and inclusive programs and services
- Engage private equity firms already invested in PACE to structure a percentage allocation for elder housing and care initiatives that are affirming and inclusive
- Partner with LGBTQ+ corporate affinity groups or corporate social responsibility initiatives on resident wellness and community engagement programs

Figure 5: Potential Corporate Sponsorship Model



Source: Milken Institute (2025)

Conclusion

Addressing the financial barriers to affirming and affordable housing requires new, multi-sector solutions that transcend existing funding options. By leveraging social bonds, impact investment funds, pay-for-performance models, prize incentives, and financial-sector partnerships, housing providers can access new streams of capital that are both sustainable and effective. The models ensure that LOAs receive culturally competent services, stable housing, and long-term affordability. They also align financial incentives with measurable social outcomes, making affirming and affordable housing more attractive to a wider pool of investors. This approach will strengthen the elder housing ecosystem, meet the needs of LOAs, and ultimately foster healthier communities.

Interview List

Joe Aguilar, Chief Investment Officer, Office of the Illinois State Treasurer Michael W. Frerichs

Kevin Alvarez, Deputy Chief of Staff and Director of Policy, Office of the Connecticut State Treasurer Erick Russell

Seema Bhangar, PhD, Principal, Healthy Buildings and Communities, US Green Building Council

Melissa Bradley, Managing Partner, 1863 Ventures

Debbie Burkart, Managing Director, Supportive Housing, National Equity Fund, Inc.

Stella Campaner, Senior Vice President, Global Engagement Strategic Advisor for Citi Pride, Citi

Ryan Cassidy, Vice President, Real Estate, Mutual Housing California

Karmen Cheung, Regional Vice President, New England, Pennrose

Amy Chung, Managing Director, Impact Investing, The California Endowment

Brad Clark, President and CEO, The Gill Foundation

Holly Dabelko-Schoeny, PhD, Director of Research, Age-Friendly Innovation Center, Age-Friendly Columbus and Franklin County, The Ohio State University

Stephany De Scisciolo, PhD, Vice President, Knowledge, Impact and Strategy, Enterprise Community Partners

Tom De Simone, President and CEO, Genesis LA

Krista Egger, Vice President, National Initiatives, Enterprise Community Partners

Vinny Eng, Interim Executive Director, Openhouse SF

Peter Fitzgerald, Executive Vice President, Policy and Strategy, National PACE Association

Jason Flatt, PhD, Associate Professor, University of Nevada, Las Vegas

Paul Francisco, Senior Vice President, Chief Diversity Officer, State Street

Adam Galowitz, Managing Director, Tax Advantaged Investments, State Street

Orlando Gonzales, Senior Vice President, Programs, Research and Training, Human Rights Campaign

Keisha González, Senior Director, Social Impact Investing and Economic & Community Development, Cleveland Foundation

Christine Happel, Assistant Director, Age-Friendly Innovation Center, Age-Friendly Columbus and Franklin County, The Ohio State University

Anika Heavener, Vice President, Innovation and Investments, The SCAN Foundation

Allegra Hirschman, Director, Business Development, SAGEVenture

Whitney Joy Howard, Manager, Housing Integration Unit, Washington State Department of Social and Health Services

Michael Hughes, Senior Executive Vice President, Chief Transformation and Innovation Officer, United Church Homes

Roberto Jiménez, CEO, Seattle Social Housing Developer

Andrew Katusin, Director, Community Philanthropy, Cleveland Foundation

Lynne Katzmann, PhD, Founder and CEO, Juniper Communities

Amy (Trutor) Keltner, Portfolio Manager, Fixed Income, State Street

Carl Kunda, Vice President, Supportive Housing, Full Circle Communities

Janet Li, Senior Manager, Service Programs, Full Circle Communities

Mimi Li, Managing Director, Municipal Finance and Stable Value, State Street

Jonathan Lovitz, Director, Public Affairs; Senior Advisor, US Economic Development Administration, US Department of Commerce

Piers MacNaughton, ScD, Co-Founder and CEO, SeeAir

Moj Mahdara, Managing Partner and Co-Founder, Kinship Ventures, LLC

Matthew Martin, Director, Community Research, The Columbus Foundation

Trevyr Meade, Product Manager, US Green Building Council

Ilan Meyer, PhD, Williams Distinguished Senior Scholar for Public Policy, The Williams Institute at UCLA School of Law

Claire Parisa, Director, Acquisitions, Enterprise Community Investment, Inc.

Melodie Pazolt, Managing Director, Apple Health and Homes Initiative, Washington State Department of Commerce

Densil Porteous, Executive Director; CEO, Stonewall Columbus, Inc.; Pride Fund 1

Carmen Rasnick, Senior Product Manager, US Green Building Council

Sabine Rogers, Federal Policy Project Manager, US Green Building Council

Philippe Saad, Principal, DiMella Shaffer

Brad Sears, JD, Executive Director and Assistant Dean, The Williams Institute at UCLA School of Law

Ari Shaw, PhD, Senior Fellow & Director of International Programs, The Williams Institute at UCLA School of Law

Marisa Sheldon, Director, Age-Friendly Innovation Center, Age-Friendly Columbus and Franklin County, The Ohio State University

Ryn Skultety, PhD, Executive Director, Reaching Out MBA

Kathleen Sullivan, PhD, Former Executive Director, Openhouse SF

Arunabha Uxa-Chakravarty, Senior Vice President, Portfolio Management, BlueHub Capital

Gretchen Van Ness, JD, Executive Director, LGBTQ Senior Housing Inc.

Laurie Warzinski, Senior Policy Advisor, USDA Rural Development Multifamily Housing

Kelly Worden, Vice President, ESG and Social Sustainability, International WELL Building Institute

Stacie Young, President and CEO, Community Investment Corporation

Endnotes

1. "2023 National Population Projections Tables: Main Series," Census.gov, October 31, 2023, https://www.census.gov/data/tables/2023/demo/popproj/2023-summary-tables.html.

2. Kathi S. Brown, "AARP Financial Security Trends Survey, January 2024: Sense of Financial Security Holds Steady, Optimism Up," AARP, April 24, 2024, https://doi.org/10.26419/res.00525.040.

3. Matthew Phan, Carrie Graham, et al., *Meeting the Health and Social Needs of LGBTQ+ Older Adults Through Medicaid* (Center for Health Care Strategies, September 2023), https://www.chcs.org/resource/meeting-the-health-and-social-needs-of-lgbtq-older-adults-through-medicaid/.

4. Jeffery M. Jones, "LGBTQ+ Identification in US Now at 7.6%," Gallup, March 13, 2024, https://news.gallup.com/poll/611864/lgbtq-identification.aspx.

5. "Facts on LGBTQ+ Aging," SAGE, accessed February 18, 2025, https://www.sageusa.org/resource-posts/facts-on-lgbt-aging/.

6. "Poverty Guidelines," Office of the Assistant Secretary for Planning and Evaluation, accessed February 18, 2025, https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines.

7. Andrew R. Flores and Kerith J. Conron, *Adult LGBT Population in the United States* (UCLA Williams Institute, December 2023), https://williamsinstitute.law.ucla.edu/wp-content/uploads/LGBT-Adult-US-Pop-Dec-2023.pdf; Lauren J.A. Bouton, Amanda M. Brush, et al., *LGBT Adults Aged 50 and Older in the US During the COVID-19 Pandemic* (UCLA Williams Institute, January 2023), https://williamsinstitute.law.ucla.edu/wp-content/uploads/LGBT-Older-Adults-Jan-2023.pdf; Jones, "LGBTQ+ Identification"; Kiara Alfonesca, "Who Makes Up the LGBTQ+ Community? A Look at the Growing Population," *ABC News*, June 7, 2024, https://abcnews.go.com/US/makes-lgbtq-community-growing-population/story?id=110435387#:~:text=These%20are%20just%20some%20of%20the%20at,as%20recorded%20by%20a%20recent%20Gallup%20survey.

8. *The LGBT Community: Buying and Renting Homes* (Freddie Mac, May 2018), https://www.freddiemac.com/fmac-resources/research/pdf/Freddie_Mac_LGBT_Survey_Results_FINAL.pdf (link was accessed in March 2025 but was inactive by this report's publication date); *LGBT Real Estate Report 2020–21* (National Association of Gay & Lesbian Real Estate Professionals, July 2020), https://naglrep.com/wp-content/uploads/2020/07/2020-21-lgbt-real-estate-report.pdf.

9. *Dignity 2024: The Experience of LGBTQ+ Older Adults* (AARP, August 2024), https://www.aarp.org/content/dam/aarp/research/topics/social-leisure/relationships/lgbtq-dignity-series-2024.doi.10.26419-2fres.00805.001.pdf.

10. *Dignity 2024: The Experience of LGBTQ+ Older Adults* (AARP, August 2024), https://www.aarp.org/content/dam/aarp/research/topics/social-leisure/relationships/lgbtq-dignity-series-2024.doi.10.26419-2fres.00805.001.pdf; Julie Pfitzinger, "'Many Times, Elders Go Back into the Closet.' Are Health-Care Providers Doing Enough for an Aging LGBTQ Population?" *MarketWatch*, December 30, 2022, https://www.marketwatch.com/story/many-times-elders-go-back-into-the-closet-are-healthcare-providers-doing-enough-for-an-aging-lgbtq-population-11671745219; "LGBTQ+ Seniors Fear Having to Go Back in Closet for the Care They Need," SAGE, October 12, 2021, https://www.sageusa.org/news-posts/lgbtq-seniors-fear-having-to-go-back-in-closet-for-the-care-they-need/; *Disrupting Disparities: Solutions for LGBTQ New Yorkers Age 50+* (AARP, SAGE, and AARP Foundation, January 2021), https://aarp-states.brightspotcdn.com/ca/eb/c2353b1e45b3a7fa0f15991c47a6/disparities-lgbtq-full-final-spread-v4.pdf.

11. *Celebrating Resilience Annual Report 2023* (SAGE, July 2024), https://www.sageusa.org/wp-content/uploads/2024/07/sage-annual-2023-website-version.pdf.

12. *SAGE's Housing Development Toolkit* (SAGE, October 2022), https://www.sageusa.org/wp-content/uploads/2022/10/nhi-housing-developers-toolkit-modules-1-9-1.pdf.

13. "Home," SAGE National Resource Center on LGBTQ+ Aging, accessed February 21, 2025, https://lgbtagingcenter.org/.

14. "Inside the Policy Framework," Portland.gov, October 10, 2017, https://static1.squarespace.com/static/59d4128b80bd5e9928374e77/t/59de776090badeb45b424dd4/1507751778832/PHB+Bond+Policy+One+Pager+-+FINAL.pdf; "Investing Together in Affordable Homes," Portland's Housing Bond, accessed February 18, 2025, https://portlandhousingbond.com/.

15. *2021 Social Bond Impact Report* (Morgan Stanley, June 2021), https://www.morganstanley.com/assets/pdfs/Morgan_Stanley_2021_Social_Bond_Impact_Report.pdf.

16. "Kaiser Permanente's Housing for Health Fund Provides Agile Investing," US Department of Housing and Urban Development, accessed February 18, 2025, https://www.huduser.gov/portal/casestudies/study-012420.html.

17. Karen I. Fredriksen-Goldsen, Hyun-Jun Kim, et al., "Chronic Health Conditions and Key Health Indicators Among Lesbian, Gay, and Bisexual Older US Adults, 2013-2014," *American Journal of Public Health*, 2017 Aug;107(8):1332–1338, https://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2017.303922; Nik M. Lampe, Harry Barbee, et al., "Health Disparities Among Lesbian, Gay, Bisexual, Transgender, and Queer Older Adults: A Structural Competency Approach," *Int J Aging Hum Dev*, 2024 Jan;98(1):39–55. doi: 10.1177/00914150231171838.

18. "Loneliness and Social Isolation—Tips for Staying Connected," National Institute of Aging, accessed March 19, 2025, https://www.nia.nih.gov/health/loneliness-and-social-isolation/loneliness-and-social-isolation-tips-staying-connected#:~:text=Studies%20show%20that%20loneliness%20and,be%20socially%20isolated%20or%20lonely.

19. “Health Care Innovation Awards,” Centers for Medicare & Medicaid Services, accessed February 18, 2025, https://www.cms.gov/priorities/innovation/innovation-models/health-care-innovation-awards.

20. “Milken-Motsepe Innovation Prize Program,” Milken-Motsepe Prize, accessed March 4, 2025, https://milkenmotsepeprize.org/.

21. “Ares Management Closes $6.6 Billion Pathfinder II Alternative Credit Fund to Invest in Private Asset Based Credit,” *Business Wire*, October 30, 2023, https://www.businesswire.com/news/home/20231027398910/en/Ares-Management-Closes-6.6-Billion-Pathfinder-II-Alternative-Credit-Fund-to-Invest-in-Private-Asset-Based-Credit.

About the Authors

Ivy Hsu is a senior associate of innovative finance at the Milken Institute. During Hsu's time at the Institute, she has worked on projects around structuring sustainable funding models for new antibiotics to help curb antimicrobial resistance, streamlining the sustainable bond market for municipal issuers, and new approaches to financing affordable senior housing. Hsu graduated from the University of Southern California with a BS in health promotion and disease prevention and an MS in finance.

Caitlin MacLean is a managing director on the innovative finance team at the Milken Institute. She oversees the research, development, execution, and follow-up of our Financial Innovations Labs, which promote financial solutions to overcome economic and social challenges. During MacLean's tenure at the Institute, the labs have resulted in concrete outcomes, including the creation of new investment funds to support biomedical research and the implementation of government policies to facilitate the growth of the renewable energy sector. She is the co-author of many lab reports and related journal articles.

Prior to joining the Institute, MacLean worked in the for-profit sector, developing marketing campaigns and communication strategies for Fortune 500 companies. She also worked in the nonprofit sector, managing fundraising and program administration for arts development organizations. MacLean is a graduate of the New School University and has an MBA in finance from the Anderson School of Management at the University of California, Los Angeles.

Kanika Singh is director of innovative finance at the Milken Institute. She is responsible for executing the Institute's signature research projects, the Financial Innovations Labs, with a specific focus on the market failures and financing gaps in climate solutions.

Prior to joining the Milken Institute, Singh worked in New York's hedge fund industry, where she led macroeconomic investments in emerging markets by employing a cross-sectoral and global strategy to identify investment opportunities for chief investment officers. She also served as the lead economist at international financial institutions in London and Singapore, collaborating with clients that included investment banks, central banks, and sovereign wealth funds. Singh has a proven track record in rigorous macroeconomic analysis, investing in developing countries, and portfolio management in global financial markets. Additionally, she built and maintained relationships in C-suite, nongovernmental organizations, and policy circles. She holds a Master of Science in sustainability management from Columbia University and a Master of Science in economics from the London School of Economics.

MILKEN INSTITUTE