

## Master Plan *update*

January 2016

This document is for Lathrop residents, their families and friends, Lathrop staff, Kendal staff, and others interested in the evolution of a master plan for what we consider a special retirement community. We hope it will answer questions and help generate interest in the planning process.

Irene Lamson, Board Chair  
Thom Wright, Executive Director

### **Why Are We Working on a Master Plan?**

It is natural and prudent for an enterprise to periodically review its market and competition and to make plans for a better and stronger future. In his memo to residents on June 23, 2014, Thom said, “It is imperative that Lathrop examine its place in the senior living movement within the Pioneer Valley to ensure our mission extends well into the future.”

The Lathrop Strategic Plan of January 2012, although its time horizon was only three to five years, already spoke of possible expansion and addition of other services, and called for work on a master plan. Lathrop is now 25 years old, and is looking forward for the next 25 years. Maybe there are ways we can serve our residents better. The world around us changes, the market changes. Maybe there are other needs we can help meet. Maybe we can be more efficient, more effective, and even more economical via an improved cash flow. At the same time, we must avoid “mission creep.” This means being sure that any planned action makes sense not only on its own merits but also in the overall context of Lathrop’s role and place in the market.

Kendal is encouraging and supporting our efforts but not pushing us. We are the smallest of Kendal’s 13 affiliates, and our fee-for-service model is unique in the Kendal system and despite our small size, Kendal looks to Lathrop as a leader in the next generation of retirement communities.

### **Planning Steps So Far**

A Master Plan Task Force was appointed. It includes:

- Board chair and vice-chair, and five other Board members (committee chairs)
- Thom Wright, executive director
- Six department directors
- The presidents of the two resident associations
- Two Kendal executives
- A community member

The Task Force held its first meeting on June 9, 2014, and has held fourteen (14) meetings since then. Questionnaires were distributed to residents, staff and Board members. In July 2015 we retained Boston-based DiMella Shaffer, architects, to help us conceptualize possible building implications. They have previously helped Kendal Corporation and other retirement communities, and they have provided us with services that go

beyond what architects normally do, functioning almost like a market research firm, which has been very helpful to us; they “get” Lathrop! In October 2015, a pre-construction firm, Cutler Associates, was retained to assist in developing cost estimates of future design concepts.

On September 2 DiMella Shaffer facilitated a meeting with resident council representatives and officers, staff and Board members to get evaluations and priorities on a range of possible improvements at Lathrop. On September 9 DiMella Shaffer met sequentially with Board and resident committees to discuss future ideas from the basis of the various committees’ interests. A two-day “design charrette” was held November 10 and 11 with Board members, staff, and resident committee members, at which DiMella Shaffer presented nine possible “concepts” for discussion and evaluation.

On December 10 and 11, members of the Task Force and resident council members were invited to tour Kendal on Hudson and the new memory support neighborhood, designed by DiMella Shaffer, as well as two Camphill Communities in the Hudson, NY area; Camphill Triform, a community for autistic young adults, and Camphill Ghent, an elder community.

At the January 26<sup>th</sup> meeting of the Lathrop Board of Directors, Steve Bailey presented the results of the Master Plan Survey that was distributed to all residents, board members and staff. In addition, DiMella Shaffer presented five refined design concepts and Cutler Associates shared the cost estimates of each design concept to help us choose a path that not only serves residents and the market well but is also fiscally responsible.

## **Meet the Professionals**

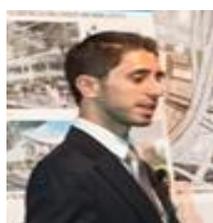
### **DiMella Shaffer Architects**



Diane Dooley,  
Partner



Philippe Saad,  
Senior Associate



Victor Perez-Amado

### **Cutler Associates**



Cutler has been retained as our pre-construction manager. Their role is limited at this time; they have been retained to provide reliable cost estimates of whatever projects we come up with. The key personnel here are Garth Johnson (pictured), Rich Lucht and Josh Gaucher.

### **Berkshire Design Group**



Berkshire Design has been integral to Lathrop’s development since its inception. Their Rick Klein (pictured) and Jeff Squire are helping us on issues of zoning, wetlands mapping and conservation regulations.

## **Kendal Corporation**



**Kendal's** Steve Bailey, Project Director (pictured) has brought a lot of relevant experience and is being especially helpful. Kendal provides industry perspective of the market, consumer and building design trends, as well as financial and operational planning expertise.

### **Elements of Master Plan**

We are still in the conceptualizing phase, so we do not yet know what, if any, construction we may undertake. But it seems likely that the plan will have two major elements:

1. Improvements for current residents. This would include improvements at The Inn at Easthampton and/or possibly a new building to fill some of the Inn's functions, and improvements at the Meeting House on the Northampton campus.
2. Possible new units for independent living, and possibly new services and features. This might include new units for enhanced independent living, memory care or developmental disabilities.

In addition to those construction projects of an expansion and improvement nature, the plan is expected to address certain qualitative matters such as care for the environment – possibly including LEED- certified, energy-efficient buildings, a solar array, and a small working farm, for example. These sorts of initiatives may not only be worthy in their own right but may differentiate Lathrop from the competition and help strengthen our position of leadership – an exciting new dimension that would infuse the planning with energy and enthusiasm.

### **Next Steps**

The design concepts and cost estimates presented to the Board on January 26 will be shared with all residents on February 9, 2016 to keep everyone on the same page. In February, Lathrop is also planning to host a panel discussion with members of the Camphill Communities of North America, with operations in New York, Pennsylvania and California; Bittersweet Farms, located in Ohio; and Riverside Industries, which is well-known and respected in the Pioneer Valley. The primary topic will be land-based programs (i.e. small working farms) that support individuals with intellectual and developmental disabilities, including autism. This notion is worthy to explore in light of the mission to *transform the experience of aging* and the growing statistics related to people with autism who are aging and in response to the Massachusetts Commission on Autism report, which indicates the need to create more housing options, including integrated communities.

Lastly, Lathrop and Kendal at Home continue to explore a relationship that will benefit Lathrop residents. Kendal at Home is meeting with regulators in Boston to discuss the path to operating in the Massachusetts home care market. Once its financial and operational plans have been vetted and approved for affiliation by the Kendal Board, Lathrop's Board will have the same opportunity before granting final approval to develop a Lathrop program. Aside from fiduciary responsibility, the Board's and Lathrop's role is to advocate in the best interest of our residents. We are optimistic that Kendal at Home will serve our community well.

## **Possible Dislocations**

As with any plans related to Lathrop, people come first! There have been many legitimate concerns raised regarding the potential for dislocation due to expansion or refurbishment. Please know that we and the members of the Task Force, as well as the professionals with whom we are working, seek the least disruptive process possible. To that end, there have been some recommendations regarding the Inn that range in scope from phasing in new construction in one or more wings to building an entirely new apartment building with expanded gathering spaces in a different campus location before transforming the space entirely.

It is imperative to consider the full impact of all scenarios and while the thought of relocating can be daunting, we assure you that Lathrop would be fully engaged and supportive to ensure a smooth transition. ***Since no decisions have been formalized, we encourage everyone to stay focused on the present*** and enjoy the fellowship and activities that the Inn affords; not to mention the enhancements we have initiated to refresh the Inn's common spaces and décor. Did you know that the art room has been relocated to the second floor, adjacent to the Life Enrichment Center and that we will soon engage residents to discern ways to enhance the front lobby and gathering spaces on the first floor? Our commitment remains to current residents and no matter what course we all decide is best for the Inn, the quality of lifestyle it affords us all is vitally important!

## **Cost and Financing**

In the next two months, Kendal will provide assistance to Lathrop in modeling the financial projections related to the scope of the conceptual designs and programs. Until the actual scope is known, the true cost cannot be known and until the cost is known, we cannot determine if the most prudent course is to do nothing or to implement changes in a well-thought-out phased process. This requires that as a community we settle the aspects of our mission relative to developing a memory support program, a small working farm and serving aging adults with intellectual or developmental disabilities. Last August, Lathrop issued a press release about the prospect of expansion, and it mentioned the potential price tag of \$26 million. That figure was merely a “for instance,” based on hypothetical renovations to The Inn and the Meeting House and an approximate number of new independent living units to be built.

The final plan is almost certain to be different, and depending on the programs and services we attempt to achieve, there may be opportunities to raise private donations and seek grants for specific elements of the program (like an agricultural program). The majority of financing will likely come from traditional short and long term financing sources like construction loans and might include tax-exempt bonds. However we may fund future projects, current residents will continue to see average annual monthly fee increases consistent with our history (3-5% annually). It is true that Lathrop's overall debt may increase, but so will our cash flow and our ability to attract new residents, to help share in the total operating costs. We are committed to maintaining Lathrop's affordability. Our goal is to develop a sound financial model based on the value of good stewardship and to be able to reinvest in the community to benefit each resident, now and in the future.

We intend for the planning process to be entirely open and transparent – no secrets, no mystery. The project will benefit from a collective enthusiasm and energy. Please be sure to share your ideas with us.