

LAUREL LAKE NEW VILLA PROJECT

Questions & Answers for Residents – Special Coffee, March 11, 2024

#1 – Why is Laurel Lake planning to build more Villas?

The Strategic Planning Committee identified that in the next ten years, rising costs are likely to exceed inflation in at least the following areas: Healthcare, utilities, property tax, and insurance. To maintain fiscal sustainability, Laurel Lake has a limited number of choices:

- Decrease the cost of services through improving efficiency or decreasing services;
- Increase revenue through growth in the number of residents; or
- Raise rates

To minimize upward pressure on residents' monthly fees, there are multiple initiatives already in progress, from decreasing dependence on contract staff to adding new revenue streams to converting unsold small apartments to larger ones to upgrading Greenwood accommodations to better compete with other facilities.

Adding Villas is the best way to add capacity where we have the greatest unmet demand, and the greatest return on investment.

#2 – How many New Villas would be built?

Laurel Lake plans to build 7 duplexes for a total of 14 new villas around our campus. They will be similar in appearance to Villas 101-108 with their vinyl shake exteriors with stone accents.

#3 – Is there demand for these new homes?

Yes. Currently we have 38 households waiting for Laurel Lake villas, with more people applying. Even though we have re-filled 26 of our 66 villas in the last 5 years, this list continues to grow!

#4 – Has the New Villa Project been officially approved?

At its February 28, 2024 meeting, the Laurel Lake Board of Directors authorized Management to proceed with the project, contingent upon final approval by the City of Hudson.

In November 2022, Laurel Lake received conditional use approval of our proposed New Villa site plan from the Hudson Planning Commission. Since then Laurel Lake has worked extensively with its architects, civil engineers, and City planning staff to develop detailed infrastructure plans. We will now return to the Hudson Planning Commission seeking final approval of this project.

Laurel Lake also requested and was granted an informal review of our New Villa designs by Hudson's Architectural & Historic Board of Review on February 28, 2024. The review went well, with only minor changes recommended. We will return to the AHBR to seek final approval.

#5 – What impact might this project have on environmental concerns?

When presenting the New Villas Project to the Hudson Planning Commission for final approval, the application packet must include detailed information regarding storm water management, utility infrastructure, flood plain and riparian zone boundaries, tree removal, traffic studies, and more. Laurel Lake must demonstrate that the project complies with all city, county, and state regulations to receive final approval.

#6 – How will Laurel Lake pay for the construction of the New Villas?

Laurel Lake will fund the construction of these new homes using the first round of entrance fees. The proposed entrance fees for these new units are expected to cover the cost of site preparation, infrastructure development and construction of the duplexes, with a contingency built in to cover unforeseen costs that may arise.

#7 – How would this expansion impact Laurel Lake staffing?

Recent hiring trends have seen positive gains in key positions for Laurel Lake, with a 13% increase in staffing over the last 6 months. At the same time, our current population is below pre-Pandemic levels, so Laurel Lake has capacity to add more residents. If all 14 of the proposed new units are occupied by couples, the maximum number of new residents added to our campus would be 28 people – a relatively modest increase that would happen over a transitional period of 8 to 12 months as each new villa comes on line. Using the current service utilization patterns of existing residents as our guide, Laurel Lake will budget and hire accordingly.

#8 – Will Laurel Lake need to remove any trees in order to build these new homes?

Yes. For some of the proposed new duplex sites, Laurel Lake will need to remove some trees. Fortunately our 155-acre property is blessed with thousands of trees, and we will plant more this Spring working with Suncrest Gardens and certified arborist Curt Van Blarcom.

#9 – Will the New Villas affect some residents' views?

Yes, a few residents will experience changes in their views. The same was true in 2004 when Laurel Lake added more independent living (Villas 101-108 and Vista apartments) and assisted living (Greenwood); and in 2012 when we added 25 more Crown Center private rooms. These strategic expansions have greatly benefited our community over the years, and we expect the limited addition of 7 new duplexes will do the same.

#10 – Will Barlow Pavilion on the front lake have to be moved?

No. The current plan is to keep Barlow Pavilion where it is.

#11 – Can a current resident transfer to one of these New Villas?

Yes. However, because Laurel Lake plans to use the first round of entrance fees to build each unit (thereby avoiding incurring extra debt for the community), any resident interested in transferring would be required to pay the new, full entrance fee. Any entrance fees previously paid to the community would not be credited toward the entrance fee for a New Villa. However, in the future, when these units are offered to second occupants, Laurel Lake's usual Resident Transfer Policy will apply.

#12 – Who will have first priority for these New Villas?

Current Laurel Lake residents would have first opportunity to reserve a New Villa. Next, these homes will be offered to our Villa Wait List members according to the date they joined the list, and to Villa Wait List applicants-in-progress after that. Next would be members of our Vista/Conversion Wait List. Lastly, any remaining units would be marketed to the greater community.

#13 – Can the villas be reserved under both Plan A Life Care and Plan B Non-Life Care?

Yes.

#14 – What will the payment terms be?

Laurel Lake will implement a phased deposit schedule designed to collect 75% of each New Villa entrance fee prior to start of construction for that duplex, with clearly defined penalties for cancellation.

#15 – Can residents customize their New Villa interiors?

Laurel Lake will offer an attractive array of standard finishes from which to select, as well as upgrade options. Residents will also have the freedom to make custom selections (Laurel Lake will provide an allowance for what it would have spent for standard finishes). Residents may engage the services of an interior designer or architect at their own expense. All proposed changes are subject to approval by Laurel Lake.

#16 – What eco-friendly features will these New Villas have?

Laurel Lake's New Villas will incorporate many sustainable features, including: Energy-efficient lighting; low-emittance windows; high performance insulation; Energy Star appliances; tankless water heaters; programmable thermostats; and low-VOC paint. Residents may also choose to upgrade their villas (at their expense) with additional features like electric vehicle charging stations, subject to Laurel Lake approval.

The latest New Villa drawings and proposed site plan can be found on CATIE and the Resident Home Page (www.laurellake.org/login).

Questions? Please call Donna Anderson, marketing director, at 330-655-1436 or send an email to info@laurellake.org .