

Zelma Lacey House – Resident Meetings

March 24, 2021

And

Updated April 7, 2021

Updates and Additional Questions (as of 4/7/2021)



Introduction

The owner of Zelma Lacey House (Mishawum Assisted Living Associates LLC), is proposing to transfer the property to a 501c3 non-profit and transition the property from a licensed assisted living facility to a 100% affordable senior rental community. The renovation will include reconfiguring units to change the unit mix to 48 full size apartments with 9 studios, 38 one-bedroom and 1 two-bedroom.

Frequently Asked Questions (FAQs)

Q: What is the timeframe for this transition?

The earliest that the transition and the building renovation will start would be in early 2022. However, it could be as late as 2023 depending upon a series of factors that we cannot control.

Q: Will I be asked to move?

Yes. Because we will be renovating the units to make them full apartments with complete kitchens, residents will be temporarily relocated within the building while sections of the building will be under construction. A professional relocation firm will work with each resident to coordinate packing and moving your belongings.

Q: Will my services still be provided? (Updates in RED)

All existing assisted living services currently provided at Zelma Lacey House will continue to be provided to residents until the beginning of the project and renovations begin. When the renovation project begins the property will no longer be a licensed assisted living facility.

Q: Will any services be provided once the renovation begins?

The new model will include Service Coordination via an on-staff Resident Service Coordinator at Zelma Lacey House that will work with you to assess your individual supportive services needs. The Resident Service Coordinator will identify third-party service providers and/or work collaboratively with your health plan to develop a service plan tailored to your needs. Third-party provider staff will be responsible for your services delivery and care needs. The Resident Service Coordinator, also as part of their role at Zelma Lacey House, will coordinate social activities, holiday events, educational, wellness and other enrichment programs in the on-site community room to continue the vibrancy and quality of life enjoyed by residents.

Q: What if I want to continue with assisted living services?

Zelma Lacey House staff will work with you to identify other assisted living options and coordinate your relocation to another assisted living residence.

Q: Can I choose to move instead of staying at the property? And will there be any assistance provided to me?

Yes. You may choose to move from the property if you decide to do so at any time. The project sponsor recognizes that your decision to move may be because of the proposed transition and therefore will provide either a fixed moving payment of \$850 for a Studio and \$1,000 for a One Bedroom, or will coordinate and pay directly for your move.

If you chose to move before the renovation you will not be required to provide the landlord with the 60 day notice to terminate your lease.

Q: Will my rent change? (Updates in RED)

No. There will be no change in the way that your rent is calculated if you have a rental subsidy. There are 20 apartments with “project-based” rental assistance. Residents residing in these units and any resident with a “mobile” rental assistance voucher will continue to pay rent based upon 30% of their adjusted income.

When the renovations begin and the services are no longer being provided directly the facility, the new contract rents for the NON-subsidized units will be:

- *\$1,410 – Studio*
- *\$1,510 – One bedroom*
- *\$1,812 – Two bedroom*

**Utilities are included in these rents*

If you are currently a non-subsidized resident paying less than the contract rents listed above, you will continue to pay the same rent you are paying now. Your rent will not be increased.

If you are currently a non-subsidized resident paying more than the contract rents listed above, your rent will be reduced to the contract rents.

The new contract rents will not take effect until the renovations begin.

Q: Why is the Owner transitioning the property?

The current assisted living community is not financially feasible, high vacancies and resident turnover and high operating costs have created operating deficits of approximately \$4 million over the last four years.

Q: Will I have to pay for my move during renovations?

No. All costs associated with packing, moving and utility/cable connections will be paid for you.

Q: What will the renovations include?

Each apartment will be equipped with a full kitchen, updated bathrooms, new flooring and painting.

Q: Will Peabody Properties continue to manage the property?

Yes. Peabody Properties will continue to serve as the property manager and to provide resident service coordination.

Q: Who will be the new owner?

The new project sponsor will be Affordable Housing and Services Collaborative Inc., a 501c3 non-profit, founded 20 years ago and specializes in the development and ownership of affordable housing with the provision of complimentary services.

Q: Why can't the Owner transition the property to another assisted living facility operator?

The current owner has reached out to local and national assisted living operators to explore their interest in the property. All operators concluded that the economic model of the facility is not feasible and therefore were not interested in pursuing.

Q: If the plan is to reduce the number of units from 66 to 48 units, how will you accommodate all existing residents?

The property has stopped accepting new applicants for vacant apartments and there are currently less than 48 residents residing at the property.

Q: Will there be income restrictions?

100% of the units will be affordable

- 7 units will be restricted to households with incomes below 30% of the Area Median Income (AMI)*
- 13 units will be restricted to households with incomes below 50% of the AMI*
- 28 units will be restricted to households with incomes below 60% of the AMI*

<u>HH Size</u>	<u>30% AMI</u>	<u>50% AMI</u>	<u>60% AMI</u>
1	\$28,200	\$47,000	\$56,400
2	\$32,200	\$53,700	\$64,440
3	\$36,250	\$60,400	\$72,480

**Source: HUD 2021 Income Limits*

Q: What is General Information Notice (GIN) and why was one addressed to me?

The General Information Notice (GIN) is required to notify you that the project sponsor has applied for funding assistance for the renovation of the property, and if the project receives federal financial assistance, you may be required to move temporarily so that the rehabilitation can be completed.

The GIN states that you will not be displaced in connection with the proposed project, and when you move temporarily within the building you will be reimbursed for all reasonable out of pocket expenses, including moving costs and any increase incidental costs.

If you have additional questions, please contact: Tabitha Jones 617-241-0328

tjones@peabodyproperties.com

Copies of this FAQ Handout and the GIN Notice will be available on the Zelma Lacey House website under "Community Updates": www.zelmalaceyhouse.com

Disclosure: Information provided herein is based upon current facts and data available to date.