



Los Gatos Meadows

A COVIA COMMUNITY

LOS GATOS MEADOWS FREQUENTLY ASKED QUESTIONS

Q1) Why did Los Gatos Meadows (LGM) close?

A1) After undertaking a rigorous facilities assessment in 2018, we concluded that our continuing operations presented too great a risk to our residents and caregivers. Accordingly, we announced in February 2019 the process for closing Los Gatos Meadows (LGM) by Sept. 30, 2019. We knew this decision would have significant impacts on our residents, their families, our employees and our community. We worked closely with all to ensure thoughtful and smooth transitions.

Q2) When did the closure process begin?

A2) We announced our intent to close in February 2019 with permanent closure tentatively scheduled to take place on Sept. 30, 2019. California law requires a minimum 120-day notice for the closure of any senior living property. Covia extended that timeframe significantly to give us additional time to assist residents in securing new accommodations.

Q3) Why did the closure of LGM occur earlier than the announced September date?

A3) A third major gas leak in 16 months was discovered at LGM on Aug. 8, 2019. PG&E was notified and shut off gas services immediately to the campus. We determined that the future safety of the five remaining LGM residents and their caregivers could not be assured should the gas system be re-pressurized and implemented a permanent evacuation order effective Aug. 12, 2019.

Q4) Does this mean LGM is permanently closed?

A4) Effectively, yes. For the safety of residents and staff as of Aug. 12, 2019, LGM will enforce complete vacancy of the property between sunset and sunrise, except for staff performing security and safety functions. Residents will have limited access to their LGM apartment to complete their permanent move to a new home.

Q5) What did you do to help residents find an alternative place to live?

A5) Covia worked with each resident and family on an individual basis to develop a transition plan tailored to the resident's needs, including finding an alternative residence within another Covia community or a community that provided residents with comparable services and care.



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Q6) What about residents' costs involved with the move?

A6) Covia addressed the financial impact to residents caused by the move. For example, based on an individual plan for a resident with a Life Care agreement, we paid any new entrance fee required, the difference in the monthly fees between their current and future residence, as well as covered relocation costs. For other residents on monthly agreements, for example, we reimbursed them for their community fee as well as offer them \$2,500 toward relocation costs.

Q7) Why was a facility assessment performed in the first place?

A7) As part of a potential rebuilding process, we were updated on current building and fire codes. With continued wear and tear on Los Gatos Meadows' 50-year-old infrastructure, we became increasingly concerned that there may be unidentified health and safety risks at the community. In 2018, Covia retained a third-party firm to assess the current status of Los Gatos Meadows' facilities and to advise on what would be required to keep our buildings safe and operational for our residents.

Q8) What did the facility assessment uncover?

A8) Of the numerous categories reviewed during the assessment, more than a quarter were found to pose a significant risk, including some that materially impact the operations of the community, and even more that pose a high risk of injury to residents. Those of most concern involve fire safety, and particularly the elevated risk of fire starting within existing structures, accompanied by compromised accessibility for fire response services.

Q9) Did you know about these issues and risks beforehand?

A9) During the potential redevelopment process we became more familiar with current building and safety codes and became acutely aware that our Los Gatos Meadows community was falling short. This discovery triggered us to conduct the independent assessment. While some of these risk factors have been known and are an expected part of aging infrastructure and evolving building codes, the accumulation of all of the risk factors combined was brought to our attention by the independent assessment and made us aware of how vulnerable these issues left Los Gatos Meadows.

Q10) Why didn't you address these issues individually while keeping the community open?

A10) While the risks uncovered by the assessment were not imminent, they are so significant in their entirety that they must be addressed through a global plan rather than addressing each one individually. For example, re-pressurizing the aging campus gas lines after the third gas leak in 16 months discovered on Aug. 8, 2019 posed too great a safety risk. As a result, we decided that closing the community is the way to ensure these issues and risks do not cause harm to our residents.



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Q11) How did you let the building condition get to the point that it has to close?

A11) Los Gatos Meadows was built in 1971 and any building of that age has the inevitable issues caused by aging infrastructure. Covia put significant capital investments into addressing the issues we are aware of. New issues continue to be uncovered, including the significant concerns outlined during the recent assessment.

Q12) Is Covia's decision to close Los Gatos Meadows driven by financial gains?

A12) No. This closure is about the health and safety of our residents. We have put significant capital investments into trying to improve the facility's aging infrastructure and to address other concerns, with little to no progress in making the community safer. In light of the risks noted in the independent assessment, closure is an appropriate response to keep our residents out of harm's way.

Q13) How does this closure relate to the rebuilding plan currently taking place?

A13) The rebuilding evaluation and planning efforts are separate and independent from the closure process for Los Gatos Meadows. The potential rebuilding plan is continuing to move forward and we plan to submit a formal application to the Town of Los Gatos early next year.

Q14) Where do I go if I have more questions?

A14) To learn more, please visit <https://covia.org/lgmannouncement/> or email Christopher Ichien, Covia Regional Vice President, at CIchien@covia.org.