



August 6, 2015

Dear Neighbor,

I am writing to update you on the status of The Trousdale, the assisted living and memory care facility that the Peninsula Health Care District is developing at the corner of Trousdale and Magnolia. As you have probably noticed, the site has been fenced and cleared in preparation for the beginning of construction.

The City of Burlingame has approved our permit. The project was put out to bid, according to the public agency competitive bidding process. Unfortunately, the original bids have come in way over our budget, which had been prepared by professional developers of senior housing projects and professional estimators.

The Board of Directors is trying to understand the reasons for the overages and to find ways to reduce the costs without sacrificing the quality of the facility. This analysis could add six to 12 months to the construction schedule.

Of course, we are unhappy with any delay, but we are responsible for the proper stewardship of the public funds that are financing the facility. Your patience will be greatly appreciated as we determine what adjustments will be made to ensure the creation of a high-quality, yet reasonably priced long-term care facility that will serve our seniors for decades to come.

Should you have any questions or comments about the site and our progress, please contact me through the contacts listed above.

Thank you in advance for your understanding.

Sincerely,

A handwritten signature in black ink that reads "Lawrence W. Cappel".

Lawrence W. Cappel, Chair

Board of Directors

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