

Lucas: Welcome to Bridge the Gap Podcasts, it's the senior living podcast with Josh and Lucas. An incredibly exciting episode today. We're going to be talking about challenges in senior living design with an expert interior designer, Keri Moore, of 828 Design, welcome to the show!

Keri: Hi, thank you for having me.

Lucas: We're so excited to talk to you today because not only are your designs amazing and hyper-focused in senior care. You're also just a really outgoing and fun person to talk to and have an incredible backstory, you know, carry a lot of people make their way into senior living after a career in other verticals. And I find that when we talk to designers, that that is a story that I hear so often is that I was designing and hotels, I was designing in something else. But you've been in this industry 15 years and even though maybe you didn't set out to start in senior living, you actually got your start in senior living and you've stayed. Tell us about that story.

Keri: Yeah, it's pretty incredible. You know, one of my first internships, that's where I cut my teeth on senior living. And as a designer, you really want to get the jobs that you can travel with and do amazing designs. And I remember, you know, year one, I was fresh out of college and I was at an install and I was so excited to be there, really to know my purpose. Right. I was just there to do whatever I needed to do. And I knew we did senior living and it was a coal field. But you know, as I was navigating through the installation a resident had just moved in and he was sitting on a sofa and he looked at me and he had tears in his eyes and he just sat there and he grabbed my hand and he said, honey, I could just sit here all day. And at that moment I was hooked, at that moment I knew how impactful even picking a sofa or making sure he's comfortable staring out the window. And creating an environment where you can age and truly enjoy the rest of your life is pretty impactful, incredible what we can do. So I just had a fire in me ever since that day. And I'm very fortunate to be able to start there and just really grow and evolve as a designer.

Lucas: Gosh, I'm not crying, you're crying buddy. Come on, we're both crying. I'm a big proponent, Josh you're an owner operator developer, I'm in the construction side of the business as well. I'm a big proponent of saying like, look, we need to be utilizing people that have a focus in this space because this is not, it's one thing to make a beautiful space. But then there's another thing for senior living to actually create an environment that impacts the wellbeing of older adults. Those are, that's a different thing when you get into wellness and universal design and just create an environment where that resident sits in that chair and says, I can sit here all day. His life was improved in that moment. And you know, there's beautiful chairs and there's beautiful sofas, but that does not necessarily mean that it's going to work in senior living. So Keri, there's all of these challenges in designing around senior living, we're going to discuss some of those today. Let's first start off with a kind of post pandemic, one of the biggest challenges today and this is something that I hear frequently is FF&E, talk to our listeners. Number one, what is FF&E and why has this become a challenge right now?

Keri: Yeah, for sure. Well, first of all, FF&E means fixtures, furniture and equipment. So, it's pretty much all the beautiful furnishings inside the building. And if you pick up the building and shake it out, everything that falls out is FF&E, right. So yeah, shake out the building nuts, FF&E, right. Window treatments, accessories, all the little things that create an environment that we have in our home. So that's what FF&E is. There's been a ton of changes post COVID it's furniture is definitely impacted. But there's a couple of things that go hand in hand with furniture. You know, it's not just furniture, it's the fabric and how that fabric affects the furniture and how it's fabricated just in general, you know? And it also circles back to the lead time and freight. So, on that end of it we all know that there's been some major delays and major shift focuses on just construction in general and the environments and communities that we build every day. But once you get through construction, that's when we come in with the furniture and it's just, it's completely changed. We used to not start selecting furniture until like six months out and then we'd maybe purchase three months before, well, I purchased furniture back in November and it still hasn't shipped. So there's been some major delays in some, in some furnishings lately with just lead times.

Josh: That is post COVID, we're in the post COVID era. I mean, we're still living with it obviously, like we may be indefinitely even with the vaccine, but is that something that you see going back to prior to COVID or has this industry with timelines and all of that, what is, as we shake all this out, what is things that you don't see going back and like as a, someone that might be entering in a new project post COVID the development, like what does that process and timing budget need to look like?

Keri: Yeah, no, that's a really good question. You know, I do start seeing improvements, right. I mean, that's pretty drastic of when we were kind of in the thick of COVID, right. You know, at the end of last year, when we had that big wave again, right. When lockdown started happening, unfortunately some of our projects that were in procurement right. Then had probably the largest impact from even early on 2020. I can tell you, we constantly are talking with our furniture vendors and manufacturers about what they're doing. Long ago people used to have a ton of stock, they kept frames on hand, the fabric manufacturers would keep goods and excess in their warehouses. Probably the last 10 years we've seen a switch where goods are more readily available. They don't have to have overhead and stock. So the good stuff was easy to get. Now because of the lead times and with factories shutting down and different things like that it hit tremendously, but a lot of the furniture manufacturers I've been talking to recently are starting to restock that. I mean, I'm sure, you know, not a lot of people may have heard of the foam shortage, but when snowvid, as I call it, hit in Texas, there was two chemicals that produced foam that really put a kink in factories up in North Carolina, West and East coast manufacturing plants that slowed things down. But now that things are starting to kind of balance out a little bit to the new normalcy manufacturers are stocking up more because they're worried that if shutdown does happen or good start slowing in transit, then they can still maintain, I think with the data that they've been receiving lately on their goods and trade coming in and out they're able to ramp up and kind of stockpile back now that we used to not see before.

So I think that's a plus, I really think that's a plus, but it's a balancing act right now even if warehouses are stocking up their goods, a lot of the labor force in the factories, even though people are getting vaccinated they have significant shutdowns with factories. There's still some people who are older workers that are not returning, even though they're vaccinated, they're just not returning to the factories. And so just like any recession, those skilled laborers go away. We're seeing that more now in the larger factories, those skilled laborers are just not coming back which slows production. So lots of factors.

Josh: Keri, did you experience a real shift or are you experiencing where a lot of the manufacturers that you were regularly using before you've had to shift and change manufacturers a lot? How has that impacted design?

Keri: Yes and no, a couple of years ago we started seeing longer lead times and then like tariffs came around before COVID right. We saw a significant increase in cost and so a couple of years ago, we internally did a shift where we started using more factories that are here in America, not outsourcing as much just to help control regular times and just cost period. But the thing about it is as most of the frames, there's just a couple of manufacturers that make true turnkey, American made goods. That's just the reality. But you know, goods and frames are still coming on a slow boat that like I said, they're starting to see what are popular styles. We're starting to see more focus on what the manufacturers are stocking up, where we're having lead times. Lately, I've been selecting based on quick ship programs and I think there's going to be a lot more quick ship programs that manufacturers are going to roll out just because they can control the goods that they keep in the warehouse now necessarily, I don't think necessarily means that they're going to be quick ships. It's kind of like FedEx today, you pay for overnight and you're lucky to get it in two days. I think that's what the new quick ship is going to be. It's just factories and manufacturers focusing on the popular goods, right. And kind of following that way and guaranteeing that you can get your goods on time. So, but a lot of the lead times are bouncing back a lot, the 8 to 10 weeks or we're 16 to 20 weeks out. They're comfortable with doing 8 to 12 weeks now, which is good. So it changes our selections absolutely.

Lucas: No, I mean the whole plan around the design and this goes for new construction ground up and also renovation where you're re-imagining spaces and making a plan. You gotta really think through these things, especially on a renovation, right? Because the duration is going to be a lot shorter than a ground up.

Keri: The brakes, let the furniture get on order before you start ripping up carpet, y'all move so quickly, you know? And it's just about communicating with your owner. We've been very transparent with our owner operators and letting them know. A lot of people understand they get it, a lot of it's out of our control. But you know, Josh, to your question, we are constantly in contact with our vendors, not trying to find new vendors coming out of woodworks for quality control. But yeah, it's been really interesting. The shift of quality control, you know, we've been FaceTiming factories, getting videos set to us. So it's been a challenge, but we're getting through it.

Josh: I had another, just follow up question, I'm going to draw the conclusion something near and dear to my heart is controlling the project. The overall community costs of development, obviously construction prices have gone through the roof. I'm going to assume with the limited supply chain in the interruptions and the freights and all that. I mean, how impactful has that been to this very important line item of FF&E to these development budgets?

Keri: Yeah, I increased mine 2% to 4% on top of what I normally schedule as a placeholder because rates have gone up significantly. We were working on some custom lighting and they were like, and again it's coming overseas, but I mean, we've seen cost increased on freight just from formal quotes we've gotten January that we're trying to procure right now. So I think that goes back to people, not returning to work, you know COVID and the shutdowns, if you want an essential, good transporter, a lot of layoffs happened and a lot of trucks and equipment were sitting idle. And so getting that workforce back on the market is really what's impacting our freight locally, you know, definitely in our country here. But so again, longer hours, short staff, truckers and people on the road that can not be carriers, demanding more pay overtime and everything is just impact, it's just a snowball effect.

Lucas: So let's shift the topic to something that a lot of operators are focused in on right now, which is occupancy, right. Coming out of this whole cycle that we've been in, they're trying to figure out, CapEx has been put on hold, they've had to move resources over to PPE, right. And a bunch of other things that are unplanned expenses, big expenses. So what can operators do right now to refocus their attention back to general CapEx stuff? How do they plan for this? What can they do? Are there more inexpensive things that they could do to try to spruce up either the exterior or the lobby, or maybe some resident rooms just to get some occupancy boost on what they're trying to accomplish right now?

Keri: Yeah. You know, I think what goes back to all those added costs, right? With PPE and different things there was a huge, as you know everywhere, shift in cleaning and maintenance. I mean, the cleaning protocols in general, we've seen in existing communities where they probably didn't clean the lounge chairs before. They probably didn't clean the sofas before and do total wipe downs so I'm sure there's been some immediate, I mean, we've seen it in some of our clients, immediate replacement needs because somebody put bleach on the sofa or that main dining table, the front entry kind of thing. Which all goes back to how manufacturers are producing furniture. Are we using more vinyls or not now, there's a whole shift for that, but I think it's hard for existing communities that don't have a designer engaged because they have no idea what things cost, you know?

And so, you know, with occupancies just doing that whole marketing tour that's your main first impression and you know, what looks tired, what needs updated? If for a rule of thumb, if I were a community and didn't have a designer on board, do some retail shopping and at least double it, right. Not quite triple because we can get some really good things for you at cost. So, if you kind of use that as a rule of thumb, just for furniture, furniture updates to give you a good placeholder, right? If you can't really hire a consultant to help you at least build those funds in. And if you can engage in a consultant that can help give you a roadmap of what you can use, give you preliminary ideas, at least some budget plugs. We see that a lot, in the last year has been a huge in capex, updates and renovations. So, just with the sheer construction cost, people need to update what they have today, which is exciting.

Josh: Lucas, we've talked a lot about this on the show through the years, but it seems to me having the interior design team on the front end of whether it's a renovation project or a new construction is more important than ever. I know in my day job, the consulting side of our business, I go into a lot of what I would call rescue missions of new construction or renovation projects. And what we often find is these unrealistic expectations because the proper team hasn't been aligned and they've placed some numbers in there that maybe came off of a pro forma from five or six years ago, that might've been relevant then. But if you are pricing things, it sounds like to me, even from a year and a half ago, and you're expecting

to receive that same type of product delivery, Keri, it sounds like we're going to way miss the mark, right?

Keri: Absolutely. We see that all the time. You know, that's the first thing we ask is what's your budget when someone engages us and you're like, oh man, that's way too low. And they're not experts, they're managing a community that is not their bill that they need to be in. So of course they're way off on numbers, so what we do from a design perspective and we're like, okay, what can we do today to get the best bang for your buck? And we're going to have to face it, right? And then we just set them up for the future. Maybe it's a five-year plan or a two year plan, depending on how their cash flow works, but that's generally, you're exactly right. They don't plan enough just for this year's knowledge. I mean, they're not educated in that field, which is okay. So, as design teams get together, that's the best thing that we can do is advise them what we can do with it today and get them on track and guess what that gives them better budgeting for the future. They can start factoring in escalation costs even if their position they leave and they've got good numbers in the future to set up for. So, but yeah, we generally turn into a phasing plan just because the budgets are so low.

Lucas: Totally, totally. You know, that's the, that is the first question that I ask oftentimes in discussing with people is have you engaged an interior designer and I'll be candid, there was a project at the end of last year, actually at the beginning of this year, that that was a question that I asked and they really couldn't get a good answer. And I could tell that they were not really going to go that route. And I backed out, I just wouldn't, did not want to be involved in a bad deal. I just knew if you're not organized and you don't see foresight enough to know that you've got to assemble a good team, if you want to accomplish the goals. So they missed out on potentially building a good team. So that's very important as we round out the show. Keri, let's talk about what are some popular spaces that people are re-imagining right now? A lot of the communities that are existing and current inventory the floor plans may be a little antiquated. And so they're re-imagining those spaces. So why don't you quickly hit that? And then on the other side for ground up quickly hit maybe one one big design trend that you're seeing and the new design of brand new buildings.

Keri Well, a lot of existing buildings, say they're 10 to 20 years old, a lot of what we're starting to implement is bringing in more satellite markets, right. Just because, I think it was a trend before COVID was coming in. We started seeing it, but I see the need even more, where if you do want to order something to go, or you want to go get a little snack and kind of socially interact at your comfort level, I think it is key. It goes back to what we've been preaching for the last decade of having choice and getting away from the old seats and tables in the dining room. But I think the market's more important every day now, just because you can get something pre-packaged, you're not happy to meet back to the dishes. I mean, you can even see it in the restaurants today. You're eating on disposable silverware and pre-packaged things, so you're not touching everything. So I think that the whole market to go bistro concept is something very valuable. And cut it out the front door, you want to walk in and see some choice and excitement and have an opportunity to engage and sit and have coffee or make it self-serve right. I don't know if anyone's experienced the Amazon go store, but I imagine one day we'll have that in our communities where you just walk through and you come out and it's put on your tab kind of things. So I do think that's something that will be beneficial for repositionings for sure.

Lucas: I love that. So what about ground up? What, what trends are you seeing there

Keri: From ground up, pretty similar I think a lot of the trends now, a lot of the focus the last year has been a little bit more healthcare related on how a lot of deaths happened in our environment, in our market. And a lot of it wasn't even COVID related, it was because they were so isolated. And so I think our design has been driven on how we can create environments, where if something like this ever occurs again, you know how we can still keep the lobby open or lounge space or celebration room, right. If you want to have dinner with your family, maybe outdoor connection, right. Instead of just sitting at the window, maybe there's an outdoor entry where you're not having to walk through the whole living room or lobby and, you know, contaminate the space kind of thing.

So, you know, we're really re-imagining lounges and living spaces on how we can just keep environments where people can use them and be safe and feel safe. Again everybody's still eating, dining rooms are filling up. A lot of our population is fully vaccinated, which is exciting. I have been in communities lately and there it's great to see residents again, some are still social distancing or even still doing takeout. And then some dining rooms are a hundred percent occupied. So again choice and then flexibility for any other outbreak in the future, I think is just, architects and design teams are just looking to see how we can do that and it even goes back to furniture. You know, I think re-imagining, designing furniture where not that you have to always be six feet but apart, that's not, I mean, it's maybe normal for a while. I don't know how normal it's going to be in the future, but you know, having the opportunity to do something a little bit more modular that doesn't look like a hospital waiting room, but it's maybe a boutique sectional. And then if something happens, maybe you replace a component at a table, so you're separated. So I don't know if there's a magic thing about what the greatest design is right now, but I think this year, this last year has made designers and architects across the country, reimagine how we treat circulation and movement through our spaces, which I think is the most important today.

Josh: I love the creative exercise of creative experts. Re-imagining senior housing that gets me excited. This has been a fun conversation, Lucas and Keri, and for those of our listeners, they need to go actually also Lucas and watch this episode on YouTube before we hit record, we got to see and hear more about the dog tribute, your animals behind you in the cool artwork that you did. So are Youtubers will want to go check that out for sure?

Lucas: Yes. You have an amazing space. Keri Moore of eight 828 Design out of Austin, Texas. For our listeners that want to learn more about Keri and all of our shows, you can go to [BTGvoice.com](https://www.btgvoice.com) and you can access all of our content there and connect with us on social. Let's continue this conversation as we have this very meaningful topical discussion around design challenges and opportunities. Keri, thanks for spending time with us today.

Keri: Yeah. Thank you for having me. It's been a pleasure.

Lucas: See you, Josh. Thanks for a great conversation and to all of our listeners. Thanks for listening to another great episode of Bridge the Gap.

