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Joan Kwiatkowski
PACE-RI CEO



The nonprofit PACE-RI is converting the former Scandinavian Communities nursing home in Cranston into income-restricted housing for its elderly clients with the goal of enabling them to age in place. DAVID DELPOIO/THE PROVIDENCE JOURNAL

A healthy development

**Former nursing homes
find life as senior housing**

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CRANSTON – For more than a decade, and long before the pandemic sent rent and house prices skyrocketing, a Rhode Island health plan for older adults trying to age in place saw a housing crisis coming.

Now, PACE-RI has acquired three buildings, including two former nursing homes, across two campuses in Cranston.

One building will transform into 42 units of housing, one will stay as an assisted-living facility and the third will become assisted living for people with dementia.

"We were finding that we had to place people prematurely into nursing homes because it was the only option," PACE-RI CEO Joan Kwiatkowski said.

When units that an older person had been living in for decades were sold or needed to be renovated, it left PACE-RI with nowhere to put them, and that was before huge spikes in rent and housing costs would price people out of their units.

"All of a sudden, where am I going to put this person?" she said. "Because

there was such long wait lists and not a lot of stock, we were putting people in nursing homes. So imagine we're spending, \$4,000 to \$6,000 a month to put someone in a nursing home that doesn't need to be in a nursing home. Horrible, right?"

How did we get here?

In 2018, PACE-RI's search began in earnest to find housing the organization could own where it could directly place its clients.

The move is part of a larger trend among a variety of nonprofits that

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serve specialty populations, including people with intellectual disabilities, children aging out of foster care and survivors of domestic violence: buying housing to serve their clients and bypass the housing crisis.

Then they found what seemed like the perfect opportunity: the Scandinavian Communities in Cranston, a complex of nursing home and assisted living facility that could be converted into housing.

"We kissed a lot of frogs in six years," Kwiatkowski said. "A lot of those deals did not go through. We met with the Scandinavian board, made an offer to purchase the property. We were denied."

In March 2024, Scandinavian Communities announced that it was closing its nursing home in Cranston, while keeping its assisted-living beds in the same complex open. A year later, instead of selling the complex, the Scandinavian Communities board offered it all to PACE-RI for free, on one condition — they keep the remaining 35 assisted-living beds open.

A bigger plan for the facility

After Scandinavian Communities rejected its initial offer, PACE-RI continued looking and bought Cra-Mar Meadows in Cranston's Hope neighborhood, which was a 3.45-acre property with a 12,675-square-foot building that until recently was a nursing home.

When Scandinavian Communities offered to give PACE-RI its two-building complex, everything come together into one plan. Cra-Mar Meadows will get a name change to Pine Meadows, and it will open as an assisted-living facility. The eventual goal is to turn it into an assisted-living facility for people with dementia.

In the meantime, the newly named Pine Meadows should open by July as a regular assisted-living facility, while the former Scandinavian Communities nursing home is being converted into 42 apartments.

Once that conversion is done, the people in Pine Meadows can move into the newly created housing units, while Pine Meadows gets the renovations needed to turn it into a 24-bed assisted-living facility for people with dementia, including "bringing the security level up."

"It was used as a nursing home three weeks ago," Kwiatkowski said in an interview at the end of March. "So there's been no reason why we couldn't move someone in to live there now. We just need a different license, and we need to make some minor modifications to meet the assisted-living regulations."

Inside the organization, there were debates around acquiring all three properties and the broader plan to expand.

"At the end of the day, the board was like, 'This is exactly what we need to be



PACE-RI CEO Joan Kwiatkowski gives a tour of the former Scandinavian Communities nursing home in Cranston that her nonprofit is converting into income-restricted housing for seniors. DAVID DELPOIO/THE PROVIDENCE JOURNAL

doing, because this is our job, our purpose," she said. "There was definitely something in the universe that brought it all together at the same time."

Why the nursing home closed

The problem? Federal reimbursement rates for a skilled nursing facility that put the nursing home at a "significant operating loss," according to a letter to residents. Nursing homes across the state have been closing, while patients have sometimes been "dumped" at hospitals and left there for months to years.

The financial problems Scandinavian Communities had with operating a nursing home are not unique, as reimbursement rates continue to lag behind the cost of providing care.

Founded in the 1930s as The Scandinavian Old People's Home, the organization started to help Swedish immigrants care for the older members of their community.

"I think it had been such a long and arduous journey for them, probably a good four or five years of struggling with 'What will our future look like? Can we keep the nursing home open?'" Kwiatkowski said. "I think they got tired, which is understandable, and needed to start thinking about more ambitious and alternative options."

In a news release, former board chairman Wayne Kezirian wrote that operating the nursing home was "no longer sustainable due to our small size and escalating costs."

Former Cra-Ma is 'perfect' for people with dementia

Asked why PACE-RI decided to con-

vert the former Cra-Ma into assisted living for people with dementia, Kwiatkowski said, "you have to see it," adding, "It's perfect."

The building is shaped like a T, which makes it easy for people to find their way, and it's on more than 3 acres of land, surrounded by farmland.

"We did a walk with the landscaper, because there's a lot of overgrowth, and there's the roosters from the neighbors crowing in the background," she said. "There's just something very calm about it. And also, you can really see how we can create sort of a self-contained community for those individuals where less stimulation is better."

Being on a big campus surrounded by fields also means an extra level of security if someone were able to evade the normal security protocols and get out.

"We're on a campus, and that gives us a lot of leeway to do fencing, or to just be able to physically see someone before they get into trouble," she said.

Dementia assisted living is great for people who still have mobility and can find their room, but maybe begin to forget a few things.

There are rules when someone must be moved to a nursing home, including when they forget to eat or aren't able to.

Why turn a nursing home into housing?

On a tour of the former Scandinavian Communities nursing home, Kwiatkowski pointed to a nurse's station. Its function will remain the same when the building turns into an income-restricted housing complex, but will transform from an open space to more of an exam room.

"We will have a pharmacy on the gar-

den level, so we'll be able to dispense medications straight from the pharmacy downstairs. That saves families from having to deal with that problem," Kwiatkowski said.

"They will already be pre-packed, so that people will get them the way they can take them."

If someone comes back from the hospital or doctor and has a need, it can be filled right there.

"So those are all services that were currently not available and are not common to senior housing," she said.

That PACE-RI would give its residents pharmacy access should not be a surprise, as the organization is, at its heart, a health plan for older adults, providing both insurance and medical care. Everyone living in the renovated building will be a PACE-RI client.

"We really want people to feel like this just takes care of them in all ways," she said.

That also means keeping people healthy, which keeps them in more affordable units as they age instead of exacerbating health issues that can lead to hospital stays or a nursing home.

"We have the flexibility to do this sort of model in a way that a lot of other providers don't," she said. "So we just want to do it well."

In the basement, the mechanical systems are being replaced with new, more efficient and much smaller replacements, opening up multiple rooms that will be used for storage for residents. The basement is still being cleaned up and the organization is still finding other organizations in need of clean linens they no longer need.

"But there's always need for more storage," she said. "You can never have enough storage."