
Clover Communities Crest Hill

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Clover Group Inc.
348 Harris Hill Road
Williamsville, NY 14221



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Executive Summary

Clover Communities Crest Hill, LLC is a subsidiary of Clover Group Inc., “Clover” has proposed a 119-unit senior living complex to be located at east of Weber Road and Len Kubinsky Drive. The proposed project would be classified as age restricted multi-family residential. If approved for construction the project would break ground in 2023.

The City of Crest Hill must review the proposed project and consider the cumulative impact of the potential project, with specific consideration to an age-restricted development as a special use. The review must analyze and measure:

- The desire to provide a new product for residents of the community to age in place, and
- The impact of new development to the City Center campus and the overall City.

PROJECT INTRODUCTION

Clover Communities Crest Hill LLC has proposed 119-units of market rate senior (age-restricted 55 and older) independent living. The project would sit on approximately 6 acres west of Weber Road on Len Kubinsky Drive and consist of rental units in a single 3-story or 4-story wood frame building. The unit mix will consist of 4 1 bedroom, 1-bathroom units, 97 2-bedroom, 1-bathroom units, and 18 2-bedroom, 1-and ½-bathroom units. The building includes 90 leasable interior storage units and 40 leasable exterior garage units. Each unit is fully equipped with a kitchen, dishwasher, and washer and dryer. The building includes a large service elevator, ample common space throughout including a Community Room, Common Patio area, Common garden/open space, Family Room, Fitness Area, Salon, Coffee Bar and Lounge. On-site parking ratios will be determined with the finalized site plan.

BACKGROUND INFORMATION

Clover was started in 1987 by its current owner and President, Mr. Michael Joseph. Clover consists of development, construction, and property management and currently owns or manages more than 10 million square feet of property, including market rate, senior Independent Living communities, totaling over 6,500 units. Additionally, Clover manages many condo associations, HOA's and commercial spaces. The portfolio consists of more than 150 senior independent living properties in New York, Ohio, Indiana, Kentucky, Missouri, and Pennsylvania.

Community Information

Clover communities are designed as retirement communities allowing for independent living in a community setting.

Individual units are equipped with the following:

- Fully equipped kitchen with breakfast bar
- In unit washer and dryer
- Central air conditioning
- Energy-saving appliances
- Sliding glass doors leading to private patio/balcony
- Walk-in shower available
- Emergency pull-cord system

The proposed building and all clover buildings are equipped with the following:

- On-site beauty salon/barber shop
- Community room with patio

- Community activities and planned trips
- Community lounge with fireplace
- Fully handicapped-accessible
- Centrally located elevator service
- Wide, well-lit hallways with handrails
- Secure building, TV-monitored entrance with controlled access
- Fitness center
- Indoor central mailbox system
- Indoor trash rooms
- Coffee room with seating
- Family room
- Game room
- Individual storage units
- Sprinkler system throughout building
- Smoke/CO detectors throughout building

The building amenities are included in every tenant lease and do not require additional deposits. Resident keys access all the amenities. This facility is not open to the public or rentable without a lease. These facilities are designed to be an extension of the individual tenant units specific to senior independent living.

Unit Layouts:

1 Bedroom



2 Bedroom



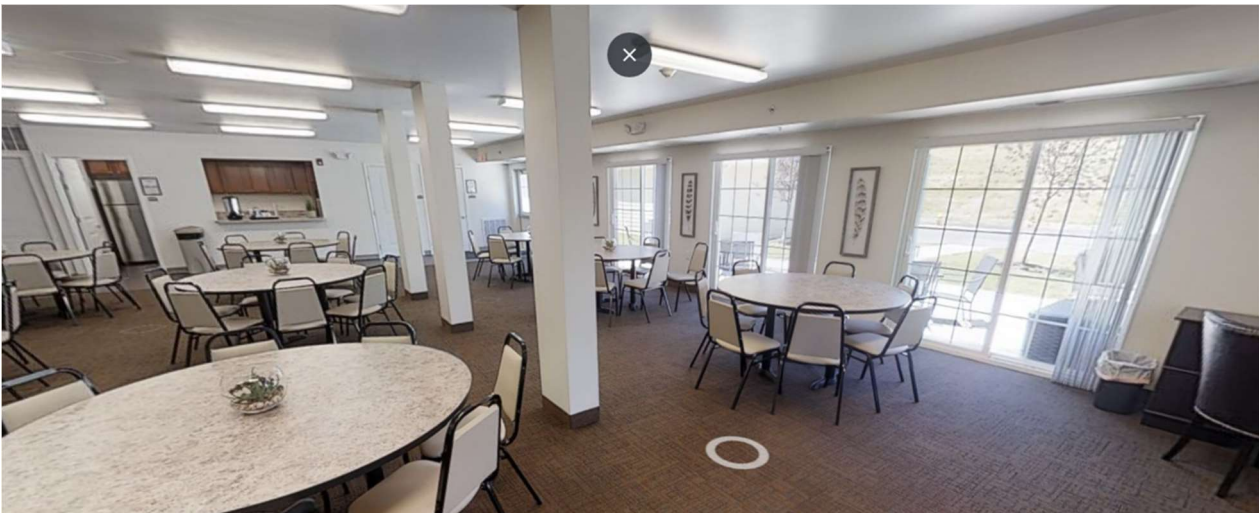
Coffee Bar:



Game Room:



Community Room and Patio:



Library:



Patio:



AGING IN PLACE

The U.S. Centers for Disease Control and Prevention defines aging in place as "the ability to live in one's own home and/or community safely, independently, and comfortably, regardless of age, income, or ability level". Census.gov estimates that by 2030 all baby boomers will be older than 65, accounting for 1 for every 5 residents in the United States.

Residents staying within their community and region as they age is identified by many organizations as an overall health benefit to the community. According to AARP in 2014, "In addition to preventing social isolation, allowing older people to stay involved in their communities [aging in place] has been found to have health benefits. Civic engagement and volunteering can reduce mortality; increase physical function, muscular strength, and levels of self-rated health; reduce symptoms of depression and pain; and increase life expectancy." An additional benefit for choosing to age in place with independent living is freeing up single family homes for new buyers creating market demand for existing housing stock and increasing population density without demand on the school districts.

Clover provides an independent living option to the aging population that is seeking to stay within its community. Providing rental units at market rate targets populations that do not qualify for income restricted properties and do not want or cannot afford full-service care type facilities with meals, housekeeping, and medical assistance. Additionally, rental units do not create legacy costs and burdens to beneficiaries that may not qualify to occupy properties in a community with an age restricted Home Owners Association. Clover structures leases with several options for long- or short-term rental. All of Clover's leases have provisions that allow residents to move quickly if health declines and a medical care facility is needed.

55 AND OLDER INDEPENDENT LIVING

Independent living is also referred to as active adult communities or age restricted communities. The federal Department of Housing and Urban Development (HUD) regulates senior communities to ensure compliance with the Housing for Older Persons Act of 1995 (HOPA). To quote the Federal Register of 1999/Rules and Regulations:

"There continues to be confusion concerning what is often referred to as the 80/20 split. HOPA states that the minimum standard to obtain housing for persons who are 55 years of age or older is that "at least 80%" of the occupied units be occupied by persons 55 years or older. There is no requirement that the remaining 20% of the units be occupied by persons under the age of 55, nor is there a requirement that those units be used only for persons where at least one member of the household is 55 years of age or older. Communities may decline to permit any persons under the age of 55, may require 100% of the units have at least one occupant who is 55 years of age or older, may permit up to 20% of the occupied units to be occupied by persons who are younger than 55 years of age, or set whatever requirements they wish, as long as at least 80% of the occupied units are occupied by one person 55 years of age or older...."

Clover communities have adopted the HOPA guidelines, consistently maintaining our properties exclusively for seniors. We choose to require all residents to be 55 years of age, with the exception of a permanently, fully disabled person. For example – our buildings are handicapped accessible with an elevator; we would never turn someone away who is paralyzed but is under 55 years of age. This is a rare situation but is covered by HOPA:

“The final regulation retains the provision that a unit occupied by a person or persons as a reasonable accommodation to the disability of an occupant need not be counted...”

In order to keep the designation of a senior living community, HUD requires management to conduct an audit of its residents every two years and submit the age of each person living in the community to HUD.

SITE CONSIDERATIONS

Clover performs a thorough review of every property sought for development based on a proprietary analysis of local conditions. Primary consideration is made based on the area demographics.

The current population of Crest Hill is 20,459, of which 16% or 11,127 persons are over the age of 65. Clover’s target market area is a three-mile radius. There is a population of 194,302 within three miles of the property and over 15% of the population is over the age of 65. Of that population, 74 percent are homeowners with the average home value of \$187,000 and income of \$81,000. Based on the average income, most seniors would be unable to qualify for income-restricted living facilities. If the average senior resident in the three-mile radius sold their home, they would be able to live with Clover for over 10 years without using income or savings other than the home sale.

Access and accessibility are major factors in selecting a Clover site. Residents who are aging restrict their driving and drive times to access shopping, worship, and healthcare independently. Crest Hill and Weber Road provide access to essential shopping and dining. Houses of worship and quality healthcare are located within a 10-minute drive time and 3-mile radius.

Clover Survey

Clover surveys its 10,000+ residents bi-annually to determine market trends and marketing philosophy. Through the survey important information is derived such as:

- The average age of Clover residents is 81 years or older.
- 27 percent of residents come from an existing apartment and 61 percent come from a single-family home (12% other).
- 97 percent of residents come from 1-5 miles of the property.
- 79 percent of residents live alone.
- 45 percent of residents chose Clover based on the location.

Future Taxes

Clover Communities will pay full non-homestead property taxes and is not seeking any tax abatement for the project. Clover will pay all millages, including school millages without generating any new school-aged residents. Clover would expect to pay approximately \$400,000 annually in property taxes, \$7,700 to the City of Crest Hill, and generate 170 residents with strong disposable incomes. Most residents currently live in Crest Hill or near Crest Hill, when they become residents existing housing stock becomes available to new residents.

Average Rents will range from \$1750 to \$1950 per month and include utilities

Site Specific Safety Features

Clover Communities is an age-restricted senior independent living project. Independent living does not provide for medical care; residents are ambulatory. The proposed building in addition to being fully sprinkled have emergency exit plans clearly labeled in each unit as well as hallways and common areas. Resident drills are conducted to re-enforce safe exit plans in case of a fire. The main elevator is full sized to accommodate a full-sized stretcher. The drive aisle around the exterior of the building is sized for full-turns for all fire apparatus. Each unit has a balcony or patio to access outdoors. There is no commercial kitchen on-site, reducing potential for large scale fires. Lastly, residents can quickly end lease terms when medical care becomes necessary because of decreased mobility.

NOTES/QUESTIONS: