

CONDITIONAL USE APPLICATION SUBMITTAL

July, 2023

A. 187-unit Senior Living Community at the Southeast Corner of Taylor Drive and Geele Avenue, Sheboygan

B. Summary of the Conditional Use and general operation of proposed use:

The subject site is a portion of the 25-acre property currently owned by the Sheboygan School District in conjunction with the proposed project by Froedtert on the adjacent parcel located immediately south of the subject property. The subject property is identified as Lot 1 in the attached certified survey map by Chaput Land Surveys and is 6.351 acres of unimproved land.

In March 2023, the site was rezoned to Urban Residential (UR-12) which permits a senior living development with approval of a conditional use.

DEVELOPMENT TEAM BACKGROUND

Developer has extensive experience in the development and operation of senior housing communities with its most recent projects in Oconomowoc, Mequon, and Pewaukee, along with other senior living communities in operation and development throughout Wisconsin and Minnesota.

OPERATOR BACKGROUND

The proposed Sheboygan community will be operated by Wauwatosa-based senior living operator Koru Health ("Koru"), in an entity jointly owned with Matter. Koru, as the partner-operator with Developer, is a rapidly growing company, managing over 1,000 units of senior housing for the partnership. The principals of Matter and Koru have been working together for more than 14-years, including for some of the largest senior living developer-owner-operators in the Midwest.

PROJECT OUTLINE

Matter Development ("Developer") proposes a 187-unit senior continuum of care community (the "Project") on the 6.351-acre site located at the Southeast corner of Taylor Drive and Geele Avenue. The Project would include a mix of independent living (IL), assisted living (AL), and memory care (MC) units in two phases. Below is a breakdown of the total number of units:

Unit Type	Units
Independent Living (IL)	120
Assisted Living (AL)	45
Memory Care (MC)	22
Total	187

The Project will be built in two phases. Phase 1 will include a 120-unit independent living building of four stories with a vaulted single story wing that will house the common area amenities and underground parking. Phase 2 will be an addition that includes assisted living and memory care in a wing with a 3-story and 1-story portion. Additional common area amenities will be added as part of Phase 2.

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The 6.351-acre site is ideally located with excellent regional connectivity and access to a vibrant and powerful commercial corridor, including:

- In addition to working alongside Froedtert as it dramatically grows its footprint and offerings in Sheboygan, the subject site is located in a corridor long associated with medical care, including St. Nicholas Hospital, Prevea Health, Ascension, and numerous independent physician practitioners. The new Aurora Medical Center is also only 2.5 miles from the property.
- Neighborhood/national retail including financial, groceries, restaurants, coffee shops, entertainment, boutique shopping, and wellness centers
- Numerous religious offerings

As the phases are developed, the Project will provide opportunities for residents to “Age-in-Place” as their needs change. The building is divided into wings to intentionally facilitate the safety of residents in smaller groups, but connected to accommodate higher quality of care and aging in place – especially for couples where each spouse requires a different level of care. The development includes apartment residences for those who need assistance with daily living activities, and a separate secure wing for residents with Alzheimer’s disease, dementia, and related memory loss.

The main common area offers all residents opportunities for dining, wellness, and activity programming while the secure MC wing features its own separate and intentionally programmed common area. Residents are free to use any common area throughout the building that they choose. Support spaces are located throughout the building and include:

- Administrative offices and resident support space
- Commercial kitchen
- Dining rooms
- Activity and wellness/fitness/therapy areas
- Sunroom and lounge spaces
- Salon
- Theatre
- Spa bathing rooms
- Facility support spaces (maintenance, housekeeping, laundry, storage)

Resident units include studio, one-bedroom, one-bedroom plus den, and two-bedroom plans. Residences will range in size, including:

- 824-1,532 sq. ft. IL residences (in one-bedroom, one-bedroom plus den, and two-bedroom plans)
- 500-980 sq. ft. AL suites (both one and two-bedroom plans)
- 300-550 sq. ft. MC studio suites

Initially, services offered to IL residents in Phase 1 will be limited to housing, social activity programming, and ala-carte services (such as periodic housekeeping). As the AL and MC phase is developed, offerings will grow into a wide variety of services to residents of the community based on their individual needs, and will include (but not be limited to):

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- Dining services, which may include up to three meals per day plus snacks, depending on desire and the Level of Care necessary
- Varying packages of personal and health services
- Personal laundry and linens
- Housekeeping
- Activity and wellness programming

Phase 1 of the project is not proposed to be licensed with the State of Wisconsin Department of Health (DHS) for assisted living initially, but may include a limited Residential Care Apartment Complex (RCAC) license at a future date in order to facilitate aging in place services. Phase 2 of the project is proposed to be licensed as an RCAC for assisted living, and a Class C (CNA) community-based residential facility (CBRF) for memory care that allows for the greatest level of long-term care flexibility.

The following are the highlights of the proposed development:

ARCHITECTURE – Galbraith Carnahan Architects

Phase 1 of the Project includes four-stories of independent living units along with a vaulted single-story wing that will house the common area amenities. Phase 2 of the Project will be a one-story memory care wing and a three-story assisted living addition. The elevation designs for the project are currently being developed, a concept for which is part of this submittal, as a response to an architectural survey of the surrounding area in the interest of creating harmony by responding to nearby architectural precedent. Appropriately placed uniform architectural elements will give appeal to the building from all angles and provide depth and shadow around the building. The shape of the building provides numerous opportunities for resident patios and courtyards. Decorative parapet walls of varying height changes around the structure to create variation and visual accents.

Phase 1 is planned with a total of 198,850 square feet (including the underground parking). The area of the first-floor footprint is 43,491 square feet, and includes a two-story lobby and other open-ceiling elements. The building's second phase footprint is planned to be approximately 25,497 square feet, split between assisted living and memory care uses.

CIVIL & SITE PLAN – Kapur Engineering

The proposed site plan accounts for the topography and site conditions and the building fits nicely on the property.

Access to the site is proposed via a single access point on Taylor Road via a shared access drive with the Froedtert project immediately south.

Stormwater will be managed for quality and quantity in conjunction with the Froedtert project.

The landscaped area is 2.85 acres (124,254 sq. ft.) and the parking area is 1.20 acres (52,215 sq. ft.).

LIGHTING – RTM Consulting Engineers

The proposed site lighting plan includes parking lot lights, wall packs, up-lights, and bollards. A photometric site plan and lighting cut sheets have been provided which shows no light transmission onto

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neighboring property. Parking lot, drive aisles, and bollard lights have cut-off design to reduce light pollution for the enjoyment of area residents and wildlife.

LANDSCAPING

Significant landscaping throughout the site shall include foundation plantings at the base of building, street trees along Taylor Drive and Geele Avenue, and baseline planting requirements that meet the guidelines as outlined in Sheboygan's Comprehensive Planning Process and Landscape Regulations (Ch. 15-6).

Additional featured areas of landscaping include strategic plantings throughout the site visible from resident's windows, thoughtful screening, and ample opportunities to view the surrounding natural environment while further enhancing year-round visual interest.

SECURITY

Perimeter doors to the building will always be locked. The front entry to the building may be unlocked during normal staffed business office hours for residents, visitors, and approved vendors. Staff at the building will regularly monitor visitor and vendor traffic. Once the main office is no longer staffed (approximately 5-7pm), the main entry will be equipped with an access control system with either keys, codes, or access fobs.

Once Phase 2 is constructed, the building will be staffed 24 hours per day. The MC wing will have a separate entrance requiring a code or key fob for entry and exit (mainly for staff and families) and will be equipped with an internally alarmed delayed egress system. MC windows will be equipped with opening limiters to prevent resident elopement. Phase 2 will feature a secure fenced courtyard, so residents can safely enjoy being outside.

OPERATING HOURS AND STAFFING

The Project will operate continuously, 24-hours per day. Once assisted living and memory care services are provided in the building, staffing will operate on a system of three staggered shifts, which allows for better resident care continuity. The number of staff at the building will be lower upon opening, ramping up with resident occupancy and upon completion of Phase 2. It is anticipated that the number of staff on site will be approximately 22 staff members around the clock once the project is fully built out.

The on-site staffing plan includes: a full-time Executive Director, other administrative staff, resident care and nursing staff, food & beverage, housekeeping, maintenance, activities/resident relations, and sales. The maximum number of staff members at the building at any time will vary based on time of day and residents' service demands. Care staff must follow DHS certification and training requirements – both initially and on an ongoing basis. Staff will also participate in ongoing emergency preparedness and evacuation training.

TRAFFIC AND PARKING

The Project's location along Taylor Drive provides access to a major arterial road which can handle the minimal increased traffic generated by the proposed use.

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Developer and Operator have significant experience operating senior living communities, and based on that experience, parking demand is a function of resident need, staffing ratios (and staggered shift turnover), and visitor/vendor requirements.

The proposed parking consists of both underground and a surface lot at the front of the building, with a total of 143-stalls (with four ADA-parks). The underground parking includes 91 stalls for residents, and the surface parking lot includes 52 stalls for residents, staff, visitors, and vendors.

- **Residents:** The underground parking stalls are expected to fully accommodate the parking needs for the IL units as similar projects have shown an average of 70 percent of IL residents continue to have vehicles, which would indicate a need for 84 spaces. Should demand exceed that amount, additional underground parking as well as surface parking are more than adequate. Very few AL residents drive cars with average similar projects having a parking need for at most one stall for every ten RCAC residents (4.5 total stalls). CBRF and MC residents are no longer able to drive, so we have assumed no resident parking stalls are required for those 22 units.
- **Staff:** The Operating Program for the independent living (Phase I of the project) includes 5 staff members, and after completion of Phase II (the AL and MC units), the fully-built-out project includes up to 22 staff members at any given time.
- **Other:** After accounting for 90 (rounded up) resident parking stalls and 22 staff parking stalls, that leaves a balance of 32 parking stalls for visitors, which will be sufficient for daily off-street parking. Options to expand the surface parking by an additional 38 spaces is shown in the attached plans by Kapur Engineering and will be exercised if necessary.

DELIVERIES

Deliveries to the building will be infrequently made and will approach the commercial kitchen and facilities access point at the southeast corner of the building. Most deliveries will be made by van or short box truck and are anticipated to include daily mail/UPS/Fed-Ex, trash pick-up (from the underground parking garage), and food/supplies delivery. Each of the foregoing deliveries are anticipated 1-2 times per week, depending on the needs of the building's operation. Food deliveries are typically made twice per week, and supplies are typically delivered once per month.

PROJECT VALUE AND PROPERTY TAX REVENUE

The community will be for-profit owned and will therefore be subject to local property and other taxes. The total project value is estimated at approximately \$40 million, and the total duration of the construction will be approximately 20 months. The phasing plan is dependent upon a final market study to determine when demand for the AL and MC units is high enough to justify initiating that phase of the project.

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C. If applicable, please describe any exceptions/variances that are required for this project (i.e. setbacks, parking, landscaping, etc.)

In order to accomplish the long-term viability of the project, meeting the design and programming objectives, and in conjunction with the other elements of this application, the following variances are requested:

- Parking stall and drive aisle size – As per the corresponding request by Froedtert, and as is commonly accepted by many civil engineers and municipalities, we propose to utilize a 9' x 18' on-site parking stall size. Similarly, parking drive aisles will be 24'-0" wide, with allowance for a 26'-0" wide main entrance road width to be better capable for emergency and fire department vehicles.
- Parking quantity – The parking as detailed earlier in this application is in keeping with the actual demands for similar projects, incorporating the needs of residents, employees and visitors. The average age of residents is over 80 years old, and the number of those who drive is dramatically lower than those found in a conventional apartment community. We pride ourselves on providing the very best in resident care with an elevated experience and amenities. At the very basic level is ensuring we have adequate parking, but it doesn't benefit the project or the wider community to have an overabundance of parking. In keeping with our interest in enhancing the outdoor experience for our residents, we wish to promote the health of the environment and wildlife, and that includes reducing the impact by excessive hard surfaces.
- Building height – A portion of the first phase of the project is designed to be four stories. A variance on the building height to 55 feet is requested in order to provide for a 13 foot high first floor, 11 foot heights for floors two through four, and capped with a gable-style roof. This will allow for varying roof heights along with dormer and other architectural elements that will break up the roof-line and create shadow and other designs to provide a more intimate scale for residents and the greater community. The architecture will be designed to blend the large institutional design of St. Nicholas Hospital campus, transitioning to Froedtert's new buildings, and ultimately to this project, which will further transition to the single-family homes on the next block.
- Signage – **No on-building signage will be requested**, and instead, monument signage is requested in two locations on the property as follows:
 1. Two-sided ground-mounted signage at the southwest corner of the property, at Taylor Drive and the shared entrance with Froedtert, as outlined in the enclosed site plan by Kapur Engineering. This will be back-lit panel tastefully mounted on a brick base of no more than eight feet high by six feet wide. The signage will be designed after the name of the project is determined and will be part of the sign application, but enclosed is an example of similar signage utilized at our new community in Mequon.

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2. Single-sided ground-mounted sign at the corner Taylor Drive and Geele Avenue, as shown on the enclosed site plan by Kapur Engineering. This will be either lighted via uplighting or a back-lit panel tastefully mounted on a brick base of no more than six feet high by ten feet wide. The signage will be designed after the name of the project is determined and will be part of the sign application, but enclosed is an example of similar signage designed for our new community in Mequon.

D. Written justification for the proposed conditional use, indicating reasons why the applicant believes the proposed conditional use is appropriate:

- a) How is the proposed conditional use (independent of its location) in harmony with the purposes, goals, objectives, policies and standards of the City of Sheboygan Comprehensive Master Plan?

This proposed project supports the following Key Initiatives indicated in the Sheboygan Comprehensive plan:

- **Promoting infill development and redevelopment** – established land uses surrounding this site on all sides create a vacant, infill site that is ready to be placed into service as a productive land use for the community
- **Spur economic development and job creation** – the proposed project represents a \$40m+ capital investment into the community and is estimated to create 60 permanent jobs (in addition to construction jobs during development)
- **Strengthening older neighborhoods** – existing neighborhoods will benefit from new housing options close to home
- **Diversifying the City's housing stock** – The City's housing study determined Sheboygan has a shortage of senior housing, which this project delivers. Furthermore, as aging residents in the community move into the new senior housing, they will vacate single family homes that young families can move into.

In alignment with the City of Sheboygan Department of Planning & Development's mission statement. The project will feature a wide array of green design elements designed to minimize the building's impact on the environment and nature, as well as promote energy efficiency and renewable resources.

- b) Does the conditional use, in its proposed location, result in any substantial or undue adverse impact on nearby property the character of the neighborhood, environment, traffic, parking, public improvements, public property or rights-of-way?

The proposed use as a senior living community is similar to other community living arrangements that exist in the City. As outlined earlier, the amount of traffic is not unduly high, the architecture and feel of the project will blend the institutional and medical

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properties with the single-family housing nearby. Licensed senior living communities (RCAC and CBRF) are highly regulated by the Wisconsin Department of Health for health and safety.

Surrounding uses include high density commercial, institutional (hospital) and single-family homes. The proposed use as a senior living community will have less impact on surrounding properties than the existing surrounding commercial uses and is a good buffering use between the single-family and commercial district.

c) *How does the proposed conditional use maintain the desired consistency of land uses in relation to the setting within which the property is located?*

This proposal is intended to convey the overall design intent for potential institutional, office, commercial and housing uses for this site to further support Sheboygan as the Spirit on the Lake.

The entryway along North Taylor Drive address major access arterials, while the building itself creates a buffer between the large hospital and medical office buildings, and serves as a transition to the nearby residential properties. Back of house, utilitarian functions and deliveries are located away from public view and public streets.

The proposed project complements and is compatible with Sheboygan's growing healthcare corridor along North Taylor Drive and serves as a nice transition to the single-family homes.

d) Is the proposed conditional use located in an area that will be adequately served by utilities, or services provided by public agencies? If not, please explain.

Per Pre-Development meeting with City of Sheboygan DPW, this project is adequately served by utilities and services by public agencies.