ENVIRONMENTAL IMPACT STATEMENT STONECREST AT ROCHESTER HILLS

Rochester Hills, Michigan

NP SENIOR LIVING DEVELOPMENT, LLC

5105 NW Canal St, Ste 200 Riverside, MO 64150

November 5th, 2015

PEA Project No. 2015-233

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STONECREST AT ROCHESTER HILLS ENVIRONMENTAL IMPACT STATEMENT

INTRODUCTION

The subject Site is located on the east side of Rochester Road and north of Hamlin Road. It is a 3.53 acre parcel of an overall parcel owned by G & V Investments, LLC. The overall parcel is approximately 19.62 acres; it zoned R-4 One Family Residential with FB-2 Flex Business Overlay. The Future Land Use Map categorizes the larger parcel as "Business Flexible Use 2." The site is currently vacant and contains grass and small trees. The Applicant intends to develop and improve the Site as shown on the attached preliminary site plan (Exhibit A) and elevation drawings (Exhibit B)



PART I ANALYSIS REPORT PAST AND PRESENT STATUS OF THE LAND

A. What are the characteristics of the land, waters, plant and animal life present?

The land is currently undeveloped, it contains grass and small trees, and there are larger trees located along the south property line.

Comment on the suitability of the soils for the intended use. Describe the vegetation giving specific locations of specimens of six (6) inch diameter or greater, or areas of unusual interest on parcels of five (5) acres or more. Describe the ground water supply and proposed use. Give the location and extent of wetlands and floodplain. Identify watersheds and drainage patterns.

According to the soils map for Oakland County, the existing soils are suitable for development and have supported urban development for many years. See Exhibit C, Wetland Map¹ The ground water level is unknown at this time but the proposed use will not require use of ground water resources. The Site does not contain any existing floodplain. Just to the north the site contains wetlands. The existing drainage for the site is self-contained and directed towards the wetland area for recharging. There is a line of trees on the southern property line that the developer intends on keeping. There are no plans to remove this vegetation. The Site is located within the Clinton River Watershed.

B. Is there any historical or cultural value to the land?

The Site is not shown on the City's historic district map.

C. Are there any man-made structures on the parcels?

No

D. Are there important scenic features?

No

E. What access to the property is available at this time?

The Site currently has access to Rochester Road.

F. What utilities are available?

The Site has access to and is served by all necessary utilities.

¹The soils and watershed map data is from the City of Rochester Hills Map System and geospatial Library.

PART II THE PLAN-COMMERCIAL

(Five (5) acres or more only)

A. DESCRIPTION OF PROJECT

1. Number of employees by establishment and shift, unless leased.

6:00am-2:00pm (25 employees), 2:00pm-10:00pm (25 employees), and 10:00pm-6:00am (8 employees) at full capacity. These numbers will reduce during lease up until maximum amount of staff is needed.

2. Operating hours.

Operating 24 hours, 7 days a week.

3. Types of traffic generated by the project.

See attached Exhibit D – Development Application Narrative – 5.Site Concept Meeting Concerns- d. Traffic

B. Trade Area Definition

We use a 5 mile radius to determine our market area.

1. Delineation of the trade area.

See attached Exhibit D – Development Application Narrative – 2.Competitive and Surrounding Market Analysis

2. Competing establishments in the trade area (document sources.)

See Answer to # 1 above

3. Vacant resources and failures during the past year.

See Answer to # 1 above

PART III IMPACT FACTORS

A. What are the natural and urban characteristics of the plan?

1. Total number of acres of undisturbed land.

3.53

2. Number of acres of wetland or water existing.

0.01

3. Number of acres of water to be added.

n

4. Number of acres of private open space.

0.77

5. Number of acres of public open space.

0.74

6. Extent of off-site drainage.

There is no off-site drainage.

7. List of any community facilities included in plan.

Bike Path in Rochester road right-of-way and sidewalks in arterial drive right of way.

8. How will utilities be provided?

Storm, Sanitary and Water Main will be provided by the existing system located in the adjacent roads (Rochester) and adjacent property to the north.

B. What is the current planning status?

The Applicant has requested preliminary site plan approval with this application.

C. Projected timetable for the proposed project.

The timetable depends on the result of the site plan request. We would seek entitlement during 4th quarter 2015, final plan approvals during 1st quarter of 2016, and starting construction March/April 2016.

D. Describe or map the plan's special adaptation to the geography.

N/A

E. Relation to surrounding development or areas.

Location	Existing Zoning	Future Land Use Map
Site	R-4, Business Flex 2 Overlay	Business Flex Use 2
South of Site	O-1, Business Flex 3 Overlay	Business Flex Use 3
East of Site	R-4, Business Flex 2 Overlay	Business Flex Use 2
North of Site	R-4, Business Flex 2 Overlay	Business Flex Use 2



Existing Zoning Map

Future Land Use Map

As the maps and table illustrate, the site has not only a proper but also optimal relationship to existing and planned uses of the Site and the surrounding area. The purpose of Business Flexible 2 uses in part is to provide a transition between residential land use categories and the more intense Business/Flexible Use 3 areas. The "Business/Flexible Use 3 land-use category is intended to be the most intense business use area in the city." The use of the subject Site would complement the Master Plan design.

F. Has the project regional impact? Of what extent and nature?

There is no regional impact.

G. Describe anticipated adverse effects during construction and what measures will be taken to minimize the impact.

There are no effects anticipated that would be more adverse than the normally anticipated effects of a construction project. The Applicant will of course adhere to all applicable regulations and requirements during the construction phase including any measures designed to minimize any adverse effects from the customary construction activities.

H. List any possible pollutants.

None are anticipated from the development of the Site.

I. What adverse or beneficial changes must inevitably result from the proposed developments?

Overall, no adverse physical, social or economic changes should result or are inevitable to result from the proposed development. The development of the Site should encourage and result in beneficial changes to the physical, social and economic environment.

- 1. Physical.
 - a. Air Quality

No adverse effects are anticipated from the development of the Site.

b. Water effects (pollution, sedimentation, absorption, flow, flooding).

A storm water system conveyance, treatment and storage system will be designed so there are no adverse effects are anticipated from the development of the Site.

- c. Wildlife habitat, where applicable. N/A
- Vegetative cover.

There will be a reduction in vegetative cover, however, the development vegetative cover will be of high –quality with many more shrubs and trees on the property.

e. Noise. N/A

f. Night-light. N/A

2. Social.

a. Visual.

The development of the site will improve the visual environment. See Exhibit B, Conceptual Elevations.

b. Traffic.

See attached Exhibit D – Development Application Narrative – 5. Site Concept Meeting Concerns- d. Traffic and see Exhibit A, Conceptual Site Plan and road locations.

c. Modes of transportation (automotive, bicycle, pedestrian, public).

The Site's proximity to residential neighborhoods, its plan to offer neighborhood convenience and the presence of the Pedestrian/Bicycle path along Rochester Road border of the Site will promote the use of non-motorized transportation to access the Site from adjacent and nearby residential neighborhoods.

- d. Accessibility of residents to:
 - (1) Recreation
 - (2) Schools, libraries
 - (3) Shopping
 - (4) Employment
 - (5) Health facilities.

According to the Future Land Use Map, the City envisions the Site as providing convenience and community health facilities.

3. Economic.

Stonecrest at Rochester Hills would provide positive economic impact on the City of Rochester Hills by adding not only tax dollars to the local economy from the business entity, but also by bringing residents and their families into the City of Rochester Hills to participate with the social and economic impacts that living within the City would have.

a. Influence on surrounding land values.

There should be a positive effect on surrounding values considering the proposed site and architectural design.

b. Growth inducement potential.

The new business will bring new employment opportunities. The new development should also spur future developments on the remaining parcels in the area as Rochester Road is a coveted traffic way for residential, retail, hospitality, and other business uses.

c. Off-site costs of public improvements.

There should be no need for offsite public improvements. The development, however, will provide public improvements to the roadway system through new roads.

d. Proposed tax revenues (assessed valuation).

The development will increase tax revenues from the Site.

e. Availability or provisions for utilities.

All utilities are available

- J. Additional Factors.
 - 1. In relation to land immediately surrounding the proposed development, what has been done to avoid disrupting existing uses and intended future uses as shown on the Master Plan?

The development will not disrupt existing or future uses. The development is harmonious with the existing and planned land use patterns in the area. Please see answer E above.

2. What specific steps are planned to revitalize the disturbed or replace the removed, vegetative cover?

The development will have an intense landscape plan which will meet the rigorous City of Rochester Hills standards.

3. What beautification steps are built into the development?

Please see attached conceptual elevations. Exhibit B

4. What alternative plans are offered? N/A

PART IV SUMMARY

A. Introduction and Background

Please see the Introduction and background of Stonecrest Senior Living that can be found within our narrative.

The Applicant intends to redevelop and improve the Site as shown on the attached conceptual site plan (Exhibit A), and elevation drawings (Exhibit B).

The proposed development furthers many of the City's goals, visions and policies:

- The rezoning will advance the City's vision for a transitional area between the more intensely developed and planned retail business uses on the Northeast quadrant of Hamlin and Rochester Roads and the residential neighborhoods located west and northeast of the Site.
- The development will encourage the use of non-motorized transportation because of the Site's proximity to the residential population that it is intended to serve and the availability of pedestrian/bicycle paths on Rochester Road.
- The proposed development will_be a part of future project to ameliorate traffic impacts at the Eddington Road intersection through better access management practices.
- The development also serves the City by implementing the future land use plan for the east side of Rochester Road north of Hamlin Road.

CONCLUSION

The analysis of the environmental impact of the proposed development leads to the inevitable conclusion that the net effect of the proposed development will enhance rather than harm the environment. The development of the subject Site will have a beneficial environmental effect in the immediate area, surrounding environs and the City as a whole. The proposed site improvements and construction of new building will enhance aesthetic values and add more quality green space than now exists on the Site. The development will increase tax revenues and meet residents' needs for senior housing. The location's adjacency to residential neighborhoods and pedestrian/bicycle paths accommodates non-motorized transportation which can reduce overall automobile trips. The development will be a part of future project to ameliorate traffic impacts at the Eddington Road intersection through better access management practices. The development also serves the City by implementing the future land use plan for the east side of Rochester Road north of Hamlin Road.

Exhibit A

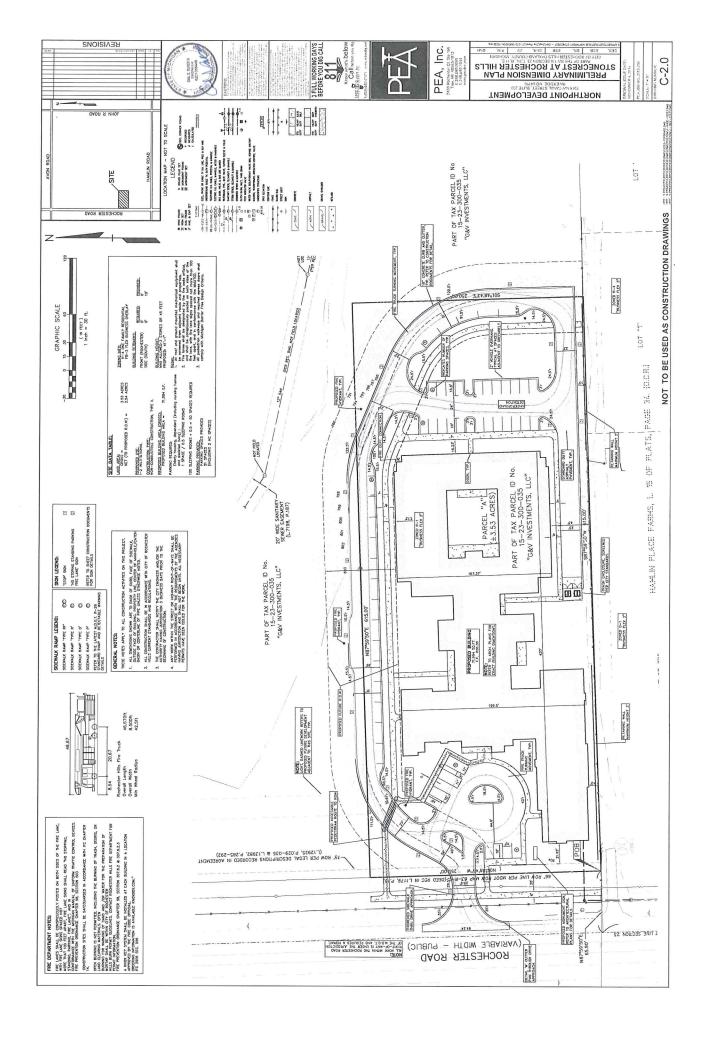


Exhibit B

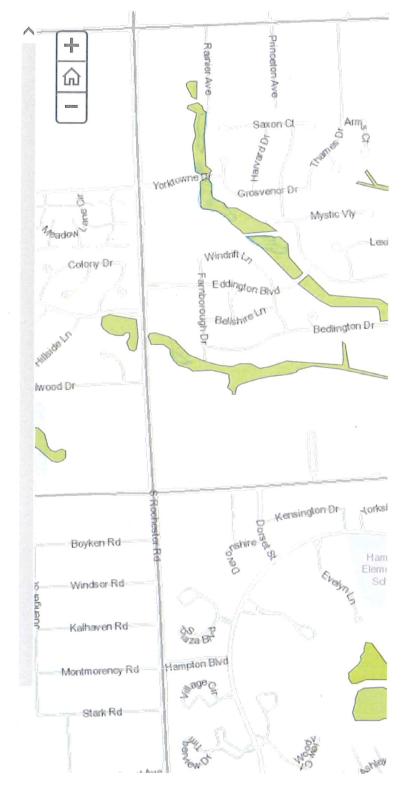


Exhibit C

Rochester Hills Wetlands

Map showing wetlands in Rochester Hills

Data Collected October 1 through December 8, 2004 by Niswander Environmental, LLC

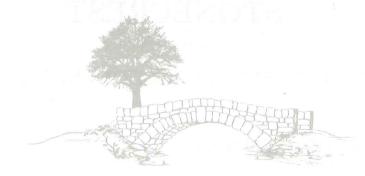


LEGEND

Wetland

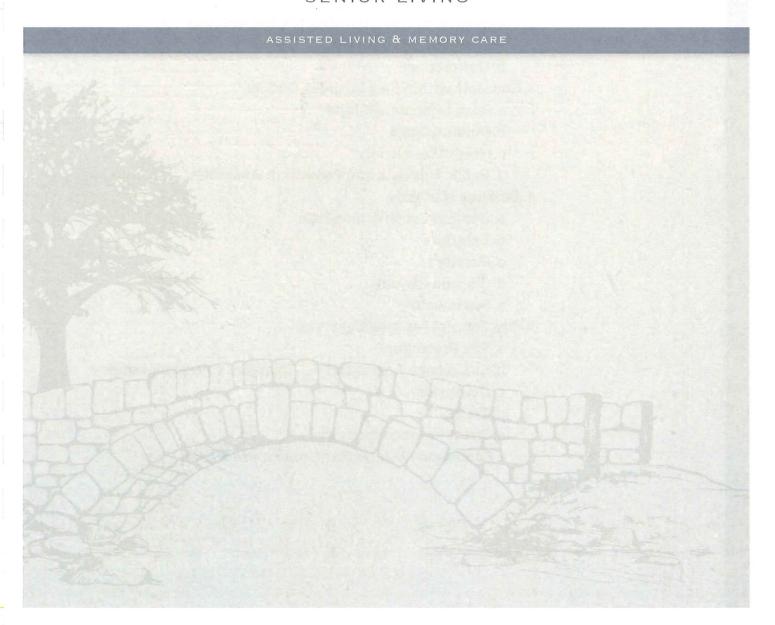


Exhibit D



STONECREST

SENIOR LIVING





DEVELOPER



NP Senior Living Development, LLC.

NORTHPOINT TEAM

Nathaniel Hagedorn CEO

Mark Pomerenke
VP of Operations

Sarah Miklich VP of Operations, Senior Housing

OTHER PARTNERS

Dan ThiesSite Selection Entitlements

Bill Biermann
Site Selection Entitlements

OPERATIONS MANAGER



INTEGRAL TEAM

Sue Farrow Founder

CEO / COO

Jacque GeerRegional Director of Operations

Christy Van Der Westhuizen Regional Director of Sales & Marketing

Nathaniel Hagedorn | CEO

With 14 years of commercial real estate experience, Nathaniel is responsible for the overall strategy of the company and is principally focused on guiding development, leasing and management activities for the firm.

Nathaniel has raised over \$1,100,000,000 in capital in the last three years for our various real estate projects and has emerged as one of Kansas City's most active commercial real estate developers. Our firm has developed / managed in excess of 10,000,000 sq. ft. of commercial space and over 2,000 apartments. units

Mark Pomerenke | VP of Operations

Mark is responsible for project execution from the planning stages to project completion. As Vice President of Operations, Mark oversees the acquisition, entitlement, design, and construction processes to ensure timely and cost efficient project delivery of multifamily and senior living projects.

Since joining NorthPoint in 2012, Mark has managed numerous development projects across all asset classes including around 900,000 sf of industrial space, multifamily and senior living complexes totaling over 1,800 units.

Dan Thies | Development

Dan Thies has over fifteen years of experience in the real estate industry. He is responsible for all development activities, which includes the acquisition of real estate sites for development, the entitlement of such sites and obtaining financing for developments.

Bill Biermann | Development

Mr. Biermann has over 15 years of real estate investment and development experience. Prior to forming the Wm. Biermann Company in 2008, Mr. Biermann worked as a member of an established real estate investment firm located in the St. Louis. Since founding the Wm. Biermann Company, Mr. Biermann has utilized his knowledge of real estate development and legal background to develop a variety of different property types. His developments include: senior living facilities, retail, office, residential lots and apartment buildings. Additionally, the firm provides consulting services to some of the largest real estate development firms and developers in the St. Louis area. Bill is known throughout the industry as a creative thinker and problem solver.

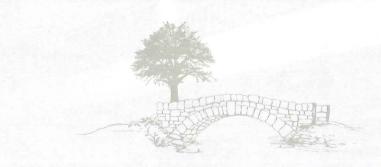
Jed Momot | Project Manager

As a Project Manager Jed is involved throughout the development process and is responsible for representing and acting in the Company's and Investor's best interest in all aspects of the project. Jed's primary role is to assist with the oversight of the entitlement and design development process and direct the construction activities to ensure adherence to the project scope, schedule, and budget.

Before Joining NorthPoint Jed was a Project Manager for Brinkmann Constructors. Jed has 8 years of design/build and project management experience. Jed has managed several senior living product types during the preconstruction, construction, and turnover phases ranging from large independent living facilities to assisted living, memory care, and skilled nursing communities.

Joe Miklich, Sr. | Consultant

Mr. Miklich has over 35 years experience in key leadership positions in the acquisition, planning, financing, management, sale and development of real estate, including specializing in the senior living industry for the past 19 years. Mr. Miklich joined Sunrise Senior Living in 1994, at the time when Sunrise was going public to raise equity needed for expansion. He was instrumental in implementing a national roll-out strategy, by the site selection and acquisition of clusters of quality sites in major metropolitan areas, including St. Louis, Detroit, Kansas City, Denver, Phoenix, Salt Lake City, Las Vegas, San Francisco, Los Angeles and San Diego. During his tenure with Sunrise, he was responsible for ground up development, including site selection, preliminary conceptual planning, financial feasibility and corporate approval of over 60 Sunrise communities throughout the US (including 23 in the California market). Since 2009, Mr. Miklich has been the principal of J Miklich Associates, LLC, a consulting firm specializing in site and market selection and evaluation as well as economic feasibility analysis in the senior living industry on a national basis.



STONECREST

AT BURLINGTON CREEK

SENIOR LIVING

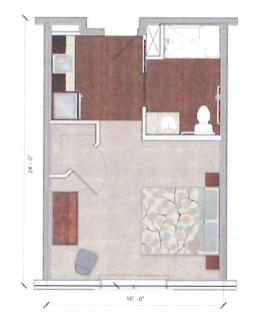
ASSISTED LIVING & MEMORY CARE

Kansas City, Missouri

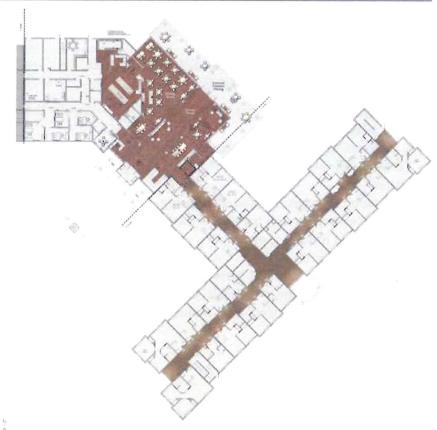


55 ASSISTED LIVING SUITES
30 MEMORY CARE SUITES
CLOSE PROXIMITY TO SHOPPING & RESTAURANTS
BORDERS RESIDENTIAL NEIGHBORHOODS
LOCATED OFF MAJOR HIGHWAY I-29 CORRIDOR

WWW.STONECRESTATBURLINGTONCREEK.COM



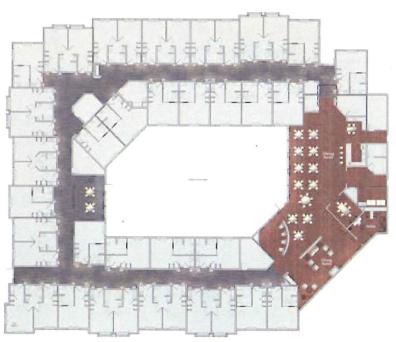
ASSISTED LIVING COMMUNITY LAYOUT 1ST FLOOR

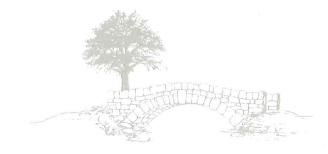




GENERATIONS MEMORY CARE COMMUNITY LAYOUT







STONECREST

AT CLAYTON VIEW

SENIOR LIVING

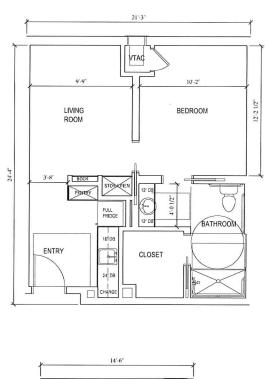
ASSISTED LIVING & MEMORY CARE

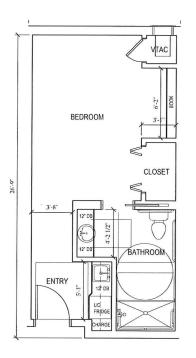
Richmond Heights, Missouri

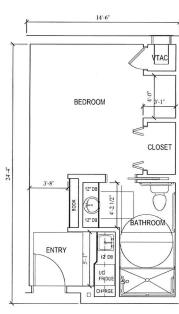


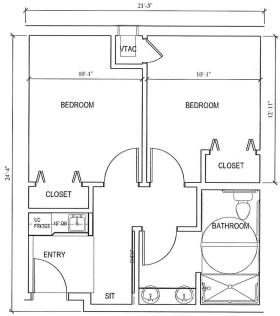
55 ASSISTED LIVING SUITES
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LOCATED OFF MAJOR HIGHWAY 64 CORRIDOR

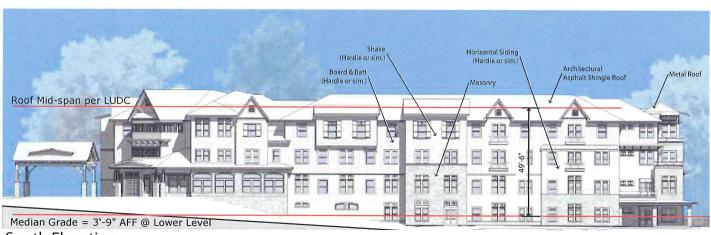
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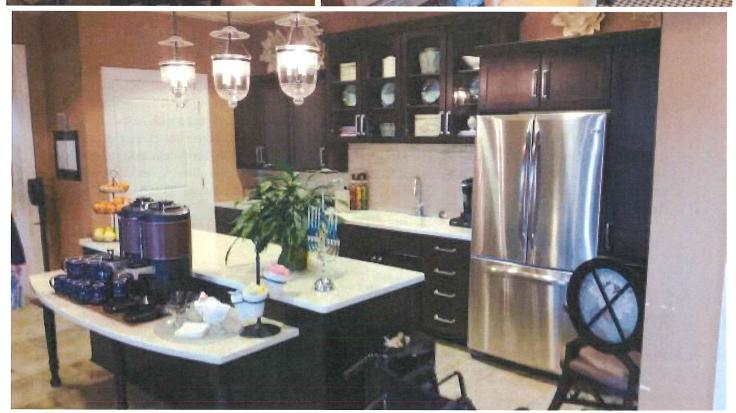
South Elevation

PRODUCT FINISH EXAMPLES











In our extensive evaluation of the market, we have found that the Assisted Living / Memory Care communities similar to our model are currently and consistently at or close to 100% occupancy showing a definite demand in the area.

Stonecrest Senior Living, a division of Northpoint Development based in Kanasas City, MO, has extensive experience in the Senior Housing Industry. We prepare and review extensive market studies including current units available, age of properties, qualified adults & seniors in the surrounding area, etc. to determine if a need exists within the market. We have identified the Troy market has a need for our high quality, high acuity model. Our operator, Integral Senior Living has successfully operated Senior Living Communities for over 15 years and currently manages over 4,200 units in 15 states.

Our goal is to provide the social encouragement of the Independent Living community while providing supportive services with Activities of Daily Living & Memory Support allowing our residents to age in place in a warm, homelike environment. We will encourage independence for as long as possible providing the right amount of support when needed while valuing and preserving their dignity.

We recognize that, as our residents age, their needs will change. With a nurse on staff and increasing levels of care, we are able to be flexible in the services we provide, individually tailoring our support to each resident. Our nursing staff will work with the residents' physicians in managing their specific medical needs. While we do not provide the highest medical care found in the Skilled Nursing Facility, we will do everything in our power, with our residents' safety & health as a priority, to allow our residents to remain in their comfortable apartment with us through end of life, allowing hospice to support them when necessary.

We are aware of the increasing & changing need for memory support. Our community will provide a smooth transition from Assisted Living to Memory Care. For those who aren't quite ready for Memory Care but not appropriate in Assisted Living without additional programming support, we will provide the "Transitions" program in our Assisted Living neighborhood addressing the difference in needs while still encouraging independence.

Our Memory Care support both in Transitions and in the Memory Care neighborhood is based on the latest techniques focusing on Validation as opposed to pharmaceutical interventions. In our Memory Care neighborhood, our care team to resident ratio is much greater so that we can focus on the needs of each individual keeping them as engaged as possible for as long as possible.

Our model will provide varying sizes in apartments with many large enough to cater to couples who choose to remain together. We will offer studio apartments, 1 bedroom apartments & 2 bedroom apartments allowing our residents to decorate with their own furnishings.

Building Narrative

Use and Construction Type

Stonecrest at Rochester Hills will be an I-2 Institutional use and be all non-combustible construction, type II. The building will be fully sprinkled with a commercial type NFPA 13 system and will be constructed in accordance with all Michigan standards and codes for permissible assisted living and memory care use.

Exteriors

Stonecrest at Rochester Hills will use only high grade, and architecturally pleasing products for the exterior of the planned building. As seen in the exterior and rendering concepts, the building will include high quality masonry products such as brick and stone, painted cementitious siding and trim products, high quality architectural shingles, standing seam metal to ornament roofing transitions, and misc. steel and iron for rails and bracketing.

Interiors

Stonecrest at Rochester Hills will feature high quality materials for the interiors. Common spaces will include specialty ceilings, ornamental woodwork, custom cabinetry, and granite countertops throughout. High quality decorative light fixtures, ceramic tile floor, wood flooring, high grade carpeting, and plank tile will be used in all common spaces. Within resident units, a high quality carpet, residential cabinetry and kitchenette, granite countertops, vinyl plank flooring, and high quality light fixtures will be used. Some typical interior renderings are included in the aforementioned "who we are" section.

Site and Parking

Stonecrest at Rochester Hills will require 50 parking stalls. This calculation is based on 1 stall per employee at peak hours (28) and on 1 stall per 4 units (22). This is accounted for within the current site concept. Other site measures to take note of is an assisted living courtyard and outdoor space with landscaping and site amenities such as tables, chairs, and benches for residents to enjoy, as well as an equal space allotted for memory care residents. The site will include heavy landscaping, sodded yard, screening for generator and trash enclosures built with masonry materials to match the building, concrete curb, sidewalk, and asphalt parking lots.

Stormwater

Stonecrest at Rochester Hills will utilize underground "Storm – Tech" detention or similar product to detain water onsite and slowly release water at a level less than current release on the planned developed property. This system would be designed and engineered by PEA.

Deliveries

While not specifically addressed during the 9/23/15 concept meeting, we wanted to elaborate on Stonecrest and ISL policy for deliveries and service traffic. Typically deliveries include one week delivery for food, bi-weekly pickup for trash and waste, and monthly delivery of medical and other health supplies. These deliveries will be timed as during normal business hours of 7am to 7pm, respecting nearby neighbors.

Traffic

While not specifically addressed during the 9/23/15 concept meeting, we wanted to elaborate on the traffic generated by our community model. Based on studies performed by Lochmueller Group for our Town & Country Missouri community, as well as information provided by "Trip Generation" 9th edition, published by the Institute of Traffic Engineers (ITE), we foresee the traffic for our assisted living community to generate an increase of 14 trips at peak morning hours and 21 trips at peak evening hours. Considering other uses, assisted living impacts traffic far less than others, at approximately 250 trips throughout the day as opposed to nearly 600 for a retail space.

Street Interconnectivity

The following should address concerns within the 9/23/15 concept review meeting with the City of Rochester Hills regarding street interconnectivity and how our project fits into this intent within the flex business ordinance. We have situated our building, and configured out site as to construct a "Main Street" along the northern portion of our project which eventually turns south at the rear of our project towards the Bordines property. We believe this street orientation and interconnectivity meets the intent to broadly connect all parcels within the flex business district. The main street can be connected to at any point along the Norther portion of our property by other developments to serve the parties to the north. The main street can be connected to at any point along the eastern portion of our property by other developments to serve the parties to the south. Finally, the main street can be continued into the Bordines property for any future development that may take place to the south of our project. We have situated the main street to straddle our property line. This will provide any future connections and/or developments cross access and easement to this main street. We believe this strategy to be beneficial for future developments, and we believe this layout to meet the intent of the flex business ordinance.

Eddington Relocate and Future Signal

The following should address concern within the 9/23/15 concept review meeting with the City of Rochester Hills regarding a future relocation of Eddington Blvd. and future traffic signal. It was noted by members of the City Traffic Engineering Department that a future relocation of Eddington Boulevard and eventual signal would be constructed to re-align Eddington Blvd. with Drexelgate across Rochester Road. While this activity isn't directly related to our planned development, it was discussed the this future signal and entrance would be the only full access entrance and any entrance that we may install at this time would be required to go to a right in/right out scenario. We acknowledge this requirement and agree that such modification to the entrance along Rochester Road could be included as part of the overall plans to construct the re-alignment of Eddington.