

EXCERPTS
PLANNING AND ZONING COMMISSION MEETING
SEPTEMBER 8, 2016

Case No. 16-171

A request by Cole & Associates, Inc. (applicant) for approval of a major amendment to an O-P (Planned Office District) development plan to be known as "Mainstreet Health & Wellness Suites". The 11.24-acre subject site is located on the north side of Berrywood Avenue, approximately 400 feet east of Portland Street.

MR. STRODTMAN: May we have a staff report, please?

Staff report was given by Mr. Pat Zenner of the Planning and Development Department. Staff recommends approval of the revised O-P development plan and associated Statement of Intent and Design Parameters.

MR. STRODTMAN: Thank you, Mr. Zenner. Are there any questions of Mr. Zenner? I see none. We'll go ahead and open up the public hearing portion of this matter.

PUBLIC HEARING OPENED

MR. STRODTMAN: If anybody would like to come forward and speak on this, please do.

MR. KLINGL: Good morning -- or good evening, Mr. Chairman and members of the Planning Commission. For the record, my name is Michael Klingl. I'm a development director with Mainstreet. Our offices are located at 14390 Clay Terrace Boulevard in Carmel, Illinois. I didn't want to necessarily add to any of the technical issues brought forth in the staff report, but we are here to answer any questions that you may have further. Instead, I want to use my time to identify or introduce Mainstreet to you and our mission and what -- a little bit -- add a little more clarity to what we're planning on doing with the property. Mainstreet was founded in 2002. Our primary mission to transform lives. We do that by developing what we believe is the youngest and best-designed post-acute care facilities in the system today. Our company was built on always challenging the status quo, always asking why not. Our CEO, Zeke Turner, when he started in this industry out of -- coming out of finance and properties management realm in Wall Street, started to acquire nursing homes, the nursing homes that we know of today. And right away, the mission was formed there because he asked why can't they be better than they are currently. Most of the stock out there today is anywhere from 25 to 40 years old. Obviously, many changes, many improvements have been made throughout the industry, and while some of those facilities choose to continue to upgrade their properties, a lot of them are not configured in a manner in which they can offer what the properties that we are developing offer. So from that standpoint, we are transforming lives through the way healthcare is being delivered today. We feel that the better people feel about their surroundings and the care that they are receiving, and the manner they're receiving, and the conditions that they're receiving it in, is only going to help them to get better quicker, and that is the whole purpose for our facility. As the director said, we are a post-acute care facility. This is short-term and short-term only, not that people want to stay longer, but the minimum -- or I'm sorry -- the average stay is going to be

somewhere between ten and fifteen days. These are folks that are coming off of knee surgery, hip surgery, heart attacks where the hospital will not allow them to -- I shouldn't say the hospital -- the insurance companies will not allow them to stay in the hospital any longer to receive that level of care because they've deemed them not -- not needing that level of care, so they need to find someplace else because they can't go home and start living their lives again without getting their bearings more done, their acuity, their dexterity, their -- sometimes there's speech issues that they have to work through in order to be able to go back home again. So we will be offering the post-acute care at our facilities. Mainstreet is the largest developer for post-acute care facilities in the system today. We have more than twenty-five properties already developed and operating with an additional thirteen more that we looking to go under construction this year -- I'm sorry -- that are currently under construction right now that are not open yet with another ten -- roughly ten properties that will be going under construction before the end of the year. That is the model for next year, there's going to be another fifteen to twenty as far as the way we're looking at it. We are a substantial player in the market and we are currently developing in nine states. I believe that from a standpoint of what we've done or what we're proposing on this property, we've done right by the property itself. It is a fully-wooded site, as you can see by the panoramic. We have tried to make our footprint as small as possible and preserve as much wooded area as possible, so by doing so, I think we've done right by the property, the community, for bring this service -- needed service to the community, and then to our neighbors adjacent. We've had two meetings with neighbors. One was an elected meeting where we invited neighbors and sent out invitations for them to come out and ask and inquire about what our property is going to be, and that happened a couple months ago. And then about a month ago, prior, leading up to this meeting here, we met in the lobby with several interested residents and went through what we were proposing to do again. Seemed to be support from the neighborhood. We addressed as many concerns as we heard, although there weren't very many, and we continue to put our best foot forward from a standpoint of, if there are additional concerns, we would like to address them. So, with that, if there's any questions that you have technically, I do have my civil engineer here, as well as my development consultant, so we're -- we're here for additional questions if you have any.

MR. STRODTMAN: Thank you. Is there any questions for this speaker? Mr. MacMann?

MR. MACMANN: Hi, how are you?

MR. KLINGL: How are you doing?

MR. MACMANN: I'm great. Will you -- do you anticipate doing post-hospital procedures in this facility?

MR. KLINGL: Not necessarily, no. This is not sub-acute. This is going to be post-acute, so there is not necessarily going to be any procedures being done. There will be doctors that will visit -- be revisiting from the hospitals to see their patients, possibly on a daily basis, but there's not going to be any kind of hospital care.

MR. MACMANN: All right. What -- how many beds does this facility have?

MR. KLINGL: Seventy beds.

MR. MACMANN: And number of employees --

MR. KLINGL: Roughly, about --

MR. MACMANN: -- ish?

MR. KLINGL: -- 100 to 120 is generally what gets --

MR. MACMANN: And on a given shift level, how many folks are there?

MR. KLINGL: You're going to probably see some of the largest shift in the morning, somewhere probably between 35 and 40, maybe 45. Similarly, the same number in the afternoon, and then, of course, over the evening time --

MR. MACMANN: Not that many in the evening.

MR. KLINGL: -- it'll more of a skeleton staff. And that's primarily the same kind of nursing employees will be there. It'll be the administrative staff and, obviously, the kitchen staff that won't be onsite any longer.

MR. STRODTMAN: Any additional questions? I have a couple. Will -- will Mainstreet -- Mainstreet is the name of the company. Correct?

MR. KLINGL: Yes, it is.

MR. STRODTMAN: Who will manage the facility?

MR. KLINGL: We -- we party with third-party operators, and currently the operator that's slated to partner with us on this is Aduro.

MR. STRODTMAN: Okay. And you have other facilities with Aduro?

MR. KLINGL: We do.

MR. STRODTMAN: Okay. Are you in other locations in Missouri? You mentioned, I think, nine states.

MR. KLINGL: This is the first location in Missouri. We are looking at three other locations currently, but we are in the neighboring state of Kansas where we've got seven facilities, two of which are still under construction. The other five are already operating.

MR. STRODTMAN: Do you manage any of your own facilities?

MR. KLINGL: We have not yet to this date, however, we broke ground on our first two in Arizona this year, and they are going -- and they'll be going online about the time that they started construction next year. It's about a 12 -- 12-month construction cycle.

MR. STRODTMAN: And those will be in house -- ran in house?

MR. KLINGL: Correct. And that, basically, going forward, is going to -- we're going to be able to offer to our -- our partners, as well as ourselves, and to be able to continue to grow our network.

MR. STRODTMAN: Who is typically your patient? Do you -- insurance-related or --

MR. KLINGL: It's Medicare, yeah.

MR. STRODTMAN: Medicare.

MR. KLINGL: It's -- yeah. It's definitely insurance-related because again that's kind of what's

bringing them to us. They can't stay in the hospital any longer, but they can't really go home yet, so --

MR. STRODTMAN: Thank you. Ms. Loe?

MS. LOE: Just one final question. On the 70 beds, have you received the certificate of need for those beds?

MR. KLINGL: The certificate of need has been received for this property, yes.

MR. STRODTMAN: Thank you, sir. Any additional speakers who would like to come forward? I see none, so we'll close the public hearing.

PUBLIC HEARING CLOSED

MR. STRODTMAN: Commissioners, any additional questions or comments? If someone would like to frame a motion, that would be okay, too. Ms. Loe?

MS. LOE: It is unusual to see downsizing of this measure, but given the conservation easement that was on the property that it is next to -- an R-1, I appreciate the downsizing. And it appears, based on the letter of support we saw in our package and the comments that you made -- one of my questions was going to be have you met with the neighbors -- that the neighborhood appears to support the project as it's moving forward. So I plan on supporting it as changed -- as proposed.

MR. STRODTMAN: Ms. Loe. Anybody else? Mr. Stanton?

MR. STANTON: I'd like to form a motion, sir.

MR. STRODTMAN: Yes, sir. Go ahead.

MR. STANTON: As it relates to Case 16-171, Mainstreet Health & Wellness revised development -- O-P revised development plan, I recommend approval of the revised O-P development plan and associated statement of intent and design parameters.

MR. STRODTMAN: Thank you, Mr. Stanton. Do we have a second?

MR. TOOHEY: I'll second.

MR. STRODTMAN: We have a motion that's been made and also has been seconded. Any discussion on this motion? I see none. May we have a roll call, please, Ms. Secretary?

MS. LOE: Yes, Mr. Chairman. So, in Case 16-171.

Roll Call Vote (Voting "yes" is to recommend approval.) Voting Yes: Ms. Burns, Ms. Loe, Mr. Harder, Mr. MacMann, Mr. Stanton, Mr. Strodtman, Ms. Rushing, Mr. Toohy. Motion carries 8-0.

MS. LOE: We have eight votes for, zero against. Motion carries. Recommendation for approval will be forwarded to City Council.

MR. STRODTMAN: Thank you, Ms. Loe.