

Executive Summary and Recommendation to HNC

From: Hospital Campus Overlay District (HCOD) Subcommittee

Date: 8/5/11

Final Recommendations:

After extensive analysis and deliberation, multiple meetings over a several month period, and based on input from key experts as detailed later in this report, the HNC Hospital Campus Overlay District (HCOD) Subcommittee recommends that the HNC adopt the following three documents as its primary recommendation to Mayor Jim Dyer to accomplish the Committee's goal "To provide a plan to accommodate hospital expansion that is satisfactory to the Community and to the Hospital." The three documents are:

1. Hospital Campus Overlay District Ordinance, drafted by Birchler and Arroyo
2. Development Agreement between Oaklawn Hospital and the City of Marshall, addressing the process for dealing with historic structures in the HCOD
3. Necessary revisions to the City's sign ordinance to accommodate the campus-like setting contemplated by the HNC and the HCOD Ordinance

The Subcommittee further recommends that the HNC report to the Mayor include recommendations, via executive summary, as follows:

1. City should create a plan to vacate Prospect Street between Madison and High if the Hospital ultimately owns all properties on both sides of the street.
2. City should vacate Madison Street between the north property line of the Magic Museum and Prospect St. This would be maintained as a through street, at hospital expense, until hospital expansion requires its use.
3. City should consider studying a process for historic preservation outside the HCOD.
4. City should revise its parking ordinance to be consistent with the findings of Walker Parking consultants, which was jointly engaged by the City and the Hospital. The current ordinance overstates the parking needs associated with projected Hospital expansion over the next 20 years.

The Subcommittee further recommends that the HNC prepare an executive summary, substantially similar to this executive summary, as part of the recommendation being forwarded to Mayor Dyer. The Executive Summary will serve to provide context to those reviewing the documents and recommendations going forward, and will memorialize the process, including participants, key inputs, ideas that were considered but rejected and why they were rejected, key concessions, and valuable information obtained as part of the process that will be of interest to the community.

Composition of Subcommittee:

1. Dave Deppe; retired engineer, owner of historic home near hospital, member of original committee that established the NHLD
2. Ken Jendryka; local business owner, Chair of HNC

3. Rob Covert; President and CEO Oaklawn Hospital
4. Ginger Williams; Chief Medical Officer, Oaklawn Hospital
5. Natalie Heustis; City of Marshall, Director of Community Services
6. Tom Tarkiewicz; City of Marshall, City Manager

Key Expert Inputs:

1. Historic preservation
 - a. Robb McKay; State Historic Architect, State Historic Preservation Office (SHPO)
 - b. Prior written communications with Dena Sanford, National Park Service, were considered as well
2. Zoning Ordinance content and language
 - a. Rod Arroyo (Birchler and Arroyo; used by City of Marshall to draft City’s Master Plan)
 - b. Natalie Heustis, City of Marshall Planning and Zoning Administrator
 - c. Tim Banfield, Planning Commission Member (provided input to our first meeting; commented that the HCOD complexity was beyond the scope of our Planning Commission to draft, and recommended Birchler and Arroyo, who were subsequently engaged by City)
3. Architectural and Landscaping inputs to zoning ordinance language
 - a. Deb Axelrood; Harley Ellis Devereaux; architectural firm engaged by City and Hospital (paid for by Oaklawn) for the HNC project
4. Traffic impact of proposed Campus Overlay
 - a. Marc Start, PE, PTOE; Traffic Consultant with URS, engaged by Oaklawn based on Subcommittee recommendation
5. Parking impact of proposed growth
 - a. Jeff Colvin and Jake Jeppesen; Walker Parking Consultants; engaged jointly by City and Oaklawn Hospital

Rationale in support of recommendations:

Hospital Campus Overlay District Ordinance

This is the codification of the Overlay Zone approved by the HNC as a whole at its March meeting. Key elements of the Ordinance include:

1. Setback requirements that are sensitive to neighboring properties. That is, the setbacks are much greater when they adjoin a residentially used property than when they adjoin a property being used for business purposes.
2. Landscaping requirements that exceed current City requirements, and represent a type of “form based zoning”. That is, the landscaping requirements take into account if the activities on the property are being screened from residential view or just from view of a business. The requirements are much higher if it is residences that are being protected.
3. Maximum lot coverage is defined as 100% lot coverage, minus setbacks. Maximum lot coverage has been previously undefined for the HCHSD in the Schedule of Regulations Section 156.181.

Initially the Subcommittee had included language regarding historic structures, and how they would be dealt with. However, our zoning expert noted that putting specific requirements on individuals or individual businesses (the hospital, in this case) in a City zoning ordinance was inappropriate. He recommended a separate agreement dealing with the issue of historic structures, which is how we eventually arrived at the Development Agreement.

Similarly, we had also included language regarding signage, since the City's sign ordinance does not adequately contemplate a single business needing multiple signs in a campus setting. As with the historic structure issue, our zoning experts recommended that the sign issue be addressed by amending the sign ordinance rather than including it in the Overlay District ordinance. Despite its absence from the Overlay Ordinance wording, changes to the sign ordinance are considered both integral and critical to the success of the Overlay Ordinance and to the goal of not having to invoke the ZBA for virtually every construction project dealing with the hospital.

Development Agreement

This Agreement is primarily the result of recommendations from Robb McKay (SHPO) and Rod Arroyo (Birchler and Arroyo). Mr. McKay recommended that we have a process for dealing with historic structures, rather than just listing certain structures that the hospital would commit to moving. Having a process, and a plan for Hospital growth, is in keeping with the National Park Service's recommendations regarding the preservation of Marshall's NHLD status as well. Mr. Arroyo recommended that we deal with historic structures separate from the Overlay Ordinance.

Concern was raised about finding a venue for an agreement regarding historic structures that was enforceable. Since the neighborhood does not have standing as a legal entity, and does not have enforcement authority or the ability to enter into a contract, preference was given to an agreement that was enforceable by an entity with enforcement authority (the City, in this case). The Development Agreement was chosen because the City already has a process for engaging in, monitoring, and enforcing Development Agreements.

This Development Agreement outlines a process that formally engages neighborhood homeowners in a process for having input on historic structures within the HCOD, before the structures are impacted, and within defined time frames. The hospital is constrained from getting building, moving or demolition permits until the process is followed.

Sign Ordinance Amendments:

The City's sign ordinance, while extensive, does not adequately address a large business requiring multiple signs for wayfinding and information, all contained on a fairly large, contiguous piece of property. As such, changes to the sign ordinance to adequately accommodate vehicular and pedestrian wayfinding, vehicular and pedestrian informational signs, and the changing technology associated with modern signage are required.

Street Closures:

The campus-like setting contemplated by the HNC cannot be accomplished without vacating certain streets. Initially the Subcommittee considered more extensive vacating of streets (Mansion from Madison to Hamilton; Madison from Michigan Avenue to Prospect; and Prospect between Madison and High).

After the traffic study was reviewed the Subcommittee concluded the following:

1. Closing Mansion St, at any point, would be disruptive to both downtown through traffic and to hospital bound traffic going through the parking ramp. Therefore, this is not recommended.
2. Closing Madison St on the block between Michigan Ave and Mansion would create a bottleneck on the north side of that closure. Therefore, this is not recommended.
3. Vacating Madison St. between the north property line of the Magic Museum and Prospect is recommended. Traffic volume on this block is in the bottom half of traffic volumes as determined by the URS Traffic Study of streets around the Hospital. Also, surrounding streets are running at only about 20% of capacity. Vacating this street for hospital campus development meets the long term goal of creating a campus like setting with improved pedestrian and vehicular safety and access, while also providing potential future parking, building and wayfinding space.
4. Vacating Prospect St. between Madison and High is recommended when the Hospital owns sufficient properties on both sides of the street to make this reasonable. The rationale is the same as for vacating Madison between the north property line of the Magic Museum and Prospect. This block of Prospect has by far the lowest traffic volume of all streets studied in the area.

Vacating Madison St north of the Magic Museum now should be strongly considered. The hospital would continue to maintain this as a through street, paying the City for maintenance, until such time as the campus was developed. Since so much of the HNC's vision for a campus like setting relies on vacating appropriate streets, it seems prudent to legally vacate them as soon as reasonably possible so that future Councils, unaware of or uncommitted to this process and these conclusions, do not derail all the work done by this HNC.

Other considerations:

1. Robb McKay suggested adding more area into the Overlay Zone to the north. There is quite a bit of space in the "back yard" of a large property beyond the north boundary of the current Overlay Zone. Adding this space would be minimally intrusive to the neighborhood, would not impact historic structures, and may mitigate the need to do more intrusive construction on sites occupied by structures.
2. Robb McKay also recommended expanding the northeast and northwest boundaries of the Overlay to include the houses on the corners of Prospect/High

and Prospect/Madison, but to exclude the four structures on High between Mansion and Prospect. His rationale is that the neighborhood to the north is already impacted and is therefore not historically intact, whereas the neighborhood to the east is both intact and more relevant historically. This recommendation was evaluated in two parts.

- a. Including the “buffer houses” in the Overlay District.
 - i. Rejected because hospital felt it was important to the neighbors that building or parking to the north be buffered from the neighborhoods by the existing houses on those corners.
- b. Eliminating going east
 - i. Rejected based on extensive study, as delineated in the attached memo dated August 2, 2011, from Rob Covert, addressing multiple considerations regarding eliminating the East option.

Key Concessions from HCOD Subcommittee members:

1. Hospital agreed to
 - a. Expanded landscaping requirements
 - b. A process for impacting any historic structure in the HCOD
 - c. Requirement of an oversight committee as part of the process of impacting a historic structure in the HCOD
 - d. Supporting a recommendation that City consider studying a historic preservation process
 - e. Pay for several consultants to inform this process (Harley Ellis, Walker Parking, URS) at overall cost for entire HNC project of near \$200,000.
2. City agreed to
 - a. Pay for consultants to inform HNC process (Walker Parking, Birchler and Arroyo)
 - b. Consider vacating Madison between Mansion and Prospect, and Prospect between Madison and High Streets
 - c. Give air rights to the Hospital for any street in the HCOD, if requested by Hospital.
3. Historic preservation representation agreed to
 - a. Limit oversight committee’s role to advisory rather than regulatory.