

Hospital Campus Overlay District

*Guiding Reasonable and Responsible
Growth for Oaklawn Hospital*

May 7, 2012

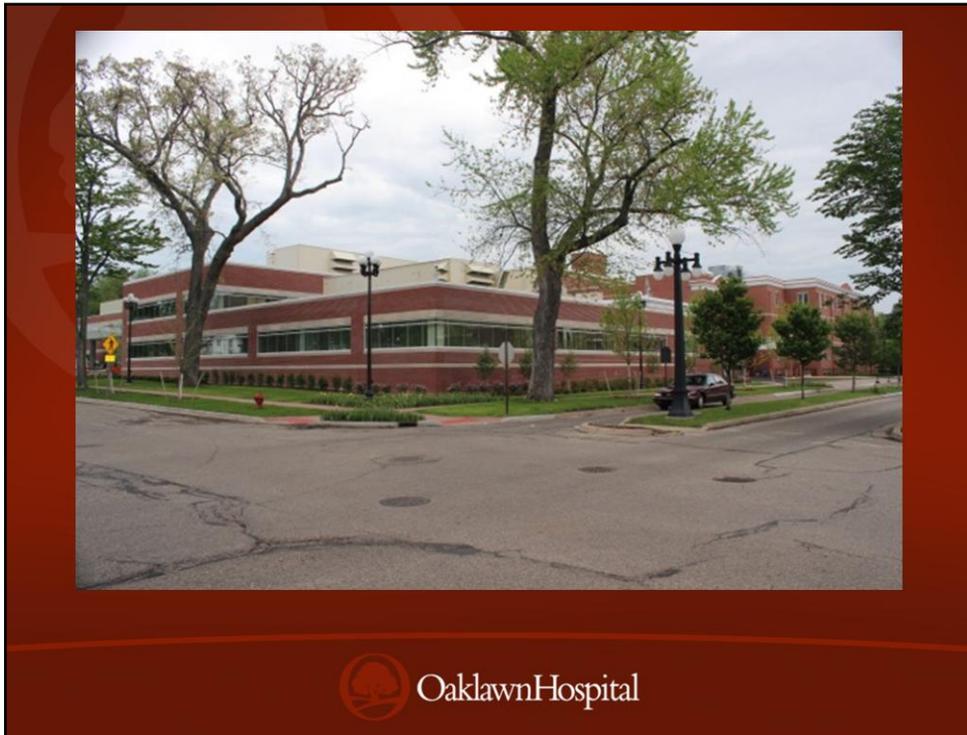


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Good evening Mayor Dyer and city council

Thank you for the opportunity to be here today to talk about securing the future of Oaklawn Hospital

As you know, I am Charles Blank, Chair-Elect of the Oaklawn Hospital board of directors. Together with Oaklawn Chief Medical Officer Ginger Williams, CEO Rob Covert and former Chief of Medical Staff Dr. Darren Hathaway, we will be briefing you on Oaklawn Hospital's need for a Hospital Campus Overlay District.



I am here representing Oaklawn Hospital, but as a longtime member of the Marshall community I understand the challenges you are dealing with today.

I am president of Airway Manufacturing and I have definite feelings of the value of Oaklawn Hospital to the local community.

I know your challenge is to balance the health care needs of the community and Oaklawn's need to expand with the concerns of the surrounding neighborhood.

Economic Impact Today

\$50 Million

1,000 Jobs

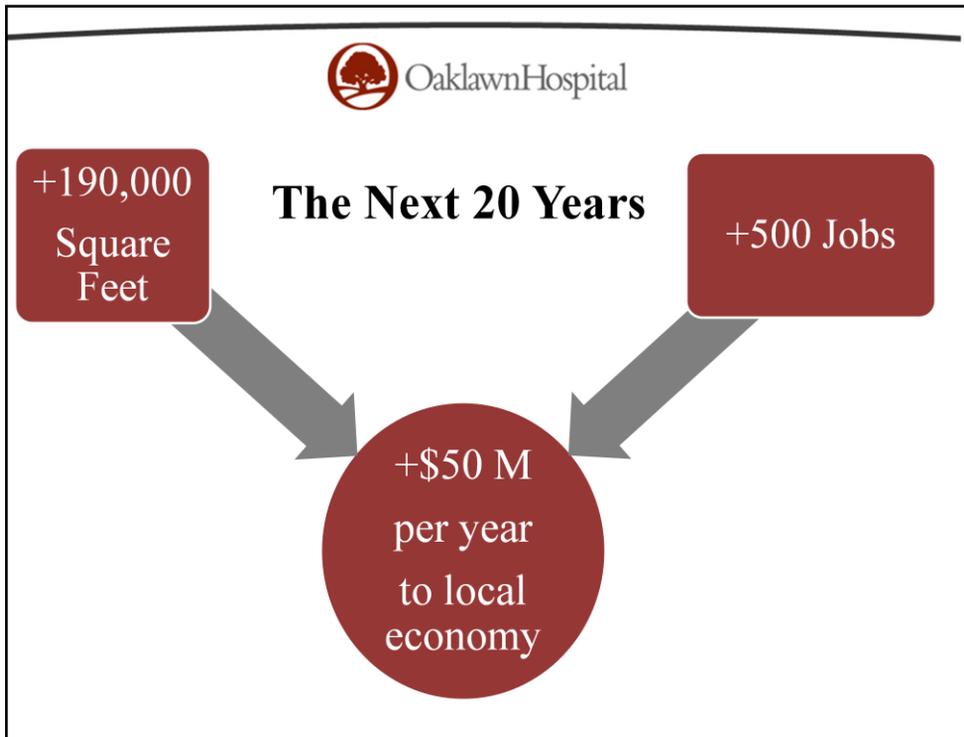
(220 currently live in city of Marshall)



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Marshall is truly fortunate to have such a strong local hospital in its community.

As the city's single largest employer, Oaklawn contributes \$50 million every year to our local economy, employing 1,000 people this year – of which 220 are Marshall City residents.



With the approval of the Hospital Campus Overlay District, we expect to add 500 new, high paying jobs and 190,000 square feet of new space over the next 20 years.

At an estimated cost of \$300 per square foot, Oaklawn’s expansion would mean \$57 million in new construction (and the temporary jobs it provides).

The annual economic impact with a larger, improved Oaklawn Hospital would mean a \$50 million annual boost to our economy – That’s on top of the \$50 million the hospital already generates for our local economy each year.

Home Buying Incentive Program

- **100 New Residents**
- **\$6,500 Homebuyer Incentive**
- **\$100,000 new city property tax revenue**



It's reasonable to estimate that about 20 percent of Oaklawn's new employees will live in Marshall, thus contributing to the local economy and paying local taxes.

This is helped by our home buying incentive program, which provides up to \$6,500 to encourage our employees to live in the city of Marshall.

If you consider the local property tax rate of 20 mils, times the \$50,000 SEV of the average home for 100 new residents, Marshall could see another \$100,000 in annual property tax revenues.

Quality Care

- Medicare Patient Satisfaction: 95th Percentile
- Magnet Hospital for Nursing Care
- Modern Healthcare's Top 100 Places to Work in Health Care



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We are the single largest organization responsible for meeting the health care needs of our community, and those needs will continue to grow as our population grows older.

Currently, our Medicare patient satisfaction score (HCAP) is in the 95th percentile nationally.

We are proud to be named a Magnet Hospital for the quality of our nursing care, and were named by Modern Healthcare magazine as a top 100 places to work in the health care industry.

Corporate Citizenship

Past 12 Years



\$138,000



\$875,000



The hospital also prides itself on being a active member of the community and a good corporate citizen. Many of our employees volunteer their time to Marshall civic and nonprofit organizations.

In the past 12 years, Oaklawn employees have given more than \$138,000 to the Marshall United Way, and the hospital has contributed more than \$875,000 to Marshall Public Schools.

Community Impact – Past 4 Years

Marshall Area Chamber of Commerce Boy Scouts 100th Anniversary
Marshall Historical Society Marshall Exchange Club
Marshall Civic Center Trust Marshall DDA and Marshall Main Street
Health Care Leadership Forum Marshall Technical Center
Marshall Community Foundation Calhoun County Center Coalition
American Cancer Society Calhoun County Fair Association
Marshall Historical Society Franke Center for the Arts
Calhoun County Fair Association Coalition to Protect America's Health
Integrated Health Partners Care

\$119,000



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Several other community organizations also benefit from our support. In recent years, Oaklawn has donated \$59,000 to the above named local nonprofit organizations... and donated more than \$60,000 in in-kind support.

That's a total of \$119,000 in the past four years that Oaklawn has contributed to these local community groups.

2010 Community Benefit

\$17.8 Million

Medicare Shortfall\$6 million

Medicaid Shortfall \$6 million

Events, Programs, charity care, bad debts.... \$5.8 million



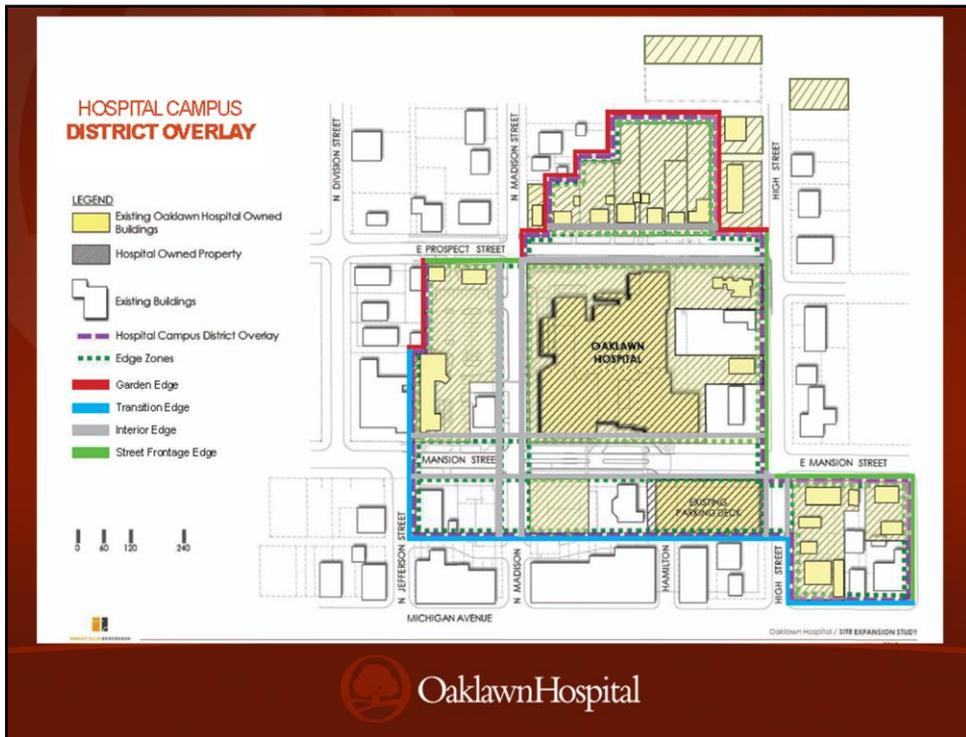
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In 2010 alone, our total community benefits equaled nearly \$18 million dollars. This includes a Medicare shortfall of \$6 million, a Medicaid shortfall of \$6 million, and additional events/programs/assistance/charity care totaling \$5.8 million.

When you consider Oaklawn's economic impact, its philanthropic generosity and the health care services it provides, you can see that our hospital is a critical component to the quality of life in Marshall.

It should not be a surprise then that the 2005 Health Care and Human Services referendum passed with 70 percent support for Oaklawn.

And it's vital that Oaklawn is able to continue to grow so that it can continue to contribute to the success of our community.



We believe the Hospital Campus Overlay District, as approved by the Hospital Neighborhood Committee, provides Oaklawn with guidelines for reasonable responsible growth necessary to meet our community’s needs.

Your approval of the overlay district will provide the community, neighborhood and hospital with certainty about the maximum boundaries for the hospital’s growth. By approving these 20-year maximum boundaries you will be addressing the concerns of those who have been disturbed by the hospital’s need to repeatedly ask the city for rezoning and variance requests. This overlay district is needed because with Oaklawn Hospital, it’s not a question of IF the hospital will need to expand, but WHEN.

As city council members, you have a tough job. You have to represent the entire area, balancing what’s best for the entire community as a whole – not just the hospital and not just the neighborhood and the preservationists. I’m hopeful that when you see how carefully the boundaries of the Hospital Campus Overlay District were determined you will agree that its approval is what’s best for all.

And now Dr. Williams will discuss the need for the hospital’s growth.

Growing to Meet the Community's Needs

Main Campus

1972: 48,000 sq. ft.

1990's: 125,000 sq. ft.

Today: 280,000 sq. ft.



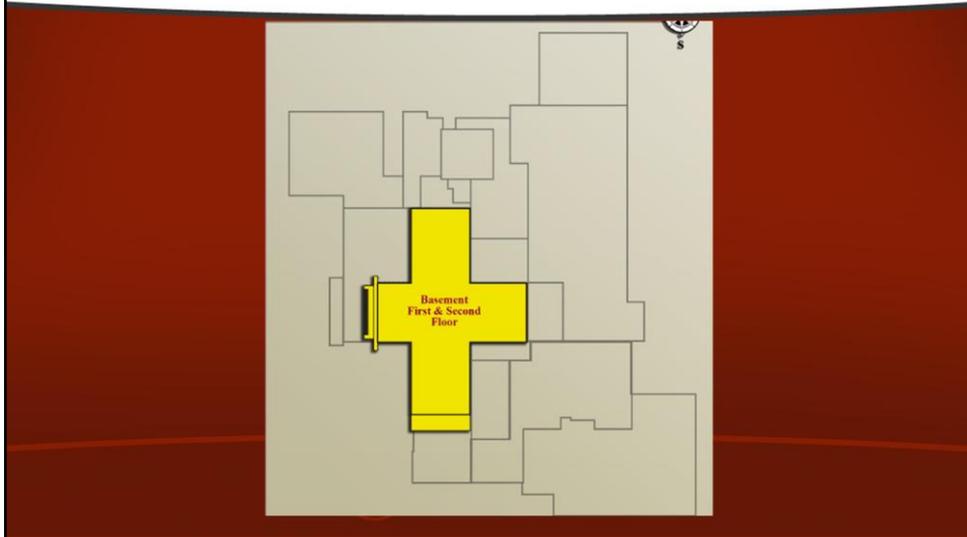
Before we get into the details of the Hospital Campus Overlay District and how it will support the community and Oaklawn Hospital, it's important to understand how the hospital has grown over the years.

In 1972, our main campus was only 48,000 square feet. By the 1990s, the hospital had grown to 125,000 square feet. Today, it has more than doubled in size from 20 years ago to 280,000 square feet.

Nearly 27 percent of our total square footage is not on the main campus, but spread throughout Marshall and 6 towns around Marshall. In fact, 51 percent of our outpatient procedures occur off-site from the main campus.

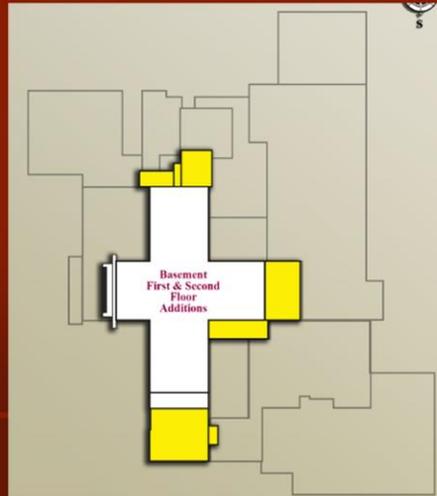
Still, our core services need to remain at our main location.

Oaklawn Main Campus 1953



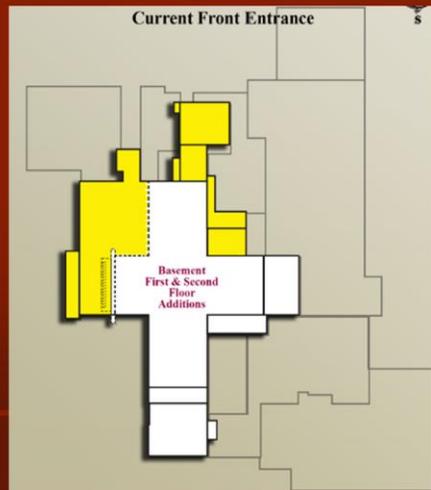
As you can see in these next few slides our main campus has needed to grow significantly to meet the growing health care demands of the community, and to accommodate new technology.

Oaklawn Main Campus 1960



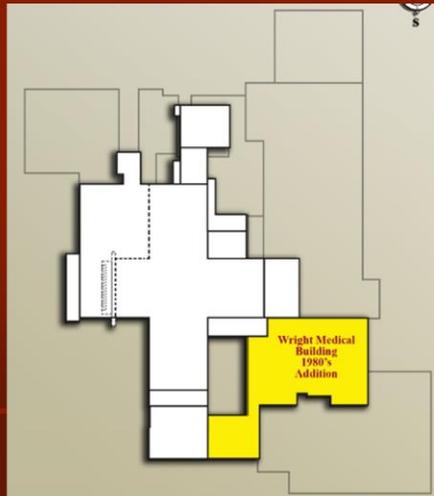
In the 1960s we added to the basement, first and second floor of our main building.

Oaklawn Main Campus 1972



The 1970s saw further expansions to the main building

Oaklawn Main Campus 1980s



And in the 1980s we added the Wright Medical Building.

Oaklawn Main Campus 1990s



The 90s also saw significant growth.

Oaklawn Main Campus 2000s



And in the past 12 years we've added an OB and surgery department, as well as an ICU wing.

Oaklawn Main Campus 2012



And just this year, we completed our new surgery wing.

Oaklawn's Growth: Patient Needs



Why has the hospital's footprint grown so much?

Over the years, the hospital has adapted to meet the changing needs of our patients, such as adding larger and more private rooms. Private rooms have been shown to reduce the risk of hospital-acquired infection, making them better for patient care and healing.

Which is what we did with the new surgery center that opened in February.

Oaklawn's Growth: New Technology



Changes in medical technology have also required the hospital to expand over the years.

Ten years ago, standard operating rooms were 375 square feet. Today, operating rooms are being built at 625 square feet.

This growth was necessary to accommodate larger medical equipment and the staff required for the surgeries.

Oaklawn's investments in new facilities and technology has allowed us to continue to attract and retain top quality medical professionals and ensured that we maintain the best possible services for our patients.

2010 Inpatient Care

12-Year Increase: 54 percent

20 year projection: 90 percent



Based on 2010 numbers Oaklawn Hospital experienced a 54 percent growth in the days of inpatient care provided over the past 12 years.

If we experience this same growth rate over the next 20 years we could see inpatient care days grow by 90 percent

2010 Outpatient Care

12-Year Increase: 119-169 percent

20 year projection: 200-300 percent



Growth rates in key outpatient services of emergency, laboratory, radiology, and overall outpatient visits range from 119 to 169 percent over the same 12-year period. Again, this is based on 2010 data.

This growth rate can be extrapolated out over 20 years to a projected increase of 200-300 percent!

Hospital Growth Needs

190,000 square feet of new space

500 new employees

483 current vs. **963** future parking spaces



A department-by-department analysis of what will be needed to accommodate anticipated growth projects shows that we will need 190,000 square feet of new space over the next 20 years, adding 500 jobs to our payrolls.

Expanding will allow for upgrades to our emergency department, improved ambulance access, and enhancements to our radiology department.

Some of the changes we envision will also improve pedestrian safety for our patients and families going to and from our facilities.

This 190,000 square feet does not include parking, which is already over crowded. Today, we have a total of 483 parking spaces but a projected 963 spaces are needed in the coming years, with 93 new parking spaces needed immediately.

- This will add more convenient parking for our patients and free up more downtown public parking for customers visiting retail stores.
- We'll be asking the Planning Commission, and then ultimately the city council, to revise the parking ordinance to conform to the Walker methodology.

Hospital Challenges



Our most obvious challenge to meeting the community's growing needs is the location of our main campus. Being situated in the middle of a historic neighborhood makes for a beautiful setting for our patients, but it poses a very difficult challenge to growth.

Whenever possible, we have always attempted to move or adaptively reuse historic structures surrounding the hospital

Adaptive Reuse: Brooks Rupture Appliance



\$250,000 purchase

\$2.5 million renovation



We purchased the Brooks Rupture Appliance building on Michigan Ave. for \$250,000 in 1997.

After \$2.5 million in renovations, the building is now the home to our dialysis treatment center.

Adaptive Reuse: Brooks House



\$120,000 purchase

\$170,000 renovation



The Brooks House on High Street was purchased by Oaklawn Hospital for \$120,000

And after \$170,000 in renovations we were able to convert it into Oaklawn HomeCare Health Services and Oaklawn Hospice

Adaptive Reuse: Ricketson Building



\$2.9 Million
Purchase

\$1.7 Million
Renovation



Oaklawn renovated the Ricketson building at a cost of \$1.7 million, after purchasing it for \$2.9 million.

National Historic Landmark District

Historic Reuse/Relocation = \$8 Million

Impact on NHLD:

- 5 out of 787 structures
- 0.6% impact



In total, Oaklawn has spent more than \$8 million in the past 20 years to relocate or reuse our community's historic buildings, probably making us the single biggest contributor to historic preservation in Marshall.

Three of our structures have been on the Historic Home Tour.

And, we need a long term plan for growth. We accept the plan provided by the Hospital Neighborhood Committee when it recommended creating a Hospital Campus Overlay District.

Because we also recognize the value of our historic heritage to Marshall, we have communicated multiple times with both the National Park Service and the State Historic Preservation Office regarding our growth. The information we received from them, and from studying other National Historic Landmark Districts, leads us to believe that our designation is not at risk.

In fact, even the hypothetical risk to the National Historic Landmark District status would be diminished by having a known plan for hospital expansion for the next 20 years. The fact that no district has been de-designated, in spite of considerable demolition and new construction seen in communities like Mackinac Island, offers further comfort about the safety of our NHLD status if the Hospital and Neighborhood Committee's plan is approved.

Oaklawn Hospital has been part of three contributing structures moved outside the district, one house and one carriage house razed. The one house moved inside the district is not included in these numbers, since a structure moved within the district can again be considered to be contributing.

Our impact on the district – five structures out of a total 787 – represents a 0.6 percent impact on the district. Twenty two of the 27 structures in the proposed Overlay District are contributing structures. Even if half of them were removed, the impact on the district would be only 1.3 percent. We recognize the preservationist philosophy that this is not about numbers, however we think it is appropriate to put the numbers into perspective.

Hospital Neighborhood Committee

Goal: Create a plan for growth that balances the needs of the hospital and neighborhood

Comprehensive, Transparent Process

\$200,000 in Research

- Economic Impact Report
- Parking Study
- Traffic Study



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Former mayor Bruce Smith recognized the need for Oaklawn Hospital to have a long term plan for reasonable and responsible growth when he created the Hospital Neighborhood Committee.

This committee – made up of 9 members (originally 11) who stayed throughout the entire process – was charged with developing a plan for expansion of Oaklawn Hospital that is acceptable to the community and the hospital.

The committee met regularly for 18 months in what was one of the most transparent and comprehensive planning activities in the city of Marshall's history.

As part of our commitment to this process, the hospital agreed to pay for \$200,000 in independent research reports to analyze the impacts of the hospital's growth on the city's economy, local traffic patterns and parking solutions. The city picked up half of the Walker Parking study fees. Experts included a master plan architect, an economic impact economist, a parking consultant, a traffic consultant, a landscape architect, a zoning consultant and a State Historic Preservation Office architect.

Home Values Protected

- **Willing to Guarantee Property Values**
 - For contiguous properties
 - And properties across the street



In addition, the hospital is willing to guarantee residential property owners, contiguous or across the street from the District, that their property values will not decrease as a result of any new construction in the Hospital Campus Overlay District subsequent to an agreement being signed.

Hospital Neighborhood Committee

- Creation of the Hospital Campus Overlay District
- Development Agreement
- Sign Ordinance Changes



After a year and a half of gathering input and analyzing data, the committee recommended:

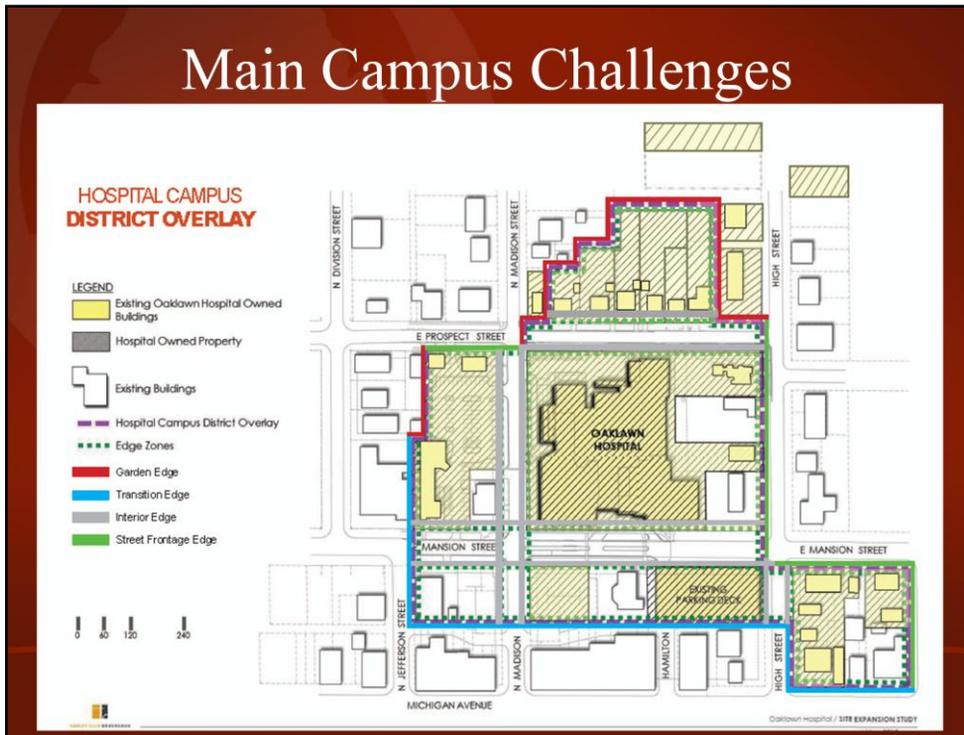
- The creation of a Hospital Campus Overlay District
- A development agreement between the hospital and the city
- And changes to the city's sign ordinance

This recommendation will allow Oaklawn Hospital the flexibility it needs to meet future growth needs, while ensuring that our growth is done in a way that is reasonable and responsible.

Oaklawn hospital agrees to the boundary and parameters proposed by the Hospital and Neighborhood Committee, and we ask that the city agree in concept to

- Vacate East Prospect St. from High to Madison
- Vacate N. Madison from the northern property line of the American Museum of Magic to E. Prospect St.

Main Campus Challenges



Our main campus existing challenges are:

- Parking
- Front entrance visibility and our limited ability to expand westward
- Emergency and radiology department expansion needs
- Ambulance and patient access to our emergency department
- Pedestrian safety
- Expanding in a cost efficient way, preserving money for equipment and other projects that allow us to attract and retain excellent physicians
- Defining maximum neighborhood impact
- And the cost of moving to a location out of town (about \$150 million)

Compromises

- ✓ Boundaries don't go all the way to Division St.
- ✓ Oaklawn will sign a development agreement with the city
- ✓ Reduced permitted uses for properties within the District
- ✓ Increased landscape buffers



In developing the 20 year plan for our growth with the Hospital Neighborhood Committee, we made several compromises to help reduce the concerns of the surrounding community. Examples include:

1. Boundaries don't go all the way to Division Street. Some of the early architectural drawings showed this as an option and we agreed to exclude it.
2. Oaklawn will sign a development agreement with the City on treatment of historic structures within the District
3. Reduced permitted uses for properties within the District from current hospital zoning district
4. Increased landscape buffers

Landscape Buffers



Garden Edge Buffer



Street Frontage Edge Buffer



These images show several different landscape buffers that the hospital has agreed to use to help provide a more aesthetically pleasing campus.

Garden Edge Buffer – When the District abuts residential properties

Street Frontage Buffer – For residential properties across the street from the District.

Landscape Buffers



Transition Edge Buffer



Interior Edge Buffer



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Transition Edge Buffer – When the District abuts or is across the street from commercial property.

Interior Edge Buffer – These buffers are wholly within the Hospital Campus Overlay District property, abutting non-residential lots.

Where each of these edges can be located is shown on the map on slide 32.

Compromises

- ✓ Expanded setbacks
- ✓ Long range plans public
- ✓ Created different edge treatments
- ✓ Maintaining 2 buffer houses on west side of High, north of Prospect
- ✓ Accepting 3 buffer houses on the east side of N. Madison, north of Prospect



- Setbacks have been expanded
- Our long range plans have been made completely open to the public, with unprecedented transparency
- We agreed to create different edge treatments to minimize the visual impact on our neighbors
- We will maintain two buffer houses on the west side of High Street, north of Prospect
- We proposed three buffer houses on the east side of N. Madison, north of Prospect

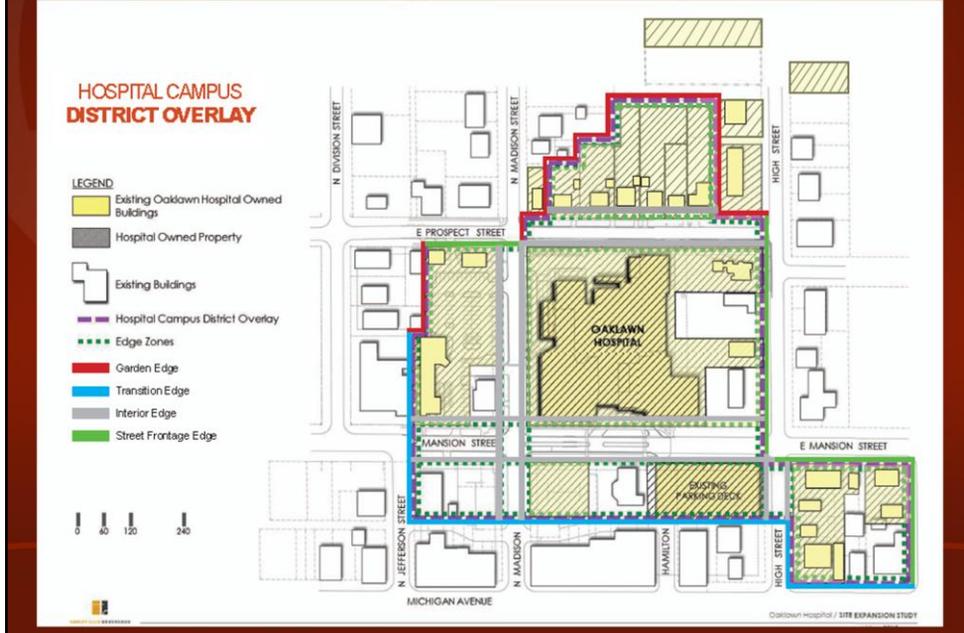
Compromises

- ✓ Not closing Mansion Street
- ✓ Not going further north on Prospect Street
- ✓ Backyard of third house on west side of High St., north of Prospect, not part of District
- ✓ Leave houses up unless it becomes imperative to remove them



- We agreed with not closing Mansion St., which had been considered during this process.
- We agreed not to expand any further north on Prospect St than shown in the District map, including ...
- Not having the backyard of the third house on the west side of High St., north of Prospect, included in the Overlay District boundary; despite being an oversized lot that could have provided a lot of parking.
- Houses will be left until it becomes imperative that they be removed

Hospital Campus Overlay District



The hospital campus district boundaries were selected to allow the hospital to create a campus-like setting, which will enhance the overall experience and safety of both patients and pedestrians.

The boundaries recommended by the Hospital Neighborhood Committee give Oaklawn the flexibility it needs to expand in any direction possible.

- This is needed because it is impossible to predict which direction we will be able to acquire the space needed to solve our parking and building needs.
- The most logical and least expensive direction for the hospital to expand would be by going east.
- Expanding to the north would cost approximately \$13 million more than going east

These boundaries also help provide certainty for surrounding land owners because the area within which the hospital would plan possible expansions would be known.

Buffer houses would be maintained...

- On the west side of High St., north of Prospect
- On the east side of Madison, north of Prospect
- On the east side of Division, between Mansion and Prospect

Of the 27 structures in the district, Oaklawn owns 20 of them.

On the west side of the overlay district, Oaklawn already owns all properties within the boundary, except the American Museum of Magic

On the north side of the district, Oaklawn already owns all properties within the boundary, all of which are currently zoned residential.

On the east side of the district, Oaklawn already owns two of the four structures.

On the southeast side, Oaklawn own 7 of the 9 structures

To the South, Oaklawn owns all but two properties and all are zoned commercial.

Overlay District Boundaries

- 27 alternatives explored
- Multi-directional solution needed for campus setting
- Unpredictable acquisitions
- Known Boundaries for 20 years of growth
- Stops incremental creeping
- Compromises occurred
- East side of boundary consistent with wording of current zoning ordinance stating that HCHSD cannot be bisected by a street



The boundaries of the Hospital Campus Overlay District were selected after exhaustive evaluation.

- 27 alternatives were explored
- Multi-directional solution was needed for a campus setting
- Which properties could be acquired is not predictable
- Provide known boundaries for 20 years of growth
- The perception of incremental creeping would cease
- Compromises were made on both sides
- Current HCHSD wording says the district can't be bisected by a street; that makes the High Street boundary the one that is most consistent with current zoning.

Master Plan Conclusions

- ✓ 190,000 more square feet onsite
 - ✓ 60,000 square feet above existing buildings
 - ✓ 130,000 square feet is needed outside of our current footprint
- ✓ 500 employees
- ✓ 480 new parking spaces



Master Plan Conclusions:

- 190,000 more square feet of space needed onsite
 - 60,000 square feet can go above our surgery/WMB
 - 130,000 square feet is needed outside of our current footprint
- As was mentioned, this expansion would require Oaklawn to hire an additional 500 employees – these are good paying jobs for our community
- 480 new parking spaces would also need to be added – we are 93 spaces short right now.

I'll now turn the presentation over to Rob who will discuss various building/parking options within the HCOD and the PC actions.

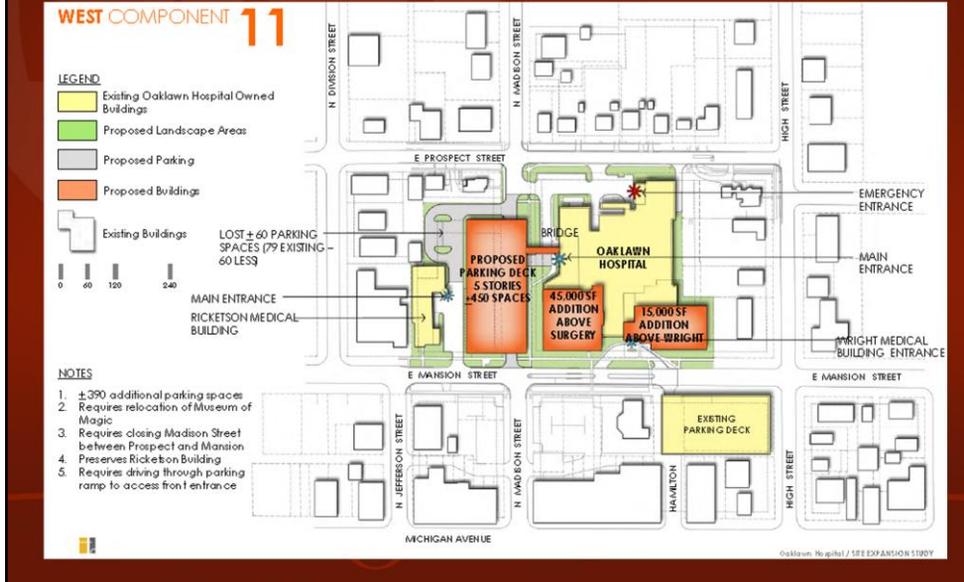
Hospital Campus Overlay District



The slide shows how we envision the two street closings to look. While it's not 100% final, it is probably very close to how the hospital would configure everything if the city vacated the two streets.

- 17 spaces gained from vacating Madison, many handicapped spaces near front entrance
- Prospect Street vacated but can still drive through either direction
- Ambulance access from all 4 directions
- In the future, could put about 40 more cars in the green area of the diagram
- White area north of Prospect holds about 185 cars
- Two houses on Prospect retained as buffers

Hospital Campus Overlay District



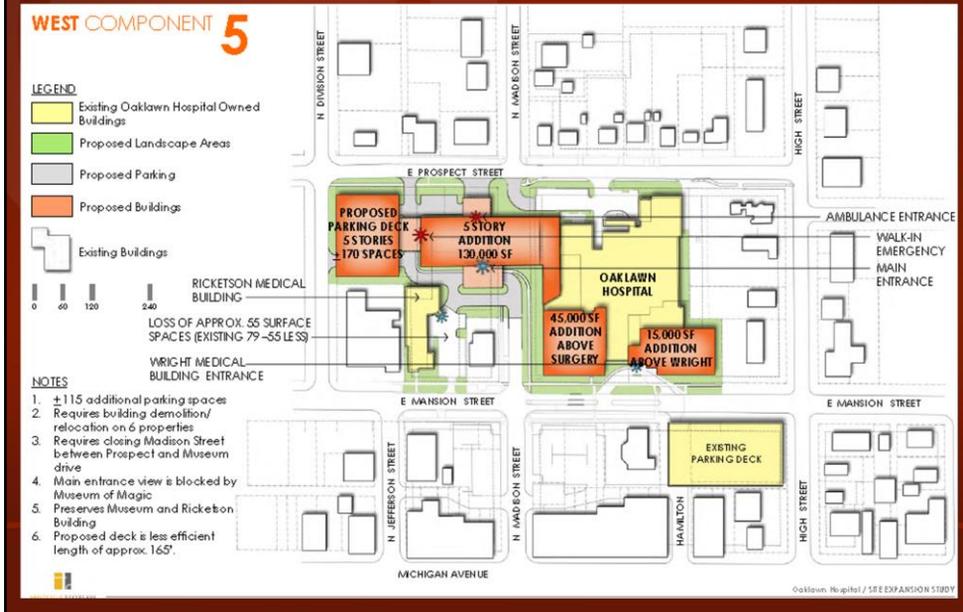
We have a selection of some of the 27 alternatives, which were studied by the HNC, because we were fervently committed to finding the best option for addressing hospital growth with the least impact on the neighborhood.

We believe these boundaries will give us the flexibility to meet our 20-year growth needs. We need this flexibility due to the uncertainty of what properties we might be able to acquire in the future.

Every option shown here has some problem or issue associated with it that makes it either incomplete, a less than ideal solution, or one that may never happen due to Oaklawn not owning the property associated with the option.

By seeing these options the HNC realized a viable solution would almost certainly entail going in several directions.

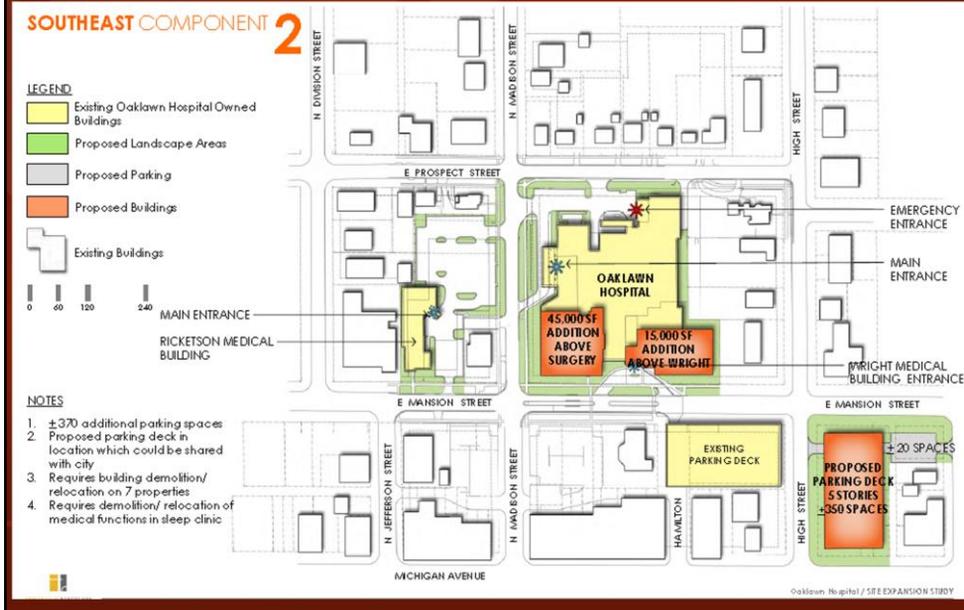
Hospital Campus Overlay District



I will move through these options quickly as you can study them further at your leisure. These are just a few of the 27 options studied. Each option has notes which helps explain the option.

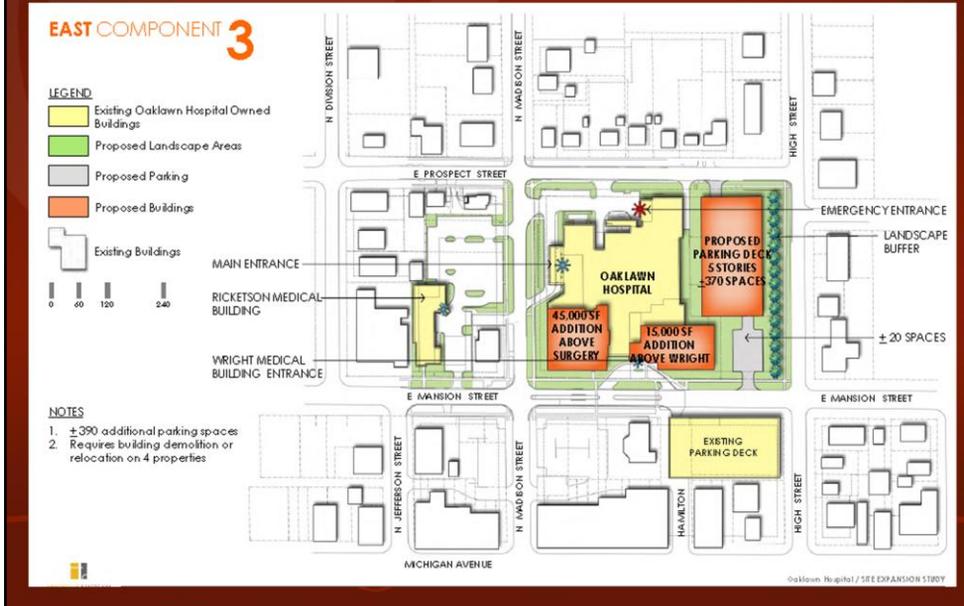
This option entailed going all the way to Division St. That was not included in the HCOD, as one of our compromises.

Hospital Campus Overlay District



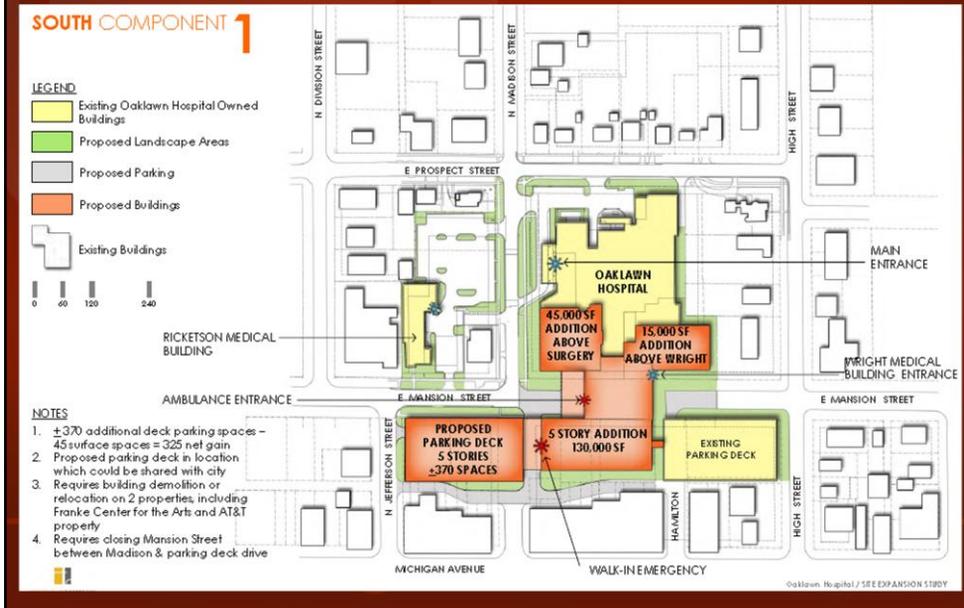
This option entailed a parking deck on the SE corner

Hospital Campus Overlay District



This option shows a parking deck going east

Hospital Campus Overlay District



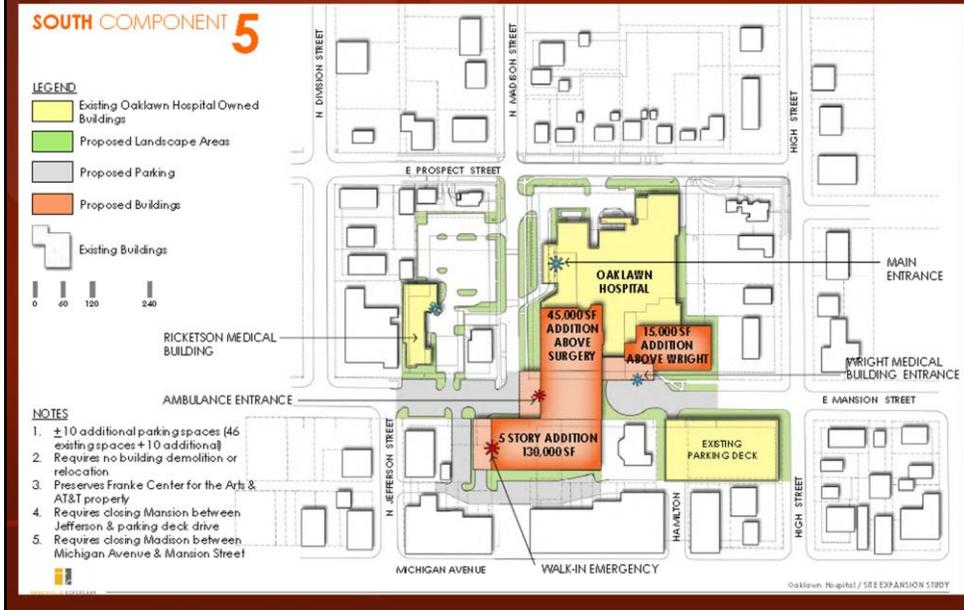
This option shows Mansion St. closed and assumes the acquisition of the Franke Center and AT&T building

Hospital Campus Overlay District



This option was for a new parking deck south of the hospital

Hospital Campus Overlay District



This option closes Mansion St. for an addition

Hospital Campus Overlay District

NORTH, SOUTH, EAST, & WEST 4

COMBINED OPTION

LEGEND

Existing Oaklawn Hospital Owned Buildings

Proposed Landscape Areas

Proposed Parking

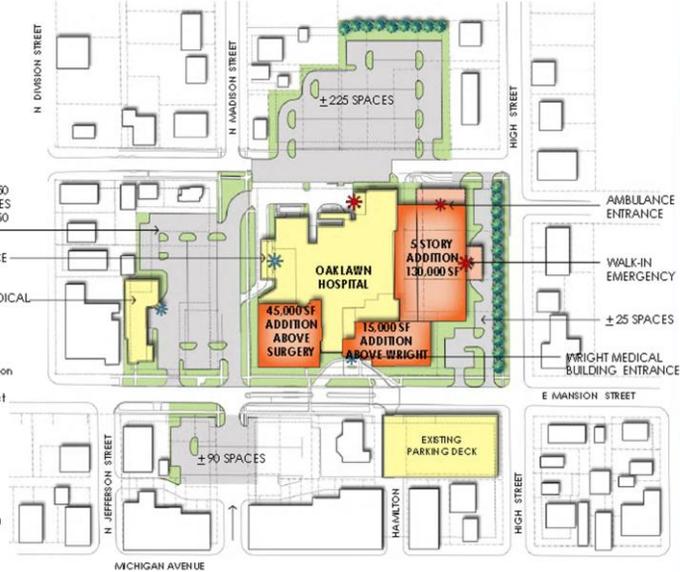
Proposed Buildings: ADDITIONAL ± 50 PARKING SPACES (79 EXISTING + 50 ADDITIONAL)

Existing Buildings

0 60 120 240

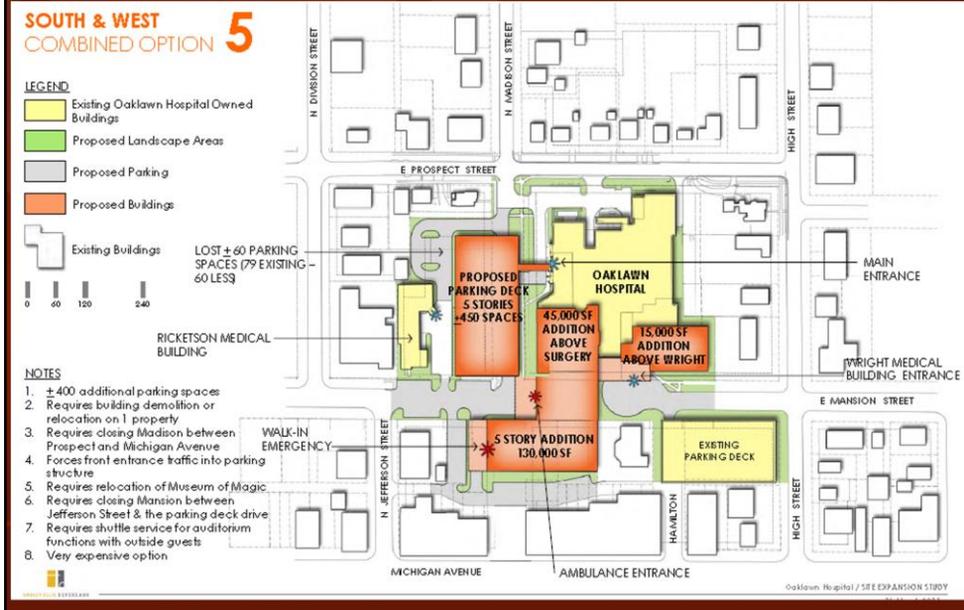
NOTES

- ± 390 additional parking spaces
- Requires building demolition or relocation on 11 properties
- Requires relocation of utility corridor to east
- Requires relocation of Museum of Magic
- Preserves the Franke Center for the Arts & AT&T building
- Requires closing Prospect and Madison between Prospect and alleys south of Mansion Street
- Requires shuttle service for auditorium functions with outside guests
- Recommended one way traffic to parking from Michigan Avenue
- Lowest cost option



This option closes Prospect and Madison, builds parking north and puts an addition to the east

Hospital Campus Overlay District



This option closes Mansion and puts a parking deck to the west.

Planning Commission

4-3 votes on first 3 of these changes

- Franke Center/Museum of Magic excluded
- High St. Expansion Stopped
- 2 Houses on SW Corner of Prospect and Madison Excluded
- Building Setbacks, Height Restrictions North of Prospect (5-2 vote)



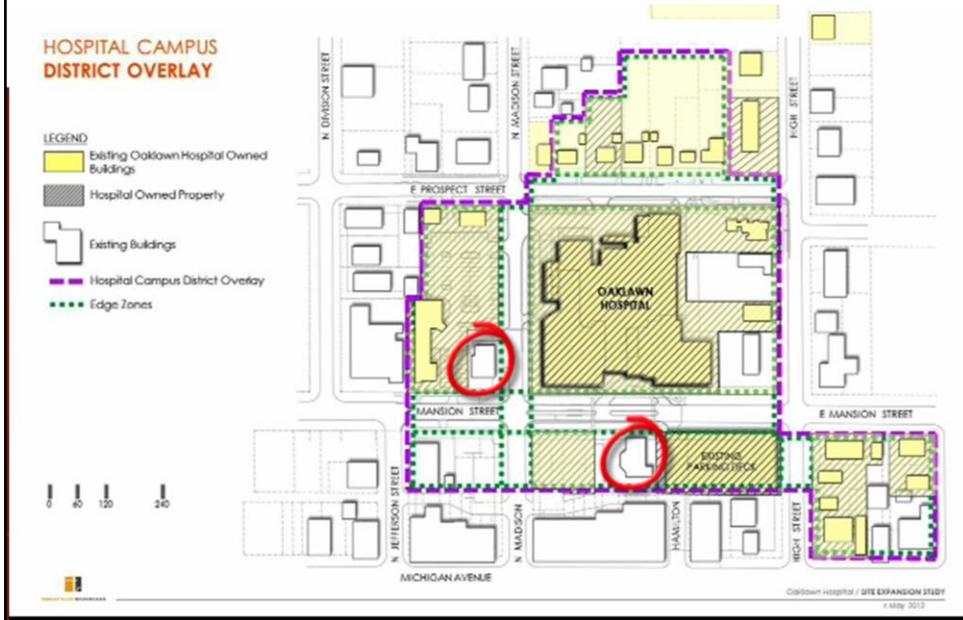
When the Planning Commission reviewed the Hospital Campus Overlay District Boundaries, they made several changes to the Hospital and Neighborhood Committee's plan.

With a 4-3 vote on most changes, the commission:

- Excluded the Franke Center/Museum of Magic Research Center
- Stopped the High St. Expansion
- Excluded 2 Houses on SW Corner of Prospect and Madison
- Imposed building setbacks, and height restrictions north of Prospect St.

Oaklawn asks that you reject each of these restrictions and support the plan recommended by the Hospital and Neighborhood Committee. I'll review each of the four proposed changes...

Planning Commission –Franke Center/Magic Museum

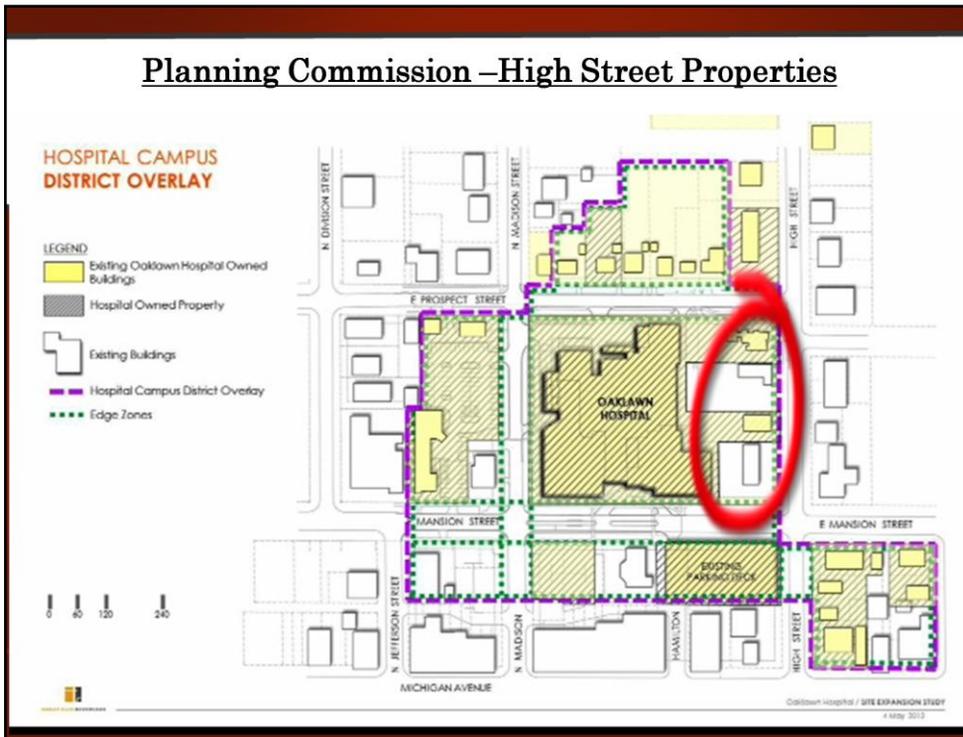


First change:

Franke Center and Museum of Magic Archives

- The only way for these properties to become part of a future hospital expansion is if they sell to the hospital.
- Although we are the most likely buyer, if we cannot be sure that we can get the properties rezoned then the purchase price will be lower from us.
 - So these properties owners will be hurt, if they ever decide to sell, by leaving them out of the Overlay District
- Neither property has asked to be removed from the Overlay District boundaries.
- This is somewhat like spot zoning these properties by excluding them
- Expansion using these properties would have the least impact on any residential property owner.

Planning Commission –High Street Properties



Second change:

The next amendment made by the planning commission was the exclusion of four properties on High St., between Mansion and Prospect. We again urge the city council to reject this recommendation.

- The Planning Commission's vote of approval that the Health Care and Human Services District can't be bisected by a street at the very least implies we would have the possibility of being allowed to go to High Street.
- Removing that much land from the Overlay District would almost certainly require the hospital to build a 5 story building north of Prospect.
- The most economical way for Oaklawn to expand our Radiology and Emergency Departments is to the east. Going north would add \$13 million to our costs. This would leave the hospital with fewer funds available to invest in facility improvements and technology upgrades necessary for attracting top doctors and staff.
- Removing the option to go east would require the hospital to acquire more land in another direction.
- Removing the east option would most likely necessitate a parking ramp at an extra cost of \$8 million to the hospital. More building mass would obviously ensue compared to surface parking.
- Having the potential to go east would leave the street intact as long as possible, possibly even forever if we are unable to acquire another property on that street.
- Would give us the chance to adaptively reuse the two houses we own.

East Expansion Artist Rendering



Looking west... Terraced east expansion. This is a scale drawing of what a building, conforming to the HCOD rules, might look like. This view is from standing in the middle of the street at Prospect and High, looking west.

Campus Master Plan

CAMPUS MASTER PLAN

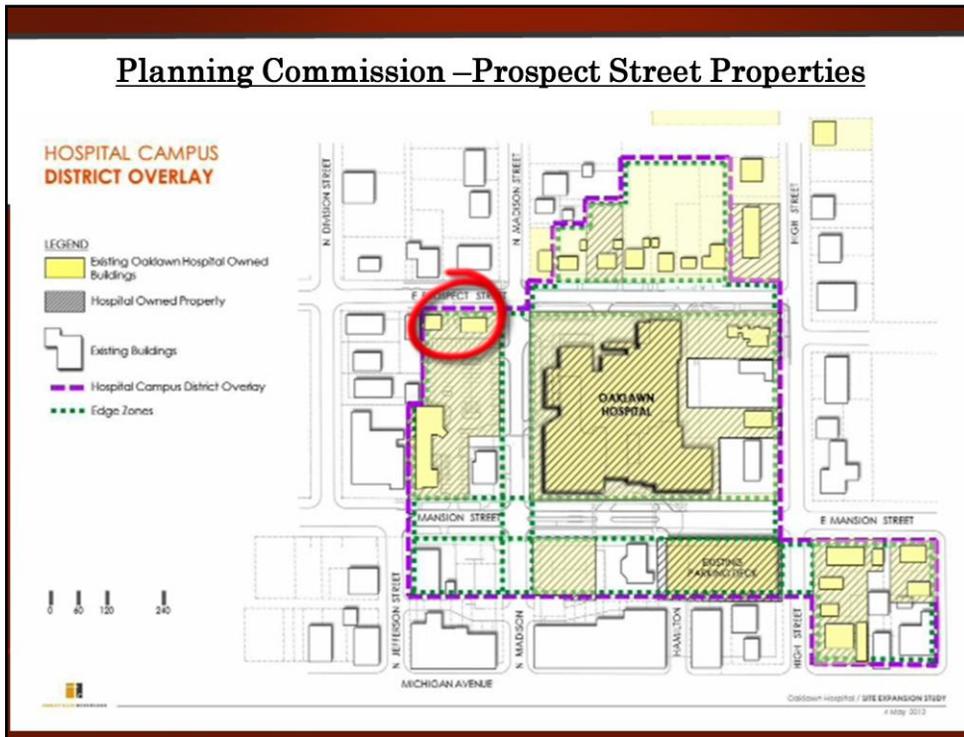
NOTES

1. 157 additional parking spaces are provided to accommodate current need (107 spaces + 50 valet).
2. 37 future spaces are provided.
3. Madison Street is closed to through traffic.
4. Prospect Street allows traffic through a private parking lot.
5. Parking lots are well lit with no light spill into neighborhoods.
6. Security cameras are located on light poles.
7. Power charging stations (pay to access) are located in the parking lots.
8. The East Addition is 130,000 sf, with a lower basement level and 4 stories above grade, one story on the west side and terraced back at the third and fourth levels on the east side.



This slide shows the terraced east addition with lots of green space between the addition and High Street. The line on the west side of the addition is the 40 foot line showing where the addition would only be a basement and one story due to needing to have 40' clear from patient windows.

Planning Commission –Prospect Street Properties



Third change:

The planning commission also recommended that the two houses on Prospect west of Madison be excluded from the district boundaries.

- This area is the most logical place to expand our surface parking
- This area is closest to our emergency department and therefore would be ideal for patient and family use.
- If a parking lot were to be built, landscaping requirements for the street frontage edge will lessen the visual impact
- We recognize the value of these homes as a buffer. Unless there is a compelling need, these houses would probably remain buffers. If we were able to build a parking lot north of Prospect the need for these two houses for parking would diminish. However, we need the flexibility over a 20 year span to meet the needs of the community so we believe the houses should stay in the district..

Planning Commission Proposed Prospect St. Height and Setback Restrictions

- 35' height
- 50' setback
- 10' landscape buffering
- Surface parking
- Traffic circulation



Fourth change:

The planning commission's fourth proposed change limited the height of structures north of Prospect St. to 35' and required a 50' setback.

Allowing for 10' of landscape buffering, surface parking and vehicular circulation, the setback would have to be 60' to have everything just mentioned (10 feet from building, 20 feet parking, 20 feet circulation and 10 feet landscaping).

Planning Commission – Prospect St. Height and Setback Restrictions

Should Be Rejected:

- Overlay requires 20' landscape buffer
- Hospital could only build an irregular shaped building
- Bridge over Prospect St. is likely
- State historic architect approved
- Building would be less functional
- Hospital would accept, IF expansion was allowed on High St.



We request that this amendment be rejected as well, for the following reasons.

- The hospital could only build an irregular shaped building in that space due to the 50' setback requirement, so it would be more expensive to build and operate
- We would probably need to build a bridge over Prospect to connect the addition to our current building, thus further disturbing the character of the neighborhood
- If Prospect Street were closed, instead of a bridge, ambulances and emergency patients could lose valuable time by getting blocked from accessing the entrance
- The state historic architect stated that going north is a logical, acceptable direction for expansion
- The hill at Prospect St. would require the hospital to dig 15', which means a structure capped at 35' would only be 20' above the surrounding ground on the north end
- The building would be less functional due to being detached from the rest of the hospital
- We could accept these restrictions IF expanding to High Street is approved as drafted by the Hospital and Neighborhood Committee. We can't be blocked in both directions.
- If the height were limited and we were able to have the chance to go to High Street, 38' maximum height is what our architect' tell us would allow us to line us up floor to floor with the current hospital.

Planning Commission – Prospect St. Height and Setback Restrictions



 OaklawnHospital

35' height on south end of new addition...

Planning Commission – Prospect St. Height and Setback Restrictions



38' height on south end of addition...

Reject Planning Commission Actions

REJECT

- Franke Center and Magic Museum exclusion
- Removal of High Street parcels
- Exclusion of Prospect Street houses west of Madison
- Height restrictions and setback requirements north of Prospect



To recap our review of the Planning Commission's recommendations, Oaklawn Hospital respectfully requests that this city council reject:

- The exclusion of the Franke Center and the American Museum of Magic Research Center,
- The removal of High Street parcels from the Overlay boundary,
- The exclusion of Prospect Street houses west of Madison from the boundary, and
- That you reject the height restriction and setback requirements imposed on land north of Prospect St.

Changing Face of Hospital Industry

Hospital Closures/Acquisitions/Affiliations

- Hayes Green Beach, Cheboygan Memorial Hospital, Detroit Medical Center, Zeeland Community Hospital, Chelsea Community Hospital, St. Joseph Mercy, Gerber Memorial Health, Northern Michigan Regional Hospital, Battle Creek Health System, Trillium (Albion)

40 Percent of all U.S. hospitals insolvent in 2008



OaklawnHospital

Michigan's hospital industry has changed rapidly. The Overlay District recommended by the Hospital Neighborhood Committee allows Oaklawn the flexibility to plan for how to meet the growing health care needs of our community.

It is not hyperbole to say that without a plan for our future, we risk losing our hospital and becoming another statistic. This slide is just a SAMPLE of recent hospital closures, affiliations or acquisitions over the past five years (10 years in Albion's case).

In 1972 there were 250 hospitals in Michigan. Today there are fewer than 140.

Oaklawn Hospital MUST be able to plan for its future and make the investments necessary to attract patients, quality doctors and highly skilled medical staff.

I'll now introduce Dr Darren Hathaway, ophthalmologist and most immediate past chief of staff of Oaklawn Hospital's medical staff.

A Physician's Perspective

- ✓ Excellent Facilities
- ✓ Talented Employees
- ✓ Modern Equipment
- ✓ A Viable Hospital
- ✓ A Quality Community



My experience as a physician absolutely rings true to what has been said by my colleagues today. The doctors look for hospitals located in vibrant communities that are financially stable, with the newest medical technologies and have excellent employees.

But all of this can change fairly quickly if the hospital cannot meet the needs of the future. One missed opportunity turns into several and the next thing we know Oaklawn is considered a second rate hospital.

Here's what I know a physician looks for in a place to practice...

- Excellent facilities
- Talented employees
- Outstanding equipment
- A viable hospital
- Hospitals that keep growing in size, because new technology keeps getting developed

You want the best doctors and employees to come here. Doctors like my colleagues Doctor Cynthia Abacan (Endocrinology), who came from the Cleveland Clinic , and Doctors Mike Sterrett and Martin Goins, both came from Johns Hopkins.

Oaklawn Hospital is in the 95th percentile, we are a Magnet Hospital, we are a jewel RIGHT NOW. But that can all change if the hospital isn't able to make the investments it needs to stay competitive. There are lots of towns from which new doctors have to choose.

Support Oaklawn Hospital

Approve Hospital and Neighborhood Committee Recommendations:

- Reject 4 Changes Proposed by the Planning Commission
- Vacate East Prospect St. from High to Madison
- Vacate N. Madison from the northern property line of the American Museum of Magic to E. Prospect St.



You can help ensure that we have a strong community hospital for the next 20 years by approving the Hospital Campus Overlay District as adopted by the Hospital and Neighborhood Committee.

We also ask that the city agree to the concept of vacating East Prospect St. from High to Madison and also vacating N. Madison from the northern property line of the American Museum of Magic to E. Prospect St.

Hospital Campus Overlay District

Hospital Benefits

- Flexibility for the future
- Known growth areas
- A long term plan

Community Benefits

- Economic impact increased
- Guaranteed home values
- Strong local hospital
- Known expansion boundaries



OaklawnHospital

This plan balances the growth needs of our local hospital while providing assurance to the neighborhood about where and how the hospital can grow.

What we are asking you to support here is what we believe the majority of people in Marshall want for their community. Something very similar did go to a vote of the people in 2005 and it was overwhelmingly supported by a 70%-30% vote.

We believe the HNC plan arduously conceived by a dedicated group of individuals, over an 18 month period, has produced for us a plan which is a win-win for all sides, and I urge the council to support it.

Thank you for your time.