



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

AGENDA ITEM:

Case No: CUP 20-12
Proposal: Hospital
Applicant: Southeast Alaska Regional Health Consortium (SEARHC)
Owner: Southeast Alaska Regional Health Consortium (SEARHC)
Location: 1235 Seward Avenue, 201, 219, & 222 Tongass Drive
Legal: Lots 6, 7, 11A, 11B USS 1496
Zone: P public lands district
Size: Total acreage: 21.7 acres
Parcel ID: 1-9410-000, 1-9406-000, 1-9408-000, 1-9400-000
Existing Use: Hospital, Health Services, Undeveloped
Adjacent Use: Education, Defense
Utilities: Existing
Access: Tongass Drive, Seward Avenue

KEY POINTS AND CONCERNS:

- Zoning code identifies hospitals as a conditional use in the public lands district
- Area already has existing hospital and health services. Construction of a new hospital precipitated need for new conditional use review.
- Large development will require multi-step review from the Planning Commission

RECOMMENDATION:

Staff recommends that the Planning Commission approve the conditional use permit request for a hospital in the public lands district at 1235 Seward Avenue, 201, 219, and 222 Tongass Drive subject to conditions of approval.

BACKGROUND/PROJECT DESCRIPTION

The request is for a new hospital to be constructed on SEARHC property which is in the public lands district. SGC Table 22.16.015-3 General Services Uses identifies “Hospital” as a use under health services. There is a corresponding Footnote (4) that states “Hospital buildings shall be set back a minimum of ten feet from all property lines”. While there are provisions for parking and signage, there are no other definitions or provisions made to define the use.

The American Planning Association Glossary of Zoning, Development, and Planning Terms offers a definition of hospital as: *An establishment providing physical or mental health services, in-patient or overnight accommodations, and medical or surgical care of the sick or injured. Includes sanitariums.*

While the SGC does not make this differentiation, the APA Glossary also offers the definition of a “hospital complex”: *One or more buildings, one of which must be a hospital (defined as an institution to provide medical and surgical care to the sick or injured, including operating room facilities and beds for overnight stay). A hospital complex may also include a cafeteria or restaurant, medically related heliports, nursing homes, extended care clinics, physical therapy/employee exercise facilities, employee housing, temporary patient/patient family housing, and shops for medical equipment, pharmaceutical supplies, gifts, books, magazines, toiletries, flowers, candy, or similar items, provided such uses are primarily for the benefit of patients, staff, and visitors and are located so as not to normally to attract other retail customers. A hospital complex may also include, in the same building as the hospital or in separate buildings, other health care and health-care-related services, which may include, but not limited to, the following: health centers and child care centers,...optical facilities, and medical office buildings.*

Based on current operations of the SEARHC Mt. Edgecumbe Medical Center, which includes a hospital with acute, specialty, primary, and behavioral-health providers, trauma center/emergency services, inpatient services, critical care services, surgical services, pharmacy, employee exercise facilities, dental care, optical care, housing facilities, and cafeteria services (to name a few), considering this request as more in line with the APA definition of “hospital complex” rather than “hospital” is likely a more accurate representation of the operations of the proposed facility. Staff will interpret allowable uses as authorized by this conditional use permit (if approved) to be those as listed under the “hospital complex” definition provided in this report.

SEARHC is in the early stages of designing the new facility, including contracting architecture, engineering, and permitting services. SEARHC is seeking approval for the hospital use at this stage to ensure their investment in these design services. However, this means that design details and specifics (such as the size of the building, site plan, floor plan, total size, parking areas, traffic volume and flow, loading dock capacity, signage, full suite of services offered, etc.) are not yet available. A condition of approval for this permit is that SEARHC will return to the Commission to present a full site plan review including the aforementioned regulations/standards. SEARHC will be

pursuing a variance for building height (which will be presented in a future action before the Commission) and potentially for parking requirements as well (also subject to future action/review).

ANALYSIS

1. CRITERIA TO BE USED IN DETERMINING THE IMPACT OF CONDITIONAL USES.¹

a. Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses: Moderate to heavy traffic is anticipated, which is consistent with current uses of the property and surrounding uses. Site plan review to include traffic flow/volume analysis.

b. Amount of noise to be generated and its impacts on surrounding land use: Moderate noise is expected, but should be in line with current uses. Activities take place inside (with the exception of emergency vehicles), and many services are only offered during normal business hours.

c. Odors to be generated by the use and their impacts: Minimal to none.

d. Hours of operation: Constant operation – year round, 24/7.

e. Location along a major or collector street: The properties can be accessed by Airport Road, a major arterial road for Sitka. Properties are directly accessed from Tongass Drive (primarily) as well as Seward Avenue. Both roads are developed rights-of-way.

f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario: SEARHC will need to work with Mt. Edgecumbe High School to establish whether or not barricades on Seward Avenue heading west from its contact with Airport Road will remain in place in order to mitigate traffic through dormitories and other student facilities at the school. This should be confirmed during the site plan review.

There is more potential for impact to the neighboring Coast Guard Housing property located at 611 Airport Road (otherwise known as Lifesaver Drive) and potential pedestrian cut-through. The site plan review shall include mitigating factors (distance, vegetation, fencing, other buffers, signage, etc.) to prevent cut-through to this property.

g. Effects on vehicular and pedestrian safety: Minimal impact expected, moderate to heavy traffic is expected for hospital services. Sidewalks, crosswalks, exterior lighting, vehicular speed monitors, etc. will remain in place or be enhanced.

h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site: Site is accessible for police, fire, and EMS response.

i. Logic of the internal traffic layout: To be reviewed during the site plan review.

¹ § 22.24.010.E

j. Effects of signage on nearby uses: To be reviewed during the site plan review.

k. Presence of existing or proposed buffers on the site or immediately adjacent the site:

Distance of the properties to Airport Road (from Tongass Drive intersection) is over 800 feet, providing significant buffer to the property. Heavy vegetation on the site now – vegetation and greenspace to be reviewed during the site plan review.

l. Relationship if the proposed conditional use is in a specific location to the goals, policies, and objectives of the comprehensive plan:

The Comprehensive Plan’s Economic Chapter identified key challenges and opportunities for the future, one of which was that “Sitka’s many healthcare resources could position the community as a regional healthcare hub.” The construction of a new hospital site enables the growth and development of this industry, bringing jobs and economic activity to Sitka.

m. Other criteria that surface through public comments or planning commission review: None at this time.

RECOMMENDATION

Staff recommends that the Planning Commission approve the conditional use permit request for a hospital in the public lands district at 1235 Seward Avenue, 201, 219, and 222 Tongass Drive subject to conditions of approval.

ATTACHMENTS

Attachment A: Aerials

Attachment B: Current Plat

Attachment C: Proposed Plat (Lot Merger)

Attachment D: Photos

Attachment E: Applicant Materials

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Motions in favor of approval:

1) I move to approve the conditional use permit application a hospital in the public lands district at 1235 Seward Avenue, 201 Tongass Drive, 219 Tongass Drive, and 222 Tongass drive subject to the attached conditions of approval. The properties are also known as Lots 6, 7, 11A, and 11B USS 1496. The request is filed by Southeast Alaska Regional Health Consortium. The owner of record is Southeast Alaska Regional Health Consortium.

Conditions of Approval:

1. The applicant will be required to submit a site plan for review by the Planning Commission to include (but not limited to) the following:
 - a. Site plan for proposed structures with distances to property lines shown
 - b. Elevation view of the exterior of any/all proposed structures

- c. Floor plans of any/all proposed structures
 - d. Traffic volume and flow analysis
 - e. Parking plan
 - f. Full list of services offered
 - g. Anticipated employee numbers in any/all proposed structures
 - h. Maximum occupancy of any/all proposed structures
 - i. Signage plan
 - j. Buffering to adjacent properties/uses (Coast Guard Housing and MEHS in particular)
 - k. Location and dimensions of loading berths
2. Planning Staff will not approve the foundation permit for any/all proposed structures being developed in conjunction with this conditional use permit until the site plan review has taken place.
 3. The applicant will continue their efforts to work with the CBS Development Review Committee, keeping them apprised of milestones as the project is developed.
 4. All required permits shall be current at all times that the conditional use permit is utilized.
 5. The Planning Commission, at its discretion and upon receipt of meritorious complaint, may schedule a public hearing at any time for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties.
 6. Permit and use shall comply with all local regulations, including building code, fire and life safety, business registration, and remittance of all applicable taxes.

1) I move to adopt the required findings for conditional use permits as listed in the staff report:²

1. ...The granting of the proposed conditional use permit will not:
 - a. Be detrimental to the public health, safety, and general welfare
 - b. Adversely affect the established character of the surrounding vicinity; nor
 - c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.
2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation,
3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety and welfare of the community from such hazard.
5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

² § 22.30.160.C – Required Findings for Conditional Use Permits

Present were Maegan Bosak, Director of Marketing and Communications and Greg McIntyre, Projects Manager, who represented South East Alaska Health Consortium (SEARHC). Bosak stated that she had no disagreements with Ainslie's staff report and reiterated the purpose of the merger in facilitating placement of a hospital. From the public, Wein asked if the site contamination mitigation had been completed. McIntyre responded that the land was formerly a military base that resulted in widespread contamination of the site and the contamination mitigation would be a constant part of the process. He explained that any water or soil touched or moved needed to be managed for contamination. He noted that they were hoping to have core sampling conducted in the Fall.

M-Mudry/S-Windsor moved to approve the final plat for a lot merger of 1235 Seward Avenue, 201 Tongass Drive and 219 Tongass Drive in the public lands district. The properties were also known as Lots 6, 11A, and 11B USS 1496. The request was filed by Southeast Alaska Regional Health Consortium. The owner of record was Southeast Alaska Regional Health Consortium. Motion passed by 3-0 voice vote.

M-Mudry/S-Windsor moved to adopt the findings as listed in the staff report. Motion passed by 3-0 voice vote.

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Public hearing and consideration of a conditional use permit for a hospital in the public lands district at 1235 Seward Avenue, 201, 219, and 222 Tongass Drive. The properties are also known as Lots 6, 7, 11A, and 11B USS 1496. The request is filed by Southeast Alaska Regional Health Consortium (SEARHC). The owner of record is Southeast Alaska Regional Health Consortium (SEARHC).

Attachments: [CUP 20-12 SEARHC Hospital 1235 Seward Ave 201 219 222 Tongass Staff Report](#)
[CuP 20-12 SEARHC Hospital 1235 Seward Ave 201 219 222 Tongass Aerial](#)
[CUP 20-12 SEARHC Hospital 1235 Seward Ave 201 219 222 Tongass Plat](#)
[CuP 20-12 SEARHC Hospital 1235 Seward Ave 201 219 222 Tongass Photos](#)
[CuP 20-12 SEARHC Hospital 1235 Seward Ave 201 219 222 Tongass Applicant Materials](#)

Ainslie reported that, as hospitals were a conditional use in the public lands district, the applicant requested a conditional use permit. In the absence of a definition in the Sitka General Code, Ainslie provided a definition from the American Planning Association's Glossary of Zoning, Development and Planning Terms which described a hospital complex as one or more buildings, at least one of which provides physical and mental health services, in-patient or overnight accommodations, and medical or surgical care of the sick or injured. Hospital complexes also include the accessory uses of cafeterias, nursing homes, extended care, physical therapy, exercise facilities, employee and/or temporary housing, gift shops, pharmacies, dental care, optometry care, child care, etc. Ainslie felt that this was an appropriate definition to use for the conditional use permit and uses allowed under it given SEARHC's current use of the property and typical hospital uses in Sitka. Ainslie identified this as a suitable use for the site and in keeping with adjacent uses. Ainslie provided support for this use from the Comprehensive Plan's objective to bolster the healthcare industry, establish Sitka

as a regional healthcare hub and support economic and job growth. Ainslie told the Commission that the applicant, SEARHC, wanted assurance that they would be able to obtain a CUP before substantial investment in design and therefore had not provided a site plan or concept plan at this stage in their application. Ainslie clarified that review and approval of the site plan by the Commission was one of the conditions of approval along with estimated number of employees and number of beds. Staff recommended approval.

Spivey asked if the applicant would be locked into a particular employment number. Ainslie clarified that the estimated employment number was for use to interpret parking needs and potential impact to traffic flow and not a cap on growth.

Windsor asked why no site plan was provided. Ainslie responded that the applicant was at the early stages of design and wanted to ensure a hospital could be built on the land before significant investment was expended. Spivey expanded on Ainslie's point that cost in developing a plan for a building of this size was likely expensive.

Maegan Bosak and Greg McIntyre were present as representatives of the applicant. Bosak stated that she and Ainslie had discussed at length whether a CUP was needed as the hospital use had already been established in that area, with the ultimate decision that it was indeed needed. She reiterated that SEARHC wanted to be certain that use was approved prior to investment. She noted that she fully expected to come back with a concept plan and said that the hospital would be built to LEEDS Gold standard. Bosak remarked that the growth of SEARHC, and what it would mean for Sitka, was in keeping with Comprehensive Plan.

From the public, Wein expressed confusion that the Commission could be asked to decide on a conditional use permit without knowing the details. He stated that costs were scalable and that a smaller project with less design cost might be a barrier to a less wealthy applicant. He asked if this would establish precedent for other applicants to no longer provide a site plan with their application. Mudry and Windsor expressed their concern that no site plan was made available. Spivey noted that there would be other opportunities to review the site plan going forward and that requiring a site plan at this stage may not be the final site plan as the applicant progressed in the development process.

The Commission asked the applicants back. McIntyre responded that they were in a peculiar situation due to requirements from Indian Health Services (IHS). McIntyre stated that IHS funding and standards would shape the scale of their development. Bosak added that the conditional use permit could not go into effect until the conditions were met, thereby necessitating the review and approval of the site plan before construction. Windsor asked what the applicant would do if approval was not granted. Bosak responded that they would have to start the process over again. Ainslie clarified that the planning department would not sign off on a foundation permit until conditions of approval were met.

Wein asked if IHS would approve the 300 million dollar investment without a site plan. McIntyre explained that IHS determined the necessary square footage for each hospital use (such as labor and delivery, ICU, etc.) to satisfy the population size; IHS would not review and approve the site plan. The Commission excused the applicant.

Spivey reiterated that the Commission would have another chance to review the site plan, and that he understood why it was necessary to stage out the approvals in this case. Ultimately, Commissioners agreed that they wanted the new hospital project to move forward and for SEARHC to meet its commitment to the community.

M-Mudry/S-Windsor moved to approve the conditional use permit application a hospital in the public lands district at 1235 Seward Avenue, 201 Tongass Drive, 219 Tongass Drive, and 222 Tongass drive subject to the attached conditions of approval. The properties were also known as Lots 6, 7, 11A, and 11B USS 1496. The request was filed by Southeast Alaska Regional Health Consortium. The owner of record was Southeast Alaska Regional Health Consortium. Motion passed by 3-0 voice vote.

M-Mudry/S-Windsor moved to adopt the required findings for conditional use permits as listed in the staff report. Motion passed by 3-0 voice vote.

VIII. ADJOURNMENT

Seeing no objection, Chair Spivey adjourned the meeting at 8:26 PM.