

ZONING CHANGE REVIEW SHEET

CASE: C14-2023-0096 – Ben White Boulevard Medical Office

DISTRICT: 3

ADDRESS: 4007 James Casey Street

ZONING FROM: GR-V-NP

TO: ~~CH-NP~~

CH-PDA-NP, as amended

SITE AREA: 6.306 acres

PROPERTY OWNER: St. David's HealthCare Partnership, LP, LLP; Kenneth B. Ferguson Investments, Inc.; KBF Jacs South Austin, LLC (Mark Worsham, Kenneth B. Ferguson)

AGENT: Armbrust & Brown, PLLC (Michael Whellan)

CASE MANAGER: Nancy Estrada (512-974-7617, nancy.estrada@austintexas.gov)

STAFF RECOMMENDATION:

The Staff recommendation is to grant commercial highway services – planned development area – neighborhood plan (CH-PDA-NP) combining district zoning.
The basis of Staff's recommendation is provided on page 2 - 4.

PLANNING COMMISSION ACTION:

February 13, 2024:

*January 23, 2024: POSTPONED by PLANNING COMMISSION to February 13, 2024
[C. HEMPEL; A. AZHAR – 2ND] (12-0), J. CONNOLLY – ABSENT*

*January 9, 2024: APPROVED A POSTPONEMENT REQUEST BY THE APPLICANT TO JANUARY 23, 2024
[A. AZHAR; F. MAXWELL – 2ND] (10-0) A. WOODS, G. ANDERSON – ABSENT;
ONE VACANCY ON THE DIAS*

*December 12, 2023: APPROVED A POSTPONEMENT REQUEST BY THE NEIGHBORHOOD TO JANUARY 9, 2024
[F. MAXWELL; A. AZHAR – 2ND] (11-0) N. BARRERA-RAMIREZ,
P. HOWARD – ABSENT*

CITY COUNCIL ACTION:

January 18, 2024:

ORDINANCE NUMBER:

ISSUES:

The Applicant has amended the rezoning request from (CH-NP) to (CH-PDA-NP) in order to maintain the current building setbacks and lot width. These are the only site development regulations that will be modified. All other site development regulations for (CH) district zoning will remain the same.

The Applicant met with representatives from the South Manchaca Neighborhood Plan Contact Team and the Southwood Neighborhood Association to provide information regarding the proposed development.

CASE MANAGER COMMENTS:

The subject rezoning area consists of approximately 6.3 acres located on the southeast corner of West Ben White Boulevard Eastbound Service Road and James Casey Street. The site is less than one-quarter of a mile west of South 1st Street which is designated as an Imagine Austin Corridor. The property is zoned (GR-V-NP) and is currently developed with two-story medical office buildings and surface parking. The subject area has frontage on the West Ben White Boulevard Eastbound Service Road; however, access to the property will be from James Casey Street and Radham Lane.

The St. David's South Austin Medical Center is immediately to the west across James Casey Street (PUD-NP). There are medical offices and a fire station to the south (LO-V-NP; LR-CO-NP); and commercial uses are to the east (GR-V-NP; CS-V-NP; CS-1-V-NP; GO-CO-NP). The subject area, medical center, and surrounding medical offices/clinics to the west and south are located within the Hospital Special District which was established by the South Austin Combined (South Manchaca) Neighborhood Plan approved in November 2014.

Please refer to Exhibits A (Zoning Map) and A-1 (Aerial View).

The applicant is requesting commercial highway services – planned development area – neighborhood plan (CH-PDA-NP) for a proposed redevelopment and expansion of the existing medical offices. The proposal would create an additional 136,000 square feet of new medical office space for a total of approximately 194,000 square feet of medical office space on the site.

As set forth in Land Development Code Section 25-2-441, the regulations of a planned development area (PDA) may modify: 1) permitted or conditional uses authorized by the base zoning district, 2) site development regulations except for compatibility standards, and 3) off-street parking or loading regulations, sign regulations or screening regulations applicable in the base district.

The Applicant's proposed PDA consists of the following elements:

- 1) Establishes that (CH) site development standards apply to the property, with the following modifications:

- a) The minimum setbacks shall apply to the Property:

Front Yard: 10 feet
Street Side Yard: 10 feet
Interior Side Yard: 0 feet
Rear Yard: 0 feet

- b) The minimum lot width for the Property shall be 50 feet

Staff is recommending commercial highway services – planned development area – neighborhood plan (CH-PDA-NP) combining district zoning. Currently, the St. David's South Austin Medical Center (PUD-NP) to the west and within the Hospital Special District allows up to 120 feet of height along West Ben White Boulevard. The Hospital Special District recognizes the unique land use requirements of a major medical center and related medical offices and businesses. The proposed zoning district will allow a medical office project the flexibility to achieve up to 120 feet of height or lower, depending on the impervious cover limits.

BASIS OF STAFF RECOMMENDATION:

1. *The proposed zoning should be consistent with the purpose statement of the district sought.*

The proposed commercial highway services (CH) district is intended predominately for major mixed use developments of a service nature which typically have operating and traffic generation characteristics requiring location at the intersection of state maintained highways, excluding scenic arterials. Site development regulations and performance standards are intended to ensure adequate access to and from all uses, and to permit combinations of office, retail, commercial, and residential uses within a single development. The planned development area (PDA) combining district designation provides for industrial and commercial uses in certain commercial and industrial base districts. The neighborhood plan (NP) district denotes a tract located within the boundaries of an adopted Neighborhood Plan.

2. *Zoning changes should promote compatibility with adjacent and nearby uses.*

The proposed commercial highway services (CH) zoning district is appropriate for this location since West Ben White Boulevard is a specified highway corridor in the Land Development Code that allows for (CH) zoning. Therefore, a medical office use along a highway can be provided to help support medical services at a regional scale. The proposed (CH) zoning district is compatible with the surrounding area since the South Austin Medical Center (PUD-NP) is to the west and there are medical offices (LO-V-NP) to the south of the subject area.

3. *The rezoning should be consistent with the policies and principles adopted by the City Council.*

City Council has provided policy and direction for having more intensive uses and additional density on major corridors. The proposed rezoning supports the adopted neighborhood plan for this area, which designates this site as part of the Hospital Special District. Per the adopted South Austin Combined Neighborhood Plan, the Hospital Special District recognizes the unique land use requirements of a major medical center and related medical offices and businesses.

4. *Zoning should promote the policy of locating retail and more intensive zoning near the intersections of arterial roadways or at the intersections of arterials and major collectors.*

Commercial highway services (CH) zoning is appropriate for the proposed redevelopment due to its location along West Ben White Boulevard Service Road Eastbound (major arterial) and James Casey Street (collector). South 1st Street (minor arterial) is an ASMP Transit Priority Network Roadway which is located less than 0.25 miles from the subject area. Both Radham Lane and South 1st Street are currently served by Capital Metro bus routes.

EXISTING ZONING AND LAND USES:

	ZONING	LAND USES
<i>Site</i>	GR-V-NP	Medical offices
<i>North</i>	Not applicable	West Ben White Boulevard Eastbound Service Road and main lanes
<i>South</i>	LO-V-NP; LR-CO-NP; LR-V-CO-NP; SF-3-NP	Medical offices; Fire station; Single family residences
<i>East</i>	GR-V-NP, CS-V-NP, CS-1-V-NP, GO-CO-NP	Commercial services; Convenience store; Service station; Grocery store; Medical supplies; Restaurant
<i>West</i>	PUD-NP	South Austin Medical Center

NEIGHBORHOOD PLAN AREA: South Austin Combined (South Menchaca)

WATERSHED: West Bouldin Creek – Urban

CAPITOL VIEW CORRIDOR: No

SCENIC ROADWAY: No

SCHOOLS:

St. Elmo Elementary School

Bedichek Middle School

Travis High School

COMMUNITY REGISTRY LIST:

Austin Neighborhoods Council	Austin Independent School District
Austin Lost and Found Pets	Friends of Austin Neighborhoods
Dawson Neighborhood Plan Contact Team	Dawson Neighborhood Association
Galindo Elementary Neighborhood Association	Galindo Area Patriotic Porch Party
Go!Austin/Vamos!Austin (GAVA) 78745	Preservation Austin
Neighborhood Empowerment Foundation	Perry Grid 614
South Austin Commercial Alliance	Sierra Club, Austin Regional Group
South Austin Neighborhood Alliance (SANA)	SELTexas
Southwood Neighborhood Association	South Central Coalition
South Manchaca Neighborhood Plan Contact Team	Onion Creek HOA
Oldham Neighborhood Association	
South Congress Combined Neighborhood Plan Contact Team	

AREA CASE HISTORIES:

NUMBER	REQUEST	COMMISSION	CITY COUNCIL
C814-95-0001.02 – South Austin Medical Center	PUD-NP to PUD-NP	To Grant PUD-NP as staff recommended to increase maximum height	Approved (7-22-2022)
C14-2017-0134 – Gardens – 4310 James Casey St	LO-V-NP to GO-V-NP	To Grant	Approved (2-1-2018)
C14-2007-0216 – South Manchaca Vertical Mixed Use (VMU) Rezonings – W Ben White (north), S 1st St (east), Stassney Ln (south), Manchaca Rd (west)	Apply -V to 20 tracts on 65.64 acres	To Grant VMU related standards to all Tracts except Tracts 10 and 12 (dimensional standards only), 60% MFI for VMU rental developments	Approved (12-13-2007)

RELATED CASES:

SP-2023-0368C – Site plan is currently in review.

C8-2022-0002.0A – The property is platted as Lot 1, James Casey Medical Office, a subdivision recorded on June 23, 2022.

C14-2014-0018 – The subject property is within the boundaries of the South Austin Combined (South Menchaca) Neighborhood Planning Area and is designated as a Hospital Special District on the adopted Future Land Use Map (NP-2014-0030). The (–NP) combining district was appended to the existing base districts on November 6, 2014 (Ordinance No. 20141106-087).

ADDITIONAL STAFF COMMENTS:

Comprehensive Planning

Project Name and Proposed Use: 4007 JAMES CASEY ST. C14-2023-0096. Project: Ben White Boulevard Medical Office. 6.35 acres from GR-V-NP to CH-NP. Within South Austin Combined NP. Character District: Hospital Special District. Demolish existing 2 story medical office building and construct a new multi-story medical office building in its place, **up to 120 ft. tall.**

Yes	Imagine Austin Decision Guidelines
	Complete Community Measures
Y	Imagine Austin Growth Concept Map: Located within or adjacent to an Imagine Austin Activity Center, Imagine Austin Activity Corridor, or Imagine Austin Job Center as identified the Growth Concept Map. Names of Activity Centers/Activity Corridors/Job Centers: 0.09 mile from the South 1st Activity Corridor
Y	Mobility and Public Transit: Located within 0.25 miles of public transit stop and/or light rail station.
Y	Mobility and Bike/Ped Access: Adjoins a public sidewalk, shared path, and/or bike lane.
Y	Connectivity, Good and Services, Employment: Provides or is located within 0.50 miles to goods and services, and/or employment center.
Y	Connectivity and Food Access: Provides or is located within 0.50 miles of a grocery store/farmers market.
Y	Connectivity and Education: Located within 0.50 miles from a public school or university.
Y	Connectivity and Healthy Living: Provides or is located within 0.50 miles from a recreation area, park or walking trail.
Y	Connectivity and Health: Provides or is located within 0.50 miles of health facility (ex: hospital, urgent care, doctor's office, drugstore clinic, and/or specialized outpatient care.)
	Housing Choice: Expands the number of units and housing choice that suits a variety of household sizes, incomes, and lifestyle needs of a diverse population (ex: apartments, triplex, granny flat, live/work units, cottage homes, and townhomes) in support of Imagine Austin and the Strategic Housing Blueprint.
	Housing Affordability: Provides a minimum of 10% of units for workforce housing (80% MFI or less) and/or fee in lieu for affordable housing.
	Mixed use: Provides a mix of residential and non-industrial uses.
	Culture and Creative Economy: Provides or is located within 0.50 miles of a cultural resource (ex: library, theater, museum, cultural center).
	Culture and Historic Preservation: Preserves or enhances a historically and/or culturally significant site.
	Creative Economy: Expands Austin's creative economy (ex: live music venue, art studio, film, digital, theater.)
Y	Workforce Development, the Economy and Education: Expands the economic base by creating permanent jobs, especially in industries that are currently not represented in a particular area or that promotes a new technology, and/or promotes educational opportunities and workforce development training.
	Industrial Land: Preserves or enhances industrial land.
9	Total Number of "Yes's"

Applicable South Austin Combined Small Area Plan Policies:

Vision: The Hospital Special District recognizes the unique land use requirements of a major medical center and related medical offices and businesses.

Hospital Special District Actions:

T A5: Create walkable connections to the neighborhood along the railroad tracks (exploring the possibility of a hike and bike train along the unused railroad spur in the South Manchaca neighborhood).

T A20: Complete the sidewalk network, prioritizing these segments: Radam Lane (James Casey to S. 1st), and James Casey (missing section north of St. Elmo).

T A24: Improve safety for all users at the following unsignalized intersections (e.g., by installing elements such as crosswalks, signage, roundabouts, curb bulb-outs, stop signs):

- St. Elmo Rd. and James Casey St.
- James Casey St. and Ben White Blvd.

HA A14: Work with employers (AISD, ACC, Hospital) to provide workforce housing in neighborhood.

Drainage

The developer is required to submit a pre- and post-development drainage analysis at the subdivision and site plan stage of the development process. The City's Land Development Code and Drainage Criteria Manual require that the Applicant demonstrate through engineering analysis that the proposed development will have no identifiable adverse impact on surrounding properties.

Site Plan and Compatibility Standards

A site plan is currently in review (SP-2023-0368C).

Any new development is subject to Subchapter E. Design Standards and Mixed Use. Additional comments will be made when the site plan is submitted.

Any development which occurs in an SF-6 or less restrictive zoning district which is located 540-feet or less from property in an SF-5 or more restrictive zoning district will be subject to compatibility development regulations.

Demolition

In the event that demolition or relocation of existing buildings is proposed, the applicant is responsible for requesting demolition or relocation permits at the appropriate stage of the development process. The City Historic Preservation Office will review all proposed building demolitions and relocations. If a building meets city historic criteria, the Historic Landmark Commission may initiate a historic zoning case on the property.

Environmental

The site is not located over the Edwards Aquifer Recharge Zone. The site is located in the West Bouldin Creek Watershed of the Colorado River Basin, which is classified as an Urban Watershed by Chapter 25-8 of the City's Land Development Code. It is in the Desired Development Zone.

Zoning district impervious cover limits apply in the Urban Watershed classification.

According to floodplain maps there is no floodplain within or adjacent to the project location.

Standard landscaping and tree protection will be required in accordance with LDC 25-2 and 25-8 for all development and/or redevelopment.

At this time, site specific information is unavailable regarding vegetation, areas of steep slope, or other environmental features such as bluffs, springs, canyon rimrock, caves, sinkholes, and wetlands.

This site is required to provide on-site water quality controls (or payment in lieu of) for all development and/or redevelopment when 8,000 s.f. cumulative is exceeded, and on site control for the two-year storm.

At this time, no information has been provided as to whether this property has any preexisting approvals that preempt current water quality or Code requirements.

Fire

No comments.

PARD – Planning & Design Review

There are no parkland dedication requirements that apply to this application.

Austin Water Utility

No comments on zoning change.

The landowner intends to serve the site with City of Austin water and wastewater utilities. The landowner, at own expense, will be responsible for providing any water and wastewater utility improvements, offsite main extensions, utility relocations and or abandonments required by the land use. The water and wastewater utility plan must be reviewed and approved by Austin Water for compliance with City criteria and suitability for operation and maintenance.

Depending on the development plans submitted, water and or wastewater service extension requests may be required.

All new development within the proposed project will be subject to City Code Chapter 25-9 and any future amendments relating to reclaimed water connections, water benchmarking, and mandatory onsite water reuse.

All water and wastewater construction must be inspected by the City of Austin. The landowner must pay the City inspection fee with the utility construction. The landowner must pay the tap and impact fee once the landowner makes an application for a City of Austin water and wastewater utility tap permit.

Austin Transportation Department – Engineering Review

ASMP Assessment

The Austin Strategic Mobility Plan (ASMP) calls for 84 feet of right-of-way for James Casey Street. It is recommended that 42 feet of right-of-way from the existing centerline should be dedicated for James Casey Street according to the Transportation Plan with the first subdivision or site plan application. [LDC 25-6-51 and 25-6-55].

The Austin Strategic Mobility Plan (ASMP) calls for 84 feet of right-of-way for Radam Lane. It is recommended that 42 feet of right-of-way from the existing centerline should be dedicated for Radam Lane according to the Transportation Plan with the first subdivision or site plan application. [LDC 25-6-51 and 25-6-55].

Transportation Assessment

The adjacent street characteristics table is provided below:

Name	ASMP Classification	ASMP Required ROW	Existing ROW	Existing Pavement	Sidewalks	Bicycle Route	Capital Metro (within ¼ mile)
West Ben White Boulevard Service Road Eastbound	Level 4 – Major Arterial	N/A (Coordinate with TxDOT)	N/A	35' – 50' wide	6' sidewalk on site side	Helpful Sidewalk	No
James Casey Street	Level 2 – Collector – Local Mobility	84'	65'	44' wide	6' on both sides	Shared Lane	No
Radam Lane	Level 2 – Collector – Local Mobility	84'	60'	44' wide	5' sidewalk on site side	Shared Lane	Yes

Site must comply with the 4007 James Casey Street Medical Office Center Transportation Impact Analysis Final Memo from May 23, 2022 with site plan SP-2022-0300 Transportation Impact Analysis for the James Casey Medical Office Site Plan.

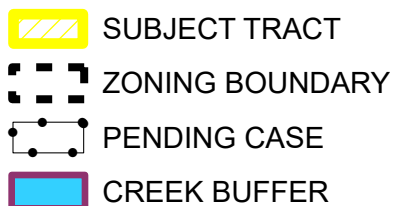
INDEX OF EXHIBITS AND ATTACHMENTS TO FOLLOW:

Exhibit A: Zoning Map
Exhibit A-1: Aerial Map

Exhibit B: AMENDED Applicant Summary Letter
Exhibit C: Applicant Summary Letter

Correspondence





ZONING CASE#: C14-2023-0096
LOCATION: 4007 James Casey St
SUBJECT AREA: 6.3 Acres
GRID: G19
MANAGER: Nancy Estrada



Created: 8/23/2023

ARMBRUST & BROWN, PLLC

ATTORNEYS AND COUNSELORS

100 CONGRESS AVENUE, SUITE 1300
AUSTIN, TEXAS 78701-2744
512-435-2300

FACSIMILE 512-435-2360

January 9, 2024

Joi Harden, Zoning Officer
City of Austin
Housing and Planning Department
1000 E. 11th St.
Austin, Texas 78702

Re: Amendment to rezoning application (Case No. C14-2023-0096) for 4007 James Casey St.
(the "Property")

Dear Ms. Harden,

On behalf of St. David's HealthCare Partnership, L.P., LLP, Kenneth B. Ferguson Investments, Inc., and KBF Jacs South Austin, L.L.C. (the "Applicants"), I am submitting an amendment to C14-2023-0096, the rezoning application on file for 4007 James Casey St.

This amendment seeks to rezone the Property to Commercial Highway Services – Planned Development Area – Neighborhood Plan ("CH-PDA-NP") rather than the original request for Commercial Highway Services – Neighborhood Plan ("CH-NP"). City Council modified the Commercial Highway – Planned Development Area ("CH-PDA") zoning district under Ordinance No. 20230518-058 to create a more appropriate option for adjusting site development regulations in non-industrial areas than rezoning to Limited Industrial Services – Planned Development Area ("LI-PDA"). As you may recall, the Applicants initiated the redevelopment process for the Property through Site Plan No. SP-2022-0300C. The current plans utilize the setbacks and lot width regulations required under the existing base zoning district, Community Commercial ("GR"). The Planned Development Area ("PDA") combining district is necessary to retain GR site development regulations for building setbacks and lot width, which are smaller than what is required in the base Commercial Highway Services ("CH") zoning district. The specific modifications are attached as Exhibit "A" and only modify the minimum setbacks and minimum lot width. All other site development regulations for CH zoning will remain the same.

Approval of the amended rezoning request will facilitate the redevelopment of medical offices built in the 1980s, as well as the addition of approximately 136,000 square feet of new medical office space (for a new total of approximately 194,000 square feet). I appreciate your consideration and am available to answer your questions and provide further details.

Respectfully,



Michael J. Whellan

EXHIBIT "A"**SITE DEVELOPMENT STANDARDS****Section 1. Applicable Site Development Regulations**

Per Land Development Code Section 25-2-582 Subsection (C), if there is conflict between this Ordinance and the requirements of Land Development Code Section 25-2-582 Subsection (B), this Ordinance shall control.

Section 2. Site Development Regulations**A. Base District Regulations**

- 1) Development of the Property shall conform to the site development regulations authorized for the Commercial Highway Services (CH) district as set forth in the City Code, except as provided for in this Ordinance.
- 2) The following development regulations shall apply to the Property:
 - a) The minimum setbacks shall apply to the Property:

Front Yard: 10 ft
Street Side Yard: 10 ft
Interior Side Yard: 0 ft
Rear Yard: 0 ft
 - b) The minimum lot width for the Property shall be 50 ft

ARMBRUST & BROWN, PLLC

ATTORNEYS AND COUNSELORS

100 CONGRESS AVENUE, SUITE 1300
AUSTIN, TEXAS 78701-2744
512-435-2300

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July 24, 2023

Joi Hardin, Zoning Officer
City of Austin
Housing and Planning Department
1000 E. 11th St.
Austin, Texas 78702

Re: Rezoning request for 4007 James Casey St. (the "Property")

Dear Ms. Hardin,

On behalf of St. David's HealthCare Partnership, L.P., LLP, Kenneth B. Ferguson Investments, Inc., and KBF Jacs South Austin, L.L.C. (the "Applicants"), I am submitting the attached application package to request rezoning for the Property from GR-V-NP to CH-NP in order to develop an expanded medical office facility.

The Property is a roughly 6.3-acre site located within a broader area that the South Austin Combined Neighborhood Plan designates as a "Hospital Special District," in recognition of the "unique land use requirements of a major medical center and related medical offices and businesses."

This case relates to one such "related medical office" use. Currently, the Property features a two-story, suburban-style medical offices developed in the 1980s and surrounded by extensive surface parking. The Applicants, including St. David's HealthCare, plan to redevelop the Property to provide new, modernized medical offices – as well as to add approximately 136,000 sf of additional medical office space (for a new total of 194,204 sf) to meet Austin's growing healthcare demands.

The Applicants initiated this redevelopment process through Site Plan No. SP-2022-0300C, and are seeking rezoning from the current GR-V-NP designation to Commercial Highway ("CH"), in order to provide greater flexibility and optionality as the review process continues.

Specifically, Section 25-2-582 of the Land Development Code allows projects with CH zoning to increase their height in exchange for decreases in impervious cover. This unique height provision will provide St. David's HealthCare with important flexibility and optionality during the site development process – especially in the difficult macroeconomic environment currently facing Austin.

Furthermore, we believe that this designation is appropriate from a planning and zoning perspective for three main reasons:

- **CH-NP zoning is more consistent with the area's unique Hospital Special District designation than the current Vertical Mixed-Use zoning.**

As noted, the Hospital Special District is intended for "a major medical center and related medical offices and businesses." However, the Property currently features a zoning designation – Vertical Mixed-Use – that instead encourages a mix of residential and commercial uses. And while the Property's current Vertical Mixed-Use zoning does allow additional height, it only does so if the project includes residential uses; a medical office project could not achieve the additional height. In contrast, CH would allow additional height for a medical office project.

In other words, CH zoning is a better fit for the Property's Hospital Special District designation than the existing Vertical Mixed-Use zoning.

- **CH-NP zoning allows height entitlements that are more consistent with those already allowed in the Hospital Special District.**

The Hospital Special District features only two tracts with Ben White Boulevard frontage: the Property included in this case and the St. David's South Austin Medical Center tract (which is located immediately west of the Property, across James Casey Street).

Currently, the St. David's South Austin Medical Center tract features PUD zoning that allows up to 120 ft. of height along Ben White Boulevard. In contrast, the Property – which is similarly situated within the Hospital Special District along Ben White Boulevard, immediately adjacent to the St. David's PUD – is limited to only 60 ft. of height for medical office uses. CH-NP zoning would a medical office project the flexibility to achieve up to 120 ft. of height or lower, depending on impervious cover.

- **The Property meets the Land Development Code's geographic standards for CH.**

Section 25-2-105 of the Land Development Code only allows the city to approve CH zoning along certain specified highway corridors – including Ben White Boulevard, where this particular Property is located.

For these reasons, we request that the city approve CH-NP zoning for the Property. I appreciate your consideration and am available to answer your questions and provide further details.

Respectfully,



Michael J. Whellan

20240123medical office C14-2023-0096

January 23rd presentation to the PC in response to Michael Whellan's January 17th correspondence in backup

My name is Ray Collins. I chair the South Menchaca Neighborhood Plan contact team.

As of this writing the applicant continues to ignore the numerous negotiable community benefits provided by the contact team's Exhibit A, which vary from extraordinarily inexpensive to extraordinarily generous. My suggestion to the commissioners is that you vote a postponement to give the applicant time to reconsider whether ignoring the contact team is their best course of action. Having watched PC council interactions through CodeNext, CodeCronk, and H.O.M.E. I am well aware how often the commissioners are ignored by council as in a recent example of garages and FAR so I am certain you can empathize.

That said I will now address some other statements by the applicant, starting with my personal history after long ago making the Episcopal church the church of my adult choice and having since that time continuously lived in the Diocese of Texas and experiencing the following events.

Many years ago the Episcopal Diocese of Texas chose to sell its non-profit hospital, St. David's, to the for-profit hospital HCA Healthcare and I will refer to this entity as St. David's/HCA Healthcare. This involved a contract by which HCA Healthcare remains obligated to fund the non-profit St. David's Foundation created by the Episcopal church and the contract was successfully defended from the IRS over a number of years ending ca. 2002 by the church's law firm, Vinson & Elkins of Houston. HCA Healthcare continues to fulfill this contractual obligation. The applicant's attorney conflates the non-profit St. David's foundation created by the Episcopal church and the for-profit St. David's/HCA Healthcare hospital. It is the foundation which is the source of funding for vaccination programs, Foundation Communities, Caritas, etc. Mr. Whellan correctly replied to my question in a contact team meeting that the for-profit St. David's/HCA Healthcare is his client, not the non-profit St. David's foundation. The community benefits sought by the contact team are from St. David's/HCA Healthcare and not from the St. David's foundation.

With that clarification I will now sort the smorgasbord of negotiable choices in Exhibit A into those that offer the applicant an opportunity to mitigate a problem the contact team seeks to address, namely that they are discharging people experiencing homelessness into the Southwood

neighborhood as correctly stated in Exhibit B and as experienced by Sunrise church members and other Southwood residents. Based on our long-term experience with this problem caused by St. David's/HCA Healthcare the contact team does not find them a reliable partner and requires a restrictive covenant for enforcement. Second, Exhibit A offers St. David's/HCA Healthcare the opportunity to provide inexpensive space in their medical office complex for respite care of people experiencing homelessness that St. David's/HCA Healthcare are currently discharging into Southwood via such organizations as Central Health, Integral Care, ATC-EMS Community Health personnel, and via non-profit medical clinic space.

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January 17, 2024

MICHAEL J. WHELLAN
100 CONGRESS AVENUE, SUITE 1300
AUSTIN, TEXAS 78701-2744
512-435-2300

Via email

Ray Collins, Chair
South Menchaca Neighborhood Plan Contact Team

Re: St. David's Community Benefits and Impact (4007 James Casey Street rezoning,
Case No. C14-2023-0096)

Dear Mr. Collins,

Thank you for your letter and your continued leadership in the South Menchaca Neighborhood. We are appreciative of the support and positive relationship between St. David's HealthCare and the South Menchaca Neighborhood, and we are pleased to continue expanding healthcare access in the area, which will boost health outcomes and economic benefits in our community. As you know, we have filed a rezoning application for the medical office buildings at 4007 James Casey. I would like to take this opportunity to highlight the community benefits and impact that St. David's HealthCare offers in Austin and in Central Texas more broadly.

St. David's HealthCare is a proud leader and steward of the improvement and expansion of community healthcare access across Central Texas. St. David's HealthCare takes pride in its facilities and services and has invested \$2.5 billion since 1996 in developing state-of-the-art healthcare technology and facilities to serve the growing population of Central Texas, which includes both patients with resources, as well as a significant portion of our community who are less fortunate. In addition, St. David's HealthCare has paid nearly \$600 million in state and local taxes since its inception that help support school districts, local first responders, infrastructure and more in the nearby communities.

As you likely know, the St. David's HealthCare hospital system is a unique partnership that includes two local not-for-profit organizations—St. David's Foundation and Georgetown Health Foundation—and the national hospital operating partner, HCA Healthcare. As joint owners of the healthcare system, the local foundations' share of the proceeds from the partnership is their primary source of funding. Since 1996, St. David's Foundation and Georgetown Health Foundation have donated more than \$900 million in community grants to local agencies and safety net clinics throughout the region. Significant investment in primary and behavioral health care services, including more than \$21 million in support announced last month, provides access to quality care for both adults and children at area clinics such as People's Community Clinic, Lone Star Circle of Care, Community Health Centers of South Central Texas and .

ARMBRUST & BROWN, PLLC

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St. David's Foundation, through its funding from St. David's HealthCare, has specifically responded to Austin's homelessness and housing affordability crisis by investing \$25 million to expand the supply of emergency, transitional and permanent housing for the homeless, and to fund additional direct services and service coordination. Through its network of emergency facilities, St. David's HealthCare directly provides millions of dollars annually in charity care for those who are unable to afford services. To date, St. David's HealthCare has provided more than \$4.8 billion in charity care and serves more patients than any other health system in Central Texas. As such, St. David's HealthCare is not only a major funder of community benefit in its healthcare facilities, but through its foundation partners, it extends those benefits beyond the walls of its healthcare facilities and into the broader community.

At St. David's South Austin Medical Center, hospital case managers and social workers, in conjunction with the patient and their support system, facilitate services needed to assist patients in transitioning back to their communities. These may include services available in the neighborhood, including the church, if a patient specifically requests it. The hospital provides resources based on identified needs, and they ensure appropriate access, including bus passes, to services and help coordinate a safe care transition.

Though we do not have salary estimates for future employees of the proposed medical office on James Casey at this time, I can share that St. David's HealthCare employs nearly 11,000 people across 170 sites in Central Texas and currently operates eight hospitals with a total of 1,640 beds and 2,750 physicians.

As it relates to hyper-focused community investments, current calculations of the expected Street Impact Fees associated with this project total over \$2 million. We would be happy to work with you, the District 3 council office, and city staff to request that some of those funds be directed to the city-led projects the contact team has highlighted in their letter, such as a rectangular rapid flashing beacon, a bike lane study, and, if deemed appropriate by city staff, installation of bike lanes.

Thank you for engaging with us in these important community discussions. I look forward to our continued work together.

Respectfully,



Michael J. Whellan

TO: Planning Commission Chair Hempel & Members

FROM: Ray Collins 
Chair
SMNP contact team

DATE: January 3, 2024

RE: C14-2023-0096; 4007 James Casey medical office project

As of the time of this writing, January 3, 2024, 3:00pm, there has been no contact from St. David's/HCA Healthcare VP Worsham or his attorney Michael Whellan for negotiation of the community benefits sought by the South Menchaca Neighborhood Plan contact team.

The applicant was first informed of the nascent community benefits sought by the contact team at an August 2nd ZOOM meeting. That portion of the meeting starts at 39:10 and there is an index of the discussion of the community benefits

<https://youtu.be/ey-G8NwHv0Y?feature=shared>

After having made no contact with the SMNP team regarding the community benefits he heard about on August 2nd, Mr. Whellan called me the afternoon of December 4th, evidently having been informed by the staff liaison that I had asked about the first January 2024 PC meeting date. This was not a negotiation. In the interim from August 2nd to the first week of December the contact team refined and expanded our desired community benefits as per Exhibit A, which had previously been provided to Mr. Whellan in memo form on December 6th and included in the December 12th postponement request and the team's January 9th PC meeting submissions also as Exhibit A.

See also Exhibit B, a related and relevant memorandum from the Sunrise Homeless Navigation Center.

To reiterate, as of the writing of this memo as noted above there has been no contact from St. David's/HCA Healthcare VP Worsham or his attorney Michael Whellan regarding their preferred choices among the possible community benefits proposed by the contact team.

Given the possibility that Mr. Whellan may have a proposal in his own submissions to the Planning Commission's January 9th meeting, please keep in mind that none of what he may or may not choose to propose is the result of negotiations with the contact team.

Index of Exhibits

Exhibits A & B

TO: Planning Commission Chair & Members

FROM: Ray Collins
Chair
SMNP contact team

DATE: December 6, 2023

RE: C14-2023-0096; 4007 James Casey

The South Menchaca Neighborhood Plan contact team is requesting a postponement of C14-2023-0096; 4007 James Casey from December 12, 2023 to January 9, 2024.

On August 2nd we presented the community benefits we desired to Mr. Whellan as they existed at that time. That portion of the meeting starts at 39:10 and there is an index of the discussion of the community benefits

<https://youtu.be/ey-G8NwHv0Y?feature=shared>

After having made no contact with the SMNP team regarding the community benefits he heard about on August 2nd, Mr. Whellan called me the afternoon of December 4th, evidently having been informed by the staff liaison that I had asked about the first January 2024 PC meeting date. In the interim from August 2nd to the first week of December the contact team has refined and expanded our desired community benefits as per Exhibit A of this postponement request and they will require multiple consultations between Mr. Whellan and his client, Mr. Whellan and city departments, and Mr. Whellan and the SMNP contact team.

See also Exhibit B of this postponement request, a memorandum from Sunrise Homeless Navigation Center.

I will also point out as additional evidence of the need for this postponement that the bandwidth of the SMNP contact team is presently occupied by a presentation to the Building and Standards Commission, zoning cases and code violations at 4405 Merle and 1815 W Ben White, and a conditional use permit at 4422 Gillis.

Lastly I will point out that the holidays are upon us.

Index of Exhibits

Exhibits A & B

20231212postponement request exhibit A

The South Menchaca Neighborhood Plan contact team's discussions of St. David's/HCA Healthcare medical office project at 4007 James Casey St. (C14-2023-0096; 2023-095604 ZC) among the members of the contact team and with St. David's/HCA Healthcare VP Worsham and his representative Michael Whellan of Armbrust and Brown will be influenced by the fact that St. David's South discharges people experiencing homelessness and sends them into the Southwood neighborhood and also via rideshare to Sunrise Church Navigation Center on weekends when the center is closed. This has caused significant turmoil for the members of the Church. It is upsetting to see St. David's South/HCA Healthcare offloading its care duty for the poor onto individual community members in our neighborhood rather than referring them to respite care in one of the several forms available in Austin.

Questions:

HCA Healthcare's 3rd quarter profit in the USA was \$16.21B. In Texas they are building six hospitals including two in central Texas at a cost of \$6.5B. What is the cost in millions of dollars of the proposed St. David's/HCA Healthcare medical office project at 4007 James Casey? We are especially interested in whether the amount invested is sufficient to result in a first class medical facility or whether a lower cost medical office complex such as is present now will be the result. We are likewise interested in knowing whether any portion of the project will be dedicated in some fashion to eliminating the discharge of people experiencing homelessness from St. David's South/HCA Healthcare into the neighborhood. The SMNP contact team views this project as an opportunity to address this ongoing problem arising from St. David's/HCA Healthcare in our neighborhood. If it is not addressed at this time at the contact team level, a wider effort from the neighborhood to resolve this issue can be expected.

What community benefit in terms of salary dollars injected into the Austin MSA can be expected for the various categories of medical personnel employed at the 4007 James Casey medical office project. Please include doctors, physician assistants, nurses, and various other certified medical personnel.

While we fully understand that you cannot purchase what a property owner does not wish to sell, we would appreciate a written report of your good faith efforts to purchase the property at 4335 James Casey for dedicated parkland for medical personnel employed in the various medical facilities up and down James Casey including those at 4007 James Casey and at the St. David's South/HCA Healthcare PUD.

Are you willing to commit to Better Builder Certification Standards as found at https://www.austintexas.gov/sites/default/files/files/Development_Services/Better_Builder_Austin_Standards.pdf

Restrictive Covenant

The South Menchaca Neighborhood Plan contact team will require a restrictive covenant for approval of this project. These items require Yes or No answers from VP Worsham and his representative Michael Whellan for inclusion in a restrictive covenant.

The SMNP is requesting a \$100,000 bond to cure any defects which may arise from this restrictive covenant

☐ Yes or ☐ No

to funding an engineering survey of a bike lane on the west side of the hospital PUD and adding it to the Travis County plat records with the surveyor's description of the route and its waypoints.

☐ Yes or ☐ No

to providing free bus passes to all St. David's employees working at 4007 James Casey or in the hospital PUD.

☐ Yes or ☐ No

to installation of a rectangular rapid flashing beacon (RRFB) crossing for safe passage of pedestrians across the northern part of James Casey between its intersections with Radam and the Ben White service road.

☐ Yes or ☐ No

to contribution of \$20,000 to the non-profit South Austin Creek Alliance upon receipt of a certificate of occupancy of phase I of the medical office project.

☐ Yes or ☐ No

to provision upon approval of a certificate of occupancy in the first phase of construction of four ca. 5,000 sq ft offices at 4007 James Casey at 70% below market rate rent. Two spaces would be for non-profit medical offices and would ideally have six exam rooms, a pharmacy, a vaccine administration room, a lab, a counseling office, three private offices, a waiting room, a breakroom, and two ADA bathrooms. An ideal tenant for a third space for respite care for people experiencing homelessness would be Integral Care. An ideal tenant for a fourth space pursuant to an ordinance arising from Austin city council resolution No. 20231130-74 would be EMS-ATC Community Health Paramedics.

☐ Yes or ☐ No

to follow up care referrals from St. David's South/HCA Healthcare for uninsured pediatric patients to Lirios Pediatrics. Lirios Pediatrics contacts are Executive Director Monica Simmons, Certified Pediatric Nurse; Board President and Pediatrician Dr. Claire Hebner.

☐ Yes or ☐ No

to an agreement to include lab services for Lirios Pediatrics in St. David's/HCA Healthcare's contracts for lab services at no cost to the free clinic. As an example, see the agreement between Chippewa Valley Free Clinic and nearby hospitals in Eau Claire WI, contact person Maribeth Woodford, Executive Director, maribeth@cvfreeclinic.org 715.839.8477 x202. Local

Lirios Pediatric contacts are Executive Director Monica Simmons, Certified Pediatric Nurse; Board President and Pediatrician Dr. Claire Hebner.

☐ Yes or ☐ No

to an agreement to include X-ray services at no cost to Lirios Pediatrics. As an example, see the agreement between Chippewa Valley Free Clinic and nearby hospitals in Eau Claire WI, contact person Maribeth Woodford, Executive Director, maribeth@cvfreeclinic.org 715.839.8477 x202. Local Lirios Pediatrics contacts are Executive Director Monica Simmons, Certified Pediatric Nurse; Board President and Pediatrician Dr. Claire Hebner.

☐ Yes or ☐ No

to provision of 10 pergolas for 25 students apiece at St. Elmo's Elementary School.

☐ Yes or ☐ No

to landscaping of the soccer field at St. Elmo's Elementary School

☐ Yes or ☐ No

to painting tennis and pickle ball courts on the floor of the present large pergola at St. Elmo's Elementary School.



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Sunrise Statement on Issues Related to St. David's South Austin Medical Center and People Experiencing Homelessness in South Austin:

Challenges

- Due to the absence of hospitals covered under the Medical Access Program (MAP) in South Austin and the reluctance of Austin-Travis County EMS drivers to transport MAP-covered clients to downtown MAP-covered hospitals, a troubling cycle of uncovered medical visits, disjointed discharges, repeated hospital visits, and the accumulation of substantial medical debts has become the norm for the thousands of people experiencing homelessness (PEH) in South Austin.
- Many PEH resort to the emergency room or emergency medical services (EMS) for basic healthcare needs. With the average cost of \$5,000 each time a PEH utilizes St. David's South Austin Medical Center (SAMC), EMS, or Austin Fire Department (AFD) services, it is clear that there is a more economical approach.
- The lack of compatibility between St. David's medical record system and CommUnity Care, (unlike Seton's system), has resulted in a scarcity of follow-up appointments for both MAP-covered and uncovered PEH, even though CommUnity Care's Care Connections Clinic and Sunrise Clinic are located just blocks away.
- Unlike Seton hospitals, St. David's does not prioritize enrolling PEH in the Medical Access Program (MAP) during their hospital stay.
- As SAMC is not a MAP-covered hospital, PEH accumulate substantial medical debts that they are unable to repay, therefore creating new barriers and further complicating their eligibility for future housing assistance.
- Frequent staff turnover at SAMC (particularly in the emergency room and social work departments), often results in a lack of awareness regarding the services and operating hours provided by Sunrise, leading to clients being sent to Sunrise while medically unstable with inaccurate expectations about shelter availability.

Opportunities

- If even two PEH per month could be diverted from utilizing emergency services through the appointment of one full-time St. David's nurse collocated at Sunrise Navigation Center's Hub location, that would be still be a significant financial gain for SAMC. A significant portion of people utilizing SAMC ER on a daily basis are experiencing homelessness, most of whom are Sunrise clients. Proactively addressing PEH's on-demand healthcare needs at Sunrise's hub location to prevent and divert PEH from relying on emergency care for basic needs would cut costs and decrease the burden on SAMC, as well as reduce back-and-forth traffic through the surrounding neighborhoods.
- Connecting PEH discharging from SAMC to the wellness providers prior to discharge for timely follow-up appointments, i.e. Sunrise Wellness case management or CommUnity Care's locations (Sunrise Clinic or Care Connections Clinic).



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- Facilitating connections for PEH admitted to or discharging from SAMC with housing navigation resources, including Coordinated Assessment, homelessness medical respite, or shelter referrals via Sunrise Hotline call center.
- Building space into a new St. David's facility for MAP-covered primary care service providers (like CommUnity Care or Integral Care) and wellness/housing navigation services (like Sunrise). This direct connection on the St. David's site would eliminate the need for PEH to be Ubered to Sunrise *and* could allow SAMC staff to divert and discharge ER visits that are unnecessary or unproductive