

# **Cedar Medical Collaborative Phase 2 Conditional Use Permit**

*August 4, 2021*

## **Applicant & Introduction**

Apricus Health (the “Apricus” or “Applicant”) is submitting this Conditional Use Permit application for the approximate 4.66 net acres of property located at 1895 N. Jasper Drive, also known as Coconino County Assessor Parcel Number 101-46-012B (the “Property”). See **Exhibit A** for an Aerial Map of the Property

Apricus is a health care company created by Arizona doctors with the mission of making healthcare affordable, accessible, and convenient. Apricus works with local independent physicians to improve the experience and health care outcome for its patients by bringing coordinated care between both primary care and specialty care. Apricus has established a large network comprised of Arizona’s leading primary care and specialist providers to provide a full spectrum of care for its patients.

## **Property**

The Property is zoned Research and Development (RD) and located within the City’s Resource Protection Overlay (RPO) zone. The Property is also located within the boundaries of the McMillan Mesa Village Specific Plan, adopted by the Flagstaff City Council in 1992.

As shown by the Aerial Map in **Exhibit A**, the Property consists of approximately 4.66 net acres of unimproved land located atop McMillan Mesa, specifically within the ‘McMillan Mesa Village Tracts E and F’ subdivision. The Property is situated in between Forest Avenue to the north and Jasper Drive to the south/east. Existing and future uses in the immediate area surrounding the Property include:

- Rehabilitation Hospital of Northern Arizona, adjacent southeast across Jasper Drive (zoned RD);
- Guardian Medical Transport, adjacent northeast across Jasper Drive (zoned RD);
- Highgate Senior Living Facility, adjacent south (currently under construction and zoned CC);
- Bungalows on Pinecliff Phase II, approximately 265 feet to the west (zoned MR);
- Basis Flagstaff, approximately 530 feet south across Gemini Drive (zoned RD);
- Aspire Transitional Care rehabilitation center, approximately 800 feet southwest across Gemini Drive and Pinecliff Drive (zoned HR); and
- Colorado Plateau Research laboratory, USGS Southwest Biological Science Center offices, US Geological Water Resources offices and Hypo2 Sport complex, approximately 950 feet north across Forest Avenue (zoned RD and PF).

In a broader context, the surrounding properties in this area consist of a variety of medical uses combined with commercial, office, employment and residential uses. See **Exhibit B** for an aerial photograph depicting the location of existing uses in the surrounding area.

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## **Project Overview & CUP Request**

The Applicant is proposing to develop the Property with a single-story combined medical office/micro-hospital featuring (the “Project” or “Facility”):

- Approximately 44,702 square feet of indoor space with approximately 27,702 square feet designed for medical offices and 17,000 square feet designed for the Project’s ancillary micro-hospital;
- Approximately 19,067 square feet of civic space;
- 175 vehicle parking spaces;
- 12 bicycle parking spaces; and
- Substantial landscape (both soft and hardscape) improvements to enhance the Property’s pedestrian realm and provide additional pedestrian and bicycle connections to the adjacent Cedar Trail system.

The purpose of the Project is to bring an additional high-quality medical office/micro-hospital to the area where local independent physicians can provide primary and specialty care for patients.

In terms of operations, the Facility will be primarily designed as a medical office. Specifically, approximately 27,702 square feet (or 62%) of the Facility will consist of medical office space for independent physicians to provide a variety of medical services from diagnostic imaging to outpatient surgeries. To provide a full spectrum of care for patients, approximately 17,000 square feet (or 38%) of the Facility will be designed as a micro-hospital with six (6) to eight (8) emergency rooms. The micro-hospital component of the Facility will be licensed through the Arizona Department of Health Services and appropriately equipped and staffed with 24/7 board certified physicians that will provide outpatient care, as well as occasional inpatient care, to treat a wide range of illnesses and injuries.

### CUP Request

Under Flagstaff’s Zoning Code, a medical office is a permitted use by right in the RD zoning district. Flagstaff’s Zoning Code defines ‘medical office’ as a facility that provides treatment to patients *solely* on an outpatient basis. Accordingly, because a portion of the Facility will be equipped to provide occasional inpatient care, under the Zoning Code this ancillary component of the Facility is classified as a hospital, rather than a medical office. A hospital is permitted in the RD zoning district, subject to obtaining a Conditional Use Permit (“CUP”). Accordingly, the Applicant has filed this application to request a CUP in order to allow for the incorporation of a micro-hospital as part of the proposed Facility (the “Application”).

A Site Plan Review (PZ-19-00022-02) for a proposed medical office development for the Property was previously reviewed and approved by the City’s IDS. This Application simply requests the ability to conduct the micro-hospital use within a portion of the proposed building.

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A minor Site Plan Amendment to incorporate the proposed micro-hospital has been submitted concurrently with this Application.

### Proposed Micro-Hospital

Importantly, while this CUP is required to allow for the micro-hospital component of the Facility, from a practical standpoint, the Facility in no way operates at the scale of a traditional hospital, and therefore is referred to in this Application as a “micro-hospital.” As described above, the approximately 17,000 square-foot micro-hospital will make up a small portion of the Facility (approximately 38%). The remainder of the Facility will be ‘medical office,’ again, which is a use permitted by-right in the RD zoning district. The micro-hospital will include approximately 6-8 emergency rooms for initial triage and examinations, plus approximately 8-10 patient rooms for recovery and stabilization. While the micro-hospital will be equipped to provide most levels of care, it is primarily intended to serve as an initial triage facility where patients will be examined, in some cases treated, and then discharged to another hospital for care.

As for the design of the micro-hospital, as shown on the Site Plan included with this Application, the main entry will be located on the east side of the building, oriented toward the adjacent existing and future medical uses within this subdivision. To accommodate infrequent medical transports, the Facility will include an ambulance loading area on the north side of the building, strategically designed to minimize exposure to the street (Jasper Drive).

It is important to note that the Applicant anticipates very little ambulance traffic to be generated by the micro-hospital. Almost all patients visiting the Facility will be driven to the Facility in their own vehicles, not by ambulance. Given the other larger existing hospitals in the surrounding area, ambulances transporting persons with trauma-level injuries are unlikely to transport patients to this Facility for emergency care. Instead, it is expected that virtually all ambulance traffic associated with the Facility will be ambulance *discharges* from the Facility to another hospital. Of these discharges, most will be ordinary medical transports (with no ambulance lights or sirens), rather than trauma-level transports. Emergency transports are anticipated to occur infrequently—likely once or twice a month. No ambulance vehicles will be permanently parked/stored on site.

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**Site Plan.** The Project has been thoughtfully designed within the context of its unique location within McMillan Mesa to create a unique sense of place and identity while also providing safe and easy access for persons visiting the Facility. As shown by the site plan included with this Application, the Project site design is organized with the building mass located against Jasper Drive, which serves as the main identity and access road for the Project. As a result of this configuration, a majority of the Project’s parking has been placed behind the building to the north and screened from Jasper Drive. The building orientation also maximizes views from the Property of the mountains to the north/northwest. Additionally, this building

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orientation allows for a clear circulation route around the building while preserving a clear pedestrian connection to Jasper Drive paralleling the drive locations.

**Access.** Access to the Property will be from Jasper Drive. Specifically, two new ingress/egress driveways will be constructed along Jasper Drive. Both entries will be connected by an internal driveway that circulates around the building to provide a convenient and continuous circulation route to/from the Property. Parking spaces have been distributed around the building with most of the parking located to the northwest of the building, screened from Jasper Drive. Clearly defined pedestrian walkways, including concrete sidewalks, are strategically placed around the building and through the parking fields to provide convenient pedestrian circulation to the building and the Project's civic spaces while minimizing vehicular/pedestrian conflicts. Two patient pick-up/drop-off zones are provided: one on the west side of the building for the medical offices and another on the east side of the building for the micro-hospital.

**Civic Space.** The site design includes three distinct civic spaces. The first civic space is located at the northwest corner of the Property so as to incorporate and provide a connection to the existing Cedar Trail that runs along Forest Avenue to the north of the Property. This civic space will include benches and tables, taking advantage of the surrounding mountain views. The second civic space is located to the east of the building and will feature picnic tables and improvements for persons to gather. The third civic space is located alongside the pedestrian access to the south of the building. This civic space will also feature picnic tables for passive gathering. All three civic spaces feature scored concrete, landscaping and site furnishings to provide an inviting and comfortable experience for the public and visitors of the Facility.

**Architecture.** The architecture of the Project has been conceptualized to have a design theme that is both indicative of the area and fitting for the proposed medical use.

For materials and colors, the building primarily features exposed concrete masonry block with varying textures, colors and patterns combined with limited stucco elements to create an interesting and attractive building façade. The building elevations also include three types of window elements alongside multiple plane changes that combine to provide for a dynamic and interesting building. All of the building's colors are earth tones, indicative of the surrounding buildings in northern Flagstaff.

The roof forms of the building are a combination of contemporary parapet conditions and features that have block cornice elements or sloped roof elements. The sloped roof elements are indicative of a rural vernacular that is common in northern Flagstaff and are used strategically for entrance/discharge zones of the building.

**Phasing.** The Project will be developed in one phase alongside all necessary site improvements.

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### Finding for a Conditional Use Permit

Pursuant to Section 10-20.40.050.E of the Flagstaff Zoning Code, a Conditional Use Permit may be approved upon making the following findings:

***Finding No. 1: The CUP is consistent with the goals and objectives of the Zoning Code and the purpose of the RD zoning district.***

The Zoning Code states, “The Research and Development (RD) zone applies to areas of the City appropriate for the development of a mix of professional and administrative facilities, research and testing institutions, light manufacturing uses, green technology facilities, and offices. The uses are grouped in a campus or park-like setting in keeping with the natural scenic beauty of the City.” The Property is located within Planning Area F of the McMillan Mesa Specific Plan, which provides for similar goals and objectives for this Property as the RD zoning district. According to the McMillan Mesa Specific Plan, Planning Area F is intended to include “high technology research and development, corporate office and light manufacturing businesses located in a landscaped campus or park-like setting.”

This CUP is consistent with the goals and objectives of the RD zoning district and the McMillan Mesa Specific Plan. Approval of the CUP will accommodate the Project, which will provide another medical use to the area within a well landscaped and park-like setting. The Facility’s primary use (a medical office) is already permitted in the RD zoning district by right. The micro-hospital component of the Facility makes up only a small portion of the Facility and will not have a significant impact on overall operations. Furthermore, a hospital use is consistent with development patterns in the area and is compatible with surrounding properties’ zoning and uses. A variety of medical uses have already strategically located within McMillan Mesa, including the Rehabilitation Hospital of Northern Arizona adjacent southeast and Guardian Medical Transport adjacent northeast. These existing medical uses have proven to be compatible with the other nearby uses, including Aspire Transitional Care rehabilitation center, Basis Flagstaff school and the multi-family residences (Bungalows on Pinecliff Phase II). Approval of this CUP will therefore allow for a use that is compatible with the surrounding uses and development patterns.

Ultimately, the Project will provide an additional high-quality medical use to the area where local independent physicians can provide primary and specialty care for their patients. Approval of the CUP will accommodate a Facility that meets the objectives and goals of both the RD zoning district and the McMillan Mesa Specific Plan, as well as one that is consistent with surrounding land uses.

***Finding No. 2: Granting the CUP will not be detrimental to the public health, safety or welfare.***

The Project will be permitted and constructed in accordance with all applicable City Code and Ordinances. The existing surrounding medical uses in this area have proven not to be detrimental to the public health, safety or welfare. The Project’s ancillary micro-hospital is

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consistent in intensity and nature with—and arguably less intense than many of—the other surrounding medical uses. Accordingly, the proposed CUP will not be detrimental to the public health, safety or welfare.

In addition, the micro-hospital component of the Facility has been strategically designed to, and includes operational features that will, minimize any potential negative impacts on surrounding properties. First, the Facility’s ambulance loading area is located on the north side of the building toward the existing and future medical uses. Second, from an operational standpoint, the Facility will not operate at the intensity and scale of a typical hospital, resulting in a minimal amount of ambulance traffic. Any ambulance traffic generated by the Facility—which will be primarily ordinary medical transports (no sirens or lights)—will be incorporated in to the design and function of the Project so as to occur with little, if any, impact on surrounding properties.

***Finding No. 3:** The CUP and the proposed uses are compatible with the types of uses permitted in the surrounding area. Additionally, the CUP satisfies Section 10-20.40.050E.3 of the Zoning Code.*

- a. Access, traffic, and pedestrian, bicycle and vehicular circulation. The micro-hospital is an ancillary component of the overall Facility and will include only approximately 6 to 8 emergency rooms. As such, approval of the CUP will result in minimal additional traffic and circulation impacts. Any additional traffic generated by the micro-hospital will be accommodated by the City’s existing transportation infrastructure, including Jasper Drive, Gemini Road and Forest Avenue.

In addition, the Project has been appropriately designed to mitigate traffic impacts and to facilitate pedestrian and vehicular circulation. Access to the Facility will be provided via two new ingress/egress driveways that will be constructed along Jasper Drive and separated by approximately 265 feet for appropriate spacing. Both entries will be connected by an internal driveway that circulates around the building to provide a convenient and continuous circulation route to/from the Facility. The Project’s access and drive locations also have well defined ingress and egress locations and a clear and safe on-site vehicular circulation pattern.

The Project will also enhance connections to the existing pedestrian and bicycle network within McMillan Mesa. Specifically, along the Property’s Forest Avenue frontage to the north/northwest is the existing Cedar Trail system. The Project has been designed in recognition of its unique location next to an existing public trail. Specifically, as shown on the site plan, the Project includes new concrete sidewalks that will provide a direct pedestrian linkage and bicycle connectivity between the Property, Cedar Trail and Jasper Drive. In addition, a significant portion of the Project’s civic space has been intentionally located to the northwest of the Property next to Forest Avenue to further link and establish pedestrian and bicycle connections to Cedar Trail.

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- b. Adequacy of site and open space provisions, including resource protection standards. The proposed site plan complies with all applicable RD development standards, including building and landscape setbacks, building height, floor area ratio and parking requirements. As for open space, the Project provides approximately 9.18% public civic space, which exceeds the 5% that is required by the Zoning Code. As described above, the site design includes three distinct civic spaces, with one civic space area provided at the northwest corner of the Property so as to incorporate and provide a connection to the adjacent Cedar Trail, a second civic space area located east of the building and a third civic space area located alongside the pedestrian access to the south of the building. All three civic space areas will feature scored concrete, landscaping and site furnishing, including picnic tables and benches, to create an inviting experience for the public and visitors of the Facility.

The Property is located within the City’s Resource Protection Overlay (RPO). As part of the site plan review for the Project, the Applicant had prepared and submitted a resource protection survey that was conducted in accordance with the requirements of the Zoning Code. The survey did not identify any natural resources as defined in the Zoning Code in need of resource protection and/or mitigation measures as part of the development of the Property. In addition, resource protection standards are accounted for in Planning Area F of the McMillan Mesa Specific Plan.

- c. Noise, light, visual and other pollutants. The addition of the micro-hospital will not have a detrimental impact in terms of noise, light or other pollutants. As described above, any noise, light or other pollutants generated by the proposed Facility will be consistent with the other uses in the surrounding area, which includes a variety of existing medical uses. In addition, in terms lights and sirens from ambulance traffic, it is anticipated that virtually all ambulance traffic associated with the Facility will be ambulance *discharges* from the Facility to another hospital. Of these discharges, most will be ordinary medical transports, rather than trauma-level transports. As such, whether the medical transports occur during the day or night, there will be no ambulance lights or sirens associated with these ambulance discharges. Emergency transports are anticipated to occur infrequently—likely once or twice a month. As such, the Facility is anticipated to result in significantly less ambulance lights and sirens than existing uses in the surrounding area, including Guardian Medical Transport located adjacent northeast across Jasper Drive.
- d. Proposed style and siting of structure(s), and relationship to the surrounding neighborhood. The proposed building has been designed in accordance with the Site Planning Design Standards in the Zoning Code.

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The Project has been designed in the context of the existing surrounding uses. In terms of site design, the Project's site design is organized with the building mass located against Jasper Drive, towards the existing medical uses along Jasper Drive, which provides multiple distinct advantages. First, this site design allows for a majority of the Project's parking to be placed behind the building to the north and screened from Jasper Drive. Second, it allows for a clear vehicular circulation route around the building while also preserving clear pedestrian sidewalk connections to Jasper Drive that parallel the drive locations. Third, this building orientation maximizes views from the Property of the mountains to the north/northwest.

As for architecture, the Project has been designed to blend with the mix of older and newer buildings within McMillan Mesa. The Project's building primarily includes earth tone colors that match many of the existing buildings within McMillan Mesa. The building has design elements and materials that are reflective of a medical use, which are consistent with the existing medical uses along Jasper Drive. Additionally, the building includes features such as sloped roof elements that are indicative of architecture common in northern Flagstaff.

- e. Landscaping and screening provisions, including additional landscaping in excess of otherwise applicable minimum requirements. The Project will be landscaped and screened in accordance with all applicable City Codes and ordinances. As shown on the landscape plan included with this Application, the Project features significant amounts of landscaping, with a variety of trees, shrubs and groundcover in order to create a park-like setting that reflects the natural scenic beauty of Flagstaff. The Project's landscaping throughout the parking areas, street trees along Jasper Drive as well as other peripheral and buffer landscaping will ensure compatibility between surrounding properties.
- f. Impact on public utilities. The addition of the ancillary micro-hospital will have no impact on utilities.
- g. Signage and outdoor lighting. All lighting will be designed to comply with all applicable City Codes and Ordinances to prevent light "spill" onto adjoining properties and the surrounding area.

Outdoor lighting and permanent signage will be processed under separate permit and be designed to comply with all applicable City Codes and Ordinances.

- h. Dedication and development of streets adjoining the property. In order to provide access to the Property, Apricus is proposing to improve Jasper Drive with two new ingress/egress driveways. No other dedications or improvements are planned.

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- i. Impacts on historical, prehistoric or natural resources. The addition of the ancillary micro-hospital has no impacts on historical, prehistoric, or natural resources.

As noted above, the Property is located within the City's Resource Protection Overlay (RPO). As part of the site plan review for the Project, the Applicant had prepared and submitted a resource protection survey that was conducted in accordance with the requirements of the Zoning Code. The survey did not identify any natural resources as defined in the Zoning Code in need of resource protection and/or mitigation measures as part of the development of the Property. In addition, resource protection standards are accounted for in Planning Area F of the McMillan Mesa Specific Plan.

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### Compatibility

The Zoning Code requires new development that is subject to approval of a conditional use permit to consider the design elements within Section 10-30.60.050 of the Zoning Code.

**Compatibility.** The Zoning Code promotes development that reinforces the character of the neighborhoods, districts, and corridors of the City. Compatibility is important to ensure that the characteristics of different uses, activities, and designs allow them to be located near or adjacent to each other in a harmonious manner. The Project recognizes the importance of compatibility and has been designed to take into account several factors that are unique to the Property and surrounding area. Pursuant to Section 10-30.60.050, the following basic design elements should be considered when assessing compatibility of a new development, which is subject to approval of a conditional use permit:

***Patterns of Development.*** *Patterns of development include characteristics such as streetscape, site relationships, signage and landscape features.*

The Project is consistent with surrounding uses and improvements. Along Jasper Drive are two existing medical buildings, including Rehabilitation Hospital of Northern Arizona and Guardian Medical Transport. These buildings were also developed under the current Zoning Code. Approval of this CUP will result in a new development that will be consistent with and reinforce the recent pattern of development along Jasper Drive consisting of new buildings that comply with the Zoning Code's current Site Planning Design Standards, including building forward design with parking areas located to the side and rear of buildings, streetscape, public civic space and landscaping.

***Scale.*** *Scale refers to similar or harmonious proportions, especially overall height and width, but also includes the visual intensity of the development, building massing, and the shapes and sizes of the various design elements, such as windows and doors.*

Existing uses in the surrounding area consist of a mix of one and two-story buildings with varying proportions and building mass, including:

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- the one-story Rehabilitation Hospital of Northern Arizona along Jasper Drive, adjacent south across Jasper Drive;
- the two-story Guardian Medical Transport along Jasper Drive, adjacent northeast;
- the two-story Basis Flagstaff school along Gemini Road to the south;
- the Bungalows on Pinecliff Phase II, approximately 265 feet to the west; and
- the one-story Aspire Transitional Care rehabilitation center along Pine Cliff Drive to the southwest.

The Project's one story and approximately 44,702 square-foot building will be compatible with the scale of the existing surrounding buildings. The building reaches a maximum height of 26'-7", which is significantly smaller than the forty (40) feet in height allowed for properties within Planning Area F of the McMillan Mesa Specific Plan. The Project's building has also been designed to respect the scale, height, proportion and mass of the surrounding uses. In particular, as shown on the building elevations included with this Application, the building includes architectural elements, such as varying plane changes, colors and articulation, to break down the mass of the building and establish a human scale along Jasper Drive and on-site.

Approval of this CUP will therefore accommodate a building that will be compatible with the scale of existing surrounding buildings.

***Continuity.*** *Continuity encompasses patterns of development and scale, but also characteristics such as site development, building forms, textures, materials, details and colors.*

In addition to the new medical building, Project improvements include paving and parking, convenient and safe pedestrian and bicycle access on-site and to/from Jasper Drive, public civic space with pedestrian pathways, peripheral and buffer landscaping, hardscape and lighting. Improvements also include new concrete sidewalks connecting to Cedar Trail to promote pedestrian and bicycle connectivity. These site improvement will create a well-landscaped and park-like setting for the Property and the future Cedar Medical Collaborative campus as a whole. The site improvements are also compatible with properties and uses in the surrounding area.

Building forms, including roof forms, commonly have some variation. That said, while the Project includes design elements appropriate for a medical use, the Project also blends the new with the old by including sloped roof elements, which are indicative of architecture commonly seen in many buildings in Flagstaff. Colors also provide one of the best opportunities to enhance cohesiveness. As such, the Project's building features earth tone colors, which are harmonious with many of the existing buildings in McMillan Mesa.

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The proposed building has been designed to include building forms that comply with the Site Planning Design Standards and Architectural Design Standards within the Zoning Code, including the use of building materials (primary and secondary), placement of building materials, building mass and scale, textures, horizontal and vertical shadow lines, and architectural elements. Additionally, the Site Plan includes building forward design with parking areas located to the side and rear of the buildings along with streetscape improvements, public civic space and landscaping features in compliance with the Zoning Code's Site Planning Design Standards.

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Thank you for your time and attention to this Application. We look forward to discussing the Project and Application with you in the near future and respectfully request your approval.