



**Northern Arizona Healthcare**

**Amended Applications for**

**Minor Regional Plan Amendment  
Concept Zoning Map Amendment  
Adoption of Specific Plan  
Development Agreement**

Project PZ-21-00126  
October 12, 2022

**NAH Health Village**

**Northern Arizona Healthcare Corporation**  
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**Property Data:**

Coconino APN					
Parcel	APN	Zoning	Area (sq.ft.)	Area (ac.)	Comments
1	112-05-125	ER/RR	2,283,777.45	52.43	RR = 38.92 / ER = 13.51
2	112-05-126	ER	613,928.38	14.09	
3	112-05-127	ER	186,249.06	4.28	
4	112-05-128	R1	106,73.57	0.25	
5	112-05-001H	ER	741,565.02	17.02	
6	112-10-001L	ER	440,208.96	10.11	
7	112-10-001V	ER	439,800.08	10.10	
8	112-10-002A	RR	219,986.53	5.05	
9	112-10-004	RR	220,446.11	5.06	
10	112-10-037	RR	125,448.48	2.88	
11	112-10-005T	ER	439,601.78	10.09	
12	112-10-006A	ER	79,787.41	1.83	
13	112-10-006B	ER	75,073.58	1.72	
14	112-10-006C	ER	284,503.44	6.53	
15	112-10-032A	ER	606,579.68	13.93	
16	112-10-036	RR	94,686.07	2.17	
17	116-13-004B	RR	894,494.31	20.53	
NAH TOTAL PROPERTY AREA:			7,756,809.91	178.07	

Planning Area:	172.62+/- acres <sup>1</sup> (See Specific Plan, Appendix 2)	
Existing Zone Classifications: <sup>2</sup>	Rural Residential (RR)	74.62 acres
	Estate Residential (ER)	97.76 acres
	Single Family Residential (R1)	0.25 acres
	Total:	172.6 acres (rounded)
Proposed Zoning Classifications: <sup>3</sup>	Highway Commercial (HC)	109.7 acres (63.18 acres in phase 1)
	Research & Development (RD)	27.8 acres
	Public Facilities (PF)	35.2 acres

<sup>1</sup> Gross acreage of 17 parcels involved in this application is 178.07. Planning Area consists of 172.62 acres, as described and mapped at Specific Plan, Appendix 2. The difference (5.45 acres approx.), is comprised of three parcel remnants that are outside the Planning Area. These remnants are part of APN 112-10-005T, -006A, and -006C, as shown in Specific Plan, Appendix 2. Applicant will submit lot line adjustment / lot combination applications to create an approximately 3.6-acre parcel from the remnant portion of 112-10-006C, and an approximately 1.8-acre parcel from the remnant portions of 112-10-005T and 112-10-006A.

<sup>2</sup> See Specific Plan, Appendix 3 (Existing Zoning Map).

<sup>3</sup> See Specific Plan, Appendix 9 (Zoning Plan).

	Total:	172.6 acres (rounded)
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**Project Data:**

Development Name:	NAH Health Village
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Use Category:                      Description:<sup>4</sup>

Hospital, Emergency, & MOB:	Approximately 1.26 million square feet on approximately 59.8 net acres (FAR 0.49), comprised of building types compatible with Hospital and Medical Office uses. <i>See</i> Specific Plan, Section III(A) (Land Use Plan & Program).
Residential:	Estimated 315 dwelling units on 15.3 net acres (20.5 units per acre), comprised of building types compatible with uses for Mixed Use, Multiple-Family Development, certain High Occupancy Housing, Employee Housing and Co-Housing. <sup>5</sup> <i>See</i> Specific Plan, Section III(A) (Land Use Plan & Program), and Section V(B) (Use Tables).
Commercial:	Approximately 382,000 square feet of non-residential uses on 41.9 net acres, comprised of Commercial uses, including Retail and Lodging. FAR varies by use and location (in and out of planned future activity center). <i>See</i> Specific Plan, Section III(A) (Land Use Plan & Program).
Research & Development	Approximately 250,000 square feet on 27.1 net acres, comprised of Research & Development uses, including Light Manufacturing. <i>See</i> Specific Plan, Section III(A) (Land Use Plan & Program).
Open Space:	Approximately 30.3 net acres of designated Open Space and Civic Space, inclusive of areas reserved for wellness retreat (20.0 net acres) and FUTS preservation (10.3 net acres). <i>See</i> Specific Plan, Section III(A) (Land Use Plan & Program).

<sup>4</sup> Descriptions are general and intended to provide context for the use areas. Please refer to Specific Plan, Sections III(A) & (B), IV & V for more details.

<sup>5</sup> This application does not adopt Division 10-50.110 of the Flagstaff Municipal Code.

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- 29. Regional Plan Land Use (Maps 21 & 22) Amendment
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<sup>6</sup> Appendices 1 through 26 are part of the proposed Specific Plan. The appendices submitted with these combined, amended applications are numbered 27 through 38.

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# I. Introduction

## A. Executive Summary

Northern Arizona Healthcare Corporation (NAH) proposes these Applications for Adoption of Specific Plan, Minor Regional Plan Amendment, Concept Zoning Map Amendment, and Development Agreement, in support of its vision to bring to Flagstaff a new, state-of-the-art, regional hospital and ambulatory care facility, surrounded by a Health Village designed as a location for our community to gather for a full range of medical, health and wellness services, together with a broad mix of commercial, retail, research and housing opportunities.

### 1. History and Reach

Flagstaff Medical Center (FMC) has deep roots in this community. In 1936, to meet the needs of a growing town, Dr. Charles Sechrist founded Flagstaff Hospital, with 25 beds, on North Beaver Street. Ever since, Flagstaff and communities throughout Northern Arizona have been served by what became known as Flagstaff Medical Center, still located on North Beaver Street. For the past 35 years, FMC has been owned and operated by NAH. Both FMC and NAH are nonprofit corporations.

FMC provides world class medical services as a major regional hospital, with a facility expanded to over 300 beds to address patient needs during the COVID-19 pandemic. FMC is an Arizona-certified Level I Trauma Center, meaning that it is a comprehensive regional resource capable of providing total care for every aspect of injury, from prevention through rehabilitation. Notably, FMC is the only Arizona Level I Trauma Center north of Phoenix. NAH, through the combined resources of FMC and the Verde Valley Medical Center, serves a region encompassing over 700,000 people spread across 50,000 square miles.

### 2. Need for New Medical Facilities

Even as FMC has endeavored to advance the quality of its medical care, it does so constrained by a physical campus no longer adequate to meet the growing needs of the community and region, or to implement an evolving understanding of best practices when it comes to patient care. These challenges will become more difficult in the coming years.

FMC's campus is inefficient. It sprawls across 20 city lots, crossing three busy circulation streets, and consumes over 40 acres of horizontally developed medical facilities. Additionally, inpatient bed units span five buildings and more than 900 feet of walking distance, decreasing NAH's ability to deliver services in an efficient manner. The current, segmented campus contributes to higher costs (via duplication of equipment, supplies, and staff), as well as wayfinding confusion and frustration on the part of patients and visitors. FMC for years has stitched together its facilities with measures such as building a sky bridge to connect east and west campuses, and even parking some of its more than 2,000 employees over a mile away on Switzer Canyon Drive. Although FMC owns additional lots as yet undeveloped in the vicinity of the current hospital, future use of these lots would exacerbate a horizontal and disconnected medical services network. It would place increasing pressure on an already overburdened road system and make access even for emergency vehicles increasingly problematic.

FMC's patient facilities will not keep pace with advances in medical care best practices. Even as the campus is sprawling, vital components of the hospital are undersized in relation to contemporary requirements for delivery of medical services. Portions of the current campus are more than 50 years old. With the primary patient bed units having been built in the mid-1980s (under legacy building codes), the facility is more than 25% smaller than contemporary benchmarks, limiting NAH's ability to keep pace with advances in medical care and technology. The current facility impacts both patients and the organization due to a lack of privacy, with 29 of FMC's inpatient rooms being double occupancy. In addition to reduced patient privacy, this results in the facility running at lower capacity as beds have had to be blocked for infection prevention requirements, leading to patients having to travel out of the region for care.

With a contemporary design on a greenfield site, NAH will overcome the challenges presented by the current campus, and it will see reduced cost pressure for many services it currently provides. Importantly, NAH will add and expand service offerings – including a comprehensive cancer center, an expanded wound care program (with the addition of hyperbaric chambers), a full-service outpatient imaging center (with a breast cancer imaging suite), and a robust outpatient surgery, endoscopy, and pain management center. In other words, the replacement hospital will solve for both the overall sizing of the facility and operational efficiencies, providing a better patient experience and allowing NAH to expand services.

### 3. Planning Beyond the Traditional Hospital

With its sights focused on the future needs of our community and the future of top tier medical care, which our community deserves, NAH acquired 172.6 acres of largely

undeveloped land east and north of Fort Tuthill County Park. This site will become home to the new hospital, and much more. It will be a Health Village. A Health Village is an emerging concept within medical care that broadens and re-imagines traditional concepts of a hospital. Health Villages are multi-use environments, which bring together medical, health, and wellness care with complementary retail, commercial, research, education, and residential opportunities. These are places where those who are sick or injured can receive treatment, and where everyone can find resources to help us be and remain healthy and well.

NAH's Health Village will:

- Create a **healthy lifestyle destination** in Flagstaff that will take care of Northern Arizona residents, with an emphasis on **wellness, innovation, virtual and world class care**.
- Become a **gathering place** for the community, a sanctuary highly **integrated with its natural environment**, that helps community members **relieve stress and engage in healthy lifestyle choices**.
- Achieve **accessibility to all members of the community**, and leverage neighboring developments and amenities, to promote **synergistic partnerships and lifetime care**.
- Attract development that will result in **employment opportunity** and **economic benefit** to Flagstaff, estimated at over 3,085 direct and indirect jobs and up to \$387 million of direct and indirect economic output per year.
- Contribute to Flagstaff's efforts to solve its housing crisis, **providing housing opportunities** with over 250 units to be located directly on the Health Village campus, and **opening access** to land that could provide hundreds more.

Anchoring the Health Village, in the heart of the Planning Area, NAH will build a new regional hospital, with up to 468 beds, increasing its patient bed capacity by a third while simultaneously incorporating efficiencies and best clinical practices. Some of the ways in which these improvements will be seen include more vertical, rather than horizontal, integration of services, and emphasis on patient experience including noise reduction and view protection from patient rooms. Outpatient care, including surgical services, and medical and administrative officing, will be physically connected with the hospital, making these functions easier to access for both NAH staff and providers as well as members of the public.

The Planning Area offers a unique opportunity to utilize the natural environment as a focus of health and wellness. The facilities, views, and areas of respite are all planned based on physically and visually connecting to the place in an authentic way. The connection to nature has been proven to add comfort to patients and staff. As well, by creating a destination, NAH believes this replacement hospital will improve staff satisfaction, which will result in improved work performance, patient care, and staff recruitment and retention.

Open space and civic space will be emphasized throughout the Planning Area. In particular, adjacent to the new hospital, more than 30 acres of the Planning Area are set aside to preserve a current FUTS corridor and to host a 21-acre wellness retreat, where staff, patients, visitors and the public can enjoy outdoor paths, trails, gathering areas and the like. The wellness retreat will connect the hospital with its surrounding natural environment.

## **B. Adoption of Specific Plan**

NAH seeks the adoption of the proposed Specific Plan pursuant to Flagstaff City Code Division 11-10.30. In Flagstaff, hospitals are permitted nowhere as of right, and almost anywhere if under a conditional use permit. Because of the size and cost, complexity, use mix, and phased development of the NAH Health Village, the Specific Plan is necessary to secure development rights, provide a greater level of detail for its geographic area in relation to Flagstaff's General Plan including specifying zoning regulations and development standards, to protect the goals of a Health Village, and to support its successful and timely completion.

A discussion of the purpose and intent of the Specific Plan is set forth in Section I of the Plan. The nature and scope of development within the Planning Area is set forth in detail in Sections III, IV and V of the Specific Plan, and discussed conceptually in Section III(A), below. To summarize why the Specific Plan is necessary, some elements of the Health Village are not provided for in the existing Zoning Code, while at the same time, the existing Zoning Code would permit uses inconsistent with the Health Village concept.

To be of the size and configuration needed to provide optimal care to the region's growing population, the new hospital needs to be up to seven stories, and 160 feet, in height. Vertical, rather than horizontal, design improves numerous areas of clinical operations, including a more compact (closer) arrangement of clinical services, a more efficient environment for staff, and even safety and security improvements. This height is not provided for in the Zoning Code.

Similarly, the Zoning Code emphasizes building-forward strategies to place building fronts next to street sidewalks. *See* Code § 10-30.60.060. Although this is achievable across most of the NAH Health Village site, the hospital itself should be placed away from the street, and in this way further from the airport and highway, to minimize noise, simplify wayfinding, and maximize view sheds for the benefit of patients. The image to the right illustrates the highway and airport noise exposure zones as they exist within the Planning Area, with the planned hospital set far enough west to be less impacted by those zones.

Finally, the envisioned Health Village can be developed generally consistent with existing zones, such as highway commercial and research & development, but those same zones would also permit development of uses inconsistent with a Health Village concept. For this reason, some use and development standards are set forth in the Specific Plan to preserve the integrity of the Health Village concept.

The Health Village concept will be best implemented if uses, building locations, circulation plans, and open/civic space are coordinated to be consistent with and supportive of the new medical facilities. Under Flagstaff's City Code, specific plans are a perfect tool for accomplishing these goals across a large development area such as the Planning Area in this case.

The Specific Plan may be adopted in two phases. In the first phase, the Specific Plan will serve as a regulatory document for Land Use Areas 1a, 1b, and 2b (defined in the Land Use Plan, Appendix 10), and it will provide a planning framework for all of the Planning Area. Upon adoption of the second phase, the Specific Plan will serve both regulatory and planning functions over all of the Planning Area.



### **C. Concept Zoning Map Amendment**

Development of the NAH Health Village requires that all of the Planning Area be rezoned. The Planning Area is comprised of 17 parcels, which are listed on page 3, above. All of the parcels currently have residential zone designations. Ten parcels are zoned estate residential (ER), five parcels are zoned rural residential (RR), one parcel is zoned single-family residential (R1), and one parcel is split zoned between ER and RR. The base zones for the NAH Health Village Specific Plan will be highway commercial (HC), public facilities (PF), and research & development (RD). The Zoning Plan for the Planning Area is Appendix 9 to the Specific Plan. Acreages of the Planning Area as currently zoned, and acreages for the Planning Area once rezoned are set forth on page 3, above. Further, all but three parcels within the Planning Area are within the City of Flagstaff Resource Protection Overlay (City Code § 10-90.30.050). The Applicant's zoning map amendment requests that the remaining three parcels, APNs 112-10-036, 112-10-037, and 112-05-125, that are not currently located within the Resource Protection Overlay, be added into the Resource Protection Overlay. Proposed findings in support of rezoning are set forth in Section IV, below. Although the Zoning Plan anticipates all of the Planning Area will be rezoned, in the first phase, Land Use Area 1a, 1b, and 2b will be rezoned, with the rest of the Planning Area to be rezoned in the second phase.

### **D. Minor Regional Plan Amendment**

Development of the NAH Health Village requires four minor amendments to the General Plan. These proposed amendments are classified as minor under the criteria of the General Plan, pages III-13 to III-15, as follows:

1. Amend General Plan Maps 21, 22 and 24 by changing the area type within a future suburban activity center (S16) from neighborhood scale to regional scale.

Justification: The new, replacement hospital will be regional in scale commensurate with NAH's patient population base of over 700,000 people spread across 50,000 square miles. The Planning Area overall will include areas of higher density residential (more than 14 units per acre), significant civic space, commercial resources including retail, services and lodging. (See Specific Plan, Section III(A)). It will draw numerous clinical partners of NAH that will in turn draw their clients and patients as well. These are "commercial and service uses that serve the needs of the entire region" and "which attract a regional or community-wide market." The General Plan, at IX-47, categorizes the intended development described by the Specific Plan as regional in scale.

2. Amend Maps 21, 22 and 24 by moving the center point of a future suburban activity center (S16) north and east as depicted in Appendix 28.

Justification: Activity Center S16 is in the General Plan, though it contains property designated as rural. The General Plan envisions activity centers that will be mixed-use areas inclusive of commercial, retail, offices, medical services and the like. (General Plan at IX-47, GL-1). This amendment has the effect of removing from the Activity Center property within the General Plan intended for low density residential uses or open space to the west, and instead bringing within the Activity Center area mixed uses such as those described in the Specific Plan. Capturing these uses within the Activity Center promotes the purpose of these locations. In this particular instance, the Specific Plan will result in substantial economic vitality in and around the Activity Center, estimated to generate over the next 23 years, on average, over \$2.7 million per year of tax revenue for the City of Flagstaff, Coconino County, and Flagstaff Unified School District. (See Appendix 33 (Economic Impact Analysis)).

3. Amend Map 21 to designate area within and south of Activity Center S16 as an employment area as depicted in Appendix 29.

Justification: This amendment reclassifies future suburban and “area in white” into one of the City’s most needed area types, employment. The General Plan warns that the City had barely enough land for retail and industrial uses when the Plan was adopted, and that as of adoption land for institutional use, including for health, was at a deficit of 116 acres. (General Plan at IX-13). This amendment increases land for employment by 132 acres. The Planning Area folds together a mix of land uses, including housing and research and development, which the General Plan advocates as ideal for employment. (Goal LU.6 & Policy LU 6.2). In fact, employment opportunities are called out by the General Plan to be featured in suburban activity centers such as S16. (Goal LU.13 and Policy LU.13.7). Development of the NAH Health Village will result in substantial economic activity benefitting Flagstaff as a whole, with over 3,085 direct and indirect jobs and up to \$387 million of direct and indirect economic output per year.

4. Amend Map 25 to realign a future circulation road corridor, as depicted in Appendix 30.

Justification: The conceptual road network as laid out in the General Plan is incompatible with the development of the NAH Health Village. It places circulation streets where the Specific Plan seeks to preserve open space and civic space, including a FUTS corridor. It also would prevent the new hospital from taking optimal advantage of open space and view corridors that will benefit both staff and patients. The proposed amendment to Map

25 accommodates the needs and goals of the new hospital and, especially, the wellness retreat and FUTS trail preservation. It also preserves the General Plan's goal of creating effective connectivity north and west of the Planning Area for future suburban uses. The proposed amendment would keep Beulah in its current location. Amending the road network is consistent with relocating the S16 Activity Center. "Potential new activity centers have been located where the future road network intersects, and future development has been proposed. This Plan encourages future development to be focused on, and planned around activity centers." (General Plan at IX-63). In other words, locating the activity center and its supporting road network go hand in hand.

Further, the proposed road alignment will still accommodate a future underpass under I-17. The proposed access corridor connects with the unaltered Regional Travel corridors of existing Beulah and I-17 in the same location as the Access corridor shown on the Regional Plan's existing Map 25, and therefore has not changed the conditions necessary to make an underpass work. The Applicant has explored preliminary grading in this area and there is the ability to lower Beulah at its intersection with the proposed access corridor (Purple Sage Trail), still provide positive drainage to the culvert under I-17 to the north of the intersection, and create room for a roadway under I-17 without any necessary changes to I-17. The Applicant has attached an analysis of proposed grade and cut necessary to accommodate the future underpass. The Applicant has prepared and attached a schematic detailing the proposed grade and cut (Appendix 41).

Finally, the proposed road network creates three intersections while the road network shown on the existing Map 25 shows five intersections in the same area. People traveling North and South will have a more direct path with proposed conditions than they would have had assuming they would have traveled along the existing Map 25's Future Circulation corridor. All other movements require the same amount of turns under either road-network condition. "T" intersections vs. triangular intersections will marginally add to travel distance but this is a necessary trade off to better facilitate the proposed land uses that are not related to the expected land uses the existing Map 25 was built around. Further, the use of signalized intersections rather than roundabouts facilitates visibility and wayfinding. From the common point on Forest Road 532, the proposed travel path to the intersection of Purple Sage/Beulah is .97 miles while the existing Regional Plan's network path would be .94 miles. The proposed route requires one through movement (on the larger road so less delay is expected), one right turn, and one left turn to get under I-17. The existing Regional Plan network route requires one right turn, one left turn, and one through movement (crossing the larger road so more delay is expected). By removing a through movement that requires crossing a larger road will actually reduce delays and interruptions as compared to the existing Regional Plan network path. Regardless, even if the proposed network creates some inefficiencies compared to the existing Regional

Plan network path, those inefficiencies are outweighed by the substantial community benefits the overall development provides the region, as such benefits are set forth in Section IV, below.

With these amendments, the NAH Health Village is consistent with the General Plan, and it is strongly supportive of many key Plan goals and policies. A discussion of the Specific Plan's compatibility with the General Plan, and implementation of General Plan goals and policies, is set forth in Section I(D) of the Specific Plan. Further, a detailed analysis of proposed findings supporting the minor regional plan amendment is presented in Section IV, below.

### **E. Development Agreement**

NAH seeks to enter into a development agreement with the City to further the goals of the NAH Health Village and facilitate its timely development. In this application, NAH is not proposing specific terms and conditions for the development agreement. Instead, NAH presents here topics for further discussion and possible inclusion in a final agreement:

- Sustainability Initiatives. The Specific Plan covers development plans and standards for resource protection, open space and civic space across the Planning Area. Sustainability practices will be decided during site planning as they are use-dependent. Some sustainability goals and policies may be prescribed in the development agreement. NAH presents draft goals and policies in Appendix 32.
- Future Traffic Impact Analysis. Because of the scale of the development and the length of time over which NAH anticipates its completion, the Specific Plan calls for a follow up traffic impact analysis. The second TIA will allow for the consideration of needed infrastructure improvements once actual traffic volumes and patterns can be observed. This later TIA will benefit from better data as the prior study year developments' impacts will be able to be measured, and may allow adjustments to trip generation, internal capture and distribution. The later TIA will serve as a validation tool for the improvements originally identified in the buildout horizon year of 2045 as well as allowing phasing of the infrastructure needed at full buildout. The mechanism for the City to require this phased study will be set forth in the development agreement.

- Public Transit Funding. NAIPTA proposes 20-minute peak hour service supplemented with paratransit service for the regional hospital and ambulatory care facility. Transit service will need to begin not later than the issuance of a certificate of occupancy for any improvements within Land Use Area 2b. Applicant can provide transit stops for public transportation within Land Use Area 2b. Funding of operational costs for NAIPTA to provide its proposed service remains undetermined. For NAIPTA to provide 20-minute peak hour service to the new hospital, three additional busses will be required, with additional operational costs estimated at \$1.06 million annually. If instead bus service is to Pulliam Airport as well as the new hospital, then in that case four additional buses will be required, with additional operational costs estimated at \$1.33 million annually. Paratransit service to the new hospital is estimated to cost \$112,500 annually. The development agreement may provide a mechanism for addressing funding.
- Residential Assurances. The Specific Plan forecasts 315 residential units in Land Use Area 2a. The City has requested assurances about the number of residential units. The Specific Plan builds in flexibility within Land Use Area 2a to accommodate other uses – it is a mixed use area – and also flexibility across Areas 2c, 2d and 3 for potential residential uses in those locations. This flexibility is intended to accommodate community needs, market requirements, and future trends while preserving the Health Village concept. Residential requirements or assurances may be addressed in the development agreement.
- Fire Impact Analysis. The fire impact analysis and proposed mitigation is discussed in the Specific Plan, Section III(J). The fire impact analysis also calls for additional study. The consultant recommending additional study is already performing Standards of Coverage Analysis for the Flagstaff Fire Department, which it advises will address the additional study called out in the fire impact analysis. (Appendix 34). The development agreement will need to cover how to handle the results of the Standards of Coverage Analysis.

The foregoing list is not exhaustive of development agreement topics.

## **II. Location & Context**

### **A. General Location Information**

The Planning Area is bounded on the north by vacant private property and the Mountain Dell subdivision, on the east by State Route 89A (Beulah Blvd.) and Interstate 17, on the south by Fort Tuthill County Park, and on the west by rural residential and estate residential properties with intermittent development. The location of the land included in the Planning Area is shown on the Context Analysis Map, Appendix 27, which also identifies the properties, zoning designations, and uses surrounding the Planning Area. A legal description for the land within the Planning Area is attached as Specific Plan, Appendix 2.

### **B. Site & Area Analysis**

Site and area analysis as required by City Code §§ 10-20.50.040(C) and 11-10.30.030, is set forth in the Specific Plan, Sections I(D) and II.

## **III. Development Proposal**

### **A. Concept Site Plan**

The Concept Zoning Plan is Appendix 9 to the Specific Plan. Overall site development is rendered in concept in the Land Use Plan (Specific Plan, Appendix 10). The Planning Area is presented consistent with proposed zoning and use areas. Use Areas 1a and 1b will be zoned PF, Use Areas 2a, 2b, 2c and 2d will be zoned HC, and Use Area 3 will be zoned RD. Conceptual land use is discussed in the Specific Plan at Section III(A), with some supplemental information presented below. Circulation through the Planning Area relies on Healthcare Blvd., Purple Sage Trail, and Wellness Loop, which are illustrated in the plans. The Circulation Plan for the project is discussed in the Specific Plan at Section III(C) & (D).

The Land Use Plan shows the new hospital at the center of a Health Village that will extend both north and south with a diverse mix of compatible uses, including clinical partners, research and development, commercial/retail, lodging, and multi-family residential. To the west, the Land Use Plan shows substantial open space and civic space, which buffers dispersed residential uses further west as well as the County's fairgrounds to the southwest.

### 1. Area 1a – the FUTS

Area 1a is the location of the existing Sinclair Wash FUTS. It will be zoned PF and not public open space (POS) because it may be suitable for future use for active recreation or other parks/recreation uses in addition to public open space. This area provides a buffer along the Planning Area’s western side with the low-density residential uses to the west.

### 2. Area 1b – the Wellness Retreat

Area 1b will be a wellness retreat. The wellness retreat is a signature feature of the Specific Plan and is integral to the concept of a Health Village. It is located immediately adjacent to the hospital complex uninterrupted by public streets. This will make it accessible for pedestrian or bicycle use by hospital patients and their families, hospital staff, surrounding businesses and residences, and the public. This feature, together with careful orientation of the hospital to preserve and maximize view sheds for patients, is what enables the Health Village to become a sanctuary highly integrated with its natural environment, that helps community members relieve stress and engage in healthy lifestyle choices. A concept plan for the wellness retreat is at Specific Plan, Appendix 11.

### 3. Area 2a – Mixed Use/Housing

Area 2a is planned for mixed use. Under the Land Use Program, it is planned for 20.5 units per acre, which is significantly higher than the 14 units per acre threshold set in the General Plan. By creating space for high density housing, the Specific Plan proposal furthers several goals of Flagstaff’s 10-Year Housing Plan, which was adopted on February 14, 2022. These include:

- Create 2.2: Identify suburban areas to support greater density and intensity of development.
- Create: 3.2: Encourage neighborhoods, housing types and building practices that increase health.
- Protect 2.2: Encourage diversity in housing options in all neighborhoods, understanding that exclusive communities are incompatible with the City of Flagstaff’s mission to protect and enhance the quality of life for all.

### 4. Area 2b – Hospital/Ambulatory Care Facility/MOB

Area 2b will be the location of the replacement regional hospital, ambulatory care facility and medical offices. The new facilities will fully replace the existing Flagstaff Medical Center located on North Beaver Street. It is expected the new hospital will be up to seven floors and 160 feet in height, which the Specific Plan will allow in this area only. Overall, the hospital, ambulatory care facility and medical offices will vary in height, and only a portion of the structure will use the maximum height allowance. Plate heights for hospitals are large due to the need to house both building mechanical systems and medical support systems within ceiling space. Emergency and other patient services will be housed on the lower floors, and patient rooms on the upper floors.

The hospital will accommodate up to 468 patient beds. Patient rooms will be located on upper floors directly above emergency and other clinical services. This vertical orientation for patient care marks a stark contrast with the existing hospital's horizontal and segmented layout. In the new hospital, patients will be moved quickly via elevator to the services they need, reducing the inefficiencies caused for patients and staff. Patient rooms will be able to take advantage of the site's view corridors, with north-facing rooms viewing the San Francisco Peaks, and south-facing rooms viewing forest including the open space preserved by the wellness retreat and Fort Tuthill County Park. Further, the proposed design and layout of the hospital will mitigate any impact to viewsheds from great street and gateway corridors. The natural landscaping on the Planning Area consists of mature ponderosa pine that are approximately eighty feet tall, which mitigates the impact of the patient tower. Further, the hospital layout utilizes existing grade to minimize height impacts. Finally, the viewsheds are protected as the hospital is pushed away from Beulah/I-17 ensuring that views from the corridor towards the peaks are not impacted. The Applicant has prepared an Illustrative Development Plan (Appendix 39) and a Viewshed Analysis (Appendix 40) showing a visualization of Health Village. The Viewshed Analysis shows the current planned patient tower and the future patient tower. The future patient tower will not exceed the height of the current planned tower and the extents of the future tower footprint have been included in the Viewshed Analysis.

Medical transport via helicopter will be located on the roof of the hospital building. The helipad will be designed in compliance with IFC 2018, Section 2007, Helistops and Heliports, as well as with National Fire Protection Association (NFPA) Publication 418, Standard for Heliports, 2021. The helistop will facilitate the emergency transportation of patients, medical teams and/or medical cargo to and from the facility. This helistop will not include any considerations for the service, maintenance, refueling or flight training for said helicopters. The Ft Tuthill Hospital is a level 1 trauma center and thus will need the ability to provide access to helicopters of multiple sizes including helicopters typically used in mass casualty and natural disaster events which are larger than most as well as the capacity to serve two helicopters at once.

The placement and location of helistops come with many restrictions and considerations. To minimize impacts to the public, the hospital patrons, emergency and normal vehicular traffic on the site and the natural landscape and tree vegetation on the site, the ideal placement of the helistops is on top of the building. This doubles as an efficiency for the transport of emergency patients; with the helistop at the top of the building it will have direct-line access via elevator to the emergency department of the hospital eliminating the need to transport gurneys across parking areas and driveways thus reducing patient travel time and increasing their survivability. The helistop placement at the top of the patient tower also provides the helicopters with a flight orientation that is close to parallel to the aircraft traffic at Flagstaff Pulliam Airport reducing any potential conflicts with other air traffic in the area. This flight path orientation also aligns with the prevailing wind patterns in the area, as indicated by the runway alignments at Pulliam Airport. Additionally, the airport's rectangular traffic pattern is southeast of the runway, opposite the Ft Tuthill campus on the northwest side. Therefore, the standard traffic pattern and helicopter flightpaths would not conflict.

A helistop consists of much more than just the physical landing pad. It also includes sloped Approach/Departure Surfaces centered on each designated flightpath. These surfaces extend approximately 4,000 feet from the heliport. If the heliport were at ground level, it would require significant obstruction-removal activities to meet FAA criteria including potential removal of trees, power lines, etc. The air movement generated from a helicopter's blades also have a significant impact and placing a helistop on the roof minimizes these impacts to pedestrians and vehicles.

The primary heliport user would be Guardian Air, whose local helicopter is based at Pulliam Airport. Guardian Air's pilots use the airport daily. They know the airport's traffic patterns. Likewise, the heliport would lie within the airport's "Class D" airspace, a five-nautical-mile radius from the ARP. Class D airspace surrounds an airport that has an Air Traffic Control Tower (ATCT), which Pulliam Airport has. Aircraft operations within Class D airspace can only take place when approved by the ATCT, which provides separation between aircraft. When the ATCT is closed (nighttime) pilots communicate their positions and intentions to each other via the Common Traffic Advisory Frequency (CTAF).

Additionally, the heliport will undergo an "Airspace Study" by FAA staff before its construction. This process is mandated by Part 157, *Notice of Construction, Alteration, Activation and Deactivation*, of the Federal Aviation Regulations and results in a "Heliport Airspace Analysis Determination (HAAD)". An HAAD states that FAA staff "does not object" to development of the heliport or use of the airspace to operate to and from the

site subject to a list of conditions. Operations within Pulliam Airport's Class D airspace would be part of that study.

The Planning Area falls partially within the Avigation Area Zone and the Applicant will submit an avigation easement along with the subdivision platting. The hospital's uses are outside of the airport's avigation easement. See Zoning Code §§ 10-20.40.020, 10-90.30.010.

The location of the hospital on its parcel needs to be set back from the street to implement needed buffers to highway and airport operational noise impacts and, importantly, to assist in wayfinding for patients and visitors. Hospitals and other medical buildings will need parking and emergency circulation to be designed between the building and adjacent streets. The Specific Plan will not require compliance with City Code § 10-30.60.060 (Building Placement) for buildings intended for the delivery of medical services. (*See* Specific Plan, Section IV(C)). These areas will follow the NAH Architectural Standards. (Specific Plan, Appendix 17).

#### 5. Area 2c – Lodging

Area 2c is for commercial use, possibly a hotel. The location of this area at the southeast corner of the larger hospital parcel promotes a building forward solution in this location and for the larger medical complex.

#### 6. Area 2d – Clinical Partners and Area 3 – Research & Innovation

Area 2d is intended for commercial use, particularly clinical partners, medical offices, retail and service. Area 3 is intended for research and innovation, and it will be appropriate for uses ranging from training and education to light manufacturing. Initially, Areas 2d and 3 will be a single parcel with split zoning. This is due to two factors. First, access across the Planning Area to Fort Tuthill via Purple Sage and Infantry Road uses existing access easements, which will not need to be altered until the parcel is ready for development. The location and specifications of a future access road will be determined based on the timing of development and the needs of the County. Second, although a future access road in this location is likely to be along the zoning boundary, it is foreseeable that community needs and market factors may influence where improvements will be placed.

### **B. Open Space/Civic Space**

Open space and resource conservation are emphasized throughout the Health Village, accented by a 21.2-acre (net) wellness retreat west of the new hospital. Open space and civic space are discussed in detail in Sections II(H) and III(B) of the Specific Plan. The Wellness Retreat Concept Plan is Appendix 11 to the Specific Plan.

The proposed NAH Health Village is consistent with and furthers the goals of both the General Plan and the City's Parks and Recreation Organizational Master Plan. The NAH Health Village will bolster and not deplete City resources in this context. The largest contiguous acreage intended for open space and resource conservation is the combination of Land Use Areas 1a and 1b. These will be open to the general public, subject to a public access easement which will be prepared by and recorded by the master developer. The terms of the public access easement are addressed in the development agreement.

The City has a deficit in acreage needed for neighborhood and community parks based on anticipated growth and demand. In the General Plan, the City identified demand in the 2030-2050 timeframe for neighborhood, community, and regional parks at 54, 176 and 270 acres, respectively. (General Plan at IX-13). These acreages are all listed as deficit acreages in the General Plan, with no existing supply. However, in the City's Parks and Recreation Organizational Master Plan (dated February 2013), existing supply (developed and undeveloped) of neighborhood, community and regional parks are shown to be 40.29, 88.6, and 540 acres, respectively. (Parks Master Plan at 15-16). Combining the data reported in the General Plan and Parks Master Plan reflects a deficit in acreages needed for neighborhood parks of 13.71, and for community parks of 87.4. The wellness retreat on its own, by size, would qualify as the third largest community park. (Parks Master Plan Table 6). Considered together, the wellness retreat plus the FUTS trail area is larger than Foxglenn Park.

Programming for the wellness retreat, including recreational opportunities, will be determined later in the planning process. While recreational opportunities are still being considered, future recreational opportunities at the wellness retreat may include fitness/wellness opportunities such as yoga, Pilates, and healthy lifestyle education resources. These fitness/wellness activities are recommended as "core" future recreation programs. (Parks and Recreation Master Plan Table 21). These potential recreational opportunities would further the Applicant's vision for the Health Village as an area focused on overall health and physical condition. The Applicant will continue to develop its recreational opportunities available at Health Village.

It is clear, even in these early planning stages, that the NAH Health Village open space and civic space are supported in the Parks Master Plan. The City would benefit from the

addition of space suitable for neighborhood and community parks. These types of parks are defined. "Neighborhood parks are generally between two and ten acres and typically exclude activities such as disc golf, soccer or softball fields, racquetball courts, skate parks or off-leash areas." (Parks Master Plan at 13). "Community parks are between 20 and 40 acres and may include playgrounds, horseshoe, tennis, volleyball and basketball courts, soccer, baseball and/or softball fields, picnic ramadas, restrooms, skate track/ BMX facilities, disc golf courses and off leash areas." (Parks Master Plan at 13). Level of service is tied to population. For example, from the General Plan: "Measurable standards to ascertain whether or not recreational levels of service are being met are determined by a combined matrix of acreage, amenities, quality of facilities, and demand. Playgrounds, sport fields and courts, ramadas, restrooms, and other amenities need to be provided in numbers relative to the population." (General Plan at XV-5).

Active programming, such as ball fields, is not a monolithic objective of the City's parks and recreation plan because they do not serve all of the community. As noted in the Master Plan, "As the city's older population grows, the demand for facilities and programs meeting the needs of older residents will increase. These programs are not traditionally met with fields for sports play and may result in a demand for facilities focused around health, arts, environmental programs, passive recreation and learning." (Parks Master Plan at 9). Adjacent to a hospital, the wellness retreat is suited to this description of recreational opportunity.

### **C. Access/Circulation/Parking**

Vehicular access and circulation are discussed in the Specific Plan, Section III(C). Pedestrian, bicycle and public transit connectivity are discussed in the Specific Plan, Section III(D). This section discusses supplementary information to what is presented in the Specific Plan.

The Great Street and Gateways Map, Appendix 31, shows that although the Planning Area is not currently part of Flagstaff's Great Street network, the site, with its planned activity center, is part of the Flagstaff Pathways 2030 Regional Transportation Plan and is located alongside a Gateway Corridor. Gateway Corridors include arterial roadways that provide access into Flagstaff, such as I-17 to Milton Road. (General Plan at VIII-2). The General Plan's Road Network Illustration depicts the Planning Area currently bounded by a Regional Travel Corridor, which is Highway 89A along the eastern side of the Planning Area, with Future Circulation and Access Corridors planned to connect with the Future Activity Center (S16). Future Circulation streets are planned to connect with

the node of S16 from the northeast, northwest and south. A Future Access street is planned to cross I-17 connecting the two sides of the interstate toward the southern end of the Planning Area, but north of the existing I-17/J.W. Powell Blvd. interchange.

The Specific Plan and accompanying proposed regional plan amendment seek to alter the Road Network Illustration as shown in Appendix 30 by re-aligning the road system with the proposed adjustment to the S16 Activity Center. Instead of hosting three circulation streets converging on the activity center, the Specific Plan proposes an arterial street at its northern end within the activity center, with collector streets outside the activity center. The proposed streets maintain the General Plan's desired connectivity with Beulah Blvd./Highway 89A, the I-17 Interchange, an eventual underpass across I-17, and arterial access north and northwest of the Planning Area in the direction of Woody Mountain Road.

Hospitals require circulation plans that prioritize emergency and patient access, including wayfinding. A regional hospital requires access suitable for automobile-oriented services. The Vehicle Circulation Plan serves these needs by placing arterial roads north (Healthcare Blvd.) and east (Beulah Blvd.) of the hospital parcel with direct lines of sight to the hospital's planned main and emergency entrances. Patient and visitor parking is placed between the medical building and Beulah Blvd. for similar reasons, for efficiency and to aid wayfinding. Parking for staff will be in a parking facility south of the medical building and on the same parcel.

The Vehicle Circulation Plan anticipates that Wellness Loop and Healthcare Blvd. will eventually intersect north of the Planning Area. An intersection in this location will serve future suburban development north and northwest of the Planning Area. The NAH Health Village does not require the connection of Wellness Loop and Healthcare Blvd. outside of the project limits. Accordingly, all plans have been updated to show this. Wellness Loop will transition to existing Purple Sage Trail. Healthcare Blvd. is less than 1,200 LF and does not require a turnaround. Barricades will be placed on Healthcare Blvd. after the most western driveway.

Proposed street cross section details are shown with the Conceptual Roadway Plan (Specific Plan, Appendix 13), and are modified from the City of Flagstaff Engineering Standard Details. The justifications for modifications are set forth in a separate modification request, and include the following:

1. Engineering Standard Detail 10-09-032 - Minor Arterial

A roadway alignment similar to Healthcare Blvd. and Beulah Blvd. are classified as minor arterial roadways per the 2015 COF Roadway Functional Classification Map. There is an existing FUTS path west of the project site, commonly known as the Sinclair Wash FUTS, that connects Fort Tuthill County Park to Northern Arizona University. The General Plan shows a proposed FUTS path along Beulah Blvd. that provides a connection from J.W. Powell to the existing Sinclair Wash FUTS north of the Planning Area.

Applicant proposes replacing the standard 5' wide sidewalk along the western side of Beulah Blvd. with a 10' wide FUTS. This condition will match the General Plan's direction. Where this FUTS is on land controlled by the Applicant, it is proposed to feature a setback that varies with terrain and vegetation while holding a 5' minimum width. This condition will improve the user experience as they travel through the existing forest. The trail's meandering will not be so severe as to inconvenience travelers simply wanting to get to their destination as fast as possible.

Based on an analysis of existing and proposed pedestrian connectivity in this area, Applicant recommends to replace the standard 5' wide sidewalk with an 11' wide paved multi-purpose path along both sides of Healthcare Blvd. to provide an east-west pedestrian connection from Beulah Blvd. to the Sinclair Wash Trail. It is anticipated that pedestrian traffic will increase with the proposed project development and this FUTS connection will allow pedestrians to cross the project site.

In addition, it is Applicant's opinion that the requirement of a curb, gutter, and sidewalk on the east side of Beulah Blvd. is not practical to construct. The existing ditch can capture and convey runoff for the pavement draining toward the east. Pedestrian traffic is not anticipated on the east side of Beulah Blvd. due to the proximity of Interstate 17. There are also no pedestrian destinations east of Beulah Blvd. that would generate pedestrian traffic. Even absent curb, gutter and sidewalk on the east side of Beulah Blvd., Applicant estimates the cost of improvements to Beulah Blvd. proposed in Section III(C) of the Specific Plan to cost in excess of \$24.5 million.

## 2. Engineering Standard Detail 10-09-035 - Minor Collector

Purple Sage Trail and Wellness Loop through the Planning Area are proposed as Minor Collectors. There is an existing FUTS path west of the project site, commonly known as the Sinclair Wash FUTS, that connects Fort Tuthill County Park to NAU. The General Plan shows a proposed FUTS path along Beulah Blvd. that provides connection from J.W. Powell to the existing Sinclair Wash FUTS north of the Planning Area.

Based on the two north-south FUTS, Applicant recommends to replace the 5' wide sidewalk with a 10' wide FUTS along the north side of Purple Sage Blvd. and the north and east side of Wellness Loop to the Getaway Trail intersection to provide an enhanced east-west pedestrian and bicycle connection from Beulah Blvd. to the existing Sinclair Wash FUTS path. It is anticipated that pedestrian and bicycle traffic will increase with the proposed project development and this FUTS connection will improve their experience and in-turn promote additional use.

#### **D. Resource Protection**

Resource protection is discussed in the Specific Plan, Section III(E).

#### **E. Landscaping**

Landscaping for the NAH Health Village is discussed in the Specific Plan, Section III(F).

#### **F. Architecture**

Architecture for the NAH Health Village is discussed in the Specific Plan, Section III(G).

#### **G. Outdoor Lighting**

Outdoor lighting within the NAH Health Village is discussed in the Specific Plan, Section III(H).

#### **H. Infrastructure**

Existing and proposed infrastructure for the NAH Health Village is discussed in the Specific Plan, Sections II(F) and III(I). Applicant estimates the cost of offsite waterline improvements (connecting to the existing 12" waterline located in University Heights) to cost in excess of \$3.2 million.

Substantive comments from Staff concerning stormwater drainage, the Preliminary Drainage Report, and the Drainage Impact Analysis were discussed in meeting on May 11. Updates to these items will be resubmitted when ready.

#### **I. Public Services**

## 1. Fire

Fire protection is discussed at Section III(J) of the Specific Plan, including the Fire Impact Assessment (Appendix 23). A supplement to the Fire Impact Assessment is Appendix 34 and discussed at Section I(E), above. Based on the Land Use Program's estimate of residential units and the size of the regional hospital, ambulatory care facility and medical offices, fire impact fees at buildout just for these portions of the development will be over \$1.5 million. The development of remaining portions of the Planning Area will generate additional impact fees bringing the total amount to more than \$2.0 million.

The City sets the impact fee it wishes to impose on new development, and the Applicant will pay that amount. The development agreement will set forth the Applicant's proposal regarding contribution of additional resources and mitigation measures. The Applicant does not propose defraying annual operating expenses of FFD. This is due to statutory constraints.

Development fees may not be used for any of the following:

- (a) Construction, acquisition or expansion of public facilities or assets other than necessary public services or facility expansions identified in the infrastructure improvements plan.
- (b) Repair, operation or maintenance of existing or new necessary public services or facility expansions.
- (c) Upgrading, updating, expanding, correcting or replacing existing necessary public services to serve existing development in order to meet stricter safety, efficiency, environmental or regulatory standards.
- (d) Upgrading, updating, expanding, correcting or replacing existing necessary public services to provide a higher level of service to existing development.
- (e) Administrative, maintenance or operating costs of the municipality.

A.R.S. § 9-463.05(B)(5) (emphasis added). In the event the Applicant were to pay any of the above, the City would then be obliged to credit or reimburse the Applicant for the payment. A.R.S. § 9-463.05(B)(7).

## 2. Police

Police services are discussed at Section III(J) of the Specific Plan. Based on the Land Use Program's estimate of residential units and the size of the regional hospital, ambulatory care facility and medical offices, police impact fees at buildout for these portions of the

development will be substantial. The development of remaining portions of the Planning Area will generate additional impact fees.

In connection with this application, the Flagstaff Police Department issued the following evaluation (Appendix 35):

To assist in your review of this proposed project, we can provide the following information.

- In general, providing police support for the proposed new hospital will be the same type and scope of service provided currently to the existing hospital.
- If the new hospital expands in size beyond the current hospital, then we would expect the amount of service to increase as well. The project plans anticipate a hospital that eventually may have about one-third more capacity than the existing facility, so it is reasonable that FPD costs of service will also increase. FPD does not separately track its costs for servicing the existing hospital.
- The new hospital will be about 4.6 miles from FPD headquarters/CCSO Jail compared with a distance of 1.8 miles to the current medical center. This may result in response times a couple minutes slower than currently provided, and the extra distance will have a marginal cost impact to the department. This expanded distance will play more into effect with the jail refusals of our arrested persons pending a medical clearance. In 2019, the Coconino County Jail refused 346 of our arrestees and in 2020 they refused 344 of our arrestees.
- Impact fees collected by the City on behalf of FPD may help to offset some of the costs listed above; however, It is currently unknown If the impact fees will be insufficient to cover all of the costs.

FPD should be kept apprised of the progress of this project and is not requesting additional study at this time.

(Appendix 35).

Based on the Land Use Program's estimate of residential units and the size of the regional hospital, ambulatory care facility and medical offices, police impact fees at buildout just for these portions of the development will be over \$500,000. The development of remaining portions of the Planning Area will generate additional impact fees bringing the total amount to over \$725,000.

### 3. Schools

Schools are discussed at Section III(J) of the Specific Plan. In connection with this application, the Flagstaff Unified School District issued the following evaluation (Appendix 36):

To assist in your review of this proposed project, we can provide the following information:

- The location of the proposed NAH project lies within the area served by Flagstaff High School, Mount Elden Middle School and DeMiguel Elementary School.
- FUSD generally estimates school enrollment generated from residential development at 0.2 percent of total residential units. For 177 units, this would mean about 35 students.
- Capacity at the schools listed here will not be significantly impacted by new enrollments generated by the proposed project.
- Vehicular circulation within the proposed development should be carefully planned to allow easy maneuverability of school buses.
- In order to serve shifting population centers within the City of Flagstaff, FUSD anticipates the need for a new elementary school south of 1-40 along the 1-17 corridor. This will require a 14-acre site. If the NAH development is not suitable for a school site, then new residential development north and west of the new hospital should take this need into consideration.

FUSD should be kept apprised of the progress of this project and is not requesting additional study at this time.

(Appendix 36).

As recommended by FUSD, vehicular circulation in the Planning Area has been planned with bus maneuverability in mind. Subsequent to the issuance of the above evaluation, the NAH Health Village proposal has increased residential units from 177 to 315. Under FUSD's formula for estimating enrollment, 315 units are expected to generate 63 students, instead of 35 based on the plans reviewed by FUSD. Applicant believes an additional 28 students is not material but will ask FUSD to supplement its letter if Staff so requests.

## **J. Phasing**

Phasing of the Nah Health Village development is discussed in the Specific Plan, Section III(K). See also Specific Plan, Section III(C) regarding traffic impact study and mitigation.

## IV. Proposed Findings

Proposed findings supporting the application for minor regional plan amendment and for concept zoning map amendment are provided in Appendices 37 and 38, respectively. These appendices will be separately provided in Word format to Staff for its use.

Community Goals and Policies advanced, and Community Benefits secured, are numerous, and these are set forth in detail in the proposed findings. A brief summary of only part of the goals and benefits achieved by developing the NAH Health Village are listed here.

Goals and Policies achieved or promoted include:

- ✓ Providing high-quality emergency response and public safety services including medical and ambulance transport service. (Goal PF.3)
- ✓ Achieving the grouping of medical and professional offices, research, and skill training with other necessary workforce services and transportation options. (Policy LU.15.1)
- ✓ Investing in the development of a new, planned activity center, which promotes the continued physical and economic viability of the region's commercial districts. (Goals ED.8, LU.15., LU.18)
- ✓ Accomplishing new development, on the periphery, which will contribute to completing neighborhoods, including interconnecting with other neighborhoods; providing civic space, and a variety of housing types; all while protecting sensitive natural features. (Policy NH.1.6)
- ✓ Increasing the variety of housing options and expanding opportunities for employment and neighborhood shopping within this suburban neighborhood. (Goals NH.3 & LU.13)
- ✓ Completing significant portions of the planned Road Network. (Goal T.1)
- ✓ Promoting varied modes of mobility, especially pedestrian and bicycle access. (Goal T.2 & T.6)
- ✓ Promoting and improving the region's healthy system of convenient and accessible trails. (Goal REC.1)

Community benefits secured include:

- The existing FMC campus cannot adequately serve the community’s needs in future years. A new hospital both expands capacity to meet those needs and provides an opportunity to implement best practices in the delivery of patient care.
- A newly designed medical center optimizes NAH’s ability to attract and retain top talent within the medical field.
- Implementing a Health Village concept will provide “one-stop” medical, health and wellness opportunities for residents that are today dispersed and sometimes difficult to access.
- The NAH Health Village design will preserve significant open space for the benefit of patients and for use by the community. In fact, it augments open space already incorporated into the FUTS system.
- Development of the NAH Health Village will be a significant economic engine for the Flagstaff region.
  - Projected construction expenditures of \$922.7 million could support over 8,600 direct construction jobs and close to 2,700 additional indirect jobs in Flagstaff and Coconino County during the 23-year construction period. The total construction impact is estimated at \$1.32 billion with 71 percent of that impact occurring in the first eight years.
  - Once development is complete in 2045, the project could generate an annual economic impact of \$387 million in the region, including direct and indirect operations impacts as well as off-site visitor spending related to the new hotels.
  - The hospital, ambulatory care, medical office, mixed use commercial, hotels, laboratory and research facilities in the development could directly employ an estimated 1,985 people at build out. In addition, the development could support an estimated 1,100 indirect and induced jobs at other local businesses in Flagstaff and Coconino County. The indirect and induced jobs, labor income and output are the result of local purchases made by the businesses in the development, as well as local spending by their employees.
  - An estimated \$113 million in direct labor income or earnings and \$159 million in total direct and indirect and induced labor income could be generated each year by the businesses in the Northern Arizona Healthcare Campus at build out, creating the potential for significant local expenditures by employees and their families.

- In addition, the guests at the hotels would spend money in the community (outside of the development) on retail, restaurants, local transportation and entertainment. Annual [offsite visitor spending is estimated at \\$9.8 million by 2036](#). This spending could create an annual economic impact of \$15.6 million supporting about 142 hospitality and related jobs, in addition to the annual operations impact of the businesses in the development.
- All total, the direct and indirect jobs generated by the Northern Arizona Healthcare Campus could [support a local population of close to 2,600 people](#). Based on current commuting patterns, approximately half of those workers and their families would likely live in Flagstaff.
- In terms of revenues to the city, school district and county, the project could directly generate an estimated [\\$34.3 million in sales, lodging and property taxes to the city of Flagstaff over the next 23 years, plus \\$29.1 million in sales and property taxes to the county, school district and other special districts](#). These figures include \$10.8 million in non-recurring construction sales taxes to the city and county.
- Employee and visitor tax revenues to the city, county and school district are estimated at a total of \$31.7 million over the next 23 years, in addition to taxes generated directly by the development.
- The NAH Health Village could [directly create an estimated \\$3.9 million in annual new tax revenues for local governments at build out, as well as approximately 1,985 new direct jobs](#). In addition, it would provide a new hospital, ambulatory care, medical office, laboratory and research space, hotels, commercial development and housing options, creating a new focal point of economic activity and health services for the city.