

ITEM 25. 2007-02-24: REZONE S, Institutional and RS-2, Residential Districts to the Sioux Valley Hospital PD, Planned Development District for future development.

Legal Description: Lots 1-12, Block 10; Block 25; Lots 10-12, Block 11; Lots 10-12, Block 26; Park Addition, Minnehaha County

(W. 22nd Street and S. Menlo Avenue)

Ms. Shawna Goldammer, representing Planning Staff, presented the following report.

GENERAL INFORMATION

Applicants and Owners: Don Kooiman, Sanford Healthcare System

Size: 4.2 acres

Existing Land Use: Residential, single-family.

Adjacent Land Use and Zoning:

North: Single Family Residential in the RS-2, Residential District.

South: Single Family Residential in the RS-2, Residential District and University of Sioux Falls in the S, Institutional District.

East: Single Family Residential in the RS-2, Residential District.

West: Existing Healthcare Campus in the Sioux Valley Hospital Planned Development District.

Planning Considerations: Chapter VIII. Neighborhood Conservation. Augustana/University of Sioux Falls/Sioux Valley Hospital: Future hospital and campus expansions may impact residential areas (p.66) The land use location and design criteria found on page 33 includes: Mixed use; Institutional, office, and other mixed use development

- Convenient to intended market area
- Vehicular access to major streets
- Minimization of traffic impact on adjacent uses
- Orderly expansion of institutional uses near residential areas
- Design compatibility with adjacent uses
- Include retail, multifamily, and business-technology land uses

Zoning Purpose and History: The medical campus is growing in an easterly pattern. This campus expansion is facilitated through higher public review and a planned development zoning district.

Applicable Regulations or Standards: Subarea A, Sioux Valley Hospital Campus Planned Development District.

PURPOSE: The applicant is proposing to expand the health care campus.

ANALYSIS

The Applicant's proposal and staffs' comments, as submitted by application and contained in the Planning Commission's information packet, are presented as follows:

✓ **Site Description:**

- ✓ Location: Menlo and Walts Avenue, between 19th and 22nd Streets
- ✓ Adjacent streets/driveways/sidewalks/bicycle path: Grange Avenue, 20th and 21st Streets.
- ✓ Access: Local street pattern does not limit access.
- ✓ Physical characteristics: The area is currently improved with residential structures, which will be removed.

- ✓ **Concept (Initial Development Plan):**
 - ✓ Drawn to scale: The applicant has provided an exhibit depicting the expansion areas.
 - ✓ Setbacks and required yards: The required front yard is 25 feet and will be required to be reflected on final development plans.
 - ✓ Parking Regulations and parking provided: Surface parking lots do not require final development plans as stated in the zoning regulations for the Sioux Valley Hospital Campus PD.
- **Other Considerations:**
 - Proximity to school, parks, church or on-sale alcohol establishment: The neighborhood has a variety of uses including a college, seminary and healthcare campus. The expansion areas are to the north and south of Menlo Park. The nearest on-sale establishment is located three blocks north.
 - Neighborhood meeting: The applicant should be willing to discuss impacts to the neighborhood.
- ✓ **Completeness of the Plan:**
 - The application contains information required for a Change of Zone, chapter 15.61.

RECOMMENDATIONS

Because the subject application allows for orderly expansion of the healthcare campus expansion and construction will be further reviewed with final development plans staff recommends **approval** of the Rezone.

The petitioner, Mr. Orlen Tschetter of SANFORD USD MEDICAL CENTER, 1305 West 18th Street, came forward to answer any questions of the Commission. He stated that the campus has a very high volume of parking needed. He stated that they had a neighborhood meeting and had 32 neighbors present. He stated that there were some concerns about the rental properties in the area. He stated that they have a rental company handling the properties and are now aware of the neighbors concerns. They did speak to the rental property management group and expressed the neighbors concerns and assured the neighbors that they are being addressed. He stated that there were concerns about the safety in the parking lots and proper lighting and security in the area. He stated that some concerns were parking on the street in front of their homes. He stated other concerns were property values. He stated that there were concerns about the expansion and possible buying of neighboring homes. He stated that SANFORD has a good reputation for being a fair buyer when a home is bought by their facility. He stated since SANFORD HOSPITAL is smoke free, several employees walk to the neighboring park to smoke. He said they will provide cigarette receptacles to use to help alleviate littered cigarettes around the area. He stated that if the neighbors wanted to build an addition onto their existing properties, the hospital will not object.

Mr. Kent Metzger inquired about the northwest property and would it be their intention to vacate any streets.

Mr. Orlen Tschetter stated that it would be speculation but thought possibly 21st Street from Grange to Menlo would be vacated.

Mr. Joe Alick came forward to state that he has two pieces of property included on this rezone. He stated that he did not know that they could rezone property they do not own.

He asked that the rezone be delayed until the hospital owns all of the lots within this rezone request.

Ms. Shawna Goldammer stated that it was staff's recommendation to rezone the whole parcel rather than rezone bits and pieces. She stated that it is not necessary to have the owner's signature for all the lots involved. She stated that the Planning Commission can make a recommendation to the City Council if they are so inclined. She reiterated that the request to rezone the whole block was recommended by the Planning staff. She went on to explain that if a home owner wanted to change something structural on their homes and this would not be new shingles or paint etc., but for example a new addition or a new garage, then a conditional use permit would be required if rezoned to the Sioux Valley Hospital PD.

Ms. Anita Wetsch asked to see what SANFORD owns and what the area this rezone request covers.

Ms. Shawna Goldammer explained that the properties in white on the map provided where not owned by Sanford Health.

Mr. David Van Veldhuizen inquired about the suggestion of a recommendation to the Council and how to do so since they can not put stipulations on a rezone.

Ms. Shawna Goldammer stated that they could state their concerns tonight in the discussion and that way the City Council will be aware of their concerns. The motion may include a different legal description as part of the recommendation.

Mr. Ken Dunlap inquired if SANFORD has been working with Planning Staff regarding their future plans.

Mr. Kent Metzger stated that he is aware that SANFORD has agreed to not exceed west of West Avenue.

Ms. Shawna Goldammer stated that Sanford Health representatives had met with Planning Staff prior to the request for rezoning and they campus is growing in the direction supported by the Planning Office.

Ms. Carol Mashek, 1014 West 22nd Street, came forward to state that this area has many existing historic homes. She stated that the homes that the hospital owns and plans to tear down are structurally sound. She stated that they have spent 35 years restoring their home and wants to remain in this neighborhood and does not want streets closed or lighted parking lots added to the area changing the character of the existing neighborhood. She stated that Sioux Falls needs middle-class housing.

Mr. Bob Sievertson, 1124 West 20th Street, came forward to state that his property is also in the rezone area. He stated that his concern is the process that the hospital is taking. He stated that he has lived in this neighborhood for 52 years and raised his family in this home. He stated that he lives next door to a park and enjoys the view from his porch. He stated that now the hospital wants to buy his home and tear it down to build a parking lot. He stated that no appraisal will give him a comparable value for a home anywhere like what he has now in this area next to a park.

Mr. Rich Rashenbash, 1300 South Grange Avenue, he stated that he has an office in this area and does not want to have to get a conditional use permit if he plans to build an addition to his office. He wants to freely expand without having to get permission to do so.

Mr. Greg Feddars 612 West 22nd Street, came forward that he attended the meeting at Sanford. He stated that his concerns are that the houses remain residential and that the park remain in the vicinity.

Ms. Anita Wetsch asked staff to explain the rezone process especially rezoning homes that the hospital does not currently own. She stated she wanted an explanation of how the requests similar to this one have proceeded.

Ms. Shawna Goldammer stated that they have proceeded with rezoning requests both ways. She stated that the Commission could change the legal to leave out the properties that are not owned by the hospital. She stated it is Staff's recommendation to rezone the whole area rather than "swiss cheese" the zoning in the area.

Ms. Anita Wetsch stated that she has concerns for those who want to expand their office business or homes but will not be able to without obtaining permission to do so. She foresees issues as to whom to contact and whether permission would actually be granted.

Ms. Shawna Goldammer stated that the gentleman who spoke earlier about an expansion would not need to obtain a Conditional Use Permit since he is an allowed use in the Sioux Valley PD. The conditional use permit is granted by the City Planning Commission. The Sanford Health representatives indicated that they would not object to conditional use permits.

Ms. Pam Breidenbach inquired how this would affect the current value of their homes.

Ms. Shawna Goldammer stated that she could not speak to the issue of land value. She stated that since SANFORD owns three quarters of the block she is not sure of the marketability of the remaining home. Sanford Health would most likely be interested in purchase of the homes. She went on to say that she thought they were fair when purchasing houses.

Mr. David Van Veldhuizen made a motion to approve the rezone and recommend that the City Council remove from the rezoning request the properties that are not currently owned by SANFORD HOSPITAL. Ms. Anita Wetsch seconded the motion.

THOSE IN FAVOR:

Ms. Pam Breidenbach
Ms. Jessie Schmidt
Ms. Anita Wetsch
Mr. David Van Veldhuizen

THOSE OPPOSED:

Mr. Ken Dunlap

The motion passed by split decision.