

**Testimony of Advisory Neighborhood Commission 3D
Rachel Thompson, Chair and 3D-04 Single Member Representative
and Alma Gates, Vice Chair and 3D-05 Single Member Representative
before the Zoning Commission
February 21, 2007**

Application No. 05-42

Good Evening Chairperson Mitten and members of the Commission. I'm Rachel Thompson, Chair of Advisory Neighborhood Commission 3D and Commissioner for ANC 3D 04, the Single Member District in which Sibley Hospital is located. I'm joined by Alma Gates, immediate past chair and now vice-chair of ANC 3D and Commissioner for ANC 3D 05 Palisades.

As noted in our letter of October 5, Sibley met with the ANC on six different occasions to discuss, review and update their Application. Following the initial Zoning Commission hearing on October 12th the hospital returned to the ANC in January, 2007 and gave an overview of their revised proposal. The ANC, which has two new members, took no further action. Thus the Commission's September 20th vote and October 5th letter remain current, although we will address some of the new information provided by Sibley since October.

THE ANC VOTE

The Commission voted 4-2-0 to approve Sibley's proposal for a Medical Office Building and Garage assuming the following specific reductions in the size of the project:

SLIDE: REDUCED BUILDING SIZE

1. Recommendation: The proposed Medical Office Building shall be reduced in height and square footage as described below:

- The building, not including the mechanical (18 feet permissible) shall be reduced in height from 90 feet to 65 feet.
 - The number of floors shall be reduced from 7 above grade to 5 above grade.
 - The above-grade square footage shall be reduced from 130,754 to 92,624.
 - If Sibley recalculates its proposed above-grade square footage to eliminate mechanical (a portion of Floor 7 at 8,907 square feet, all of Floor 8 at 4,315 square feet, and all of Floor 9 at 260 square feet), this recommendation shall be similarly adjusted so that the end result is elimination of two floors or roughly a 40,000-square-foot reduction.
 - Neither the footprint of the building nor the density of space shall be increased in such a way as to replace the above-eliminated height and square footage.
2. **Recommendation:** The number of doctors to occupy the Medical Office Building shall be reduced from 90-100 to 60.

SLIDE: REDUCED GARAGE SIZE

3. **Recommendation:** The number of parking spaces in the new garage would be reduced from 750 to 525 in direct proportion to the reduction of MOB square footage.
4. **Recommendation:** With respect to the requested zoning map amendment, which was set down as SP-2, we oppose the SP-2 designation as inappropriate for the proposed site. Our advice from the Office of Planning is to focus on building characteristics rather than specific zoning designations, however under no circumstances should an amendment be granted for anything in excess of SP-1.

The Commission's vote was 4-2-0. We thus request that our testimony tonight be given the "great weight" to which the ANC is entitled. In addition, the ANC voted 5-0-1 to adopt eleven conditions which I will not read out but which we will refer to tonight in our testimony and which are included in our Report.

One of our Commissioners, Commissioner Haas, was absent with illness on the evening of our September 20th vote. While her viewpoint therefore has no official status it is worth noting that Commissioner Haas submitted a letter to the Zoning Commission, dated October 11th and in the record, in which she endorsed the Commission's vote.

JUSTIFICATION FOR RECOMMENDATIONS

SLIDE: SIBLEY TODAY

Neighborhood concerns about the proposed medical office building fall into two broad categories: One, concerns about excessive traffic entering and exiting the facility both at rush hour and throughout the day. Two, the environmental, visual, noise and other “quality of life” impacts associated with such a large facility.

Reducing the size of the facility will achieve the following goals:

- Reduce traffic and traffic impacts, make proposed mitigation more workable, reduce somewhat the potential safety impacts
- Reduce noise and light impacts by reducing the height of the mechanical
- Reduce the size of the parking garage footprint resulting in slightly less impermeable surface coverage
- Establish a reasonable standard for building heights on site as Sibley moves to expand/replace existing buildings in the future.

In other words, only by first reducing the size of the building, and the amount of activity in the building, can we bring about conditions under which the proposed mitigations may be successful. Even then we continue to have strong reservations concerning the potential effectiveness of traffic volumes and traffic safety mitigation.

PROPOSED RE-ZONING

SLIDE: ABUTTING NEIGHBORHOODS

Sibley Hospital's lot is currently zoned R-5-A with institutional use. DCMR 11 § 350.2 establishes R-5-A as the most restrictive of the R-5 Districts, permitting "only a low height and density." The adjoining neighborhoods are low-density residential: Palisades and Kent are R-1-B and Spring Valley is R-1-A.

There are approximately 20 homes directly across the street from the hospital campus on Loughboro Road. Behind Loughboro Road to the south a dense network of residential streets connect with MacArthur Boulevard which is likewise lined with two- and three-story homes and functions as a major commuter route.

SLIDE: GRAND OAKS ADDITION

As noted in Exhibit B of our Report, ANC 3D previously supported the following four Special Exception Applications by Sibley: 1) a skilled nursing facility in 1995; 2) a 124-bed assisted living facility, Grand Oaks, and a 96-bed Renaissance skilled nursing facility, in 1998; 3) a radiation oncology center in 2000; and 4) an additional 36 units in a second Grand Oaks building in 2004 which is now under construction.

SLIDE: FROM 12 ACRES TO 20

Until 2002, Sibley had roughly 12 acres on the south side of Little Falls Road. It leased another 8.5 acres on the same side of the road from the U.S. Army Corps, on which it received permission to build a 250-car parking garage. In 2002, Sibley acquired this land with the assistance of a \$40 million public bond offering. With this transaction Sibley also acquired ownership of the historic Little Falls Road which will serve as the main entrance and exit to the hospital via Dalecarlia Parkway and MacArthur Boulevard.

The near doubling of Sibley's lot size also means that the building density figures alone don't tell the real story. The additional land resulted in an automatic reduction of Floor Area Ratio (from 1.09 in 2000 to 0.7 in the 2004 Application for Grand Oaks addition).

Without it the hospital would not have been able to request the currently-proposed re-zoning without exceeding their permissible 0.9 density over the remaining portions of the site. Should today's proposal for re-zoning be approved Sibley will again be at the top of its permissible FAR.

One practical result of this increase in lot size is to distract an ordinary reader from the hospital's nearly continuous growth since the mid-1990s. But what the neighbors experience are more the facts on the ground, if you will, including this one: We have a 20-acre site in the middle of our low-density residential neighborhood of which

- Five-and-a-half acres are now covered with buildings (27%)
- More than eight-and-a-half additional acres are paved (42%)
- A little over six acres remains as open space (31%)

That's very intensive development, in terms of the visual, environmental and light impacts, before we even approach today's proposal.

SLIDE: PIE CHART

Should the current application be granted the result will be, in essence, that the amount of open space remains the same while another 1.6 acres of open parking is covered with new building structures.

The property north of Sibley across Little Falls Road is owned by the U.S. Army Corps. There, Washington Aqueduct will construct a dewatering facility, per an EPA order, with construction starting roughly a year from now.

SLIDE: TRUCK AND AMBULANCE ROUTES

The Corps' trucks will use the same entrance/exit and driveway already used by ambulances and other emergency vehicles, at Little Falls Road and Dalecarlia. This is the same roadway that Sibley proposes to make the main entrance/exit for doctors and patients accessing the Medical Office Building and parking garage.

Special Purpose District: Per DCMR 11 Chapter 5 §500.3, “The SP District is designed to preserve and protect areas adjacent to Commercial Districts that contain a mix of row houses, apartments, offices, and institutions at a medium to high density, including buildings of historic and architectural merit.”

Thus a strict reading of Chapter 5 clearly shows that this site is not appropriate for zoning as an SP District due to the surrounding R-1-A and R-1-B zoning. The medical office building would constitute a much more intensive use of the site than any of the existing hospital activities – Grand Oaks, for example, generates very little traffic -- so it cannot serve as a buffer. And the only commercial zoning within a mile radius of Sibley is spot-zoned for C-1 (Neighborhood Shopping District) with a small restaurant, deli and salon on MacArthur Boulevard.

SLIDE: WASHINGTON MEDICAL CENTER

SP-2 District: In proposing to re-zone to an SP District the hospital compared its site to the Washington Hospital Center. The ANC rejected this. The Washington Hospital Center is comprised of three hospitals and a leading trauma facility, and located in a much more densely-populated part of the city. Sibley is chartered as a community hospital and relies on other larger hospitals as transfer sites for serious emergencies. For these reasons the ANC voted to reject SP-2 designation.

In considering SP-1 designation the ANC looked for other medical office buildings in the city and surrounding counties that are a) as big; b) located in low-density neighborhoods; and c) located in areas with limited public transportation. We attached some of our findings to the ANC Report in Exhibit F, and I'll give you the highlights :

SLIDE: TYPICAL MOBs

- Most growth in medical office buildings is occurring in rapidly-growing counties such as Fairfax and Montgomery where hospitals are located within minutes of major highways. In contrast, the District population is shrinking.

- A majority of medical office buildings are located on non-hospital-owned land and operate on a for-profit basis. This means that an entity other than the hospital is assuming all financial risk.
- District hospitals with very large medical office buildings include Georgetown and GWU. Doctors in both teaching facilities are on staff of the hospital.
- At least two area hospitals, Suburban and Takoma Park Adventist, have or are planning medical office buildings located 2-1/2 and 1-1/2 miles respectively from the hospital. The new Takoma Park facility is slated for a retail “superblock” that is well-served by local buses.

SLIDE: NEARBY MEDICAL OFFICE BUILDINGS

- There are 6 sizeable medical office/diagnostic/outpatient surgery facilities within 2-1/2 miles of Sibley: Foxhall Square; the Massachusetts Avenue Surgery Center; 4901 and 4910 Massachusetts Avenue; Washington Radiology; the Chevy Chase Building; and the Barlow Building.
- The last 3 of these are co-located with Metro transit service and are thus more accessible to staff and patients without cars. In terms of “smart growth,” they are therefore much “smarter.”

The ANC found no evidence – and the applicant has presented none – that any of the 6 nearby facilities is likely to move or close.

508.1 Construction of a new office building or construction of an addition to a building for office use, or conversion of an existing building to office use, shall be permitted in an SP District if approved by the Board of Zoning Adjustment as a special exception under Section 3104, subject to the following conditions:

508.3 The use, bulk, and design shall be in harmony with existing uses and structures on neighboring property.

While observing that many hospitals have nearby medical office buildings, the ANC found the proposed building not in harmony with structures on neighboring property in terms of use, height, bulk and design. Despite a generous setback from Loughboro Road there is no practical way to buffer nearby residences from visual and light impacts associated with an office building.

SLIDES: MOB AND HAYES HALL

At 77 feet, the MOB would be a similar height to Hayes Hall and the main hospital (79 feet and 83 feet). However the MOB is on the highest point of the site, which will increase its visibility to neighbors on streets behind Loughboro Road and in portions of Spring Valley. Moreover Sibley has stated its intent to demolish Hayes Hall, and according to its Master Plan concept drawings will also replace the main hospital wing.

§ 1409.1(f) of the Ward 3 Plan lists Sibley Hospital along with other institutions and states:

“Many of these facilities have structures that are an exception to the neighborhood’s land use or that do not conform to the underlying zoning. The compatibility of these uses must be maintained, expansion carefully controlled, changes to neighborhood-related uses encouraged, and conversion to other nonconforming uses prevented;”

The recently-constructed Grand Oaks buildings, at 46 feet, are much more consistent with provisions of the current Comprehensive Plan. The height of Hayes Hall and the existing main hospital – which the hospital seeks to either eliminate or replace – should not be used to justify an overly-large non-conforming structure such as the proposed medical office tower.

Taking these factors into account, the ANC recommended re-zoning to SP-1 but with a two-story reduction to the SP-1 matter-of-right height of 65 feet. The goal was to reduce the number of rentable floors for doctors from five to three while preserving the proposed retail, diagnostic and outpatient surgery facilities on the ground and first floors.

TRAFFIC VOLUMES, PEDESTRIAN AND TRAFFIC SAFETY

COMMISSIONER GATES

Good Evening Chairman Mitten and members of the Commission. My name is Alma Gates and I live at 4911 Ashby Street, NW. I am Vice Chair of ANC 3D and represent the “central Palisades” where I have lived my entire life. I served as the Palisades Traffic Chair, have been a member of the Ward 3 Transportation Task Force since 2001 and was a member of the Mayor’s Parking Task Force. I am pleased to join my colleague Rachel Thompson in discussion of the Sibley application.

PUD § 2403.9 (c) Effective and safe vehicular and pedestrian access, transportation management measures, connections to public transit service, and other measures to mitigate adverse traffic impacts

While the project’s stated benefits are “convenience” for doctors and patients, along with added financial benefits for the hospital, the impacts on the surrounding community will be huge and the hospital has offered little in the way of mitigation for the chief negative impact, which will come from new traffic.

SLIDES: ITE CODE 720 DESCRIPTION AND MODEL

According to the Institute of Traffic Engineering, Sibley’s initially proposed 130,000-square-foot medical office building would generate roughly 5,000 new trips daily in and out of the facility. Sibley estimated that 10 percent of staff – but no patients or doctors – will use buses and a hospital shuttle to get to the new building. In its revised proposal Sibley has said it will reduce the MOB square footage by one floor (19,065) and – assuming a similar 10 percent discount for public transportation – will reduce daily trips in and out of the facility from 4,600 to about 4,000.

Even with further mitigation the addition of approximately 2,000 new vehicles onto area streets each day – more than a decade’s worth of ordinary growth for one building -- is intolerable. Assuming the office building is open from 8:00 a.m. to 6:00 p.m. each day (10

hours) new hourly trips will average about 400. With the MOB's morning and evening peak hours estimated to generate 252 and 319 trips respectively, according to Gorove Slade's revised estimates, this suggests the ordinary rates of day-time traffic in and out of the office building will actually be higher than during the facility's rush hour. In other words, Sibley will have a "rush hour" that continues all day long.

Use of public transportation to Sibley has historically been low and will remain low:

- Sibley has committed to providing shuttle bus service between the hospital and the Friendship Heights Metro station between the hours of 6:00 am and 5:00 pm., a service provided by most area hospitals. A Sibley employee survey showed high interest in use of the shuttle, however both Sibley and DDOT have said they expect most doctors and patients will drive to the new medical office building.
- Taxicab service to and from the hospital is currently poor. Traffic forecasts for the new facility indicate there would likely be as many as 70 new requests for taxis each day and it is unclear how this service would be provided. Taxicabs also contribute to the total number of daily vehicle trips.

The figures and comparisons stemming from the initial proposal led to a conclusion by ANC 3D that Palisades and Spring Valley will be keenly aware of the level of additional traffic associated with the proposed office building.

The ANC's conclusion, which remains unchanged with the proposed revision of the facility by one floor, is that the only way to reduce traffic impacts from a new office building is to reduce – to a meaningful degree -- the size of the building and the number of doctors and patients that will drive there.

SLIDE: PEDESTRIAN SAFETY

An article in Sunday's Post, "City studies ways to manage traffic, pedestrian safety," was related to the two pedestrian deaths earlier in the week. So far this year there have been seven pedestrian fatalities or on average, about one a week. In 2001, Sylvia Zimmerman, a

resident of Palisades, was stuck by a hit and run driver in a zebra-striped crosswalk on MacArthur Boulevard at Macomb Street at 3:00 in the afternoon. Her subsequent death was one of the reasons the Metropolitan Police Department has regularly placed speed enforcement cars on MacArthur Boulevard and on Loughboro Road (a slight distance east of the main entrance to Sibley Hospital). Speed and cut through traffic continue to be a source of concern for neighbors who live on streets surrounding Sibley. The potential impact of 4,000 additional daily vehicle trips has residents seeking ways to protect their quality of life.

Commission members will recall that the initial Sibley hearing was postponed because DDOT found “the applicant had not provided sufficient traffic data or proposed measures that allow DDOT to recommend approval for the traffic impact study.” The five subsequent reports submitted by Gorove Slade are intended to provide solutions and a positive look at the means by which impacts will be minimized, however, they lack much of the information DDOT needs to recommend approval of the effects a medical office building would have on the surrounding low density residential neighborhood.

The reports fail to consider fully the traffic impacts of this proposal. They fail to mention that a peak hour will be created for the entire day with the addition of 400 vehicles per hour. They fail to take a serious look at the safety impacts at the intersection of Dalecarlia Parkway and Loughboro Road; and, the proposed Little Falls Road entrance to the medical office building. They fail to consider the impacts of ambulances, twenty-ton dump trucks and a heliport on new vehicular traffic accessing the proposed main entrance to the medical office building on Little Falls Road. And, they fail to address the concerns of neighbors who have repeatedly asked for relief from cut through traffic that will inevitably result as drivers attempt to avoid the re-engineered intersection of Loughboro Road and Dalecarlia Parkway with a failing level of service.

To meet the provisions of § 2403.9 (c), Effective and safe vehicular and pedestrian access, transportation management measures, connections to public transit service, and other

measures to mitigate adverse traffic impacts. Gorove Slade produced a series of five reports for DDOT.

1) *Pedestrian Level of Service Analysis* and 2) *Pedestrian Safety Impacts* can be combined. The main focus of these studies was to determine how folks who are on the south side of Loughboro Road will get to the north or hospital side of Loughboro Road; and whether or not they feel safe when doing so. The speed at which they get there or *Pedestrian Level of Service* is dependent on how fast they move. Gorove Slade acknowledges that current pedestrian and vehicular conflicts occur when pedestrians cross Loughboro Road; and, proposes to place Zebra cross walks at the Dalecarlia/Loughboro intersection as the solution. Directing pedestrians, who are primarily bus patrons and visitors/employees of the hospital, to a crosswalk at an unsignalized intersection somewhat removed from the bus stop is at best a sure trip to the Emergency Room. The reality of the model used by Gorove Slade, “to objectively quantify[ing] pedestrian’s perception of safety and comfort in the pedestrian environment” is pedestrians would not be safe using the zebra crosswalks that are being proposed. There is only one safe place for pedestrians to cross Loughboro Road and that is at the existing signalized entrance to the hospital.

3) The *Summary of Speed Survey Analysis* looked at noontime speeds on one day at two locations on Dalecarlia Parkway north of the hospital for a total of one-half-hour each. The traffic observed was traveling away from the hospital towards Westmoreland Circle rather than in the direction of the hospital, the focus of the study. Gorove Slade notes the speed limit is 35 MPH when in fact the speed limit on Dalecarlia Parkway is 40 MPH and is the highest posted speed on any street in Ward Three. As noted earlier, there is sufficient concern about speed on streets that surround the hospital that the Metropolitan Police post speed enforcement cars routinely on MacArthur Boulevard and Loughboro Road where the speed limit is 25 MPH. Given the posted speed limit of 40 MPH, it should be evident that cars on Dalecarlia Parkway travel at a higher rate of speed and will likely approach the entrance at Little Falls Road at a higher rate of speed. This fact, and the fact that only half the traffic on Dalecarlia Parkway was studied, did not appear to be of concern to DDOT.

SLIDE: THE TRAFFIC SAFETY DILEMMA

4) *The Loughboro Road/Dalecarlia Parkway Intersection Redesign.* In late June several ANC 3D Commissioners stood on Dalecarlia Parkway at 5:00 PM with Lou Slade, Jerry Price and Dwight Fincher at the proposed Little Falls Road location. Our immediate reaction to moving the location further down Dalecarlia Parkway and away from the hospital was “this is an accident waiting to happen.” Cars turning onto Dalecarlia Parkway from Loughboro Road and heading north gained significant speed as they traveled the additional one hundred feet to reach the site of the proposed new exit/entrance to the hospital. The proposed main entrance would place all traffic (Metrobuses, ambulances, dump trucks, patient vehicles) entering and exiting Little Falls Road in direct conflict with through traffic on Dalecarlia Parkway. All traffic exiting the hospital and heading north will have to cross two lanes of traffic on Dalecarlia Parkway.

Gorove Slade did not focus on the construction of the Army Corps of Engineers’ dewatering facility behind the hospital on Little Falls Road. A number of twenty-ton trucks will haul residuals from the facility on a daily basis. The Corps’ Spring Valley cleanup team currently uses a location behind the hospital and its trucks haul contaminated soil from sites in Spring Valley via Dalecarlia Parkway and Little Falls Road on a daily basis. The impact of these vehicles on new traffic generated by the medical office building was not discussed in the report.

In reality, the Army Corps’ trucks will join patient vehicles in the queue on Little Falls Road to exit north onto Dalecarlia where the median strip is twelve feet wide. The SIMTraffic model used by Gorove Slade to evaluate operations at the intersection of Little Falls Road and Dalecarlia Parkway does not present a true picture of traffic flow and the likely impacts at this intersection. Trucks and Metrobuses caught in the narrow twelve-foot median will extend out into Dalecarlia Parkway and pose the potential for accidents with through traffic traveling in both directions. As a point of comparison, the medians on MacArthur Boulevard are twenty-one feet wide, almost twice the width of those on

Dalecarlia Parkway. DDOT must consider this potential hazard from both an engineering perspective and a safety perspective.

SLIDE: CUT-THROUGH TRAFFIC

5) The final report provided by Gorove Slade addressed questions, comments and recommendations raised by DDOT in its initial report to the Zoning Commission. The ANC and members of the community have repeatedly asked DDOT to have the applicant address the potential for cut through traffic on neighborhood streets in relation to the Loughboro Road/Dalecarlia Parkway intersection redesign and its failing level of service (F) during the morning peak hour. With the addition of 4,000 vehicle trips per day Rockwood Parkway is likely to experience cut through traffic when cars back up at an intersection with a failing level of service. Palisade Lane, Watson, Maud and Macomb Streets are also obvious candidates for cut through traffic. Vehicles are not cutting through to get to the hospital; vehicles are cutting through to avoid the intersection. The origin and destination of through traffic on Dalecarlia Parkway has not been considered. DDOT has failed to address neighborhood concerns.

The immediate impact of this project is twelve years of growth in traffic levels on streets in a low density residential neighborhood. This growth would leave virtually no capacity for ordinary future traffic growth or for additional traffic growth associated with Sibley's future Master Plan.

Therefore, ANC 3D's September 20th conclusion, which remains unchanged, is that the only way to reduce traffic impacts from the new office building is to eliminate two floors from the originally proposed facility – and thereby reduce the number of doctors and patients that will drive there.

PARKING

Commissioner Thompson

Parking on neighborhood streets by Sibley employees, visitors and construction workers remains a chronic problem for residents of several nearby blocks. Sibley has agreed that

parking fees for medical office building staff will be built into lease costs to help eliminate staff parking on local streets. This is beneficial and, we understand, customary.

The community asked Sibley to also consider one hour of free parking for patients and visitors. Many pointed out that at Foxhall Square, parking is so inadequate that visitors rely on valet service or endlessly circle nearby streets before parking in front of people's homes or the nearby school. Sibley declined, citing complaints from patients whose appointments run longer than an hour because of delays at doctors' offices. They also said they need the revenue.

SLIDE: PARKING FIGURES

In lieu of any free parking, the hospital agreed to provide ample parking – according to a 6:1 formula agreed to by the hospital and the ANC's Working Group. According to an expert Working Group member whose written testimony is included with the ANC's Report this is a good ratio – although we should note that none of the parking estimates take into account the 26,000 square feet of additional ground floor space in the medical office building.

If two floors of the Medical Office Building are eliminated and the GFA is reduced to 92,624, using the 6:1 ratio the ANC's Recommendation would result in a reduction in size of the new garage from 750 to 525 spaces.

We walk a fine line when we talk about rolling back parking spaces because if there's anything the hospital and the neighborhood agree about it's the need for ample parking. But by the same token, our neighborhood knows from experience that regardless of how much parking is available on-campus there will continue to be a certain number of people who are unwilling to pay even a modest fee and will therefore park instead across from the hospital or on a neighboring street.

However we are somewhat concerned -- given the premium on parking at some other medical office buildings along with the attractiveness to Maryland commuters of parking in our neighborhood -- that just as Sibley apparently enters into this proceeding with 360 unused parking spaces they are likewise moving to create unnecessarily generous parking facilities, at 6.9 spaces per 1,000 square feet.

As we saw in the very first slides, there is already a great deal of space on the campus devoted to both open and enclosed parking. And as we saw in the earlier graphs on paved area versus built area, paved area has a tendency to become built area. The point I want to make is that we need to look for a balance between ample parking and parking which is essentially warehoused in anticipation of the next round of expansion. An alternative is to recover some of the existing paved area for open space.

PUBLIC BENEFITS

Commissioner Gates

PUD Chapter 24 §2403.6, "Public benefits are superior features of a proposed PUD that benefit the surrounding neighborhood, or the public in general, to a significantly greater extent than would likely result from development of the site under the matter-of-right provisions of this title."

DCMR 11, Chapter 24 states that the PUD process shall not be used to circumvent the intent and purposes of the Zoning Regulations, nor result in action that is inconsistent with the Comprehensive Plan.

The Medical Office Building represents the first phase in a longer-term build-out and updating of Sibley's facilities, and will provide more convenient access to doctors and a range of services including outpatient surgery and diagnostic imaging. Sibley has stated the office building is necessary to attract a younger generation of doctors, many of whom are leaving the District for Maryland and Virginia due to the city's high malpractice rates. And finally, they have stated that an office building is necessary for the long-range financial viability of the hospital.

In seeking to assess these statements, the ANC and the working group observed that Sibley currently appears to be in good financial health:

SLIDE: DCHA REPORT COVERS

- The D.C. Hospital Association's 2004 Financial Indicators report, Sibley's operating margins are higher than all other area hospitals. Operating margins were 5.6% in 2004. In contrast, operating margins for GWU Hospital were 0.8% in 2004; and for Georgetown -3.3% in 2004. A just-released Financial Indicators Report for 2005 shows Sibley with a 3.2% operating margin, second only to Children's National Medical Center.
- Both Georgetown and GWU, both of which have office buildings, have lower operating margins than Sibley.
- Sibley's patient revenue in 2000 and 2004 remained steady at about 45% Medicare, 50% "Other Insurance," 1% Medicaid and 4.4% self-pay.
- Sibley's charitable care rose from 2.4% of total care in 2002 to 2.9% in 2004, and then to 3.3% in 2005.
- Per Mr. Price, Sibley's Grand Oaks assisted living facility, an affiliate of the Sunrise Senior Living, contributes roughly 25% of the hospital's income.

Sibley has stated that the medical office building would provide additional convenience to area residents, however as earlier noted there are six large medical office buildings or testing/surgery facilities within a 2.5- mile radius of the hospital. And while some area residents have said they would welcome having their doctors closer by, it's unclear how many neighborhood residents' doctors would actually move to the facility. It's also unclear why doctors from outside the District would choose to relocate to Sibley given the District's disproportionately high malpractice rates.

While the hypothetical benefits of a Sibley office building are attractive to some in the community, these public benefits – compared to the financial benefits to Sibley – have consistently been described in terms of convenience rather than need. There is no

established need for more doctors' offices in Ward 3. Therefore the actual public benefits are both speculative and potentially risk-filled.

Concerns have been expressed by the community that in the event the hospital is unable to lease all of the proposed medical office space the building would be leased for general office use which is not permitted in the residential zone district; and, would have a negative impact on the hospital's overall financial health.

ENVIRONMENT

§2403.9 (h) Environmental benefits, such as stormwater runoff controls and preservation of open space or trees.

Open space is one of the elements that distinguishes R-1-A and B zones from other residential zoning categories. The number of mature trees in Spring Valley and Kent and along Dalecarlia Parkway provide a buffer, shade, and a sense of open space. The Grand Oaks facility at Sibley is named for the majestic Oaks that line Loughboro Road and the hospital is to be commended for its efforts to preserve these trees. Under the proposal for a new Little Falls entrance to the medical office building, a number of mature trees will be removed to accommodate the proposed deceleration lane along Dalecarlia Parkway as well as the redesign and repositioning of Little Falls Road. Special attention must be paid to ensure any removed specimen trees are replaced elsewhere in the area to ensure the existing tree canopy will be replaced for the future. Replacement trees must have the potential to reach the height of trees that are removed.

METROBUS RE-ROUTING

Commissioner Thompson

Residents of Loughboro Road have sought for more than five years to have Metro buses that climb the residential side of Loughboro Road to a turnaround point at the intersection of Dalecarlia Parkway re-routed behind Sibley Hospital onto Little Falls Road and back to the front of the hospital. The vibration, noise and exhaust from Metrobuses climbing the

hill on Loughboro Road and discharging patients opposite the Sibley entrance are a constant irritant to neighbors.

The chief barriers to this change have been two-fold:

- The expense associated with upgrading the Little Falls Road roadbed to carry the heavy Metrobuses;
- The use of Little Falls Road by Sibley for its helipad. Previous BZA orders have conditioned approval of Sibley Special Exceptions on the hospital making its best efforts to work with the community to address these issues.

Washington Aqueduct general manager Tom Jacobus informed the ANC that in the event Sibley reconstructs Little Falls Road to accommodate a new hospital main entrance, the Corps will fund the difference in cost to bring the roadbed up to standards needed to carry the 20-ton trucks from its dewatering facility on Little Falls Road.

SIDES: BUS ROUTES AND HELIPAD LOCATIONS

Among the conditions attached to the ANC's vote is that this long-sought change to bus routing be implemented with the cooperation of DDOT, Sibley and WMATA as soon as possible.

AMENITIES

Commissioner Gates

§2403.9 Public benefits and project amenities of the proposed PUD may be exhibited and documented in any of the following categories:

§2403.9 (a) Urban design, architecture, landscaping, or creation or preservation of open spaces.

As an amenity, Sibley is proposing to create a small pocket park at the intersection of Dalecarlia Parkway and Loughboro Road. This more appropriately belongs under the

heading of mitigation as it is located between the proposed office building and homes across Loughboro Road.

Sibley will contribute \$105K to assist IONA with the transportation services that it provides to seniors in the Northwest Washington community. The contribution will be used to purchase two vans (a seven passenger, handicap accessible van and a wheel chair accessible minivan.) It is anticipated that the seven passenger van will have scheduled routes to pick up seniors to attend programs sponsored by IONA, Sibley and others. The addition of the \$35K to this effort, for a total of \$140,000 will help extend any programmatic elements of the IONA program.

§2403.10 A project may qualify for approval by being particularly strong in only one or a few of the categories in §2403.9, but must be acceptable in all proffered categories and superior in many.

With unproven public benefits offset by speculative financial benefits – and potentially public risk -- the ANC believes the added flexibility on height and density sought by Sibley through the PUD should be denied and the building height, number of floors and number of doctors should be capped: to 65 feet, 5 floors above grade, and 60 doctors.

CLOSING REMARKS

Neighborhood concerns about the proposed medical office building and garage fall into two broad categories: One, concerns about excessive traffic entering and exiting the facility both at rush hour and throughout the day, and impacts throughout neighborhood streets. Two, the environmental, visual, noise and other “quality of life” impacts associated with such a large facility. Sibley has grown exponentially over the last decade and we know that even more growth is on the way.

Concerns and opposition to this application have come from Palisades neighbors who said they rely upon Sibley as their community hospital and haven't opposed any of the hospital's

previous expansions. Nevertheless many have said they view the project as too large, and question the need for it given the plentiful number of doctors' offices nearby.

Many have written detailed letters to the ANC and the Zoning Commission about how the project would impact them. A majority of these letters are affectionate in tone; expressing love of their quiet neighborhood streets and gratitude for Sibley's presence and availability to them as a non-profit community-oriented hospital.

In seeking to balance the needs of the community with those of the hospital, the ANC has sought to limit the traffic impacts of Sibley's proposed medical office building and garage, and establish a more reasonable building height for this building and for the hospital's future build-out.

The recommended cap on building height to 65 feet is consistent with the Comprehensive Plan; and inextricably linked to the recommended caps on doctors, patients, and baseline neighborhood visual and traffic impacts.

We have no reason to believe that Sibley's financial health – meaning the fundamental health of the hospital -- rides on its construction of this office tower. Like other area residents, none of us has any guarantee that our own doctors will move to this facility. And indeed individual members of the ANC struggled to find any of our own doctors who had any intention of moving from their current location. This only increased our concern about whether the building can be filled and what we are left with if it is not.

Perhaps a smaller facility would reduce Sibley's risk and give it more flexibility to meet hospital staffing needs while generating some additional revenue. There is no question that by reducing the size of the proposed project Sibley will be in a better position to sustain community support for future growth.

Thank you for the opportunity to testify on this important matter and we are happy to address any questions.