

REVISED: TESTIMONY ON THE MCMILLAN HEALTHCARE BUILDING

Presented by Bertha Holliday

McMillan PUD Hearing #3 – Healthcare facilities, 5/8/14

My name is Dr. Bertha Holliday. I reside at 49 T St., NW in the Bloomingdale neighborhood where I have lived since 1989. I currently serve as the 2nd Vice President of the Bloomingdale Civic Association. I wish to express concerns related to the McMillan healthcare building, as proposed in the McMillan PUD application.

I was extremely pleased to hear the preceding testimony by representatives of the Developer and Deputy Mayor of Planning and Economic Development regarding their somewhat differing but exciting and visionary ideas of various health-related uses for the proposed healthcare building. But these were statements of what could be or might be – but not statements of what will be.

Consequently, I fear there just might be an elephant in the room in regard to the 860,000 square foot healthcare building: Who is going to occupy it – and to what specific uses will it be put?

During the past 4 or 5 years, the Bloomingdale community was led to believe that the primary tenant of the healthcare building will be Washington Hospital Center/MedStar (WHC). Although the PUD application makes note of the “adjacency” of healthcare facilities as part of its rationale for requesting increased height, square footage and a C(3)(c) zoning designation for the healthcare building, nowhere in the PUD is it specifically stated that Washington Hospital Center will be its primary tenant. This roused my curiosity. So I perused the approximately 400 documents submitted to date in the IZIS McMillan case file. I was unable to locate a single letter of partnership, interest, or support from Washington Hospital Center-- or from any other healthcare facility, corporation or association within 100 miles of the District. Furthermore, in the *Grove/Slade Transportation Report* (IZIS Exhibit 32 D1), the following is noted on page 13:

...the Washington Hospital Center’s plans for expansion are currently on hold, and they do not plan to move forward with the plan

developed over 10 years ago which gained PUD approval. The financial infeasibility of consolidating surface parking into structure to create viable development parcels is limiting the expansion plans.

One cannot help but wonder: If WHC cannot afford to build parking structures, how will it be able to pay rent on 860,000 square feet of spanking new commercial office space? If WHC will not be the building's primary tenant – then who will?

Likewise, the PUD is decidedly vague about the healthcare building's specific uses. If occupied primarily by WHC or some other healthcare corporation, will it be used to house inpatient services, or specialty outpatient clinics, or medical research laboratories, or medical staff personal offices, or major administrative functions requiring complex computer operations such as medical records management, billing, insurance reimbursement, asset management?. If not occupied primarily by a healthcare corporation, will the building be used primarily for general commercial or government offices purposes? Each of these types of primary tenants and use have very differing implications for such factors as number of employees, number of daily auto trips, space required, and tax revenue to be generated, and other fiscal impacts.

The developers have presented other possibilities of change in the building's proposed uses. For example, on page 5 of the Office of Planning *Hearing Report 3* (Exh.68), it is noted the Developer is requesting that part of the 15,000 square feet retail space on the ground floor of the healthcare building be for "optional" uses. The OP report continues to note that such optional uses have not been specified.

Also, during prior PUD hearings, the developer noted that the grocery store space may also be put to alternative unspecified use.

Although I suspect that these kinds of changes in PUDs are not unusual, in this case, such changes have the aura of a 'bait and switch' strategy. That is because, the healthcare building, the grocery, and retail space, and employment opportunities to the tune of 6000 jobs, have been proffered by the Developer as major "community benefits". Furthermore, major conclusions of the Developer's fiscal impact study, transportation study,

and community benefits and amenities offered to date are based on assumptions of building uses that now appear to be rapidly changing. Consequently, the findings and recommendations of the fiscal impact and transportation studies are increasingly unreliable and invalid sources for decision-making/rulemaking.

Because of all of the above concerns, it is hoped the Zoning Commission will DEFER any ruling or decision on the McMillan PUD until such time as the applicant can fully address the 'elephant in the room' --that is, who will be the primary tenant of the Healthcare Building, and to what specific uses it will be put?

Addressing these issues might very well require modification of the fiscal impact and transportation studies, and the developer-proffered CBA, as well as additional hearings. But let's get it right, and not end up with a McMillan development that bears minimal likeness to its initial PUD application, and does not provide critical community benefits needed and requested by neighboring residents for decades.

Thank you for your time and consideration.