

St. David's North Austin Medical Center plans for future

Austin Business Journal - by Jacob Dirr

February 7, 2010

A long-term plan for the St. David's North Austin Medical Center campus, identifying 1.5 million square feet of potential medical office and hospital development, is in limbo pending city staff's recommendation.

St. David's wants city approval for a broad development variance at its North Austin campus that would allow the hospital to execute development plans over the next 20 years without having to wade through City Hall. The proposal — which seeks planned unit development, or PUD, designation — is stalled because of questions about future development's impact on the already congested Parmer Lane and North Mopac Expressway intersection. The intersection is at capacity, exemplifying how Austin's rapid growth has outpaced the city's ability to fund or plan infrastructure upgrades.

A PUD, which can grant development uses and building allowances beyond standard zoning, involves negotiation between city staff and developers. As part of the process, a developer must submit a traffic impact study, which the city uses to gauge what road improvements it will ask the developer to pay.

St. David's PUD request has been on Zoning and Platting Commission agendas in recent months, but action has been postponed repeatedly. The process stalled when the city and hospital disagreed on the need for a traffic impact study the city favored, because dismal results were a forgone conclusion, said Jerry Rusthoven, city planning manager.

Dowe Gullatt, a lawyer with Clark Thomas and Winters PC representing St. David's, said the hospital is seeking the PUD designation for planning purposes and has no pending projects in the area. Because the hospital has no immediate plans, it is reluctant to commit to a large infrastructure investment when the development associated with it could be years away, Rusthoven said. The proposal now seems poised to move forward after the hospital relented last month and submitted a study, Rustoven said.

In return, the city is proposing a tiered road improvement approach, in which development milestones would trigger the hospital's obligation to improve roads, he said. Both sides said they are eager to reach a conclusion and hope to bring the case before the Zoning and Platting Commission next month. "I really, really want to push this one through," Rustoven said.

Even if city staff or the zoning board does not recommend the project, the city council could still approve it.

The city has long grappled with transportation problems amid booming development, Transportation Department Assistant Director Gordon Derr said.

But as the area's population spikes more than 40 percent, to a projected 2.4 million, during the next decade, transportation concerns could increasingly conflict with development.

"If downtown and all the roads are full, then we have an economic issue in Austin," Austin Transportation Director Rob Spillar has said.

This year the city launched the Austin Mobility Program to present a solution and is holding six forums Feb. 8-11 that will seek input from businesses and residents on how to shape near- and long-term investments in transportation.

Austin Mayor Lee Leffingwell is also calling for a transportation bond election in 2010, which would include new investments in roads, bicycle and pedestrian infrastructure, and the first phase of an urban rail system.

In his state of the city address this month, he said fixing transportation will require a generation-long view.

"There are no quick fixes, and there are no silver bullets," he said.