

**LETTER OF INTENT (Amended June 24, 2016)**

**ZONING IMPACT ANALYSIS**

**USE PERMIT ANALYSIS**

**CONCURRENT VARIANCE ANALYSIS**

for

**APPLICATION FOR REZONING, USE PERMIT AND  
CONCURRENT VARIANCE FOR HOSPITAL AND MEDICAL  
OFFICE COMPLEX – RZ 16-0095 and U-16-0024**

for

± 38.39 acres of land

960 – 1000 Johnson Ferry Road and 5780 Peachtree Dunwoody Road

Land Lots 16 and 17, 17<sup>th</sup> District, Fulton County, Georgia

**Revise conditions in O-I-C zoning to substitute new site plan and increase  
allowable square footage**

**Use Permit for 10-story parking structure**

**Concurrent Variance to allow lot coverage of 79 percent**

Submitted on behalf of

**NORTHSIDE HOSPITAL, INC.**

by

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## INTRODUCTION

This Application is submitted for a ±38.39-acre assemblage of land located in the City of Sandy Springs at the northwest corner of the intersection of Johnson Ferry Road and Peachtree Dunwoody Road and known as 960, 980, and 1000 Johnson Ferry Road and 5780 Peachtree Dunwoody Road (collectively the "Property"). The Property is located in Land Lots 16 and 17, 17th District of Fulton County -- Tax Parcel Identification Nos. 170016LL1096, 170016LL1740, 170016LL1088, 170016LL1161, 170017LL1137, and 170017LL1277. Legal descriptions of the Property were attached to the original Letter of Intent as **Exhibit A**.

As shown on the Site Plan by Long Engineering dated May 2, 2016 and last revised June 15, 2016 and filed with the City of Sandy Springs on June 17, 2016 (the "Site Plan"), the Property consists of three tracts that were zoned in the late 1980s – 1990 by Fulton County to O-I-C (Office-Institutional-Conditional) (see the Site Plan for a list of the approved zoning cases, use permits and variances). The Hospital<sup>1</sup> and Medical Office Tracts are owned by the Hospital Authority of Fulton County and controlled and operated by Northside Hospital, Inc. ("Northside" or "Applicant") pursuant to a long-term lease. The footprint of the Interchange Tract medical office building is owned by Northside and leased to a medical group. The parking lot surrounding the Interchange building is owned by the Hospital Authority of Fulton County.

Northside seeks approval to modify the existing O-I-C zoning for the three tracts to substitute a new site plan and allow for a total of 2,200,000 SF of hospital and medical office and accessory uses on the Property as a whole, a use permit to allow construction of a 10-story parking structure on the Interchange and Hospital Tracts,<sup>2</sup> and a concurrent variance to allow the area of the total footprint of all buildings and parking to exceed the maximum lot coverage of seventy percent (70%) and to allow lot coverage of 79 percent (79%).

This document is submitted as the Statement of Intent and Analysis required by Georgia law and the Zoning Ordinance of the City of Sandy Springs.

## PROPERTY INFORMATION

The Property is bounded on the north by I-285, on the east by Peachtree Dunwoody Road, on the south by Johnson Ferry Road, and on the west by GA-400. The Georgia Department of Transportation (GDOT) owns right-of-way that extends to the office buildings and parking decks on the west side of the Property and almost to the edge of the parking lot north of the Interchange building. Hollis Cobb Circle, a private street, traverses the Hospital and Medical Office Tracts. A MARTA tunnel runs east-west across the Property as shown on the Site Plan. Other hospital and medical office uses are located on the opposite sides of Johnson Ferry and Peachtree Dunwoody

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<sup>1</sup> The survey filed with this Application shows the Hospital Tract and the Tower Parking Deck Tract as two separate tracts because the Tower Tract is owned by Northside Hospital, Inc. However, both of these tracts are included in the zoning approvals for the Hospital Tract. Accordingly, they are collectively referred to as the "Hospital Tract" in this Application.

<sup>2</sup> The Hospital and Interchange Tracts will be replatted into a single parcel.

Roads. The Medical Center MARTA station is located on the east side of Peachtree Dunwoody Road opposite Hollis Cobb Circle.

### **CURRENT AND PROPOSED USES**

The Property is improved by a hospital, four medical office buildings, four parking decks, surface parking, and a day care center. The Hospital currently has 537 beds. Northside has experienced rapid growth in patient demand in recent years -- almost ten percent in just the last two years. To meet the growing patient need, Northside has obtained regulatory approval to add 53 beds. In addition, Northside plans to add nine observation beds that would be occupied by patients for less than 24 hours. Northside proposes to accommodate these additional beds and related and accessory uses in an eight-story addition to the north tower of the hospital building. Fifty-seven beds will be moved from other areas of the existing hospital to the north tower addition.<sup>3</sup>

The addition will be positioned between the Cancer Center and the existing medical office tower adjacent to Peachtree Dunwoody Road. The exterior materials used on this north tower addition will be a combination of metal panels, glass curtainwall, and precast concrete to be compatible with the nearby buildings. This tower will be built in one or two phases depending upon the pace of regulatory approval processes.

Northside is experiencing a parking shortage at present and will need additional parking to serve the new tower. Northside is a major regional healthcare destination. Many of its patients, employees, and visitors live in areas not served by MARTA or other bus or rail service. Moreover, healthcare patients -- who often are in wheelchairs, on crutches, in labor, or otherwise physically limited -- generally are more likely to drive or to be driven to the campus by a friend or family member rather than commuting by mass transit. The number of spaces on the property today -- 4665 -- meets the minimum zoning requirements but has proven to be insufficient for actual needs. The hospital and medical offices currently employ approximately 7000 medical professionals and staff and experience about 4570 patient encounters per day. Given recent history, both of these numbers are expected to increase. Furthermore, during the construction of the I-285/GA 400 improvements, approximately 110 parking spaces on the Interchange Tract will be unusable. To address these needs, Northside proposes to construct a 1277-space 10-story parking garage between the Interchange office building and the Women's Center wing of the hospital to meet current and future parking demand. The design and materials of the deck will be compatible with existing parking structures on the Property.

Each tract of the Property is zoned to a site plan that depicts specific buildings and uses and specifies the maximum square footage allowed. The Hospital Tract is almost at capacity for permitted square footage. Moreover, neither the Hospital nor the Interchange Tract zoning site plans include the proposed parking structure.

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<sup>3</sup> Northside also plans to add six observation beds to the existing Women's Center.

Specifically, Applicant requests the following:

Amend the existing O-I-C zoning to:

- a) Condition the zoning of the three tracts collectively to the Site Plan;
- b) Allow maximum square footage of 2,200,000 for the Property as a whole;

Use Permit to allow a ten-story parking structure as shown on the Site Plan; and

Concurrent Variance to allow for the area of the total footprint of all buildings and parking to have a total lot coverage of seventy-nine percent (79%).

## **JUSTIFICATION**

### **Zoning Impact Analysis**

A. Whether the proposed modification will permit uses that are suitable in view of the use and development of adjacent and nearby property. Northside proposes to continue the existing uses of the Property: hospital, medical office, accessory uses, and parking. These uses are consistent and compatible with the surrounding hospital and medical office uses east, west, and south of the Property. The north tower addition and the parking deck will enhance the capacity of "Pill Hill" to serve the medical needs of the City and the metro Atlanta region.

B. Whether the proposed modification will adversely affect the existing use or usability of adjacent or nearby property. No. The new structures have been designed and positioned for minimal impact on surrounding properties. The north tower addition will not be visible from public streets. The garage will be located in a low area approximately 100 ft. from and 14 ft. below the grade of Peachtree Dunwoody Road and will be screened by an existing mature tree and shrub buffer and new landscaping. No additional entrances to the Property are proposed.

C. Whether the Property has a reasonable economic use as currently zoned. The current zoning conditions constrain Northside's ability to respond to increased patient demand and to provide adequate parking for employees, patients, and visitors. Regulatory approval for additional beds was granted based on demonstrated need for additional hospital capacity. The zoning modification is necessary to allow Northside to meet that need.

D. Whether the proposed modification will result in a use which will or could cause excessive or burdensome use of existing streets, transportation facilities, utilities, or schools. There will be no impact on schools or utilities. Stormwater management will continue to be provided onsite. The parking garage will not encroach into the MARTA tunnel easement. Georgia Power will reroute their electrical feeds onsite and provide a new transformer for the parking deck.

A Traffic Impact Analysis conducted by Michael Baker International dated May 31, 2016 concluded that all five of the study intersections will continue to operate at the same level of service in both the morning and afternoon peak hours after the north tower addition is opened. Specifically, the Peachtree Dunwoody/Johnson Ferry intersection will continue to operate at Level E, and the

other four will continue to operate at Level D or better (see pp. 12-13 of the Traffic Impact Analysis). The impact will be minimal relative to existing conditions.

Notwithstanding this conclusion, Northside is mindful of the general concerns of City official and neighbors regarding traffic volume and congestion in the vicinity. To reduce vehicular traffic to the Property, lessen peak hour congestion, and enhance pedestrian and vehicular circulation and efficiency, Northside has undertaken the following:

- Provides subsidized MARTA cards to employees (at least 500 daily riders)
- Provides financial incentive to employees who do not drive to the campus
- Participates in commuting options managed by the Perimeter CID
- Relocated non-medical personnel to other properties and allowed telecommuting options
- Changed shift times for non-medical personnel to reduce traffic congestion during peak hours
- Provides shuttle service among Northside properties in the Pill Hill area to minimize driving by employees and staff to meetings
- Relocated some employee parking off campus and provided shuttle service
- Changed most clinical staff to 12-hour shifts in order to alleviate traffic congestion during peak hours
- Pays for a police officer to direct pedestrian and vehicular traffic at the Hollis Cobb/Peachtree Dunwoody intersection
- Engaged a consultant to develop a wayfinding plan for the Property to improve interior circulation and signage and enhance signage and wayfinding information at access points on Peachtree Dunwoody and Johnson Ferry
- Voluntarily provides financial support to the Perimeter CID
- Currently working with the Perimeter CID and other stakeholders on a comprehensive traffic and transportation planning study for this area.

E. Whether the proposed modification is in conformity with the policies and intent of the City's Comprehensive Plan. The Property is designated "Living-Working Regional" in the Future Land Use Plan, which provides for commercial/office use in excess of 25,000 SF per acre. The current uses (40,800 SF/acre) and proposed uses (53,000 SF/acre) are consistent with that designation.

In addition, the Property is designated as "Regional Transit-Oriented Activity Center" in the Character Area Map. The current and proposed uses, density, and scale are consistent with this

character area's defining features of predominantly mid-rise and high-rise offices, institutions, predominantly deck parking, regional employment center, and urban intensity.

F. Whether there are other existing or changing conditions affecting the use and development of the Property which give supporting grounds for either approval or disapproval of the proposed modification. As discussed elsewhere in this Application, Northside is experiencing rapidly growing patient demand. The zoning modification is needed to allow Northside to expand its physical capacity to meet this demand and provide essential healthcare services.

G. Whether the proposed modification will permit a land use which can be considered environmentally adverse to the natural resources, environment, and citizens of the City. The Zoning Ordinance provides that an environmentally adverse use "poses a potential or immediate threat to the environment and/or is physically harmful or destructive to living beings as described in Executive Order 12898 of February 11, 1994 regarding federal actions to address environmental justice." Code Section 3.3.5. The application does not seek to change the existing uses of the Property, which cannot be considered environmentally adverse.

The new structures are proposed to be constructed on land that is mostly covered with impervious surfaces already. Modern stormwater management facilities will be provided, thereby eliminating any adverse impact on the environment or natural resources.

As to the impact on citizens, the mission statement of Northside speaks to the positive impact on the community of this facility:

"Northside Hospital is committed to the health and wellness of our community. As such, we dedicate ourselves to being a center of excellence in providing high-quality health care. We pledge compassionate support, personal guidance and uncompromising standards to our patients in their journeys toward health of body and mind. To ensure innovative and unsurpassed care for our patients, we are dedicated to maintaining our position as regional leaders in select medical specialties. And to enhance the wellness of our community, we commit ourselves to providing a diverse array of educational and outreach programs."

Since the Sandy Springs campus opened in 1970, Northside has provided important and valuable services and has managed the Property in a responsible, environmentally sensitive manner. Approving the rezoning will enable Northside, the City's largest employer, to provide health and wellness services to meet the growing demands of the community.

### **Use Permit Analysis (10-story Parking Structure)**

1) Whether the proposed use is consistent with the Comprehensive Land Use Plan: As discussed above, parking decks are characteristic of the Regional Transit-Oriented Activity Center character area. Additionally, the Property is located in Land Use Node 6 – PCID. The Guidelines and Policies for Node 6 include the recommendation that "building heights should not be limited in this area." Accordingly, a 10-story parking deck in the location proposed is consistent with the Comprehensive Plan.

2) Compatibility with land use and zoning districts in the vicinity: Parking structures are allowed in the O-I classification, which is the predominate classification in the medical complex

vicinity. Both this Property and other hospital and medical office complexes in the area have multi-story buildings and parking garages that exceed the four-story limit in the O-I classification. Indeed, this Property already is approved for buildings and parking decks taller than the 10-story structure proposed in this Application. This parking deck will be set farther back from Peachtree Dunwoody Road than the 12-story parking and office structure that exists on the Property today.

3) Whether the proposed use may violate local, state, and/or federal statutes, ordinances or regulations governing land development: Northside will comply with all applicable land development, building code, and stormwater management regulations and requirements. We are aware of no violations that would be caused by the proposed use.

4) The effect of the proposed use on traffic flow, vehicular and pedestrian, along adjoining streets: Because of the current parking shortage, patients and visitors often drive around the Property and in and out of the entrances and exits along Johnson Ferry and Peachtree Dunwoody Roads searching for a parking space. The addition of the parking deck will reduce the volume of circling vehicles and ease congestion on Hollis Cobb Circle by providing sufficient parking capacity necessary for the campus onsite.

See Section D. of the Zoning Analysis for further information on traffic management strategies already in place.

5) The location and number of off-street parking spaces: A parking structure with this capacity (approximately 1277 spaces) is needed to provide the parking required by the Sandy Springs Zoning Ordinance and actual conditions for present and proposed uses. Northside is experiencing a parking shortage at present and will need additional parking to serve the new tower. Visitors and patients often encounter a parking shortage on the Property, particularly during peak hours. Many of its patients, employees, and visitors live in areas not served by MARTA or other bus or rail service. The number of spaces on the property today – 4665 – meets the minimum zoning requirements but has proven to be insufficient for actual needs. The hospital and medical offices currently employ approximately 7000 medical professionals and staff and experience about 4570 patient encounters per day. The parking shortage will worsen during construction of the GDOT I-285/GA-400 project because approximately 110 spaces in the Interchange surface parking lot are located within a GDOT construction easement, which will be used during the highway construction.

The deck is proposed to be located strategically between the Interchange office building and the Hospital, which have the greatest need for additional parking currently and after the north tower expansion is open.

6) The amount and location of open space: Natural and landscaped buffers, planting areas, sidewalks, and pocket courtyards exist throughout the Property. The parking garage will be located in an area that is largely covered with surface parking today. Additional landscaping will be provided around the parking deck.

7) Protective screening: There is an existing buffer of mature trees and shrubs extending along Peachtree Dunwoody Road from Hollis Cobb Circle to the Interchange entrance, which will provide ample screening for the parking garage. While some trees on the Interchange Tract must be removed to expand the stormwater detention facility and install an additional storm drainage pipe,

new trees and landscaping will be provided. Furthermore, the structure will be located 14 ft. below the grade of the street and 100 ft. back from the right of way, which will further reduce the visual impact of the deck.

8) Hours and manner of operation: The parking deck will be open 24 hours a day, 7 days a week. Security will be provided continuously.

9) Outdoor lighting: Northside plans to install four lighting poles on top of the deck and some lights on and around the parking structure (in addition to interior lighting).

10) Ingress and egress to the property: The entrances to the Hospital and Interchange Tracts will not change. The parking deck will be accessible from Peachtree Dunwoody Road and Hollis Cobb Circle. As shown on the Site Plan, two entrances to the parking garage will be provided from the Interchange Tract and one from the Hospital Tract.

### **Concurrent Variance Analysis (Lot Coverage)**

Article XXII, Section 22.3.1 of the City of Sandy Springs Zoning Ordinance provides that variances may be granted upon a showing that:

A. Relief, if granted, would be in harmony with, or, could be made to be in harmony with, the general purposes and intent of the Zoning Ordinance; or

B. The application of the particular provision of the Zoning Ordinance to a particular piece of property, due to extraordinary and exceptional conditions pertaining to that property because of its size, shape, or topography, would create an unnecessary hardship for the owner while causing no detriment to the public.

Northside respectfully submits that both standards are met in this case.

A. The majority of the increase in lot coverage will be due to the construction of the new parking deck. The current zoning for the Interchange Tract already allows for the construction of a new office building in the approximate location of the proposed parking deck. Thus, this additional lot coverage was already contemplated in the existing zoning, and Northside is merely proposing to substitute a parking deck for the office building on this undeveloped portion of the Property.

There is an existing buffer of mature trees and shrubs along Peachtree Dunwoody Road from Hollis Cobb Circle to the Interchange entrance, which will provide ample screening for the parking garage. New trees and landscaping will be provided. Furthermore, the structure will be located 14 ft. below the grade of the street and 100 ft. back from the right of way, which will further reduce the visual impact of the deck. Accordingly, this requested relief is in harmony with the general purposes and intent of the Zoning Ordinance.

B. The requested variance relates to Northside's ability to respond to increased patient demand and to provide adequate parking for employees, patients, and visitors on its existing campus. The current lot coverage on the Property is approximately seventy-four percent (74%). With the development of the eight-story addition to the north tower of the hospital building and the

construction of the ten-story parking deck as proposed in this application, the lot coverage will increase because the parking deck will be constructed partially on an area that currently is undeveloped. Given the irregular, triangular shape of the Property, the as-built conditions, and the topography of the Interchange Tract, there is no other way to provide the needed capacity on the Property to respond to increased patient demand or provide adequate parking without additions to the existing hospital building and the construction of a new a parking deck, which will increase the lot coverage.

For these reasons, denial of this request for a concurrent variance would create an unnecessary hardship not only for Northside but also for its patients and staff. Granting this relief will not cause a detriment to the public because existing screening and landscaping will be enhanced. Furthermore, stormwater management will be provided in accordance with all applicable regulatory requirements and additional stormwater capacity will be provided, thereby minimizing any impact of increased impervious surface.

### **CONSTITUTIONAL OBJECTIONS**

The Property cannot be economically developed or used as currently zoned. Therefore, the Applicant respectfully submits that the Zoning Ordinance of the City of Sandy Springs, Georgia, as amended from time to time, to the extent that it classifies the Property in any zoning district that would preclude development of a hospital addition and parking garage as proposed, is unconstitutional as a taking of property, a denial of equal protection, an arbitrary and capricious act, and an unlawful delegation of authority under the specific constitutional provisions later set forth herein. Any existing inconsistent zoning of the Property pursuant to the City of Sandy Springs Zoning Ordinance deprives the Applicant of any alternative reasonable use and development of the Property. Additionally, all other zoning classifications would deprive the Applicant of any reasonable use and development of the Property. Further, any attempt by the Planning Commission or City Council to impose greater restrictions upon the manner in which the Property will be developed than presently exist would be equally unlawful.

Accordingly, Applicant submits that the current zoning classifications and any other zoning of the Property save for what has been requested constitute an arbitrary and unreasonable use of the zoning and police powers because they bear no substantial relationship to the public health, safety, morality or general welfare of the public and substantially harm the Applicant and Property owner. All inconsistent zoning classifications between the existing zoning and the zoning requested hereunder would constitute an arbitrary and unreasonable use of the zoning and police powers because they bear or would bear no substantial relationship to the public health, safety, morality or general welfare of the public and would substantially harm the Applicant. Further, the existing inconsistent zoning classifications and conditions as well as all zoning and plan classifications intervening between the existing inconsistent zoning classification and that required to develop this Project would constitute a taking of the Applicant's private property without just compensation and without due process in violation of the Fifth Amendment and Fourteenth Amendment of the Constitution of the United States, and Article I, Section I, Paragraph I and Article I, Section III, Paragraph I of the Constitution of the State of Georgia and the Due Process and Equal Protection Clauses of the Fourteenth Amendment to the Constitution of the United States.

Further, the Applicant respectfully submits that failure to approve the requested zoning changes, use permit, and concurrent variance would be unconstitutional and would discriminate in an arbitrary, capricious and unreasonable manner between the Applicant and owners of similarly situated property in violation of Article I, Section III, Paragraph I of the Constitution of the State of Georgia and the Equal Protection Clause of the Fourteenth Amendment of the Constitution of the United States.

Finally, the Applicant respectfully submits that the Mayor and City Council cannot lawfully impose more restrictive standards upon the development of the Property than presently exist, as to do so not only would constitute a taking of the Property as set forth above, but also would amount to an unlawful delegation of their authority, in response to neighborhood opposition, in violation of Article IX, Section IV, Paragraph II of the Georgia Constitution.

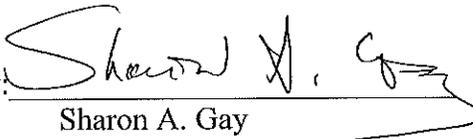
This Application meets favorably the prescribed test set out by the Georgia Supreme Court to be used in establishing the constitutional balance between private property rights and zoning and planning as an expression of the government's police power. See Guhl vs. Holcomb Bridge Road, 238 Ga. 322 (1977).

### CONCLUSION

Northside is a primary stroke center, cardiovascular center, and maternity center. Availability of these services is critical to the community. The State of Georgia has recognized the need for additional patient capacity by granting a certificate of need. The tower addition and parking deck will enhance access, improve vehicular circulation, and allow for the growth that the State has deemed necessary for public health.

For the foregoing reasons, Applicant respectfully requests that this Application for Rezoning, Use Permit, and Concurrent Variance be approved.

Submitted this 24<sup>th</sup> day of June, 2016.

By:   
Sharon A. Gay