

Land Planner Study: Phase One Due Diligence and Next Steps



**NORRISTOWN STATE HOSPITAL CAMPUS
PUBLIC MEETING - OCTOBER 9, 2018**

Land Planner Consultant Team



Lead Technical Planning and Engineering Consultant



Subconsultant – Stakeholder Outreach



Subconsultant – Environmental



Subconsultant – Real Estate Appraisal



Subconsultant – Highest & Best Use Analysis

Meeting Agenda



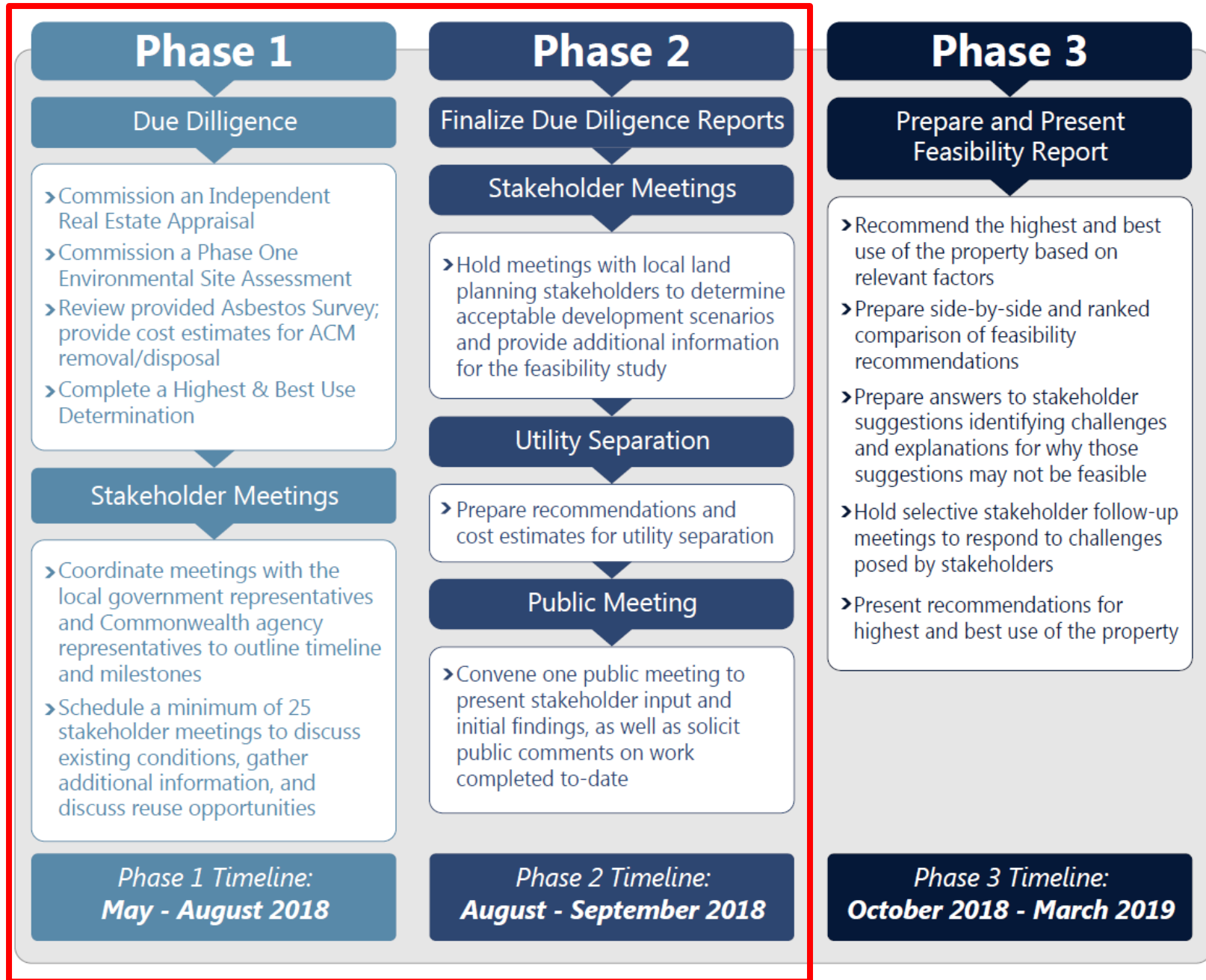
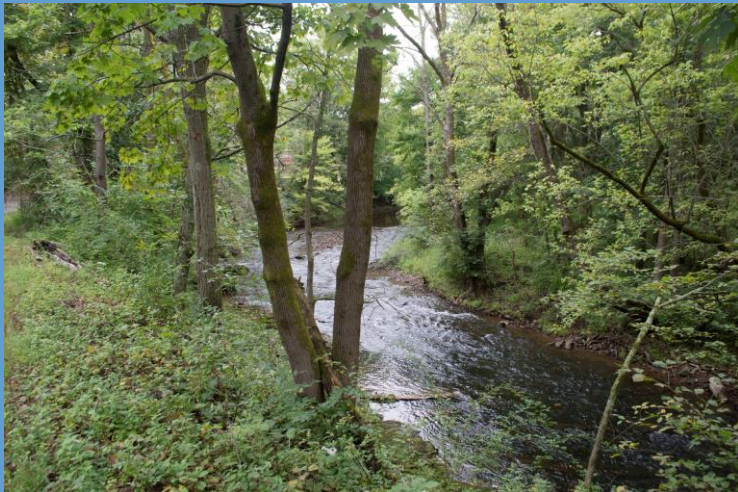
- 1. Welcome and Introductions**
- 2. Land Planner Study Objectives**
- 3. Work Plan and Timeline**
- 4. Phase One Due Diligence Findings – Stakeholder Outreach and Technical Studies**
- 5. Next Steps of Land Planning Study**
 - a) Phase 2 – Due Diligence Analysis and Stakeholder Outreach
 - b) Phase 3 – Feasibility Study Report Preparation and Presentation
- 6. Public Comment Session**

Land Planner Study Objectives



1. Determine the highest and best use of the state hospital campus property
2. Determine if any portion of the property could be economically and legally subdivided while allowing those portions of the property and facilities required by DHS for ongoing mental health treatment to remain in Commonwealth use and ownership

Land Planner Study Work Plan and Timeline



Project Study Area



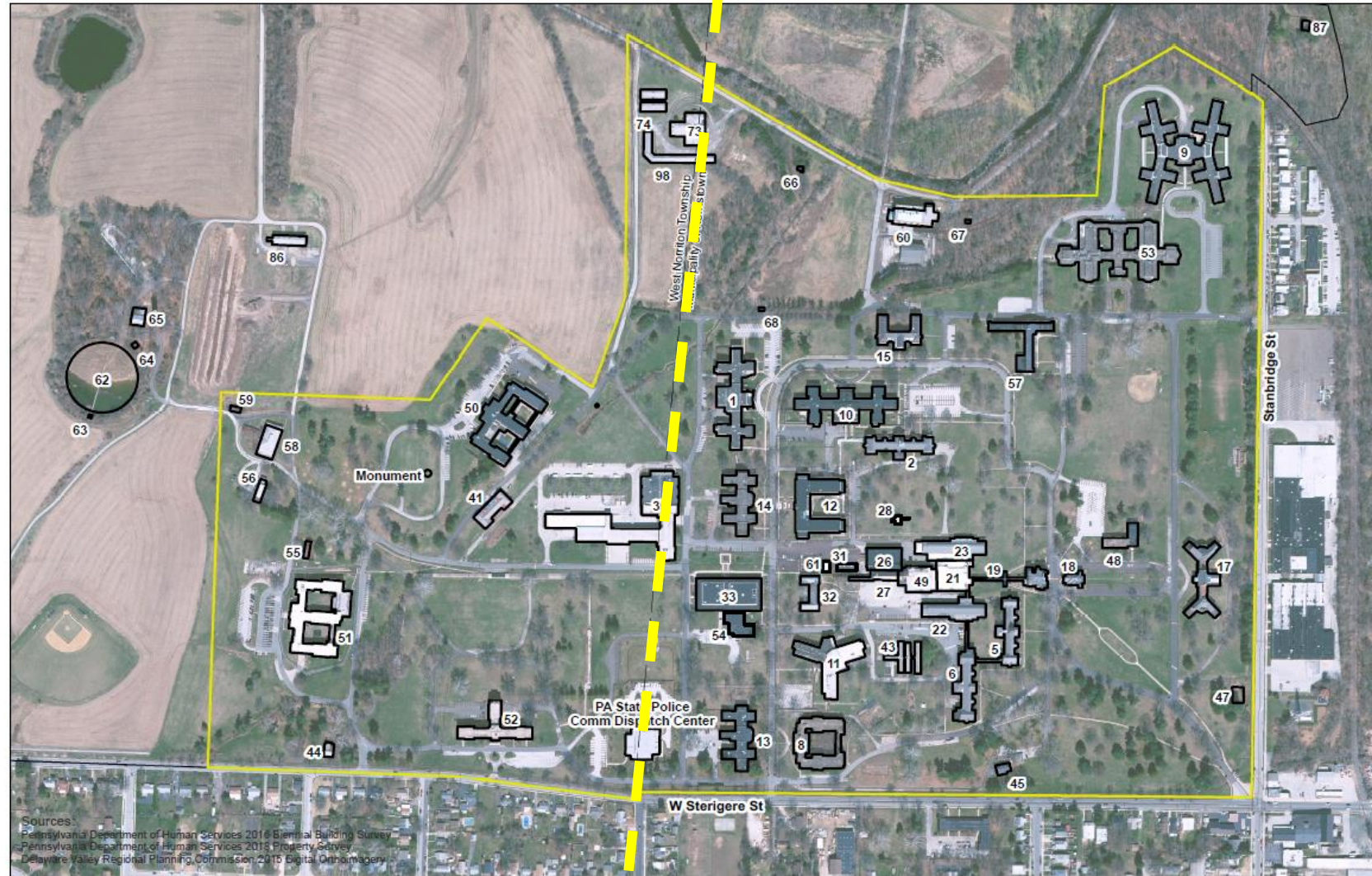
Norristown State Hospital Land Planner Project Study Area

Norristown, Montgomery County, PA

Michael Baker
INTERNATIONAL

West Norriton Township

Norristown Municipality



Norristown State Hospital Land Planner Project
 Study Area
 Norristown, Montgomery County, PA

Sources:
 Pennsylvania Department of Human Services 2016 Biennial Building Survey
 Pennsylvania Department of Human Services 2015 Property Survey
 Delaware Valley Regional Planning Commission 2015 Digital Orthomosaic

Project Study Area

198.8 Total Acres:

- 133.4 acres in Norristown
- 65.4 acres in West Norriton Township

55 Buildings

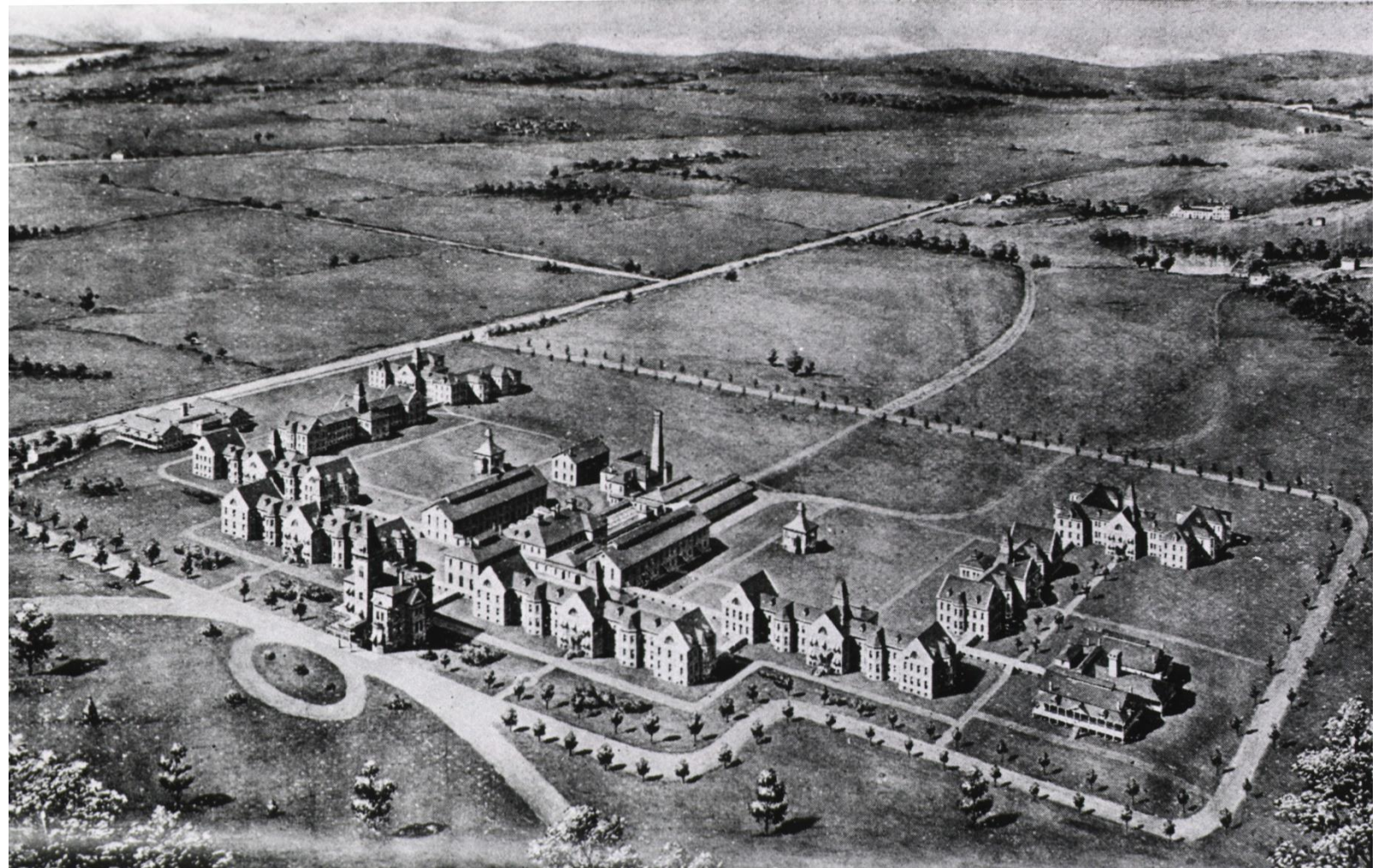
BIRDS-EYE DRAWING OF NORRISTOWN STATE HOSPITAL

Site History

Norristown State Hospital
was completed in 1879
opened in 1880

By 1947, the facility grew to
support approximately 5,000
individuals needing mental
health services

Forensic services began in
1937 with the development
of Building 51



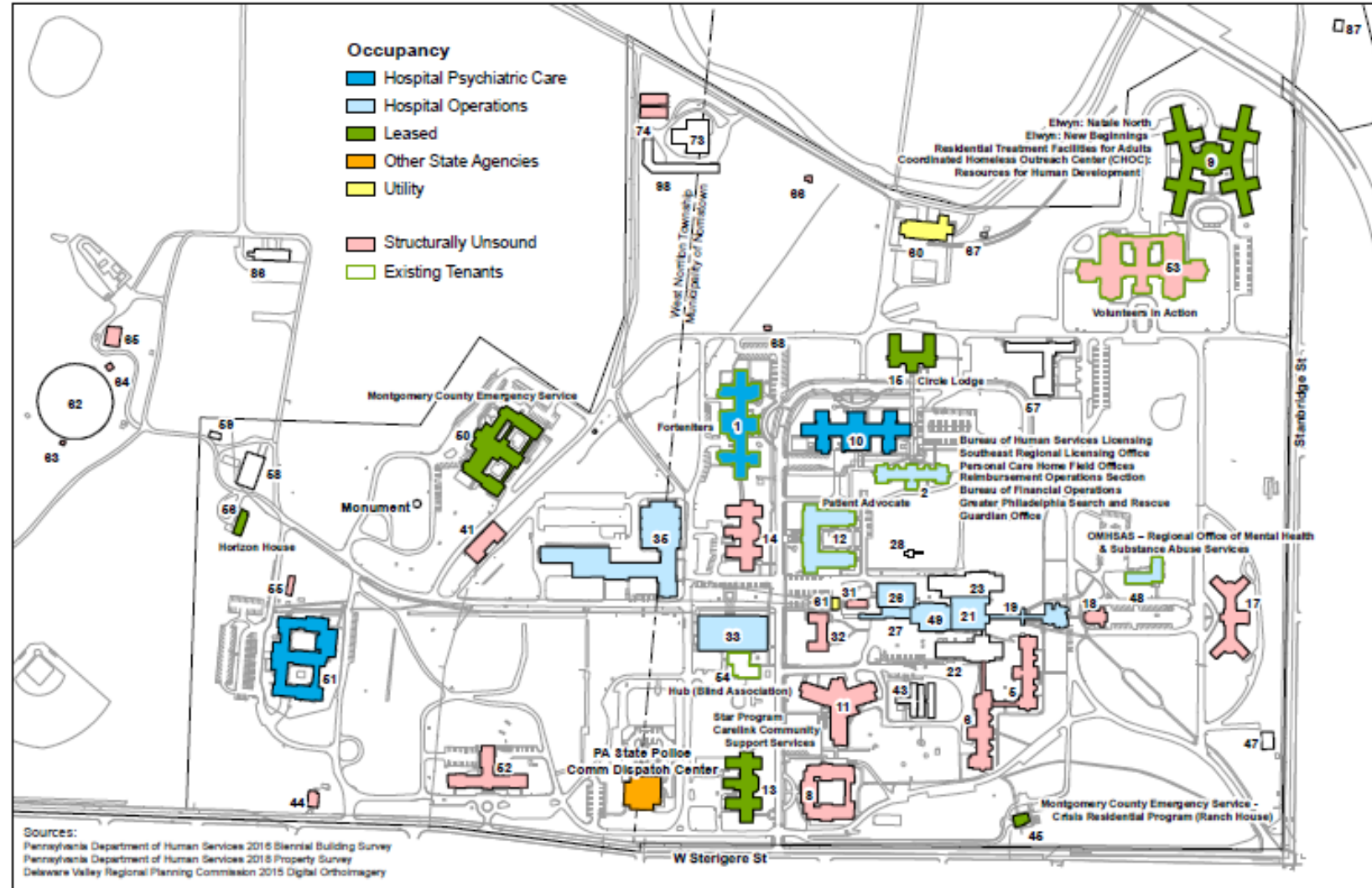
Current Campus Operations



CURRENT NSH CAMPUS OPERATIONS

- Campus operations and activities are under the purview of and coordinated by the PA Dept. of Human Services (DHS)
- Includes both state hospital operations and non-state hospital activities utilizing the state hospital campus via lease agreements
- Current activities at the NSH campus are: DHS operations, County Mental Health contracted services, additional tenants, and community use
- Approximately, 1,195 people are employed at the NSH
 - Includes state employees who are part of state hospital operations, county mental health service provider organizations, and other organizations
- Twelve (12) non-state, not-for-profit and community organizations that operate on campus as tenants in various campus buildings

Campus Utilization



Norristown State Hospital Land Planner Project Study Area

Norristown, Montgomery County, PA

Table 1: Current Norristown State Hospital Operations

Building	Operation/Office	Employees	Description
#01	Civil Step-Down Patient Building	69	Provides civil step-down services
#02	Bureau of Human Services Licensing / Southeast Regional Licensing Office / Personal Care Home Field Offices	2	DHS regional office
#02	Guardian Office	2	Patient Guardian Services
#02	Reimbursement Operations Section, Bureau of Financial Operations	4	NSH accounts receivable operations
#10	Forensic and Civil Step-Down Patient Building	175	Provides regional psychiatric forensic and civil step-down services
#12	Nursing/PI/SRS Offices	30	Central Offices for Nursing and other Clinical Departments
#19	Administration	12	Administration, Accounting & Procurement
#21/23	Dietary	39	Food Preparation
#21	Vocational Adjustment Services	7	Vocation Services
#22	Security	15	Security Offices
#26/27	Warehouse	2	Warehousing and Emergency Red Cross Storage Center
#35	Maintenance Building	43	Maintenance and Garage Operations
#48	Human Resources	5	Provide HR Services and Recruitment
#48	OMHSAS – Regional Office of Mental Health & Substance Abuse Services	8	OMHSAS regional office staff location
#51	NSH Regional Forensic Psychiatric Center	335	Provides regional psychiatric forensics services
#60	Boiler Plant	6	Steam Production
Total Employees		754	

State Hospital Current Capacity

102

**BEDS IN THE GENERAL PSYCHIATRY
(CIVIL SECTION) UNIT**

The civil section serves the five counties of the southeast region of Pennsylvania: Bucks, Chester, Delaware, Montgomery, and Philadelphia.

- *The program is in Buildings 1 and 10.*

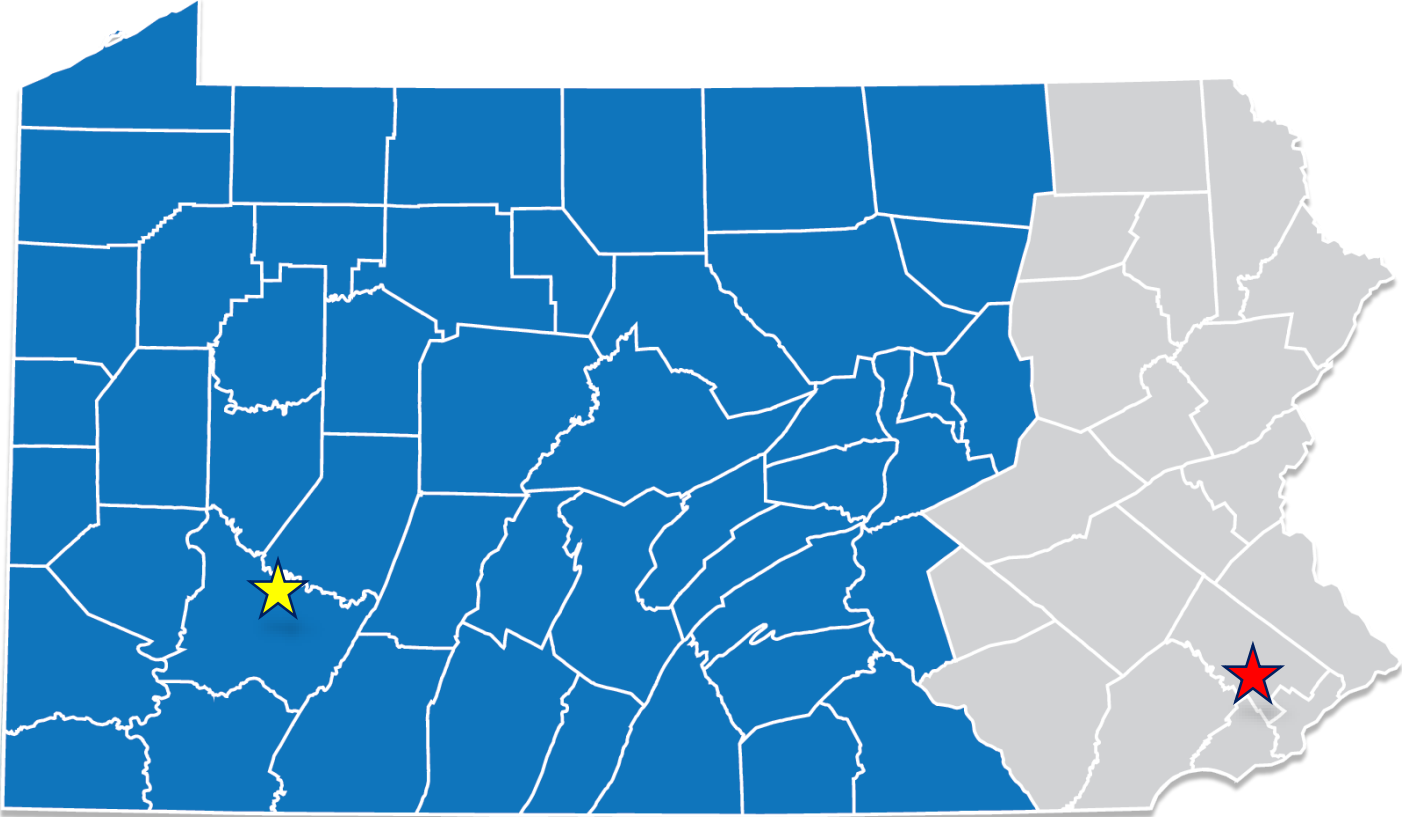
187

**BEDS IN THE REGIONAL PSYCHIATRIC
FORENSIC CENTER (RFPC)**

The RFPC serves 19 counties (per the following map)

- *These services are provided in Buildings 51 & 10.*

RFPC SERVICE AREAS



TORRANCE STATE HOSPITAL RFPC



NORRISTOWN STATE HOSPITAL RFPC

COUNTY MENTAL HEALTH CONTRACTED TENANTS ON NSH CAMPUS

Building	Operation/Office	Employees	Description	County Served
#09	Resources for Human Development/ Coordinated Homeless Outreach Center Shelter (CHOC)	25	Emergency housing for single adults experiencing homelessness in Montgomery County	Montgomery
#09	Elwyn / New Beginnings - Residential Treatment Facility for Adults (RTFA)	23	Residential housing, continuous treatment, support, and supervision for adult residents	Berks, Chester, Delaware, Montgomery
#09	Elwyn / Natale North Forensic – Residential Treatment Facility for Adults (RTFA)	17	Forensic residential housing, continuous treatment, support, and supervision for adult residents	Berks, Delaware, Montgomery
#13	Carelink- STAR Residential / STAR – Community Residential Rehabilitation (CRR) Carelink - STAR partial program / STAR Partial Hospitalization Program	60 (20 fulltime / 40-part time)	Residential rehabilitation program providing 24-hour support and supervision in a secure facility seven day per week	Berks, Chester, Delaware, Montgomery, Philadelphia
#15	Circle Lodge / Circle Lodge Community Residential Rehabilitation (CRR)	17	24 bed, State-licensed community residential rehabilitation program	Montgomery
#45	MCES Carol’s Place / Carol's Place - Crisis Residential	20	Short-term, consumer-centered treatment a supportive, home-like environment to adults who are experiencing an acute psychiatric crisis and who can be treated safely and effectively	Montgomery
#50	MCES Acute Psychiatric Hospital / MCES - Inpatient, Crisis and Ambulance	270	Non-profit behavioral health emergency service that meets the needs of persons experiencing a psychiatric emergency or serious mental health crisis on a 24/7 basis	Berks, Chester, Delaware, Montgomery, Philadelphia
#56	Horizon House / Community Residential Rehabilitation (CRR)	9	Residential program from Philadelphia State Hospital to satisfy a DHS program requirement	Philadelphia
Total Employees		441		

NON-PROFIT AND COMMUNITY ORGANIZATIONS ON NSH CAMPUS

Building	Operation/Office	Employees	Description
#02	Greater Philadelphia Search and Rescue	20 (volunteers)	Volunteer search and rescue team for PA, NJ, DE, and MD
#12	Patient Advocate	2	Advocate for NSH patients
#53	Volunteers in Action	80 (volunteers)	Provides programs and activities for patients of NSH to enhance the quality life
#54	Hub (Blind Association)	2	Canteen
Green Space/Stream Area	Stony Creek Anglers	25 (volunteers)	Trout nursery
Sports Fields/Open Green Space	Norristown Youth Eagles, Inc.	(volunteers)	Youth Football League

Phase 1 Due Diligence - Stakeholder Outreach & Technical Studies



Phase 1

Due Diligence

- › Commission an Independent Real Estate Appraisal
- › Commission a Phase One Environmental Site Assessment
- › Review provided Asbestos Survey; provide cost estimates for ACM removal/disposal
- › Complete a Highest & Best Use Determination

Stakeholder Meetings

- › Coordinate meetings with the local government representatives and Commonwealth agency representatives to outline timeline and milestones
- › Schedule a minimum of 25 stakeholder meetings to discuss existing conditions, gather additional information, and discuss reuse opportunities

Phase 1 Timeline:
May - August 2018

Stakeholder Outreach

Stakeholder Outreach



STAKEHOLDER OUTREACH PROCESS

- Phase 1 of the Study included extensive outreach activities.
- Outreach in Phase 2 of the Study starts tonight with this Public Meeting.
- Phase 3 of the study will continue outreach and involvement right through the end of the study.

Stakeholder Outreach

Land Planner engaged nearly 500 individuals from June – August 2018

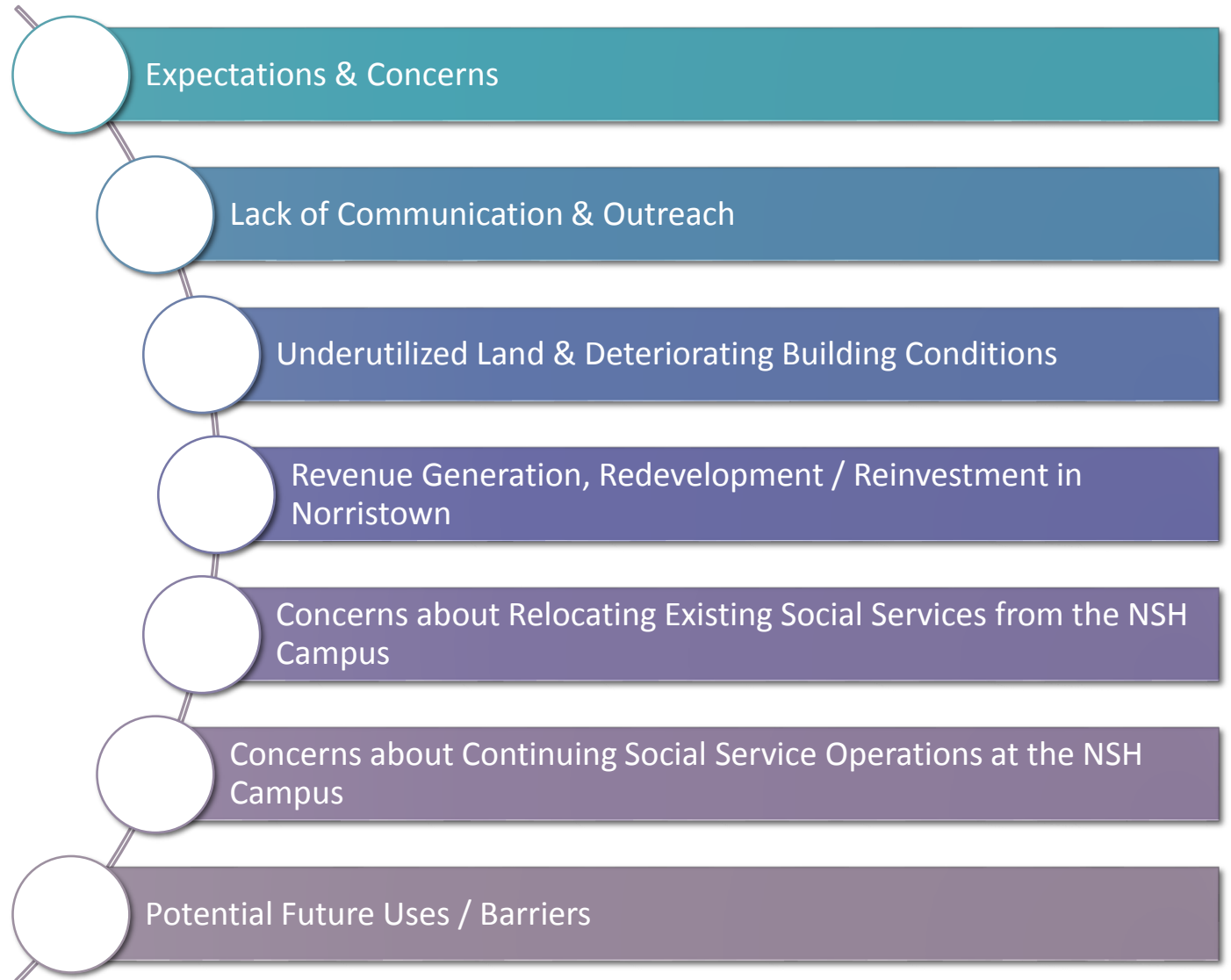
STAKEHOLDER OUTREACH PROCESS

- Interviews and Focus Group Meetings
 - 129 individuals representing over 50 organizations
 - 24 in person meetings; 13 telephone interviews
- Online Public Survey
 - August 2018
 - 352 Responses
- Stakeholder Workshops (8/20 and 8/22)
 - 32 participants
 - Neighbors living in proximity to the NSH Campus
 - Additional stakeholders identified by Norristown

Stakeholder Outreach



STAKEHOLDER PERSPECTIVES



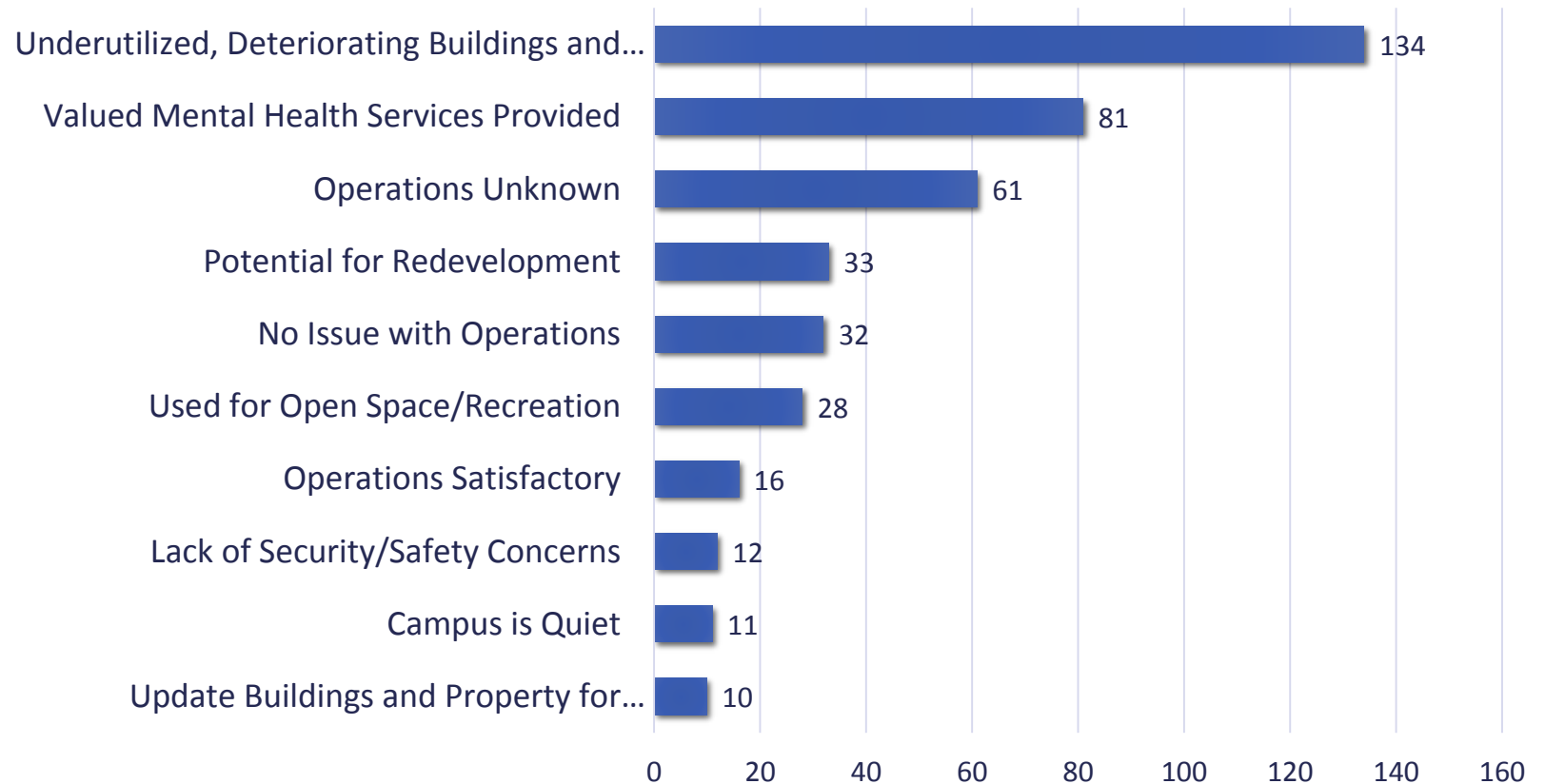
Stakeholder Outreach



PUBLIC SURVEY

Question 1: As a citizen, how do you view current operations at the Norristown State Hospital campus?

Top 10 Responses



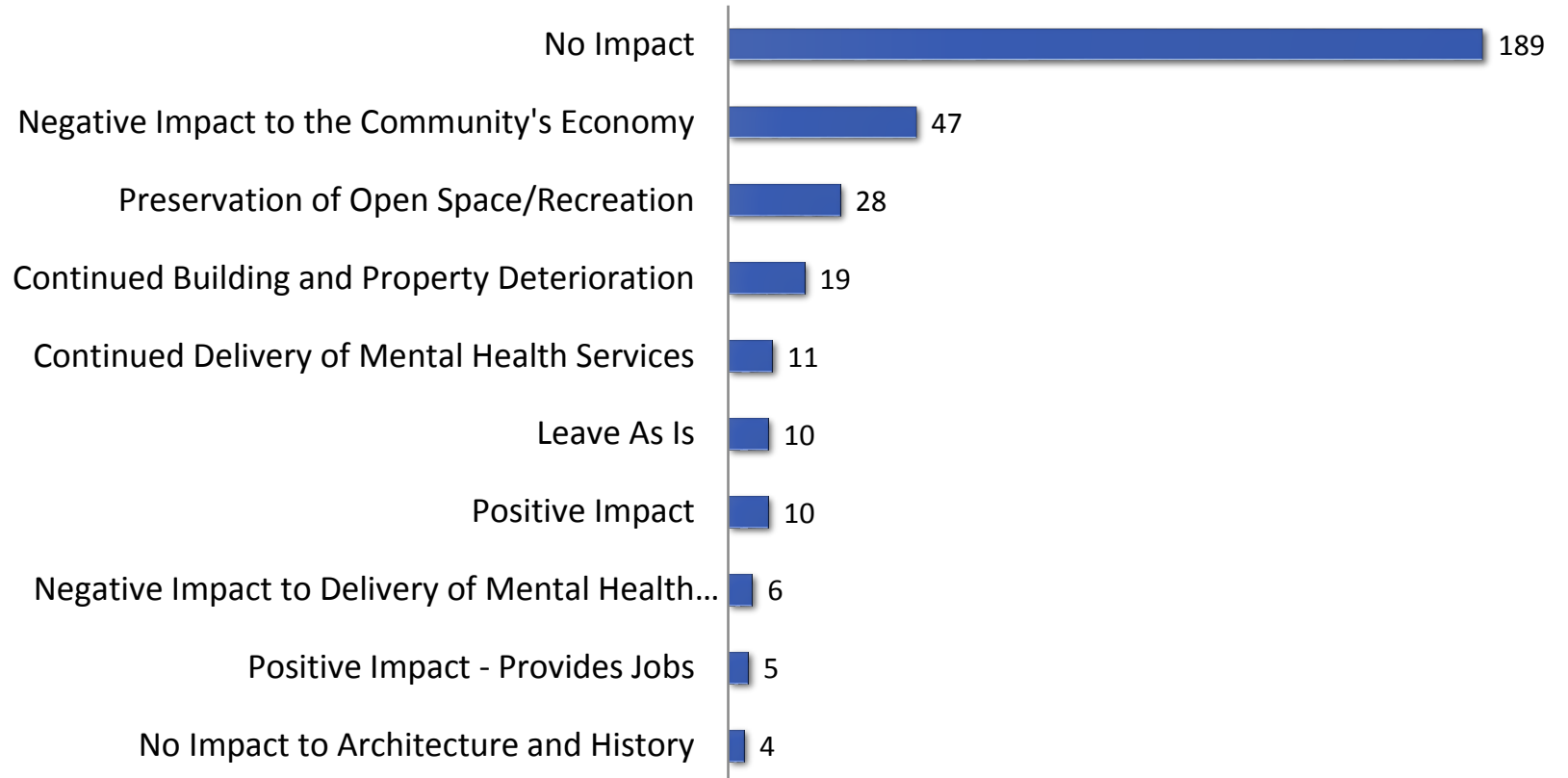
Stakeholder Outreach



PUBLIC SURVEY

Question 2: If the Norristown State Hospital campus remains as is, how would you be impacted?

Top 10 Responses



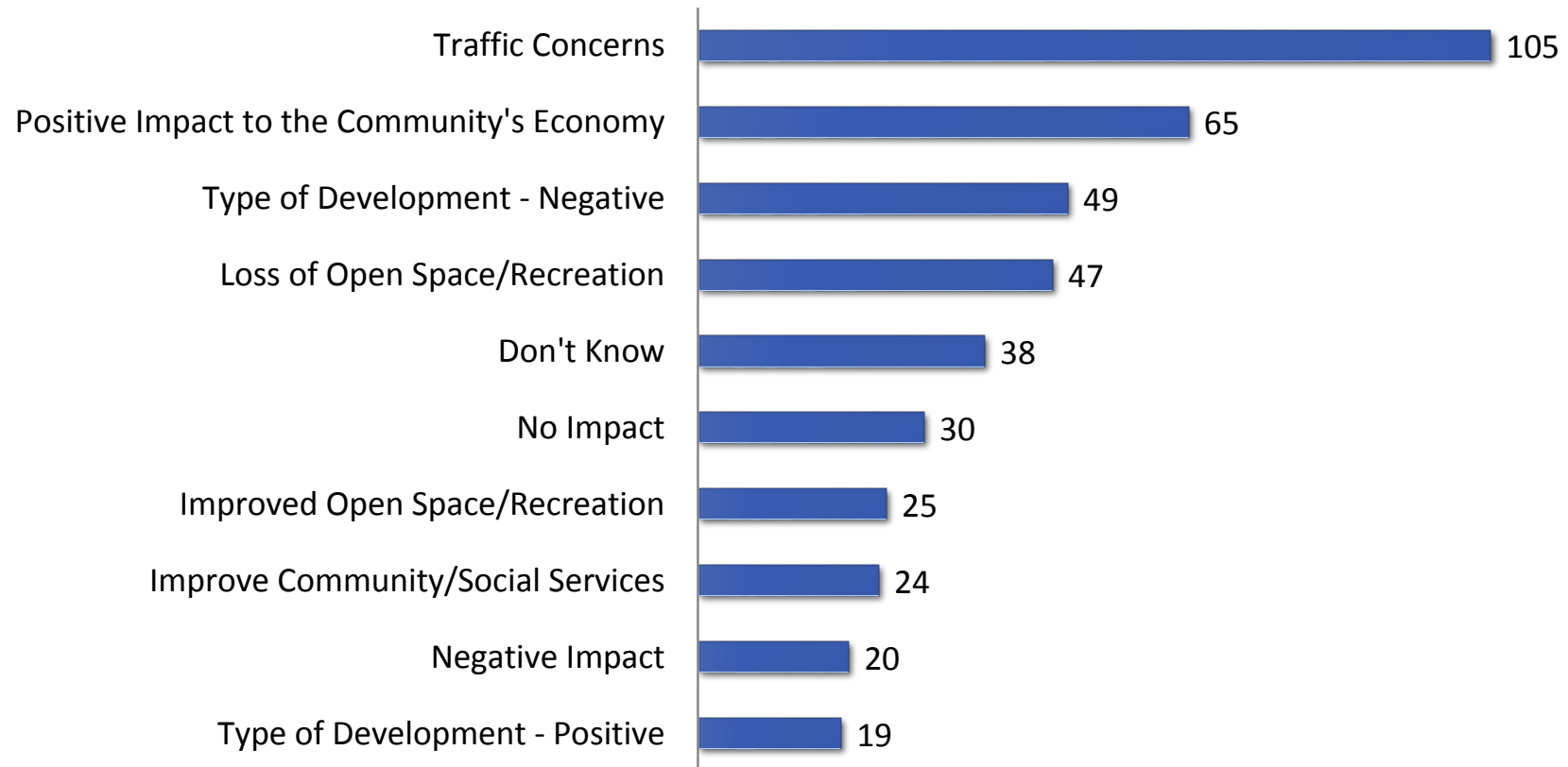
Stakeholder Outreach



PUBLIC SURVEY

Question 3: If a portion of the Norristown State Hospital campus was made available for redevelopment, how would you be impacted?

Top 10 Responses



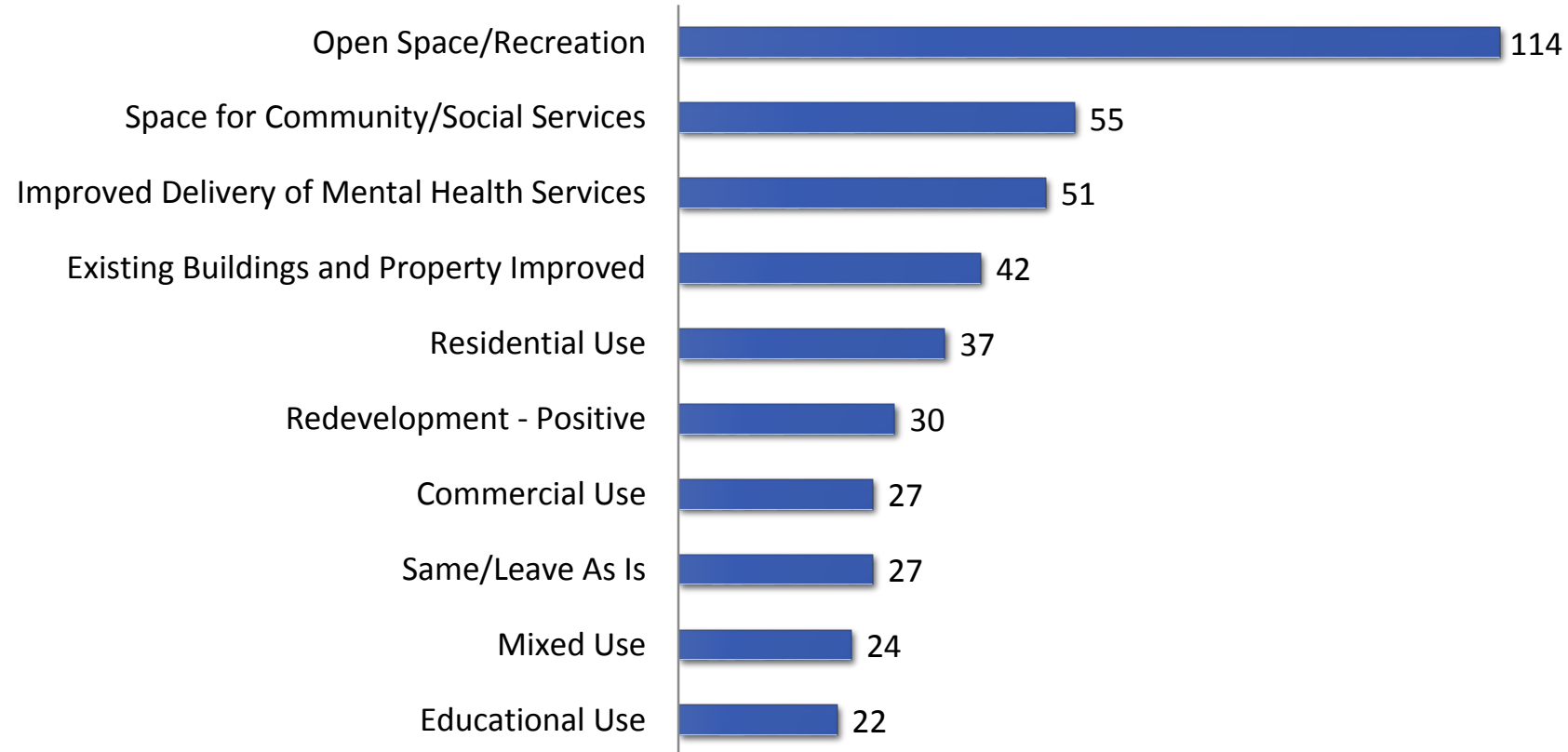
Stakeholder Outreach



PUBLIC SURVEY

Question 4: Five or ten years from now, what do you envision for the campus?

Top 10 Responses



Environmental Assessments

PHASE I ENVIRONMENTAL SITE ASSESSMENT (ESA)

The Phase I ESA identified the following environmental conditions at the site:

Phase 1 Environmental Site Assessment

8 petroleum underground storage tanks removed in 1994 & 1995

- Some evidence of a release was identified around these tanks at the time, but the areas were not fully investigated to determine the extent of impact

Above ground storage tank located in a secondary containment dike

- Shows signs of possible leakage at the dike's drainage point (stressed vegetation).

Gasoline tank noted on historical maps

- There is no visible sign of it now and nothing to indicate whether it was above ground or underground. There is no record of it being investigated.

Historical presence of coal, coal ash, and associated rail delivery system

- All of these may have resulted in impacts to soil.

Fill and vent lines suggesting the presence of heating oil tanks inside buildings

- The presence of tanks could not be confirmed and their condition could not be assessed because the buildings were inaccessible.



Phase 1 Environmental Site Assessment – Next Steps

PHASE I ENVIRONMENTAL SITE ASSESSMENT (ESA)

Recommended Phase II work to investigate the areas identified in the Phase I ESA:

- GeoProbe drilling at approximately 55 soil boring locations
- Geophysics to clear the boring locations prior to drilling
- Laboratory analysis of approximately 100 soil samples
- This effort would provide a preliminary site characterization
- Cost Estimate for preliminary site characterization is approximately \$50K - \$60K
- Depending on the findings, further investigation may be needed to fully characterize the site
- Final goal is to close out any remaining issues with the Department of Environmental Protection and obtain an Act 2 Release of Liability



Asbestos Abatement & Replacement Costs



Asbestos Abatement and Replacement Costs

- Asbestos Abatement is required prior to any building demolition and may be required as part as utilization of buildings that can be repurposed
- Abated asbestos-containing materials (ACM) would have to be replaced by non- ACM in buildings which are likely to be repurposed

BUILDINGS DEEMED STRUCTURALLY UNSOUND:

- Abatement cost \$5.95 million

BUILDINGS TO BE REPURPOSED

- Abatement cost \$7.12 million

- Replacement cost \$7.00 million

- TOTAL cost \$14.12 million

Highest and Best Use Analysis

Economic Impacts



Economic Impacts

Norristown State Hospital – 1,466 Jobs

- Direct Employment: 754 employees; \$70.6 million in wage compensation
- Indirect & Induced: 712 additional jobs; \$39.5 million

NSH Campus Tenants – 587 Jobs

- Direct Employment: 441 employees; \$22.8 million
- Indirect & Induced: 146 additional jobs; \$7.6 million

Total Impact (*direct and indirect/induced*)

- 2,053 jobs
- \$140.5 million in employee wage compensation annually

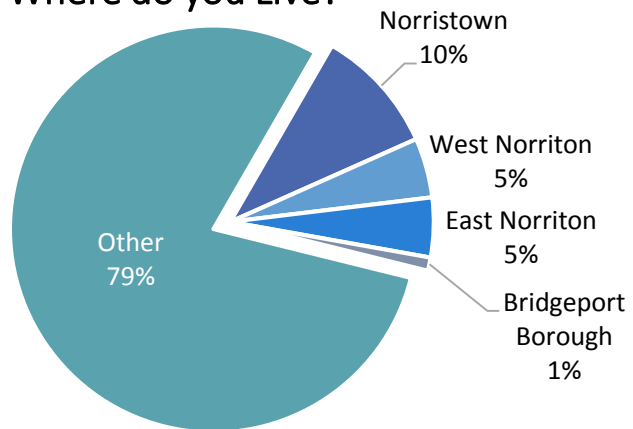
Sewer Utility Fees - \$172,103

- *Annual average fees paid to Norristown Municipal Waste Authority over the past two fiscal years*

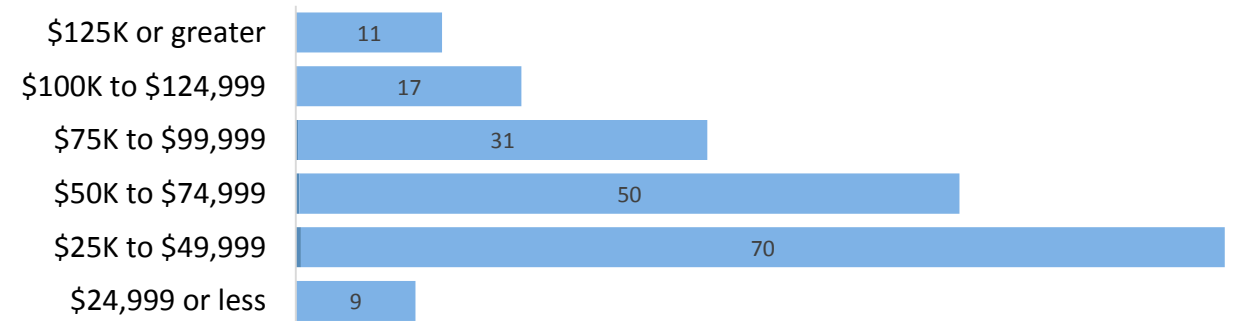
Norristown State Hospital Employee Survey – Spending Patterns

- **650 surveys were distributed** to NSH employees between July - August 2018
- **190 total survey responses were collected** (29% participation rate)
- **79% of respondents live beyond** the Norristown Borough, West Norriton Township, and East Norriton Township study area
- **37% of respondents earn between \$25,000 and \$49,999** annually
- **86%** of respondents make at least one purchase in Norristown over the last year
- **48% of respondents make at least three weekly purchases** in Norristown:
 - 33% on dining establishments, 32% on grocery stores, 31% on convenience stores
- **21% of respondents spent \$75 or more** each week in Norristown

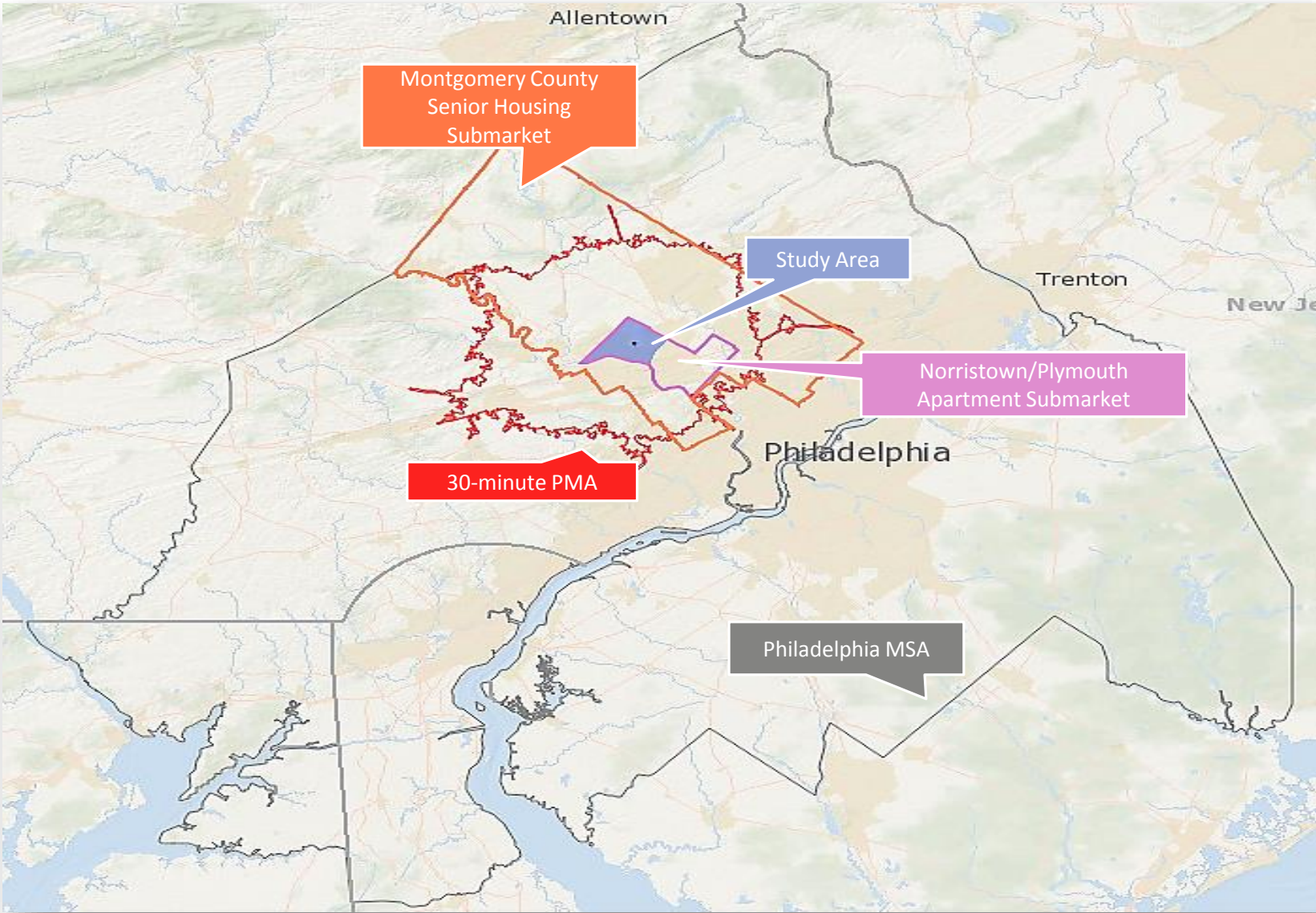
Where do you Live?



Salary and Wage Range, 2017



Market Analysis Study Areas



Source: Esri; 4ward Planning Inc., 2018

Highest and Best Use Analysis – A Definition



Legally Permissible

- Zoning
- Land use planning
- Deed restrictions
- Covenants



Physically Possible

- Size
- Shape
- Topography
- Floodplain
- Etc.



Market Receptive

- Identify Primary Market Area (PMA)
- Socio-economic and labor trends
- Real estate trends and supply/demand
- Unmet net demand



Maximally Productive Use

- Highest net return (profit) to the developer

Market Analysis – Viable Land Uses



Demand for between 717 and 1,434 dwelling units by 2026

- By 2022, there will be an estimated net demand for approximately 14,340 residential units in the 30-minute PMA.
- Assuming between 5 and 10 percent of the PMA's net housing demand could be captured within the study area, the NSH site could adequately support the development of between 717 and 1,434 dwelling units.



Demand for 1,790 senior housing units/beds by 2022

- Approximate 6,212 new households in the County by 2022
- By 2022, if no new units and beds are developed, there will be demand for 1,790 senior housing units/beds by 2022
 - 725 Independent Living units
 - 382 Assisted Living units/beds
 - 680 Higher Care Units

Market Analysis – Non-Viable Land Uses



Existing office vacancies and location limit demand

- Much of the near-term demand (878,670 SF by 2022) can be met by the 1.2 million SF of existing vacant space.
- Isolated location will limit interest of prospective office building users or developers.
- Only to the extent that users of the office space have a direct need to collocate with existing uses



Location lacks visibility and access for viable retail

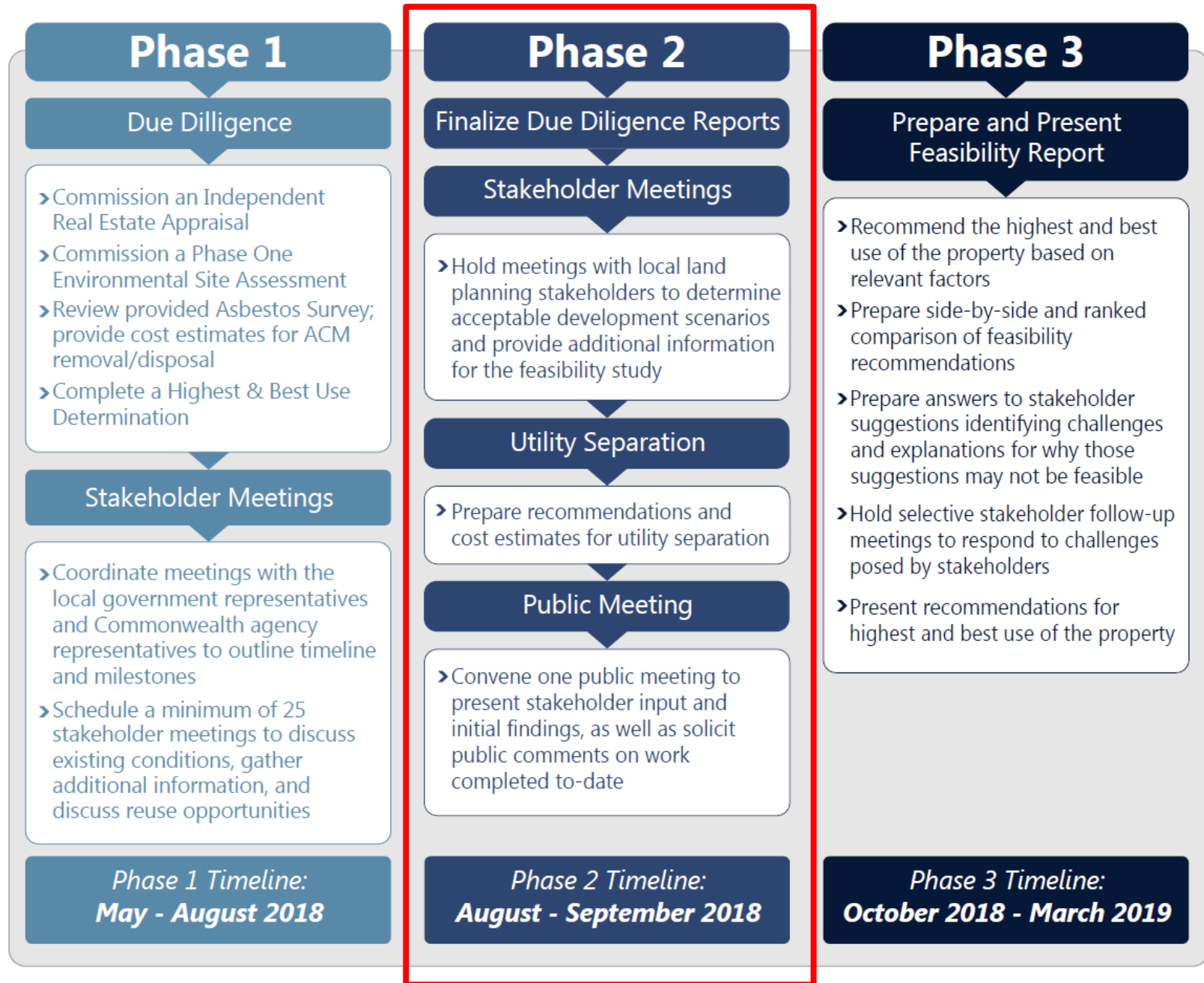
- Location lacks sufficient visibility or transportation access for traditional retail to be successful.
- Retail would compete with the current revitalization efforts along Norristown's main street.
- The local means of ingress and egress would likely create unwanted traffic congestion during rushour.



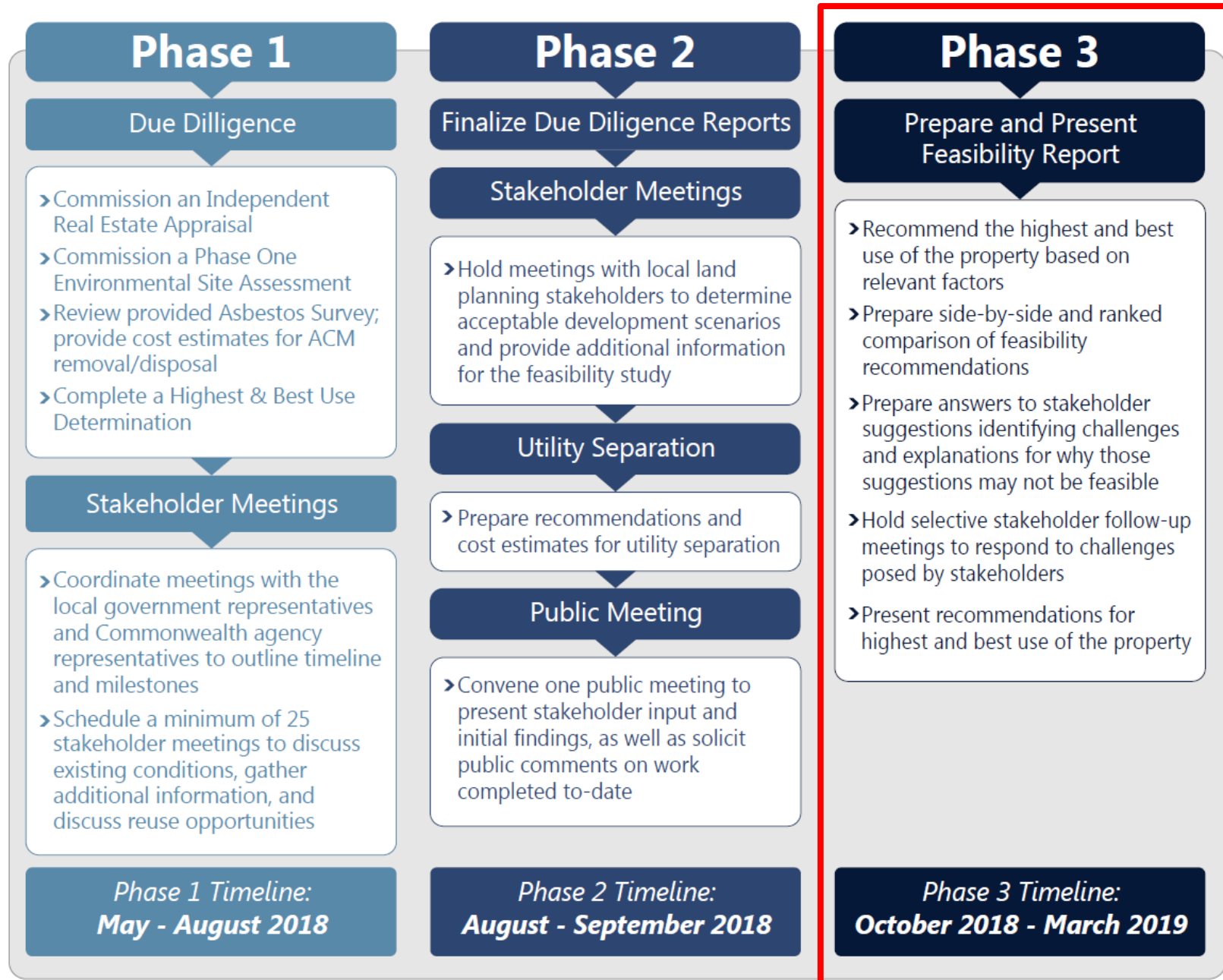
Location lacks adequate access for viable industrial

- Location does not offer immediate access to major arterial roadways.
- Immediately area would prove challenging to new prospective light industrial users which may require frequent truck use.
- Local means of ingress and egress is less than ideal.

Land Planning Study – Phase 2



Land Planning Study – Phase 3



Public Comment Session

- STENOGRAPHER WILL RECORD ALL COMMENTS
- EACH SPEAKER LIMITED TO 5 MINUTES
- ASK THAT IF YOU'VE PROVIDED FEEDBACK IN ANOTHER FORUM, PLEASE DEFER TO NEW PARTICIPANTS
- ADDITIONAL COMMENTS WILL BE TAKEN VIA THE PROVIDED COMMENT CARDS AND ONLINE

Thank you!

PLEASE VISIT THE DEPARTMENT OF HUMAN SERVICES NORRISTOWN WEBSITE FOR THIS PRESENTATION AND THE MEETING TRANSCRIPT (*TO BE POSTED AS SOON AS POSSIBLE FOLLOWING THE OCTOBER 9 PUBLIC MEETING*)

[HTTP://WWW.DHS.PA.GOV/CITIZENS/STATEHOSPITALS/NORRISTOWNSTATEHOSPITAL/INDEX.HTM](http://www.dhs.pa.gov/citizens/statehospitals/norristownstatehospital/index.htm)

PLEASE SUBMIT ADDITIONAL QUESTIONS/COMMENTS VIA THE PROVIDED COMMENT CARD OR ONLINE AT:

[HTTPS://WWW.SURVEYMONKEY.COM/R/NSH2018](https://www.surveymonkey.com/r/NSH2018)

Norristown State Hospital Land Planner Study

Public Comment

Thank you for participating in the public meeting on October 9. Please provide your comments on the study below and on the reverse side of this card.

This paper comment card must be turned into the Norristown Municipal Hall by 12 PM, Friday, October 19, 2018. Comments may also be received online at: www.surveymonkey.com/r/NSH2018.

Contact Information

Name: _____ E-mail: _____

QR Code for
Online Comments



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