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Martha's Vineyard Commission

DRI #720 Martha's Vineyard Hospital - Navigator Homes MVC Staff Report – 2022-6-8 DRAFT

1. DESCRIPTION

- 1.1 **Owner:** Martha's Vineyard Hospital Inc.
- 1.2 **Applicant:** Martha's Vineyard Hospital (Geoghan Coogan, agent)
- 1.3 **Project Location:** 490 Edgartown-Vineyard Haven Road (Map 11, Cut B, Block 243), Edgartown (25.9 acres per assessor data, 27.53 per applicant)
- 1.4 **Proposal:** Construction of a skilled nursing facility and workforce housing.
- 1.5 **Zoning:** Residential (R20)
- 1.6 **Local Permits:** Building Permits, Special Permit, Board of Health approval for septic system, zoning relief for number of parking spaces and for setbacks resulting from the proposed subdivision.
- 1.7 **Surrounding Land Uses:** Well-developed residential areas in the R20 district, including Jerganville and Ocean Heights; vacant lots abutting to the south and east.
- 1.8 **Project History:** The proposal has been developed over the last several years by the Martha's Vineyard Hospital and Navigator Homes of Martha's Vineyard, working with Healthy Aging MV (the Island's elder advocacy organization) and other Island groups. The project site includes Natural Heritage and Endangered Species Program (NHESP) priority habitat and is within the Island Road District of Critical Planning Concern (DCPC), with a Special Way along the southern boundary.
- 1.9 **Project Summary:** The proposal is to develop a skilled nursing facility for elders, along with workforce housing for hospital workers, including nursing staff for the facility. The facility would replace the Windemere Nursing and Rehabilitation Center, which is currently located at the Martha's Vineyard Hospital in Oak Bluffs. The project would include four building types as shown below.

Building Type	Number of Buildings	Units per Building	Bedrooms per Building	Footprint per Building	Floor Area per Building	Uses
"Green House"	5	13 (one with 14)	13 (one with 14)	11,079 ft ²	11,079 ft ² (one floor)	Skilled nursing facility; shared living, dining, and function rooms; offices and staff areas; spa and care areas; patio and porch
Workforce Duplexes	4	2	4	1,186 ft ²	2,372 ft ² (two floors)	Workforce housing
Workforce Townhouses	1	8	20	5,102 ft ²	10,107 ft ² (two floors)	Workforce housing
Workforce Apartments	2	16	20	6,939 ft ²	13,659 ft ² (two floors)	Workforce housing

The project would create a total of 66 skilled nursing units (13-14 private bedrooms per building); and 48 workforce housing units with a total of 76 beds. The total floor area of all buildings would be 37,217 ft², with a total footprint of 24,306 ft².

The property would be subdivided into two lots (about 15 and 13 acres) in order to comply with USDA funding requirements and potentially qualify for a variance from the town Board of Health for the number of bedrooms, as described in section 3.1 below. The lot with workforce housing would be owned by the hospital, and the lot with the Green House buildings would be owned by Navigator Homes. Conveyance of the Navigator Homes lot would be subject to various conditions under which the property would revert back to the hospital.

2. ADMINISTRATIVE SUMMARY

- 2.1 **DRI Referral:** Edgartown Planning Board, Jan. 28, 2022
- 2.2 **DRI Triggers:** 3.1b (Commercial development of 3,500+ ft²), 3.1e (Outdoor commercial space of 6,000+ ft²), 3.1f (Change in use or intensity of use), 3.1h (Parking for 10+ vehicles), 6.1a (Private assembly place of 3,500+ ft²); mandatory review
- 2.3 **LUPC:** June 9, 2022
- 2.4 **Public Hearing:** Not yet scheduled

3. PLANNING CONCERNS

- 3.1 **Water and Wastewater:** The property is within the watershed of Sengekontacket Pond, which is impaired. The applicant had originally planned to tie into the town sewer, but the state Department of Environmental Protection (DEP) indicated that the town must first develop its Comprehensive Wastewater Management Plan, which will likely not happen within the timeframe of the project. Instead, the applicant has proposed NitROE denitrifying septic systems, which are guaranteed by the vendor to reduce wastewater nitrogen output to 8 mg/L. This will also entail subdividing the property so that each new lot can potentially use the septic systems to qualify for a variance from the town Board of Health regarding the number of bedrooms. The lot with workforce housing would be owned by the hospital, and the lot with the Green House buildings would be owned by Navigator Homes. The subdivision is also needed to comply with requirements for USDA financing for the project. The design and permitting process with the Board of Health is ongoing.

The adjusted nitrogen load limit for the property, according to the MVC Water Quality Management Policy, is 55.61 kg/year. Proposed wastewater generation is estimated at 11,284 gallons per day (GPD), or 90 GPD per bedroom for the Green House buildings and 167 GPD per workforce unit. Accounting for the estimated wastewater flow, runoff and landscaping, and the denitrifying septic system, the project is estimated to generate a total of 171.17 kg/year, which is 115.56 kg/year above the limit. To mitigate the overage, the applicant will need to propose mitigation, which may include installation or retrofits of about 28 septic systems elsewhere in the watershed.

- 3.2 **Stormwater and Drainage:** The middle part of the development would sit lower than the surrounding grade to the east and west. A grading and drainage plan dated 4/29/22 shows the grade dropping from about 53 ft to 46 ft above sea level on the western edge of the development

envelope, and from about 61 ft to 46 ft on the eastern edge. The proposed drainage system would collect runoff from the roofs and road, directing it to various infiltration chambers around the buildings, including larger overflow chambers and bioretention areas at the front and back of the development. The applicant's engineer has stated that the system is designed for at least a 25-year storm, in line with the MVC Water Quality Management Policy.

- 3.3 Habitat and Environment:** The project site is currently undeveloped and includes about 15.29 acres of Natural Heritage and Endangered Species Program (NHESP) priority habitat, which begins about 560 feet south of the road and continues past the southern and eastern property boundaries. The applicant has calculated the area of NHESP disturbance as about 3.9 acres and has requested a pre-application meeting with NHESP staff. (The applicant had made an initial Request for State Listed Species Information regarding an earlier version of the proposal that did not intrude as far into the NHESP area.) The area is also listed as BioMap 2 Core Habitat by the state, and most of the lot, along with land to the south and east, is considered "Exceptional" open space according to the MVC 2005 Open Space Guideline Data. Staff recommends that an NHESP determination letter be provided prior to a public hearing.

Most of the proposed exterior trim and siding materials are PVC or fiber cement, which have potential environmental impacts associated with manufacturing, break-down, and disposal.

An environmental report was prepared on behalf of Navigator Homes of Martha's Vineyard and submitted to the USDA Rural Development Program for review, since the USDA would be the primary lender for the project, and federal actions require such review under the National Environmental Policy Act. The report includes an environmental impact analysis and concludes that there would be no significant environmental impacts. However, the report was submitted prior to revisions to the project, including the increased NHESP impact area. It is not clear what amendments or actions are required by the applicant to account for the revisions.

- 3.4 Traffic and Transportation:** The project site is within the Island Roads District of Critical Planning Concern (DCPC), with a Special Way along the southern boundary. Access would be via a new two-way road that branches off to the duplex buildings, circles around the Green House buildings, and provides access to the workforce apartments and townhouses at the rear of the site.

Plans show a total of 125 parking spaces (about one per resident), including seven in front of each Green House building. The largest share of spaces (68) would be located in two parking lots at the rear of the site. The number of parking spots is four less than required by town zoning.

Crosswalks are proposed at four locations within the development, as well as a new crosswalk on Edgartown-VH Road (near the VTA bus stop), and another where an existing shared-use path crosses the access road. A 5 ft sidewalk would run along the access road, with additional 5 ft walkways connecting the Green House buildings where they form a courtyard. Bike racks are shown at four locations on the property.

A Traffic Impact Assessment by Vanasse and Associates was completed in Oct. 2020, prior to the LUPC's discussion and approval of the traffic study scope of work in August 2021, and submitted as part of the application. The study made the following conclusions and recommendations:

Conclusions:

1. *Using trip-generation statistics published by the Institute of Transportation Engineers (ITE),¹ the Project is expected to generate approximately 356 vehicle trips on an average weekday (two-way, 24-hour volume), with 30 vehicle trips expected during the weekday morning peak-hour and 43 vehicle trips expected during the weekday evening peak-hour;*
2. *The Project will not have a significant impact (increase) on motorist delays or vehicle queuing over Existing or anticipated future conditions without the Project (No-Build conditions), with all movements at the study intersections shown to continue to operate at a level-of-service (LOS) C or better under all analysis conditions. For context, we note that an LOS of "D" or better is defined as "acceptable" operating conditions;*
3. *No apparent safety deficiencies were noted with respect to the motor vehicle crash history at the study area intersections; and*
4. *Lines of sight at the Project site roadway intersection with Edgartown-Vineyard Haven Road were found to exceed the recommended minimum distance for safe and efficient operation based on the appropriate approach speed.*

The study also made various recommendations in regard to access and transportation demand management strategies. A supplement to the traffic study was provided in May 2022 in order to address the earlier LUPC and staff concerns, including potential impacts on the Triangle to the east of the project site, photos showing the site distances, adjusted traffic volumes to account for Covid and the MV growth rate, incorporation of any project revisions, projected onsite workers and visitors, and discussion of the nature of trips and directional traffic to and from the site. Vanasse and Associates has stated that the supplemental information did not alter the overall findings or recommendations from 2020.

An emergency access plan has been provided.

- 3.5 Island Housing Needs:** The project would create 66 skilled nursing beds, which is an increase from the 61 currently offered at Windemere, although only 28 of the beds at Windemere are currently filled. The applicant has stated that every Windemere resident at the time the Navigator Homes facility opens will be welcome to relocate to the new facility.

As with current Windemere residents, the Green House residents could pay through Medicare or Medicaid, or out of pocket. According to the applicant, 86% of current Windemere residents have annual incomes of \$24,000 or less (required for Medicaid), with an average age of 87. (People over 65 or with disabilities qualify for Medicare.) The applicant has stated that 75% of the Green House residents will meet the criteria for either Medicaid or Medicare eligibility, and that many Island

residents qualify for both. The hospital expects that not more than 50% of residents will pay out of pocket. The applicant has stated that the expected daily rates would be \$328 for Medicaid residents, \$689 for Medicare residents, and \$515 for private-pay residents, with private-pay funds used to make up the shortfall from Medicaid reimbursements. The following breakdown of current and projecting residency was provided by the applicant:

	Windemere (current)	Navigator (future)	Increase
Nursing home care			
Medicaid	23	33	10
Private pay	4	20	16
Skilled nursing			
Medicare	1	13	12
Private insurance	0	0	0
<i>Totals</i>	<i>28</i>	<i>66</i>	<i>38</i>

The applicant notes a 2020 market demand study (updated in 2022) showing a demand for up to 122 skilled nursing beds on the Island, but under state and federal law, healthcare providers may not restrict admission to Island residents only.

The project would create 48 workforce housing units with 76 beds for hospital workers, including nursing staff for the facility. The applicant has stated that the workforce units would replace an equal number of units offsite that the hospital currently leases as workforce housing, so there would be no net increase in workforce housing on the Island. The applicant has provided the following breakdown of current hospital and Navigator Homes employees in terms of their personal salaries (percent of Area Median Income), and how the proposed workforce units are expected to correspond to those salary ranges. However, it is not clear whether the units will be income restricted as shown here.

Employee salary as a % of AMI	MVH and Navigator Homes		Proposed workforce units		Green House Bedrooms
	Full-time employees	Percentage	Units	Percentage	
Less than 30%	-	0%	-	0%	40
31-50%	15	3%	3	6%	-
51-80%	139	32%	20	42%	-
81-100%	84	19%	12	25%	-
100-120%	46	11%	6	13%	-
121-150%	45	10%	3	6%	-
Over 150%	108	25%	4	8%	26
<i>Total</i>	<i>437</i>	<i>100%</i>	<i>48</i>	<i>100%</i>	<i>66</i>

The applicant has stated that the project is being proposed under Edgartown Zoning Bylaw Section 15 (Senior Residential Developments), which requires that collocated workforce housing be restricted to employees of the residential development, “or by another assisted-living, medical services, or emergency services entity on Martha’s Vineyard.” The applicant plans to establish a formal housing agreement (including conditions of eligibility, terms of duration, amount of rent net

subsidy, and responsibilities of tenant and landlord), and has discussed elements of the agreement with the Dukes County Housing Authority, including the awarding of units by lottery. The applicant notes that in recent years the hospital has needed to hire more temporary staff because of the housing shortage, so some of the new units may be occupied by temporary staff.

- 3.6 Character and Identity:** The proposed buildings will form a campus, with the smallest buildings in terms of floor area (duplexes) clustered near the front of the site, the largest (Green House buildings) clustered near the middle of the site, and the apartment buildings and townhouses toward the back of the site. Proposed roof heights are 31' for the apartment buildings, 30'9" for the townhouses, 30'3" for the duplexes, and 27'5" for the Green House buildings. Most of the exterior trim and siding materials are shown as PVC, vinyl, or fiber cement materials designed to resemble wood. Floor plans, elevations, and renderings have been provided.
- 3.7 Energy:** A ground-mounted solar array (approximately 280 KW) is proposed on the southern edge of the property, just outside the NHESP habitat, although further details have not been provided. The proposed energy sources for the buildings are electric heat pumps for heating and cooling, hot water, and cooking appliances, although the applicant has not determined whether propane will be proposed for cooking and laundry in the Green House buildings. Site plans also show a total of 19 electric vehicle charging stations, distributed around the property.
- 3.8 Social Development:** A Market Feasibility Analysis prepared by Chi Partners, LLC in April 2020 (updated Jan. 2022), notes that the proposal is modeled after the Green House Project, a nonprofit that aims to create institutional care facilities with a higher quality of life for residents and a focus on relationships and community. The facility will resemble a neighborhood with houses and outdoor spaces while offering care to people with healthcare and cognitive needs. The analysis includes various demographic data for the Island, including the rapidly aging population, and indicates a demand for between 112 and 120 nursing beds (including private-pay, Medicaid, and Medicare), which exceeds the current demand. The proposed project would increase the number of skilled nursing beds on the Island from 61 to 66, and potentially offer those residents a higher quality of life than they might experience at Windemere. (See section 3.4 above.)
- 3.9 Impact on Abutters:** The project site abuts seven residential properties with houses to the west (Teaberry Lane), and 11 vacant lots to the east and south (Halls Gate Way). Site plans show required setbacks of 100 feet to the west lot line, and 50 feet on the east and north lot lines. The proposed Green House buildings would be about 200 feet from the west lot line, 195 feet from the east lot line, and 242 feet from the north lot line. Those distances had been increased largely in response to abutter concerns during the Planning Board review. The duplex units at the front of the site would have a minimum distance of about 70 feet from Edgartown-VH Road, 90 feet from the east lot line, and more than 300 feet from the west lot line.

The middle part of the site would be lower than the abutting lots on Teaberry Lane and Halls Gate Way, with existing woods in between and additional landscaping along the new access road that circles the development, helping to reduce noise and visual impacts. (The eastern part of the development would also have a retaining wall along the access road.)

3.10 Lighting and Landscape: Lighting and landscape plans have not been provided.