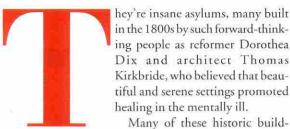


By Jane Louise Boursaw

Scattered across the country are magnificent castle-like buildings of brick and stone. But they're not castles.

It can take decades to redevelop these massive properties-but at least three communities are finding a way to do it.



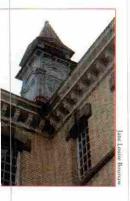
Many of these historic build-



ings now sit vacant, victims of a health care regime that no longer exists. Weed-filled lots, broken windows, and cobwebbed stairs plague the once grand hospitals. The question in many communities is what to do with them: tear them down, watch them crumble, or take a proactive stance and create reuse plans, organize grass roots preservation groups, and work with state agencies for a measure of control.

Redevelopment is the path being chosen in Northampton, Massachusetts; Dover, New York; and Traverse City, Michigan. Town planners and developers are working to rebuild the hospitals into new neighborhoods, extensions of downtown, or village centers reminiscent of Europe. But it's not easy when the properties fall under state ownership.

"It takes a lot of courage for a community to take control of the land," says Gene Bunnell, AICP, planning director of Northampton from 1980 to 1987 and the author of Making Places Special, a book about planning successes published this fall by APA's Planners Press. "It's critical for communities to try and secure key parcels or put themselves in a position to control the nature of development. It's risky and often hard to convince taxpayers, but it ensures the ability to implement a plan."



Northampton State Hospital, Northampton, Massachusetts, top left; detail, Traverse City State Hospital, Traverse City, Michigan, left; Harlem Valley State Hospital, Dover, New York, bottom.

In Massachusetts: Reversing a long slide

A proactive stance is exactly what town planners in Northampton (pop. 30,000) took when they heard the state was closing Northampton State Hospital, located in a setting so beautiful it was used in the 1999 movie, *The Cider House Rules*.

"We initiated a planning and redevelopment process, because we didn't want to leave it to the state to come up with an idea," says senior planner Carolyn Misch, AICP.

Built in 1858, the Northampton Lunatic Asylum, as it was known then, was designed by architect Thomas Kirkbride, renowned for his grand Victorian designs featuring a central administration building, patient wards extending from both sides, and a serene setting distinguished by vegetation and open space.

The city started discussing the hospital's future in 1974, but when the main building was abandoned in 1979, the state was unwilling to commit to reuse plans. A planning process was initiated in 1993 when the hospital saw its last patient, but by that time, most of the buildings—850,000 square feet—had deteriorated beyond hope. The city drafted a master plan and adopted an overlay zoning district, which has since been converted to straight planned village zoning to provide for a smoother development process.

The state passed special legislation declaring the hospital surplus property, a citizens advisory committee was formed, and two developers were selected: The Community Builders, Inc., a Boston-based nonprofit group, for the housing component, and MassDevelopment, an independently run economic development agency, for the commercial and industrial component.

Carolyn Misch notes that reuse plans were spurred by the need for additional commercial and residential space outside Northampton's downtown, about a mile away. "Northampton has a very dense, vibrant downtown, but since the 1980s, there's been a tight market for office space," says Misch. "We didn't want to create sprawl along corridors, but rather create centers outside of downtown to serve the surrounding area. And we didn't want it to compete with downtown, but provide a place where people could walk to work or services similar to the way they do downtown."

The developers hired urban designer Peter Calthorpe of Berkeley, California, to draft a master plan that calls for redevelopment in two phases over 15 years. The result will be a mixed-use village center with 207 units of housing, ample open space, and 400,000 square feet of office, light industrial, retail, and institutional space. One goal of the redevelopment is that 15 percent of the housing and 15 percent of jobs be made available to clients of the state mental health department.

About 150,000 square feet of the original buildings will be preserved and become part of the village. The state mental health department will keep one building for outpatient services, and a regional headquarters and a city homeless shelter will remain.

Gene Bunnell notes that it can be a challenge to market former hospital property when mental health facilities remain. "There's often a good deal of opposition, but if you create a new neighborhood with that mix as the given, that might be more saleable and might attract people that aren't troubled by it."

While he describes the main Northampton building as reminiscent of an old resort hotel, Bunnell doesn't necessarily advocate its preservation. "When we started looking at reuse plans, we realized it would be much harder if we had to reuse the main complex in its entirety," he says. "I take heat from preservationists, but I think the primary resource there is the land. It would be wonderful to integrate a portion of the central building into the new development as a memorial. Thousands of people whose lives were altered passed through those doors, and you shouldn't just sweep it away as if it never existed."

Wayne Feiden, AICP, the present planning and development director for Northampton, adds that local demand will play a part in the decision about what to save and what to discard. "The building could be reused for \$200 a foot, but we're a market where it's hard to justify much above \$90 to \$110 a foot," Feiden explains. "In Chicago, this building would get reused, but we're a service sector town with one of the lowest median incomes in the state. There's not a huge demand for businesses to come here, so a lot of our opportunities will be local businesses expanding."

Developers expect to have state and local permits lined up this fall, with first demolition taking place soon thereafter and construction starting in January.

Feiden's advice for other communities going through a similar process? "For us, being proactive in each step of the planning was really important, and we did a good job with that. We did our planning first and then built some community consensus."

But the city could have done a better job politically, Feiden adds. "In the end, freeing up the campus from state control was a political battle more than it was a planning battle. When we lobbied the legislature, having a plan and having community consensus was important, but in the early days, we should have paid more attention to the politics." After enabling legislation passed in 1994, progress through the state capital management agency was slow, he notes.

In New York: Financial headaches

Harlem Valley State Hospital is located about 75 miles north of New York City in Dover (pop. 8,500), an area in which residential development pressure is strong. Transferring

ownership of the hospital, which closed in 1993, was fraught with obstacles. The state had used the hospital as collateral for capital improvement projects, resulting in a bonded debt of \$18 million, which cost New York taxpayers \$10,000 a day in interest during the 1990s.

The result was "a nightmare that took 10 years to resolve," notes Jill Way, supervisor for the town of Dover. She adds that bonds were due at various times, they were tied in with other state facilities, and they were beset with details about what could and could not be done. "It wasn't like you could just get a deed for this piece of property and sell it. A lot of legal maneuvering had to be done," Way adds.

When the state finally devised a legal mechanism to sell the property to a private entity, things still didn't move as fast as Way and others would have liked. After seeing how little input other communities had into stateowned hospitals, private and official representatives of the five towns and two villages in eastern Dutchess County formed the Harlem Valley Partnership, a nonprofit economic development corporation.

"When the hospital closed, we lost a \$75 million payroll from a rural area, and it wiped us out," says Kathy Schibanoff, former execuplanning consultant and land-use attorney specializing in smart growth zoning codes, to rewrite the zoning code, which included a special mixed-use overlay district for the hospital site. "I wanted to give them maximum flexibility, but also ensure that the development would follow basic environmental and design principles that are New Urbanist in terms of mixing uses and creating a public realm," Russell explains. "Any use that's allowed by right or by special permit in most other districts is allowed in this district with only site plan approval."

Russell further describes the planned district, a mix of existing and proposed uses, as a traditional neighborhood development. "It's one of the few places in town that has everything you need for a good village development. In a lot of these developments, zoning gets in the way, but in this case, the developer saw that the zoning would be smoothing the way rather than obstructing it."

He adds that the project is a "textbook case" of how local zoning should be done. "What often happens is the master plan says something, but the zoning doesn't change to reflect that. In this case, they went the next step-they passed zoning that actively encouraged what the master plan called for.

About 1.5 million square feet of the 81 buildings will be demolished, but much of the property will be redeveloped for housing of various kinds, recreation and medical facilities, a government center, commercial, industrial, and office space, and light manufactur-

Last year the state designated the area an "empire zone," giving special tax incentives to developers and buyers. Additionally, the town offers tax incentives to attract development consistent with the long-term growth plan.

In Michigan: A million hurdles

Redevelopment of the Traverse City State Hospital in Traverse City (pop. 15,000) required jumping so many hurdles that readers of one local paper ultimately voted developer Ray Minervini "Best Local Hero."

Built in 1883 on the historic Kirkbride plan, the hospital closed officially in 1989. A few years later, title was transferred from the state to the Grand Traverse Commons Redevelopment Corporation, a nonprofit group created by the city of Traverse City and Garfield Township to manage and develop the property.

But reuse plans for the 480-acre site had been under way since 1980, when a group of citizens and government officials began form-



tive director of the partnership. "A lot of other communities with these facilities were out of the loop completely. They'd watch the state put out the bids, review the bids, award the bids. It was like, wait a minute, when does the community get to take a look at what's being proposed?

Working with local planners and consultants, the partnership wrote grants, hired consultants, held tours and public meetings, and drafted a reuse plan to hand out to potential buyers. "The partnership worked hard to be included in the state's process," says Schibanoff.

In 1998, the town hired Joel Russell, a

That's the way it's supposed to work."

Jill Way notes that the proposed project is consistent with both the master plan and zoning, partly because the 960-acre facility has been a community, boasting stores, housing, church, synagogue, farm, golf course, existing water and sewer, even a morgue. The site is on Route 22, the region's main northsouth artery, and includes an existing train station and a commuter rail line running through the property.

Transfer of title from the state to developer Pearson Partners of New York City is expected to happen in the next few months. ing ideas about the future of the hospital, which is located about 10 blocks from downtown Traverse City. By the time the 388,000square-foot main building-Building 50closed, it was so badly deteriorated that demolition seemed inevitable. That's when a grassroots group called the Committee to Save Building 50 organized and lobbied for its rehabilitation, narrowly saving the structure from the wrecking ball.

In 1994, the property was rezoned from agricultural and residential uses to a planned redevelopment district, allowing for a mix of uses and outlining where development could occur. It provided for open space, landscaping, storm drainage, and circulation patterns.

The district plan is anything but simple, says Russell Soyring, AICP, Traverse City planning director, partly because there are eight sub areas, each requiring a development plan that is consistent with the district plan and approved by numerous entities. "It's the most planned-out of anywhere in the city," Soyring notes. "It's a little frustrating, because there are so many steps, but good things take time."

Soyring adds that a key provision is that only 20 percent of the site be developed. "We wanted to put the community at ease that it wasn't going to be heavily developed," he says.

There's also a transfer of development rights option so that densities can be transferred to the site from other parts of the city, and from

the southern to the northern part of the site, which is adjacent to Munson Medical Center, the largest employer in northern Michigan.

The Grand Traverse Commons Renaissance Zone, which was established in 1999 to encourage redevelopment of the property, waives almost all state and local taxes for residents and businesses that locate there. The grounds will be preserved as public park land, and Minervini is submitting plans to the National Park Service and State Historic Preservation Office for historic tax credits.

In May, title for 36 acres, including Building 50, seven cottages, and several utility buildings, was transferred from the Redevelopment Corporation to the Minervini Group. Creation of a village with a town square is under way. All of the buildings will be pre-

served, and Ray Minervini credits community support for making it happen.

"We really feel like we've been entrusted to a community treasure, and we're up to that responsibility," he says. "The only reason this project is moving forward is because the community wants it to happen."

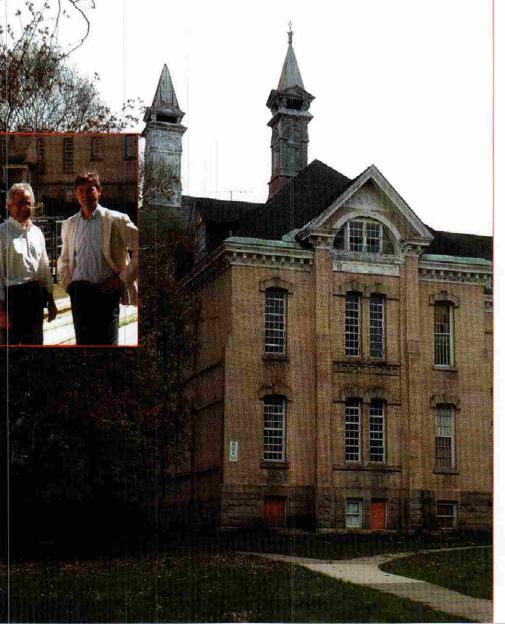
Minervini envisions restaurants, coffee shops, bakeries, art galleries, and specialty shops on the lower floor of the old main building, professional offices on the middle floor, and on the upper floors a variety of residential spaces, including apartments and live-work spaces. He sees the project as an extension of downtown, and the entire site, including several hundred acres of open space and recreational trails, as Traverse City's Central Park. A few businesses have already moved into the 22,000-square-foot office space in Building 50.

"What we're creating here is a neighborhood where people can walk to work," Minervini says. "We want to create an environment where it won't be necessary to build 18 new parking structures."

While Soyring and Minervini agree that it would be cheaper to tear the buildings down and start over, that was never an option for Minervini, who has restored many historic buildings.

At far left, two views and a detail of the Traverse City State Hospital in Traverse City, Michigan; Ray Minervini of the Minervini Group and developer of the Traverse City State Hospital (left), and Russ Soyring, planning director for Traverse City; another view of the hospital, large photo.

"We're so fortunate to have somebody like Ray who has the vision and understanding of building great communities," says Soyring, "So often, developers have a package formula. They know what works, and they try to stamp that form in, no matter where it goes. I think Ray's approach is much more organic: what will the community support and what uses will support each other and strengthen the community. He's not interested in just building an office or retail shop. He's interested in building a neighborhood that really functions well."



Jane Boursaw is a writer in Traverse City.

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