

# OUTPATIENT / AMBULATORY CARE FACILITIES

## CATHRYN BANG + PARTNERS New York Healthcare Architecture Planning Interiors

Healthcare is becoming one of the US's largest services and the need for extended healthcare facilities and its real estate development potential is great. At the same time, the healthcare industry faces the challenges of increasing competition, the need to innovate and overcome cash constraints.

As traditional stand-alone acute care hospitals are replaced by multiple building campuses and multi state operations, increasingly complex demands are being placed on the real estate assets of the healthcare industry.

Changes in healthcare infrastructure are under way to achieve the goal of offering the full spectrum of healthcare facilities as baby boomer demand rise.

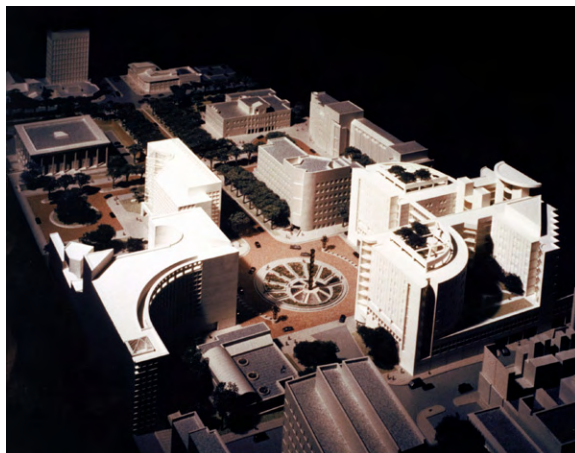
New technology and regulations are driving the need for new or remodeled space.

New model for the delivery of healthcare services is emerging. Physicians and consumers are driving this evolution, which calls for more comfortable facilities, more efficient operations, convenient locations, and most importantly, consumer focused.

This emerging delivery model is creating opportunities to develop a new type of healthcare real estate, containing the following unique elements:

- Partnerships with regional developers and national healthcare operators
- Physician Ownership of the business operations or an affiliation with a hospital

New projects typically involve complicated issues concerning real estate acquisition, planning, design and construction and financing, as well as disposition of redundant facilities, downsizing, and relocating.



## US Healthcare Evolves

Increased demand for healthcare and evolution in the way Americans receive healthcare is driving growth in the medical office property sector.

Healthcare expenditures are expected to double to \$4 trillion by 2015 as demand for doctor visits and other healthcare related treatment grows, according to the Centers for Medicaid and Medicare Services, a government health care agency.

Population growth, an increase in the number of older Americans and increased longevity are creating an increased need for healthcare. Today, Americans are undergoing many elective and preventative procedures related to age: colonoscopies, mammograms and knee replacements, not to mention facelifts and liposuction.

But, it is not just demographics that are changing the healthcare industry – hospitals are pushing the industry to evolve, as are consumer attitudes and technology.

Because Hospital System needs to control expenses, they are pushing many procedures out of the Hospital to Ambulatory Care Centers and Outpatient Care Clinics rather than expanding.

The overriding reason: hospital expansion projects are extremely capital intensive, with a price tag of \$1 million to \$2 million per bed.

Or, to put it another way, hospitals cost about \$600 per square foot to build compared with \$250 on average for medical office space.

While more than 90% of surgeries were performed in a hospital in 1981, today only 47% are.

Roughly, 16% are conducted in physician offices, and 37% are performed in free-standing Ambulatory Surgery Centers, according to the American Hospital Association.

Moreover, the number of Ambulatory Care Centers has increased substantially over the past decade

– Today there are more than 5,200 in the U.S. compared to just 2,400 in 1996.

## Trend: OUTPATIENT / AMBULATORY CARE FACILITIES

Decentralization of healthcare delivery has become essential to market strategy.

For HOSPITALS: Hospitals need to meet service line growth and market expansion. In addition to inpatient bed additions, Hospital's pressing need is expansion of Diagnostic Treatment and Outpatient spaces to accommodate increasing volume of high acuity care services within the Hospital and relocating ambulatory outpatient care services in separate buildings away from the Hospital.

For PHYSICIANS: Incentives for healthcare providers to own real estate has increased a great deal due to changes in Medicare reimbursement. Physicians now have additional avenues to increase their reimbursement through capturing both the professional and technical fee associated with operating the facility in which they are performing services.

For PATIENTS: More and more patients are receiving healthcare services in Outpatient Medical Office Building facilities closer to home and workplace. Larger percent of surgeries are performed in freestanding Ambulatory Surgery Centers and outpatient services are expected to increase.

These trends indicate significant shift in where healthcare is delivered and have far reaching implications for healthcare real estate.

These trends drive demand for Medical Office Buildings away from the traditional hospital campuses.





## Trend: THIRD PARTY DEVELOPMENT

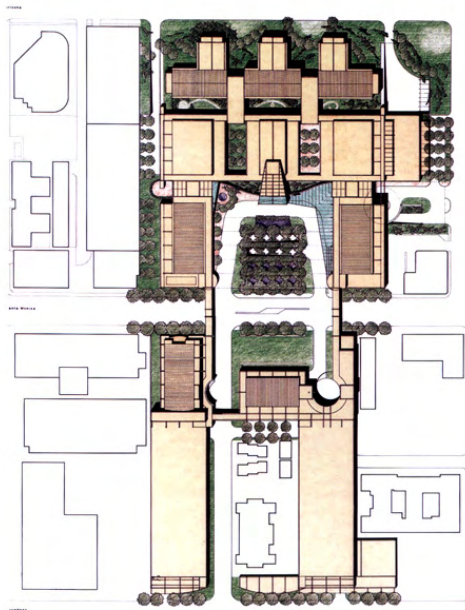
Hospitals and health systems are under constant demand to use their capital for new equipment, technological improvements and renovating, expanding or replacing their existing facilities.

Because capital is allocated first to the core businesses, funding is not always readily available for expansion into locations of population and economic growth.

Hospitals and healthcare systems are now beginning to use third parties to develop and own new healthcare real estate projects, transactions to convert existing medical office buildings and other non-core healthcare real estate to third party ownership.

Hospitals and healthcare systems have embraced third party ownership and management of real estate because it can preserve capital resources for acute care needs, eliminate the potential conflicts that arise in the landlord/tenant relationship between hospitals and referring physicians, and minimize the potential legal and regulatory challenges associated with leasing space to referring physicians.

Healthcare providers are also seeking third parties to own these new or existing facilities, lessening the capital burden required of the provider if they were to finance the building themselves.





# WORLD HEALTH CENTER

1120 AVENUE OF THE AMERICAS

NEW YORK CITY

# TABLE OF CONTENTS

- I. Introduction.....1
- II. Sample Floor Layouts.....5
- III. One-Of-A-Kind Location .....11
- IV. Property Information .....17





# WORLD HEALTH CENTER

1120 AVENUE OF THE AMERICAS

Introduction





# WORLD HEALTH CENTER

1120 Avenue of the Americas



## INTRODUCTION

Midtown Manhattan, a world renowned destination for business, entertainment and tourism, will now offer a world-class facility for outpatient healthcare services, products and devices.

For the very first time, a modern, patient-centric, state of the art healthcare facility will be available in the heart of midtown, offering access to the medical profession's top specialists, as well as the hotels, shopping and restaurants that draw visitors from all over the world. Patients will be able to receive their treatment and return to their normal schedule in the city in the same day.

1120 Avenue of the Americas offers up to 190,000 sq. ft. of space in a self contained "building within a building," with capacity for the most robust mechanical infrastructure and emergency generation system to facilitate:

- Ambulatory Surgery
- Diagnostic Testing
- Outpatient Clinics
- Complete Imaging Center
- Physical Therapy
- Retail Pharmacy



Situated just off Avenue of the Americas on 43rd Street, the facility entrance will offer a highly visible branding opportunity at the base of one of midtown Manhattan's most desirable Class "A" properties. Parking for ambulances and 53 cars, in addition to a spacious facility lobby, create the potential to design and construct the premiere healthcare facility of its kind in the world. The center is anticipated to set the standard for all future healthcare centers in an urban setting.



1120 Avenue of the Americas, on the eastern blockfront of Avenue of the Americas (Sixth Avenue) between 43rd and 44th streets, is a 21-story Class A office tower ideally located two blocks from Grand Central Terminal and one block from Times Square in the heart of midtown Manhattan. The Property, originally completed in 1962, recently underwent a comprehensive renovation program that included installing a new glass curtain wall, completely renovated lobby and parking garage, and substantial mechanical systems upgrades. The Property contains 606,808 rentable square feet ("RSF"), including 583,655 square feet of office space and 23,153 square feet of prestigious retail space predominantly fronting on Avenue of the Americas. 1120 Avenue of the Americas is currently 100% leased to a roster of high quality office and retail tenants with 55% of the space occupied by investment grade credit tenants such as American Express, Macy's, and Siemens.



# WORLD HEALTH CENTER

1120 AVENUE OF THE AMERICAS

Sample Floor Layouts



# WORLD HEALTH CENTER

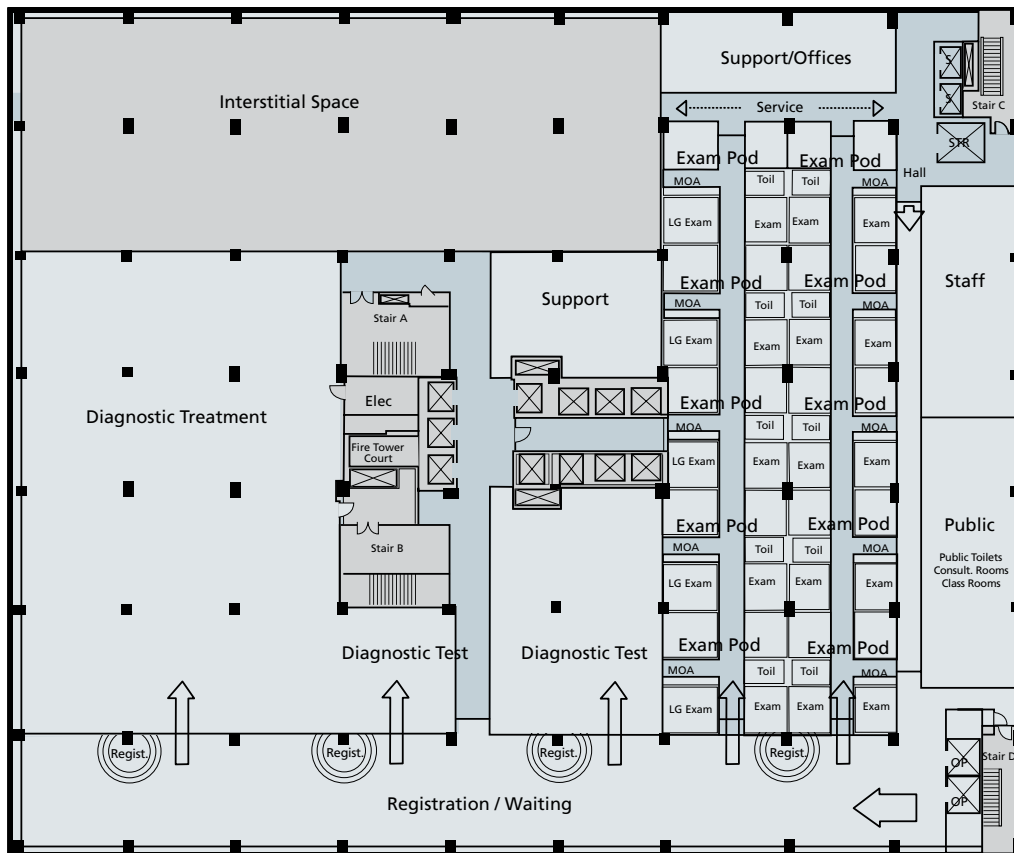
1120 Avenue of the Americas



## SAMPLE FLOOR LAYOUTS

### Third Floor – Diagnostic Treatment & Testing Center and Outpatient Clinic

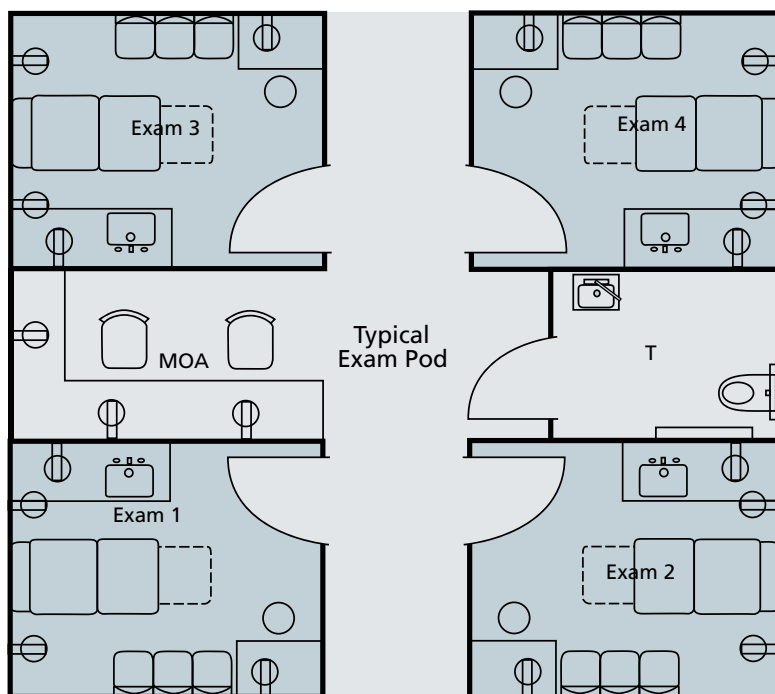
The 48,400 SF 3rd Floor accommodates Outpatient Clinic, Diagnostic Testing and Treatment Areas. Exam rooms are sized 110 SF for general, 145 SF for bariatric and stretcher patients.





## Exam Pod

Our proposed Exam Rooms are sized large enough to accommodate a doctor's desk and 2-3 stacking chairs where consultation can occur in the same room, instead of needing separate Consultation rooms, for efficient care and patient convenience.



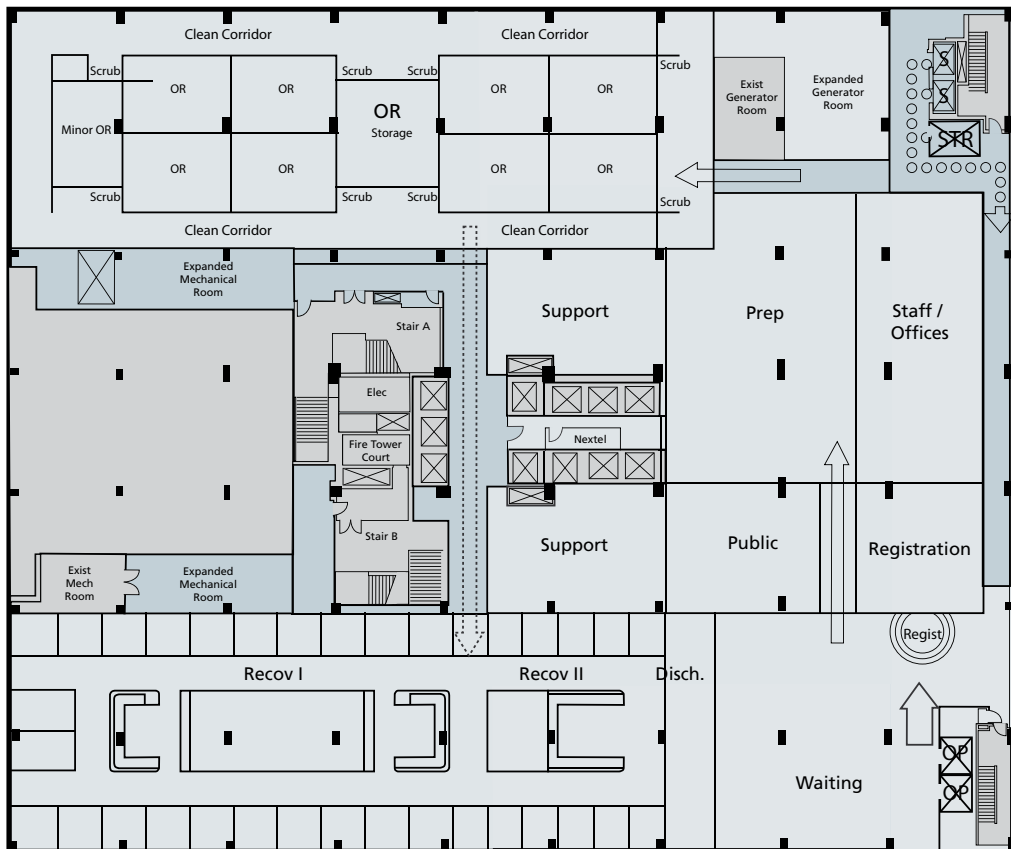
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## Second Floor – Ambulatory Surgery Center

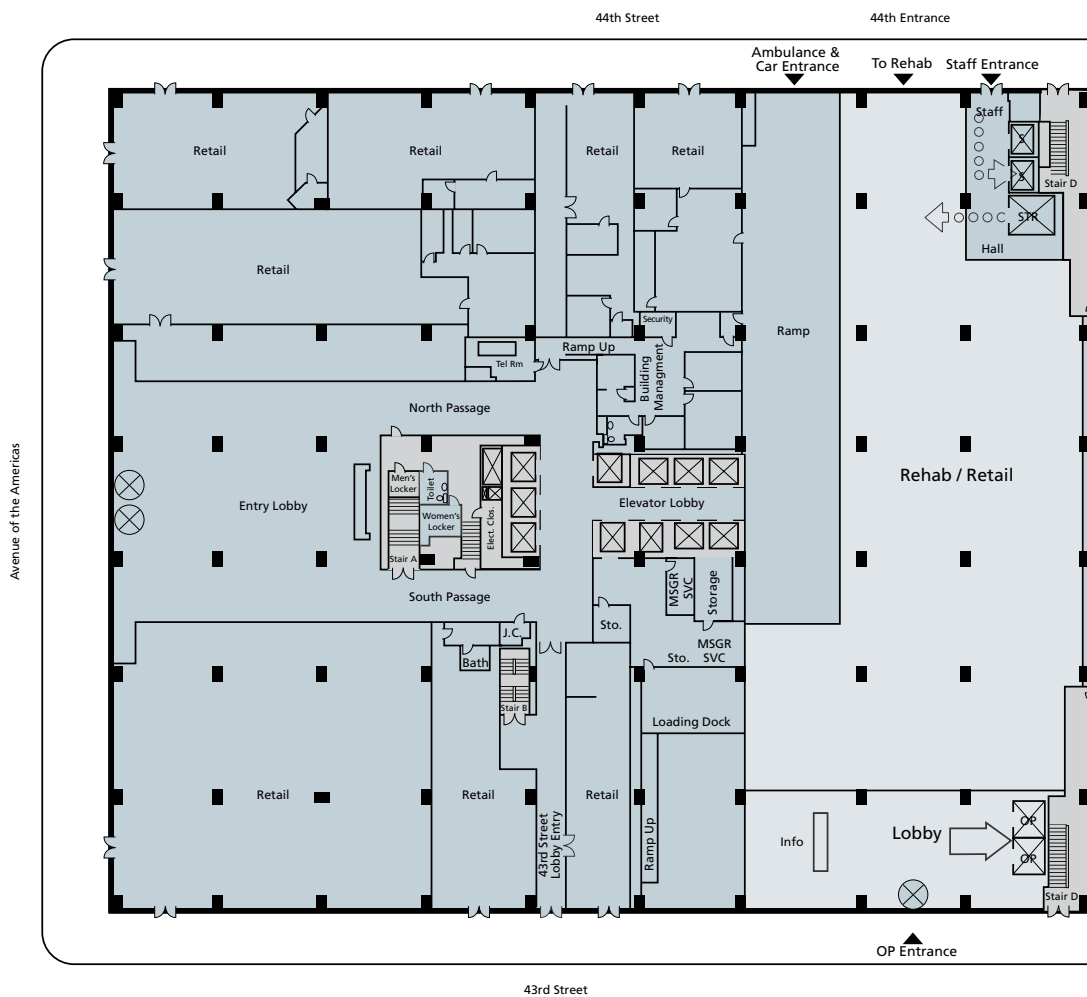
The 36,500 SF 2nd Floor accommodates 10 operating rooms and support areas. All operating rooms will have finished ceiling heights exceeding 15'.





## First Floor – Outpatient Rehab Center and Retail

The 1st Floor accommodates 13,300 SF Rehab and Retail space with high ceilings; separate 2,800 SF Outpatient Lobby and Staff Entry; plus Parking Ramp.



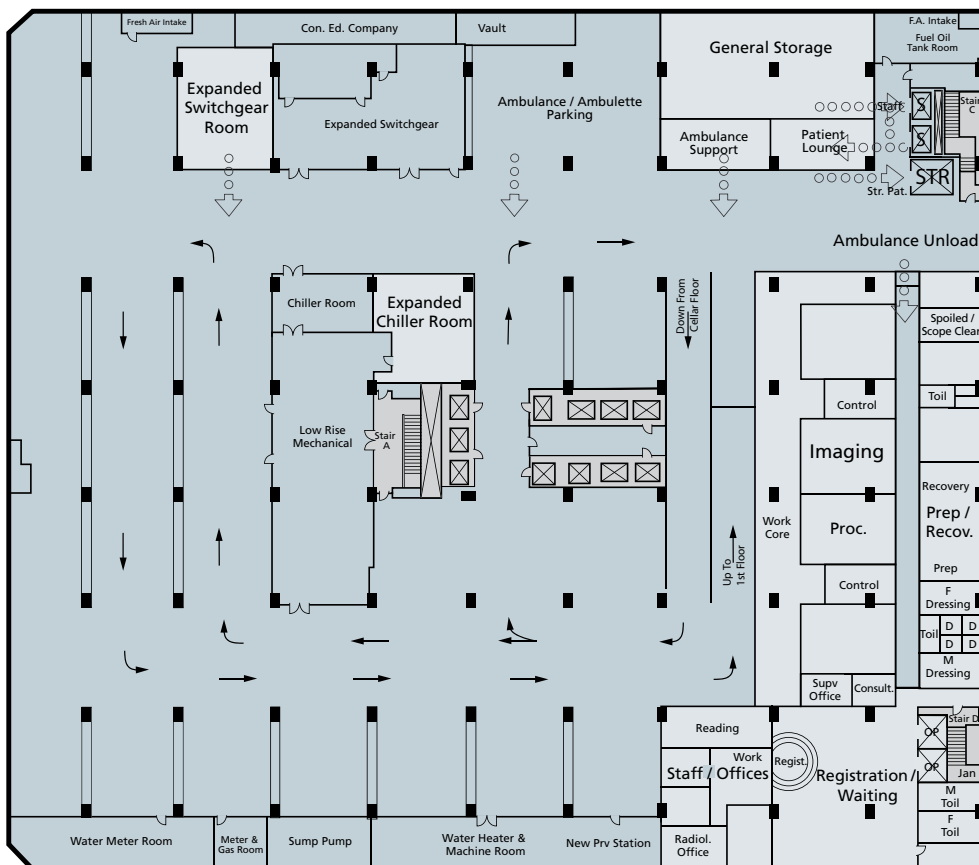
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## Cellar Floor – Diagnostic Imaging Center and Parking

The Cellar Floor accommodates 14,000 SF Diagnostic Imaging, plus 3,100 SF of General Storage, Lounge, Support Space, and 53 Car & 10 Ambulance Parking.







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One-Of-A-Kind Location



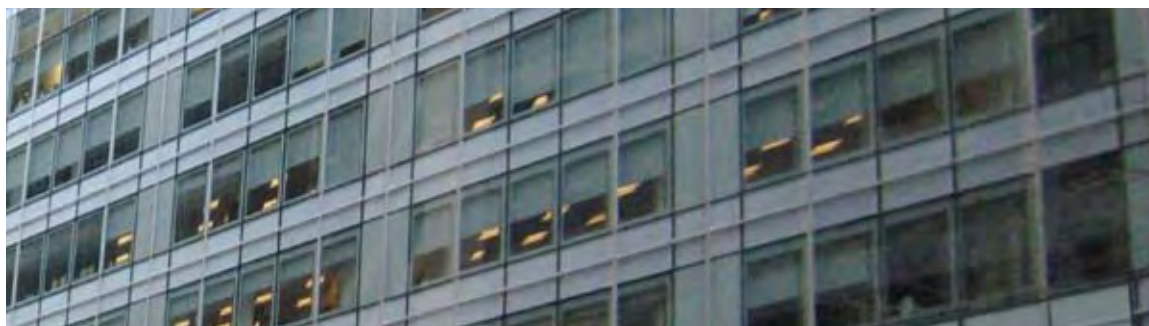
# WORLD HEALTH CENTER

1120 Avenue of the Americas

## Location Map



..... TIMES SQUARE ALLIANCE BOUNDARY



## ONE-OF-A-KIND LOCATION

The World Health Center enjoys an irreplaceable location situated two blocks from Grand Central Terminal to the east and one block from Times Square to the west. The Property is within walking distance of Manhattan's primary public transportation hubs—Grand Central Terminal, the Port Authority Bus Terminal and Pennsylvania Station—which serve the entire tri-state area. Grand Central serves commuters from Westchester County (NY) and Fairfield County (CT) and, upon completion of the MTA's East Side Access project, will also accommodate commuters from Long Island. The Port Authority's commuter bus lines provide transportation for New Jersey and Upstate New York residents. Amtrak, New Jersey Transit and the Long Island Railroad utilize Penn Station, the most heavily trafficked transportation center in the country with 57 million annual passengers. The Lincoln Tunnel and the West Side Highway provide drivers with convenient access to New Jersey and the broader Midtown West area. MTA buses and the Times Square/42nd Street Subway Station (a nexus of nine subway lines including the B, D, F, V, A, C, E, N, Q, R, S, W, 1, 2, 3, 4, 5, 6, and 7 lines) make travel easy for all who visit or practice at The World Health Center.



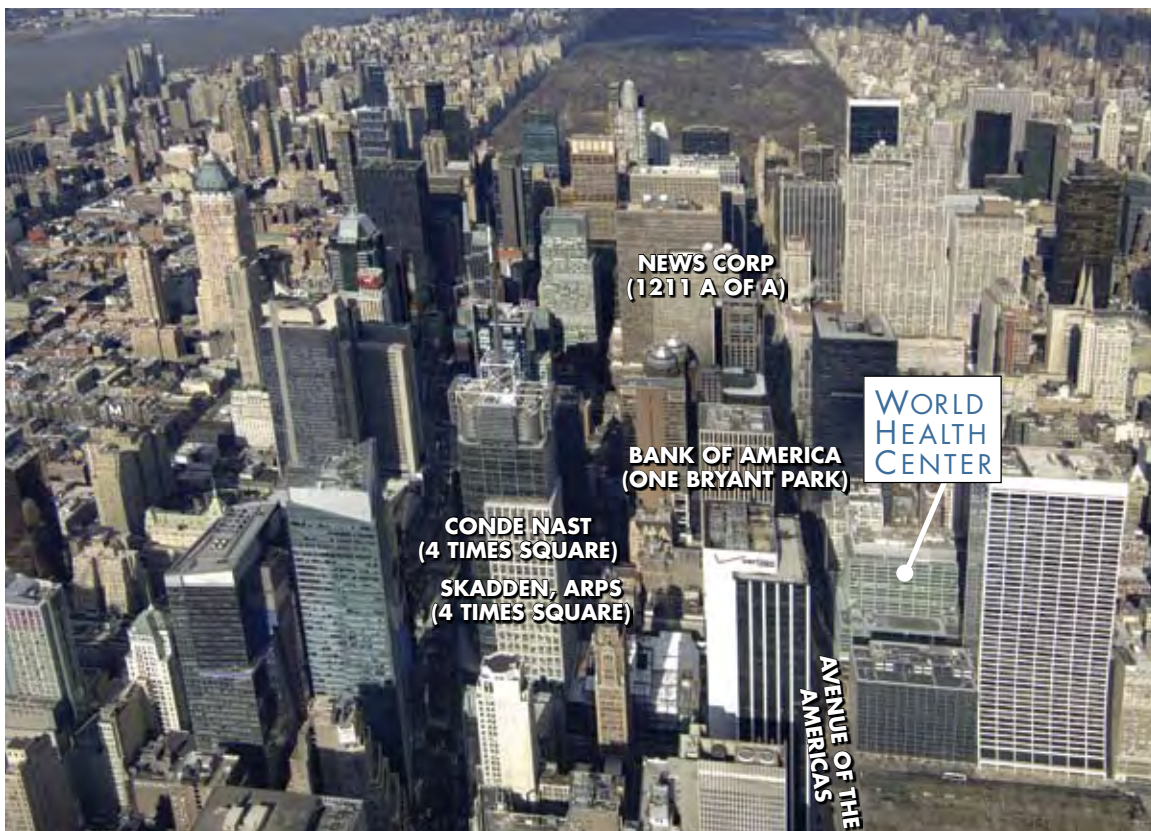
# WORLD HEALTH CENTER

1120 Avenue of the Americas

## THE WORLD HEALTH CENTER – 1120 AVENUE OF THE AMERICAS LOCATION HIGHLIGHTS

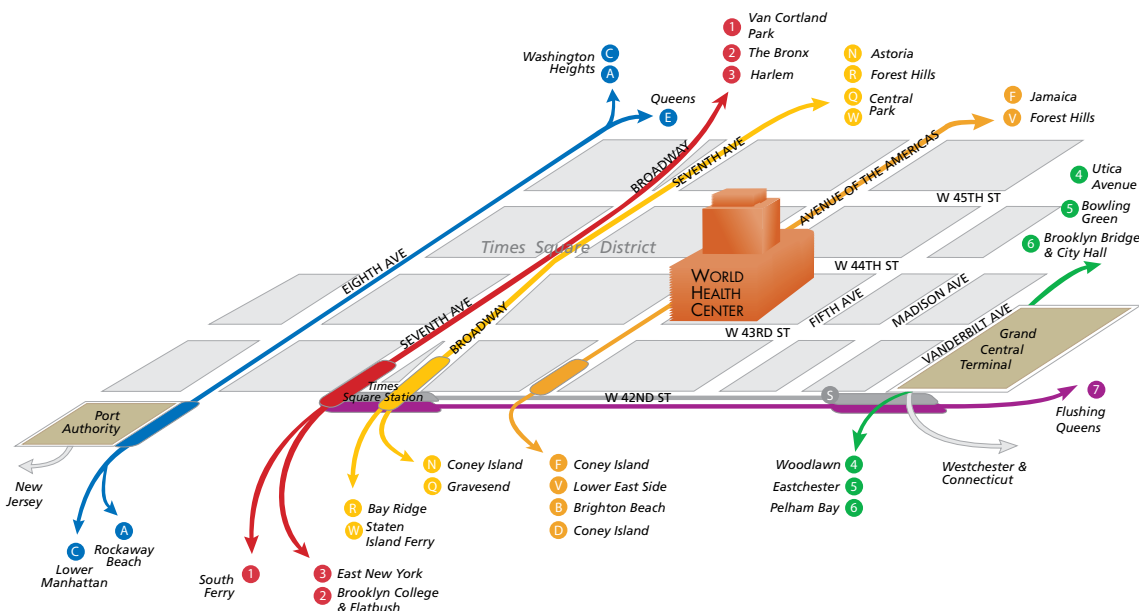
	Retail	Luxury Hotels	Premier Restaurants	Prime Office Buildings	Tourist Destinations	
	Saks Fifth Avenue	Façonnable	Grand Hyatt	The Palm	Met Life Building	Grand Central Terminal
	Kenneth Cole	Cole Haan	Bryant Park Hotel	Cipriani	5 Times Square	Times Square
	American Girl	Benetton	Marriott Marquis	Spark's	4 Times Square	Radio City
	LaCoste	Sisley	Westin New York	Metrazur	BofA Tower	Broadway Theaters
	Banana Republic	Fossil	W Hotel	Smith & Wollensky	450 Lexington	Rockefeller Center

The Property has an excellent location one block from New York's most heavily trafficked destination retail corridor, Fifth Avenue. Fifth Avenue has long been considered among the most elegant retail locations in the world and no visitor's trip to New York is complete without a visit to this grand boulevard. In recent years, Fifth Avenue's reputation has been enhanced through the major investments made by many of the world's great retailers who have expanded, renovated, or opened new stores. Luxury retailers Tiffany, Gucci, Prada, Escada, Boss, Louis Vuitton, Ferragamo, Cartier, Fendi, Dunhill, Asprey, Hickey Freeman, Burberry, Façonnable, and Versace as well as specialty department stores Saks Fifth Avenue, Bergdorf Goodman and Henri Bendel. Fifth Avenue also hosts flagship locations for retailers including the Gap, H&M, Banana Republic, Brooks Brothers and the NBA Megastore.





## Transportation Map



The Property also sits at the western gateway to “Club Row”, 44th Street between Fifth Avenue and Avenue of the Americas (Sixth Avenue). This elegant enclave of 44th Street serves as home to some of New York City’s most historical landmarks and prestigious clubs, including The Penn Club, The Harvard Club and The New York Yacht Club. Several elegant hotels, such as the Algonquin, the Iroquois, the Royalton, the Sofitel, and fine restaurants including DB Bistro (chef Daniel Boulud of Daniel and Café Boulud) all line the block. In all, Club Row offer visitors one of the most remarkable and elegant strolls through history. From the clubs to the hotel lobbies to the quaint bars and the intimate restaurants, 44th Street offers a surprising amount of refined comfort while serving as the connection between Grand Central Terminal to the east and Times Square to the west.

The revitalization of the Times Square area, just one block west of the Property, has been nothing short of phenomenal (following the success of zoning initiatives begun more than 10 years ago). Virtually every leading entertainment concern in the country has an existing project or one underway in the area, and Times Square is the hottest office development market in New York City, as it is the headquarters location for Ernst & Young, Lehman Brothers, Morgan Stanley, Skadden, Arps, Slate, Meagher & Flom, Proskauer Rose, Conde Nast, Reuters America and The New York Times.



# WORLD HEALTH CENTER

1120 AVENUE OF THE AMERICAS

Property Information



# WORLD HEALTH CENTER

1120 Avenue of the Americas



## Parking Garage

Parking for 10 ambulances and 53 cars. Visitor spaces may be increased substantially if parking is attended.



## Interior Finishes

Per tenant requirements.

## Elevators

Two hydraulic cars located in the 43rd street lobby on the main floor provide access to all the facility's floors for patients. Two additional hydraulic cars located near the 44th street entrance, which may serve as a service or employee entrance, also provide access to all floors of the facility. Adjacent to them is a larger hydraulic elevator that can give stretchers and/or equipment access to all floors of the facility. Ambulance unloading in the basement parking area has immediate access to the large elevator.



- |   |   |
|---|---|
| 44th street staff cars (2):               | 2500lb. capacity, interior cab dimensions of 7'w x 5'11"d x 8'h. The door opening is 3'6" x 7'. |
| Stretcher elevator (1 hospital standard): | 5000lb capacity, 6'w x 9'7"d x 8'h. The door opening is 4'6" x 7'.                              |
| 43rd street patient cars (2):             | 3500lb capacity, 7'w x 6'2"d x 8'h. The door opening is 3'6" x 7' door opening.                 |

## Foundation

Concrete steel reinforced piers.

## Façade

New modular insulated double glass pane curtain wall system with clear and frosted glass. Glass is structurally adhered to aluminum framing.

## Windows

There will be no windows on the second and third floors, with the possible exception of the reception area on each floor.







# WORLD HEALTH CENTER

1120 Avenue of the Americas

## Setbacks

None

## Column Spacing

24' x 24'

## Stairwells

Four emergency egress stairs per floor.

## Loading

Five elevators dedicated to the facility are located immediately off 43rd and 44th streets for loading.

## Utilities

<u>Utility</u>	<u>Provider</u>
Steam	Con Edison
Water & Sewer	City of New York
Electric	Con Edison

## HVAC

### I. HVAC Systems Design Criteria:

#### A. Codes and Standards:

The systems described herein will be designed to conform to applicable codes and standards.

#### B. Indoor Design Temperatures:

Offices, waiting rooms:

Summer: 75 Degrees F., 50% RH.

Winter: 72 Degrees F., 50% RH.

Imaging: 70-75 Degrees F., 30-60% RH.

Imaging (Diagnostic/ Treatment): 75 Degrees F., 50% RH.

Rehabilitation and Spa: 70-75 Degrees F., 30-60% RH.

Treatment rooms: 75 Degrees F., 50% RH.

Exam rooms: 75 Degrees F., 50% RH.

Operating rooms: 68-73 Degrees F., 30-60% RH.

Recovery Rooms: 70-75 Degrees F., 30-60% RH.



- C. Minimum Total and Outside Air Change Rates and Air Movement Relative to Adjacent Spaces: Individual rooms will be designed in accordance with the 1996/1997 edition of the American Institute of Architects Guidelines for Design and Construction of Hospital and Health Care Facilities.
- D. The surgery suite and recovery area will be served by dedicated, hospital grade air handling units located in a mechanical room on the floor.
  - 1. Each individual operating room will be on a separate temperature and humidification control zone. Wall mounted thermostats and humidistats will control duct mounted reheat coils and trim humidifiers.
- E. The perimeter areas on floors 1-3 will be provided with baseboard radiant heating, with hot water generated in dedicated converters from Con Edison Co supplied steam.
- F. All toilet rooms will be exhausted by dedicated roof mounted fans.

### Domestic Water Piping

Water is provided by the City of New York system through two separate 6" mains entering the building from Sixth Avenue and 43rd Street. The water is metered at each entry point.

### Electrical Service

- A. Electrical Power Distribution:
  - 1. Normal and emergency power will be supplied through electric closets located on each floor. Each closet will include 120/208V panels for normal and emergency power.
  - 2. A step up transformer and distribution panel will be installed on the cellar level to provide 480/277V power for imaging equipment. UPS equipment, if required for select equipment such as CT, will be installed by tenant.
  - 3. Electrical infrastructure will be provided to support the following projected loads:
    - a) Lighting:
      - 1. Total: 1.5 w/sf.
      - 2. Emergency: 1.0 w/sf.
    - b) Equipment:
      - 1. Minimum: 2 w/sf.
      - 2. Imaging Suite: 4 w/sf.
      - 3. OR Suite: 8 w/sf total, 4 w/sf emergency.
  - 4. The surgical suite will be provided with distribution panels for normal power, and three branches of emergency power for critical, life safety and equipment loads.
- B. All new Fire Alarm devices will be connected to the base building system. Existing system is of the Class E addressable type.

# WORLD HEALTH CENTER

1120 Avenue of the Americas

## Emergency Power

Space available for tenant installed emergency generator.

## Domestic Water and Plumbing

### A. Domestic Water:

1. Domestic cold water will be provided to the renovated areas. Domestic hot water, where required, will be generated with equipment installed by the tenant. Equipment will consist of double walled, shell and tube, steam to hot water heat exchangers. Low pressure steam from Con Edison will be available for use.

### B. Sanitary Drainage:

1. All sanitary drains from toilets and lavatories will connect into the existing base building sanitary risers located throughout the floors.

### C. ADA toilet rooms will be provided throughout, and will include wall mounted water closets and lavatories.

## Fire Protection Systems Design Criteria:

- A. The core building spaces will be fully sprinkled.
- B. Sprinkler distribution in tenant spaces will connect to base building provided floor control valve assemblies located on each floor.

## Security

Tenant to design and install independent security system.

## Zoning

The Property is currently zoned as C6-6/MID.

## Planning and Design

### ● Effective Operating Room Design:



- Best uses are made of the most valuable space in the room – the ‘space within reach’ immediately adjacent to the operating room table. Intelligent use of **Service Booms** is an aspect of effective operating room design to recapture space lost to carts. They route utilities directly to the point of use, keeping floors clear; They also bring data, communications and imaging to the point of use;
  - Mounts for operating room lights can also hold one or more booms appropriate for lightweight, **flat panel displays**.
  - **Separately controlled perimeter lighting**.
  - **In-room documentation station** for procedure records, real-time information and electronic recording.
- With high-density arrangements immediately adjacent to the operating room table, sufficient space exists to **create three zones** that are marked by changes in the flooring:
- A central zone centered on the table to denote the surgical area.
  - A 36" zone along the walls which is the parking space for items not immediately engaged in the operating.
  - The annular spaces between these two are the circulation zone of the room.
- Ventilation and Air Quality: In addition to heating and cooling the room, optimum ventilation design has several distinct characteristics:
- **Air supplies from a laminar flow field** in the ceiling that has minimum interruption and fully covers the operating room table.
  - Return air is taken from grilles located both in the conventional position close to the floor **and from high returns at or near the ceiling**. This additional return location reduces re-entrainment of suspended particles. This arrangement represents “best practices” in ventilation design.



- Pre-OP spaces are optimally sized and well designed to significantly impact the **throughput** of operating rooms. Patients suffer the stress when operating rooms are delayed. Therefore the size, capacity and efficiency of the Pre and Post-OP spaces are designed to provide positive impact the patient experience as much as finishes, lighting and color.

Unique characteristics of the Pre and Post-Operative spaces are:

- Patient Bays that are **hard wall on three sides**.
  - **Use of recliners instead of stretchers**.
  - **Individually controlled lighting** in each patient bay.
  - **Provisions for companions** before and after surgery.
  - **Video Consult Booths** to reduce travel, particularly for intra-operative updates.
  - Planning focused on patient flow so that **Pre-procedure patients do not have visual contact with Post-procedure patients**.
- 
- **Storage spaces/uses** are crucial to effective operating room throughout also.
    - Equipment and Supply Storage space adjacent to but outside the operating room.
      - Ample and handy storage aids in focusing the operating room as a procedural space and avoids making it a storage room.