

## **Interview With John C. Daly, AIA: Trends in Construction: True Multi-Use**

Physician-owners are increasingly realizing that offering the same procedures as a hospital in a less-intimidating setting is not enough to set their ASCs apart, and it's showing in how they go about building their facilities.

"What we find interesting in the projects we're doing now is that they're not an island," says John C. Daly, AIA, the vice president of healthcare services for McShane Construction. "Instead, they're integrated into retail projects that are really mixed-use. For example, we're doing a project right now that includes a 50,000 square foot medical office building, a hotel, a restaurant and retail space."

The model not only delivers the ultimate in convenience to patients and their families, but brings the physician-owners a measure of protection they can't get with a standalone or medical services-only facility.

"When a medical office building is integrated into a mixed-use environment, the retailers, restaurants and other service establishments enjoy a higher concentration of visits due to the sheer numbers of patients, visitors and staff that frequent a medical office on a daily basis," says Mr. Daly.

Essentially, because the other tenant suites within the building contribute lease revenue, the physician-owner may be more assured of a sound investment. Further, situating an ASC alongside shopping venues can offer familiarity and name recognition for the facility and the practice, a valuable opportunity to increase revenue in a community-based venture.

Certain existing medical office buildings are either outdated or landlocked, so that yet advantage of this integrated development and construction is the opportunity that it provides for future expansion of the medical practice.

"There's the option of recapturing that space when the lease term ends," says Mr. Daly. "The expansion ability is built-in allowing physician-owners to easily expand the space required for their practice and simply expand without the cost and drawbacks associated with relocating a flourishing practice. "