

Oakland City Planning Commission

STAFF REPORT

Case File Number DR07496

September 3, 2008

Project Name: Kaiser Permanente Hospital (Phase 2), Design Review

Location: The full block between Broadway and Piedmont Avenue, and between I-580 and West MacArthur Boulevard

Proposal: Demolition of all existing structures and construction of a new, approximately 1.06 million square foot hospital, hospital support building and medical office building, an associated parking structure and central utility plant. The proposed new hospital is the 2nd phase of the Kaiser Permanente Oakland Medical Center Master Plan as approved on July 18, 2006.

Applicant: Kaiser Permanente, Kaiser Foundation Health Plan
Michael Lane, Project Director, Kaiser Permanente

Phone: (510) 987-2373

Owner: Kaiser Permanente

Case File Number: DR07496

**Planning Permits
Required:** Major Design Review

General Plan: Institutional

Zoning: KX: Kaiser Permanente Oakland Medical Center Zone

Historic Status: No historic resources identified on the project site

**Environmental
Determination:** An EIR for the Kaiser Permanente OMC Master Plan was prepared by the City of Oakland as the Lead Agency. That EIR was certified by the Oakland Planning Commission on June 6, 2006 and its certification confirmed by the City Council on June 27, 2006. The current project is generally consistent with that analyzed in the Master Plan EIR. No additional environmental review is required

City Council District: 3, south of MacArthur

Date Filed: November 20, 2007

Action to be Taken: Decision based on staff report

Finality of Decision: Appealable to City Council

**For Further
Information:** Contact: Scott Gregory, contract planner to the City at 510-535-6690, or by email at kaiser@lamphier-gregory.com

SUMMARY

The purpose of this report is to provide information to the Planning Commission for their consideration of approval of Design Review for Phase 2 of the Kaiser Oakland Medical Center (OMC) Master Plan pursuant to new Section 17.KX.060 (d) of the City's Zoning Regulations. Staff is recommending approval with conditions as attached.

On May 28, 2008 the Design Review Committee was presented with a status report and preliminary designs for Kaiser Permanente's proposed new Phase 2 Hospital. At that time the Committee reviewed the proposed building design, heard public comment, and determined that the design was ready for consideration by the full Planning Commission. Members of the Committee generally appreciated the Phase 2 design, but did express comments and concerns about certain design issues regarding the May 28th design exhibits. These Committee comments, Kaiser's design responses, and staff's recommendations are included in the following staff report.

URBAN DESIGN ISSUES

Throughout the Phase 2 design process, Kaiser and their architects at NBBJ have strongly indicated that the design of the new hospital must be driven first and foremost by medical service needs, operational requirements, state construction requirements, and Kaiser's own hospital standards. As such, the exterior form of the building must follow from internal hospital programming and functional needs. Additionally, the entire hospital and its supporting facilities must be fit onto a fairly small, 7.3-acre site. The result is a set of buildings that, for the most part are efficient, simple and of a scale and mass reflecting this urban context. That said, Kaiser's design team has successfully integrated many good urban design principles into this building; they have complied with all and improved upon many of the design requirements of the Kaiser OMC Master Plan; and they have responded well to the comments and concerns of their neighbors as expressed throughout the community workshop process. As a result, the Phase 2 design is at a point where staff and the Design Review Committee believe it is ready for consideration of approval by the Planning Commission.

However, there were a few design issues of concern to the Design Review Committee, staff and members of the public as of the May 28th Design Review Committee hearing. The following is a summary of these expressed concerns and comments, together with an overview of Kaiser's currently proposed design responses. Staff anticipates that Kaiser's representatives will more thoroughly present these design responses in their presentation to the Commission (see **Attachment C**).

Pedestrian Experience and Street Activation along Broadway

The Kaiser OMC Master Plan includes the design principle of creating street fronts that promote pedestrian activity. At the May 28th DRC hearing, Committee members and public speakers expressed the following statements about the pedestrian experience, particularly along Broadway:

- The pedestrian walkway along Broadway is not prominent (Commissioner Huntsman)

- The internal pathway takes away from the potential for Broadway's pedestrian activity (Commissioner Zayas-Mart)
- There should be more transparency to soften the building edge, especially along Broadway (Commissioner Zayas-Mart)
- The parking garage along Broadway is not a good urban use (Commissioner Zayas-Smart)
- The design does not enhance the pedestrian and bike zone (public comment)
- Better, more permanent materials such as tile or stone should be considered, particularly along the Broadway building face (public comment)

Kaiser's design response to these concerns includes several design elements; a) the landscaping plan includes street trees and a planter edge that helps to create a pleasant pedestrian experience along Broadway and separates the pedestrian zone from street traffic; b) use of glazing and tactile or "special wall" material along the ground floor street edge to increase transparency and enhance the pedestrian experience of the building; c) locating the cafeteria at the corner of Broadway and MacArthur in an effort to use this ground floor space for pedestrian-oriented, hospital-related uses that are capable of visually activating the Broadway street front, and d) extending design elements of the Kaiser campus' outdoor space across Broadway, with proposed improvements including an outdoor plaza, pedestrian improvements, landscaping and a new bus shelter in Mosswood Park.

Staff is generally supportive of these design responses, as indicated below:

1. In particular, the Park and Recreation staff has conceptually endorsed the idea of the Mosswood Park improvements, although Condition of Approval #23 requires the final design of such improvement to be subject to a subsequent Conditional Use Permit as provided in the OS zoning district and/or Design Review approval, including review by the public, the Mosswood Advisory Council, the Park and Recreation Advisory Committee and the Regular Design Review approvals pursuant to Section 17.XX.060 of the KX zoning district.
2. While no pedestrian-oriented or street-activating types of uses are proposed within the large parking structure on Broadway, the Master Plan does not include any such requirement for this parking garage.
3. Planning staff believes that the pedestrian experience along Broadway could be even further improved by adding an additional public entry from Broadway to the cafeteria. This entry could increase pedestrian activity along Broadway, facilitate lunch-time use of Mosswood Park, and better integrate the building into the fabric of the surrounding neighborhood. Kaiser has indicated that they are not in support of a Broadway entry to the cafeteria because of security concerns and their need to monitor public access to the hospital. While staff understands the importance of these operational concerns, we believe that an acceptable solution could be achieved.
4. Kaiser's programming of internal space for the MOB at MacArthur/ Piedmont has not progressed to the point where they are definitive about the specific uses that will be located

along the street frontages of this building. However, pursuant to Guideline 2.1.4 of the Kaiser OMC Master Plan, buildings along Broadway and MacArthur Boulevard should promote the commercial character of the street by having ground floor active uses (e.g., pharmacy, coffee shop, health food store, etc.). Staff recommends a condition of approval (Condition #27) to require Kaiser to make best faith efforts to incorporate such ground floor uses, particularly at the MacArthur/Piedmont corner.

Building Articulation and Expression, Particularly at the Key Corners

The Kaiser OMC Master Plan includes the design principle of creating an architecturally integrated campus. At the May 28th DRC hearing, Committee members and public speakers expressed the following statements about how the Phase 2 design should better architecturally integrate the campus, particularly at the MacArthur/Broadway and MacArthur/Piedmont corners:

- The MacArthur/Broadway corner design is “shy” and does not create a special edge. The design needs to make a special statement, especially at the corners (Commissioner Zayas-Smart).
- The MacArthur/Broadway corner is not prominent enough for this important location (public comment)

Kaiser’s design response to these concerns includes several design elements. At the MacArthur/Broadway corner the design response includes; a) recessed storefront glazing behind a porcelain tile knee-wall along the ground level, wrapping both edges of the corner; b) a metal awning and a perforated stainless steel screen which wraps the corner at the second floor level; and c) different colored stucco and window accents on the third and fourth floor. The result is a more complex and interesting architectural corner treatment than what had previously been proposed. At the MacArthur/Piedmont corner the design response includes the same materials palette as the Broadway corner, plus a small plaza with outdoor seating, tables and umbrellas.

Staff is supportive of these design responses.

Neighborhood Scale of Design along Piedmont

The Kaiser OMC Master Plan includes the design principle that buildings should be attractive and well designed and their form, massing, and height and should respect the adjoining neighborhoods in terms of size and scale. The design presented at the May 28th DRC hearing included a substantial landscaped plaza area between the hospital and the parking garage/CUP building. This area contained a landscaped pedestrian pathway that traversed from Piedmont Avenue through the site and ultimately connected to Mosswood Park. This landscaped plaza area also continued both north and south as a landscaped edge along Piedmont, from MacArthur to Broadway. The landscaping in this area served to screen some of the adjacent hospital facilities. At the May 28th DRC hearing, Committee members and public speakers expressed the following statements about the size and scale of the landscape and streetscape improvements along the Piedmont corridor:

- Is the width of the Piedmont Avenue sidewalk adequate, and will it be light well enough to make pedestrians feel safe? (public comment)

- This street edge and the area adjacent to the freeway needs to be well light (Commissioner Huntsman)
- The architecture on Piedmont should be more residential in scale, and should seek to hold an “urban edge” (Commissioner Zayas-Smart)
- Investigate the need for an activated pedestrian crossing of Piedmont at the landscaped plaza (Commissioner Huntsman and public comment)
- The Piedmont street edge should transition into a finer grain as one moves away from the buildings and into the landscape (public comment)

Kaiser’s design response to these concerns includes a more formalized landscaping scheme along Piedmont, particularly for the area between the hospital and the CUP. This area now includes a staircase and access ramp to accommodate the grade change, and a series of wooden retaining walls with recessed lighting to illuminate the sidewalk. The retaining walls provide a stronger, more urban street edge than the less formal landscape previously shown, and are more residential in scale and design to compliment the adjacent Piedmont residential neighborhood. Street lights also help to illuminate the sidewalk and create a safer environment.

Staff is supportive of these design responses.

Kaiser’s traffic engineers and the City’s Transportation Services Department staff have reviewed the issue of an activated signal for the pedestrian crosswalk at Piedmont/Westall. The conclusions of this review indicate that an activated signal is not warranted at this location. However, the pedestrian crossing will be well marked with crosswalk striping and lit with overhead streetlights to enhance safety.

Materials and Color

The design presented at the May 28th DRC hearing included an integrated materials palette for the Hospital, the CUP and the parking garage. The May 28th staff report suggested that the materials palette had been well designed to provide a mix of complimentary materials, and that these materials had been applied in a thoughtful and well-reasoned manner. However, Committee members and public speakers expressed the following statements regarding building materials and colors:

- The tower façade seems flat and relentless, and the materials do not help break up the mass of the building (Commissioner Zayas-Smart)
- The textured stucco surfaces can be a maintenance problem, especially with weather stains and grit (Commissioner Huntsman and public comments)
- Perhaps the green colored stucco should be softened a bit (Commissioner Huntsman)
- The colors and mosaic pattern arrangements are subtle and pleasant (Commissioner Lee)
- The blue metal panels suggest too much advertising or branding of the Kaiser blue (public comments)

Kaiser’s design response includes several materials and color changes/modifications. First, the larger facades of the tower are now covered with alternating patterns of textured sand-colored and

smooth white metal panels, and the more narrow facades of the tower are now covered with alternating patterns of flat green and glossy moss-colored metal panels, with brighter green metal accent panels along the windows. The window design includes window recesses of sufficient depth to create a distinct shadow or profile, with window accent panels to add interest. These materials and color changes across the façades help create interest and variety, which helps to break up the mass of the tower structure. Similarly, the podium's stucco surfaces are now colored with complimentary shades of green and sand. The green stucco has been changed to a sandy moss color with a smooth or medium texture. The color changes to the stucco helps mute the overall appearance and, together with the smoother surface, will reduce the appearance of aging and weather damage. Additionally, the blue metal panels have been changed in hue to a darker color which blends better with the new color scheme.

Staff is supportive of these design responses.

Interim Design

Kaiser's most pressing time constraint is to complete construction of the parking garage, the Hospital and the Hospital Support Building prior to the 2013 deadline established by the state's seismic safety requirements for hospitals (SB 1953). This second component of Phase 2 is the Medical Office Building (that portion of Phase 2 located nearest to the MacArthur Boulevard/Piedmont Avenue intersection), which would be constructed separately from and following completion of the Hospital. It is possible, although not anticipated, that construction of the Medical Office Building might not follow immediately after construction of the Hospital. This portion of Phase 2 is not considered an acute care facility under the jurisdiction of the Office of Statewide Health Planning and Development (OSHPD), nor immediately necessary for hospital operations.

Staff recommends a condition of approval (Condition #26) that would require Kaiser to submit an interim improvement plan for that portion of the Phase 2 site should such a potential construction delay occur. The interim improvements may include, but would not be limited to landscaping and streetscape enhancements, temporary façade improvements to the Hospital walls, additional lighting and signage, and other appropriate amenities for the pedestrian path connecting between Piedmont and Mosswood Park. These interim improvements would be subject to Small Project Design Review.

Lights and Logos

Architectural rendering presented at the community workshops and at the May 28th DRC hearing suggested that night time lighting of the building would be quite bright, not just at the street level but also washing the upper levels of the building in bright light. Although the renderings may have overstated Kaiser's intentions, Committee members and public speakers expressed the following statements regarding lighting of the building, its surroundings and the Kaiser Permanente logo across the top of the building:

- Reduce the extent of lighting to just the street level where needed for safety and directions (Commissioner Huntsman)

- The service alley needs to be well light for safety. The area below the sky-bridge should also be well light for safety (Commissioner Huntsman)
- There is no compelling reason to light the Kaiser logo or the tower. It over-brands or commercializes the building with the large Kaiser name lit up across the top of the building (public comments)
- Too much lighting is not energy efficient (public comments)

Kaiser's design response includes revised artistic rendering which show less glare, and a commitment to using only fixed exterior lighting designed with downward pointing lights, side shields and visors to minimize spill light. However, Kaiser feels it important to retain the Kaiser Permanente sign across the top of the building and to have that sign lit at night as an important identifier of the hospital's location.

At the May 28th DRC hearing, Commissioner Lee presented a personal testimony regarding the importance of having a strong identifying sign across the top of a hospital so that those with medical emergencies can locate the building. This testimony was persuasive to staff and the other commissioners present. Staff is supportive of the Kaiser signs at the top of the building and at the main entrance across from Howe Street, and of having these signs lit at night.

In regard to night lighting elsewhere, staff has drafted a special condition of approval for the Phase 2 design which would only allow for limited night-time lighting at the Emergency Department, a small employee parking area, a small visitor parking area, and pedestrian walkways and circulation routes as required for safety and comfort. Technical lighting standards are included in this condition that would limit lighting to 80% of the lighting power densities for exterior areas, and to 50% for building facades and landscape features. With approval of these conditions, staff is supportive of the lighting plan.

Skybridge

One skybridge over Broadway is proposed under Phase 2. This skybridge would connect the existing Mosswood Medical Office building to the new parking garage. It is located nearly adjacent to the I-580 overpass and was approved in concept pursuant to the Master Plan because its location would result in minimal aesthetic impacts.

Although staff is supportive of the need for this skybridge, staff does not believe that the amount of design effort and review of this important design element has been adequately addressed under this Phase 2 Design Review process. Additionally, at the August 25th community workshop many participants expressed concerns regarding the design of this structure, in particular the idea of a center support column. Therefore, we recommend (as indicated in Condition of Approval #30) that a subsequent Regular Design Review process be conducted specifically to address this skybridge.

BACKGROUND**Summary of Prior Approval and Actions**

Prior certifications and planning approvals pursuant to the Kaiser Oakland Medical Center Master Plan include:

- Planning Commission recommendation of approval of the Master Plan, its EIR and other requested entitlements, with modifications and conditions - June 6, 2006
- City Council certification of the Kaiser Oakland Medical Center Master Plan EIR, and approval of a General Plan Amendment and Redevelopment Plan Amendment - June 27, 2006
- City Council approval of rezoning and the Kaiser Oakland Medical Center Master Plan - July 18, 2006
- Planning Commission approval of the Glen Echo Creek Restoration Plan - September 6, 2006
- Planning Commission Design Review approval for the Phase 1 Broadway Medical Office Building and parking garage - November 1, 2006.
- Design Review Committee recommendation to forward the Phase 2 design to the full Planning Commission - May 28, 2008. The staff report for the May 28th Design Review Committee is attached (see **Attachment A: Design Review Committee staff report, 05/28/08**).

Public Workshop Process

Beginning in September of 2007, Kaiser has held a series of community workshops intended to inform the community about their plans for the Phase 2 Hospital and associated improvements, to solicit community input, and to seek community consensus on a number of design considerations for the hospital. A total of seven public workshops have been held, including the most recent workshop held on August 25th, which provided members of the public with an opportunity to preview the design information that is now before the Planning Commission. Comments from the community workshop process have substantially influenced and informed the Phase 2 design. These comments indicate a general consensus (though not a unanimous voice) for an appreciation of the thoughtful and inclusive process by which Kaiser has approached the Phase 2 design; a particularly positive reception to the overall site plan, which addresses many of the adjacent neighborhoods' concerns; but certain specific concerns about building materials and lighting. Summary reports from each of these workshops were included as an Attachment B to the May 28th Design Review Committee staff report, and are available for review on the City web site.¹

¹ Kaiser's PowerPoint presentations from each of the community workshops and summaries of comments from each of these meetings are available for review on the City's web site at: http://www.oaklandnet.com/government/ceda/revised/planningzoning/MajorProjectsSection/kaiser_revew.html.

Additional community comments from the August 25th final workshop are included as **Attachment I** to this staff report.

PROJECT DESCRIPTION

The Phase 2 Hospital site is approximately 7.3 acres and includes the full block between Broadway and Piedmont Avenue, and between I-580 and West MacArthur Boulevard. It is the current site of the M/B Center, another small retail center and an apartment building, all of which are now owned by Kaiser Permanente. A detailed description of land uses on and surrounding the site was provided in a prior, December 12, 2007 Design Review Committee staff report (see **Attachment B: Design Review Committee staff report, 12/12/07**).

Phase 2 of the Master Plan provides for a new Hospital, a Hospital Support Building, a Medical Office Building, an associated parking structure, and a new central utility plant. A more detailed description of the Phase 2 project is included in the May 28th Design Review Committee staff report (Attachment A). The currently proposed design of these facilities is shown in detail as plan drawings, elevations and renderings (see **Attachment C: Kaiser's Design Review Submittal, August 2008**).

Construction of Phase 2 would enable Kaiser to meet current state seismic safety requirements for hospitals (SB 1953). Kaiser would move existing hospital and medical office uses that currently occupy the existing hospital (the tower structure on the opposite side of MacArthur) to these new facilities.

PLANNING ANALYSIS

General Plan and Zoning Consistency

With approval of the Kaiser Oakland Medical Center Master Plan in the summer of 2006, the Phase 2 site now has a General Plan designation of Institutional, and is zoned KX: Kaiser Oakland Medical Center. As more fully evaluated in the Design Review Findings (see **Attachment D: Design Review Findings**), the Phase 2 Hospital and its associated buildings, parking garage and central utility plant design conforms in all significant respects with the Land Use and Transportation Element (LUTE) of the Oakland General Plan as amended for the "Institutional" land use designation, and with the zoning standards as established in the KX: Kaiser Oakland Medical Center zoning district.

Environmental Review

A Draft EIR prepared for the Kaiser Oakland Medical Center Master Plan was released on March 2, 2006. The public comment period on the Draft EIR ended on April 17, 2006. The Final EIR was released on May 26, 2006. The *Kaiser Oakland Medical Center Master Plan EIR* was certified by the Oakland Planning Commission on June 6, 2006.

Based on staff's analysis (see **Attachment E: CEQA Determination**), none of the requirements for preparation of a Subsequent or Supplemental EIR or an Addendum have been met, and no

additional environmental review is required. However, numerous mitigation measures and conditions of approval from the OMC Master Plan EIR are applicable to the Phase 2 Hospital project. A Standard Conditions of Approval and Mitigation Monitoring and Reporting Plan for Phase 2 (see **Attachment F: Phase 2 SCAMMRP**) has been prepared for approval by the Planning Commission concurrent with consideration of Design Review approval.

Master Plan Consistency

On June 18, 2006 the *Kaiser Oakland Medical Center Master Plan* was approved by the Oakland City Council/Redevelopment Agency. The Master Plan is intended to guide the phased replacement of the existing OMC with an expanded and improved medical center campus. The Master Plan includes principles, policies and design guidelines that are to be implemented and applied to each phase of development as they proceed through the Design Review process. The design of the Phase 2 Hospital and its associated buildings, parking garage and central utility plant conforms in all significant respects with the principles, policies and design guidelines of the Master Plan, as more fully described in **Attachment D: Design Review Findings**.

Conditions of Approval

Numerous Conditions of Approval for the OMC Master Plan are applicable to the Phase 2 Hospital project. Additional conditions of approval have been recommended by staff specifically pursuant to the Planning Commission's consideration of this Design Review approval. The full list of staff-recommended conditions is included in **Attachment G: Conditions of Phase 2 Design Review Approval**.

OTHER ON-GOING DESIGN EFFORTS

The following provides a brief overview of other, on-going design and planning efforts related to the Kaiser Permanente Oakland Medical Center but that are not included, nor required to be included in the Phase 2 Design Review submittal.

Master Sign Program

Parallel with this Phase 2 Design Review process Kaiser has also applied for approval of a Master Sign Program. That program is being processed through Small Project Design Review pursuant to the Kaiser Permanente Oakland Medical Center Zoning Regulations, Section 17.XX.060 (c), and has included a substantial community input process. The Director of Planning's decision on design review approvals for the Master Sign Plan has not yet been made.

Right-of-Way Improvements

Kaiser's traffic engineers have been working with City staff from Transportation Services Department, Building Services and the Pedestrian Safety Program, and with AC Transit staff to develop improvement plans for the public right-of-way surrounding the Phase 2 site. The final design for these improvements will be completed pursuant to the City's subsequent P-Job process, but will generally be consistent with the preliminary plans that have been prepared through this collaborative process (see **Attachment H: Conceptual Right-of-Way**

Improvement Plans). As shown in these improvement plans, the team has worked to accomplish the following design goals;

- travel lane and intersection configurations for Broadway, MacArthur and Piedmont Avenue are consistent with the requirements identified in the OMC Master Plan EIR;
- bike lanes or shared bus/bike lanes have been provided on both north and southbound Broadway;
- AC Transit bus and Kaiser shuttle stops have been located appropriately to serve the new hospital and adjoining uses, which has included relocation of certain existing bus stops on both a temporary and permanent basis;
- generous sidewalks are provided along all streets, with a minimum dimension of 10-feet in width, and
- in order to accommodate all other improvements, some existing metered parking spaces on Broadway and Piedmont have been relocated or removed.

Howe Street Closure

As a condition of approval for the OMC Master Plan approval, the City was to initiate all steps necessary to close Howe Street as a through street between MacArthur Boulevard and 38th Street. Transportation Services Department (TSD) is leading this effort. Progress to date includes; Kaiser has retained Fehr & Peers to perform a thorough traffic analysis to evaluate the traffic implications associated with the potential closure of Howe Street, the work scope has been approved by the TSD, data collection efforts are underway. Once the analysis has been complete, the City will consult with local residents and businesses and, in accordance with all legal requirements, initiate all steps necessary to close Howe Street. If closure is approved by the City, Kaiser shall fund improvements necessary for the physical street closure.

Piedmont Parking Garage

As a condition of approval for the OMC Master Plan, Kaiser is required to submit improvement plans for the existing Piedmont Avenue/Howe Street parking garage prior to issuance of any building permits for Phase 2. Such improvements may include, but are not limited to landscaping and streetscape enhancements, façade beautification improvements and adding retail space into the ground floor (subject to a physical feasibility analysis for such a use), and shall include additional lighting and signage and other appropriate amenities for the existing pedestrian path connecting between Howe and Piedmont. The process for consideration of these improvements has been clarified under Condition of Approval #22 of the Phase 2 Design Review approval to require that all identified improvements shall be subject to Administrative Small Project Design Review pursuant to Section 17.XX.060 (c), and the improvements shall be completed prior to occupancy of the Phase 2 hospital.

Residential Permit Parking

As another condition of approval for the OMC Master Plan, Kaiser is required to work with the City of Oakland to implement, expand or further continue a Residential Parking Permit (RPP) in the residential neighborhoods west of Broadway, north of MacArthur Boulevard, east of

Piedmont Avenue and south of 42nd Street, including the Richmond neighborhood immediately east of the Phase 2 hospital site. The timing for implementation of this program has been clarified under Condition of Approval #20 of the Phase 2 Design Review approvals, as follows:

- If Kaiser's efforts to locate satellite parking and to implement their TDM program achieves a 12.5% decrease in the baseline SOV rate prior to planned demolition of the M/B Center garage, implementation of the RPP program will be conditioned upon issuance of the demolition permit for the M/B Center.
- If Kaiser's efforts to locate satellite parking and to implement their TDM program are not able to achieve the 12.5% decrease in the baseline SOV rate prior to planned demolition of the M/B Center garage, Kaiser shall prepare a report for City review and approval which proposes additional TDM measures to achieve the TDM goals. In this event, implementation of the RPP program will be conditioned upon issuance of occupancy permits for the Phase 2 parking garage.

Mosswood Park Maintenance Agreement

Another condition of approval for the OMC Master Plan required Kaiser to add landscaping to the medians and to make a negotiated financial contribution to the City towards maintenance of Mosswood Park. Kaiser has worked with the Park and Recreation Department staff, the Mosswood Advisory Council and the Park and Recreation Advisory Committee to negotiate a financial contribution value of \$200,000 to go toward needed maintenance improvements in Mosswood Park including a new Tot Lot, resurfacing of the basketball courts and resurfacing of the tennis courts. These improvements are in addition to Kaiser's commitment to continuation of the Kaiser Volunteer Day wherein Kaiser volunteers a substantial contribution of employee time for conducting maintenance efforts within the park.

Guaranty of Demolition and Site Clearance of Existing Hospital

Another condition of approval for the OMC Master Plan requires Kaiser to provide to the City, prior to issuance of this Design Review approval for Phase 2, a guaranty that they will completely demolish the existing Hospital and completely clear and landscape that site within thirty-six months of completion of Phase 2. This guaranty is to be backed by assurances that Kaiser has sufficient financial resources to assure faithful performance of the guaranty.

Staff has been working with Kaiser's representatives to draft this guaranty, but the terms have proven to be more complex than staff had been anticipated. As a result, staff recommends that this obligation be deferred for a short period of time until the issues can be resolved. Instead of requiring this guaranty prior to issuance of this Design Review approval, staff is recommending the obligation be provided prior to issuance of a demolition permit for the M/B Center or any other portion of the Phase 2 site. Such deferral does not relieve Kaiser of the obligation, nor does it reduce the City's ability to ensure that the obligation is met. It merely provides more time for staff and Kaiser to work out the terms. Staff has prepared a modified condition of approval (Condition #14) to reflect the change in timing of this obligation.

STAFF RECOMMENDATION

Staff recommends that the Planning Commission:

1. Affirm staff's environmental determination.
2. Approve the Design Review application, subject to the attached Findings and Conditions.

Prepared by:

Scott Gregory

SCOTT GREGORY

Contract Planner

Approved for forwarding to the
City Planning Commission:

GARY PATTON

Deputy Director of Planning and Zoning

Attachments:

- A. Design Review Committee staff report, 05/28/08
- B. Design Review Committee staff report, 12/12/07
- C. Kaiser's Design Review Submittal, dated 8/26/08
- D. Design Review Findings
- E. CEQA Determination
- F. Phase 2 Mitigation Monitoring and Reporting Program (MMRP)
- G. Conditions of Approval, Phase 2 Design Review
- H. Conceptual Right-of-Way Improvement Plans
- I. Community Comment Summary, Public Workshop #7, August 25th 2008