

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 Foundation Hospitals
Michael Lane, Project Director, Kaiser Permanente

Phone: (510) 618-4017

Owner: Kaiser Foundation Hospitals

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 reconsideration 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 28th 2008 the Design Review Committee recommended that Kaiser Permanente's proposed design for the new Phase 2 Hospital be considered by the full Planning Commission. On September 3rd, the Planning Commission was presented with the proposed Phase 2 design, together with a staff report (see **Attachment A**), draft Conditions of Approval and other documents for consideration of approval. However, at that September meeting the Commissioners were collectively negative in their comments about the Phase 2 design (see **Attachment B** for a summary of Commissioners' comments), and had serious concerns about some of the conditions of approval and other related issues. Since then Kaiser has been working with their architecture team to revise the Phase 2 design, and has been working with staff to respond to several other key issues prominent in the September discussion. These issues include:

- Design of the hospital, especially the exterior appearance of the 12-story nursing tower
- Pedestrian activation along Broadway
- Phasing of construction of the new Hospital and MOB, and the guaranty to demolish the existing hospital tower
- Signage
- Incorporation of strategies from "Green Guidelines for Healthcare" to promote sustainability

The following staff report is focused only on a detailed discussion of these issues, a description of Kaiser's current proposals on these issues (included as **Attachment C**), and staff comments.

The staff's planning analysis related to General Plan and zoning consistency, environmental review and Kaiser OMC Master Plan consistency remains as presented in the September 3, 2008 staff report. Attachments to those portions of the staff report, including **Attachment D**: Design Review Findings, **Attachment E**: CEQA Determination and **Attachment F**: Phase 2 Standard Conditions of Approval and Mitigation Monitoring and Reporting Program, remain the same as presented on September 3rd but are also attached to this staff report for reference.

Attachment G: Conditions of Approval for Phase 2 Design Review have been modified from those presented at the September 3rd hearing, based on the discussion that follows. These Conditions of Approval, as amended, are also attached to this staff report, along with the exhibits to the Conditions: **Attachment H**: Exhibit B, Draft Corporate Guaranty, **Attachment I**: Exhibit C, Kaiser Oakland Medical Center - Sustainability Measures, and **Attachment J**: Exhibit D, Conceptual Roadway Designs.

URBAN DESIGN ISSUES**Phase 2 Architectural Design – Articulation, Color and Materials**

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 so far been unsuccessful in satisfying the Planning Commission that the exterior design of the building is attractive and well designed. In fact, the Commission was uncomplimentary in its comments about the design presented at the September 3rd hearing. In response, Kaiser and their architects have been working to develop new design responses for the Phase 2 buildings that they hope will better satisfy the Commission. Some of the major design changes included in this current submittal include the following:

- Photovoltaic panels have been added on the roof of the Hospital tower and parking garage, and these panels become a more prominent cornice feature for the Broadway elevation of the tower.
- A system of aluminum fins and reveals have been incorporated on all building facades to allow shade and shadow to influence the building's visual composition.
- The entire street is comprised of transparent store front glazing to allow clear visibility into and out of the facility, or special "feature walls" of glazed tile to flank entrances.
- The second level of the podium incorporates aluminum fins to provide a fine grain articulation and to visually break up the mass of the building, modulated at varying intervals as shown in the renderings. Along the third floor of the podium is a combination of the aluminum fins and reveals to provide articulation, also modulated at varying intervals as shown in the renderings.
- The hospital tower now incorporates a top cornice piece along the Broadway elevation, and an aluminum cornice cap provides a detail top to the entire tower and podium. The tower design now has a stronger emphasis on the glass band in the center (at the interior elevator lobbies) by making his area wider and framing it in aluminum. The patient room windows are recessed by approximately 6" to 12" to provide greater shadow and a less flat appearance, further emphasized by using approximately 18" vertical aluminum fins which project out from the building face to cast shadows and provide modulation.
- A new color scheme with varying material colors incorporates vertical window bands to further articulate the building face.

Staff Comments

Staff is supportive of these design changes, particularly in regard to the tower design. The recessed windows and protruding aluminum fins create more articulation and movement across

the building façade. Combined with the vertical metal panel, this has the effect of emphasizes the building's vertical dimensions and drawing viewer's eyes upward, rather than horizontally along the long building facades.

Staff is also supportive of the exclusive use of storefront glazing or high quality materials (aluminum fins and glazed tiles) along the ground floor, and believes that these materials will enhance the pedestrian's experience of the building.

Broadway Street Activation

The Kaiser OMC Master Plan includes the design principle of creating street fronts that promote pedestrian activity. At the September 3rd Planning Commission hearing, Kaiser presented a design that included:

- a landscaping plan with street trees and a planter edge that helped create a pleasant pedestrian experience along Broadway and which separated the pedestrian zone from street traffic
- use of glazing and tactile or "special wall" material along the ground floor of the Broadway street edge to increase transparency and enhance the pedestrian experience along the building
- locating the cafeteria on the ground floor at the corner of Broadway and MacArthur as a pedestrian-oriented, hospital-related use capable of visually activating the Broadway street front
- extending design elements of the Kaiser campus' outdoor space across Broadway and into Mosswood Park, with proposed improvements including an outdoor plaza, pedestrian improvements, landscaping and a new bus shelter in Mosswood Park

Staff was generally supportive of these design proposals, but believed that the pedestrian experience along Broadway could be even further improved by adding an additional public entry from Broadway to the cafeteria. This entry would increase pedestrian activity along Broadway, facilitate lunch-time use of Mosswood Park, and better integrate the building into the fabric of the surrounding neighborhood. At that time, Kaiser indicated that they were not supportive of a Broadway entry to the cafeteria because of security concerns and their need to monitor public access to the hospital.

At the September hearing, Commissioners and public speakers expressed significant concern over the idea of Mosswood Park improvements. Concerns were expressed that the Mosswood Park plans could adversely impact historic resources, that the proposal could result in a loss of available park space, and that Kaiser should focus its Broadway pedestrian improvements on its own side of Broadway rather than reaching across the street and into the public park space. Additional Commissioner's comments indicated support for a Broadway entrance to the building to activate the street level.

Kaiser's Design Response and Staff Comments

Kaiser's currently proposed design retains the previously proposed landscaping plan with street trees and a planter edge, use of glazing and tactile or "special wall" material along the ground floor, and locating the cafeteria on the ground floor at the corner of Broadway and MacArthur. Kaiser has also reconsidered their objection to a public entrance to the hospital from Broadway, and now proposes a new design with a public entry into the cafeteria at about 50 feet south of the building corner at Broadway/MacArthur. This entrance is made visually prominent through signage, an adjacent "feature wall", and recessing the storefront glazing of the cafeteria by an additional 5 feet to create a wider, 15-foot sidewalk in front of the cafeteria space. The cafeteria corner is also free of front columns and is rounded, which enables a diagonal path for pedestrians. Staff appreciates Kaiser's willingness to reconsider and add this public entrance, and is supportive of this new aspect of the design.

Additionally, at the Commission's direction Kaiser has removed from their current plans the idea of constructing an outdoor plaza with pedestrian improvements, landscaping and a new bus shelter in Mosswood Park. Any future reconsideration of such plans, should they be proposed at a later date, would be subject to a separate review process. Accordingly, staff recommends removal of prior Condition of Approval #23, as indicated below. The suggested change does not remove the obligation of Kaiser to make certain improvements to Mosswood Park previously imposed on Kaiser, such as the replacement of the basketball courts and the tot lot.

23. Mosswood Park Improvements

~~As part of the Phase 2 design, Kaiser intends to construct certain improvements in Mosswood Park. These improvements constitute an extension of the Hospital's outdoor design into the park, and are in addition to the financial contribution to the City toward Mosswood Park improvements and maintenance as required under Condition 18.2 of the OMC Master Plan approvals. Contemplated Mosswood Park improvements include an improved plaza near the Broadway crossing opposite the Hospital Main Entrance (a potentially location for the Farmer's Market and/or Kaiser sponsored Tai Chi classes), removal of the existing concrete wall, landscape and streetscape improvements, a bus turn out and shelter for AC Transit buses, and a re-aligned sidewalk along Broadway. These park improvements shall be subject to a separate 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. If approved by the City, Kaiser shall fund and implement these improvements to Mosswood Park prior to occupancy of the Hospital.~~

Kaiser's programming of internal space for the MOB at MacArthur/ Piedmont has still not progressed to the point where they are definitive about the specific uses that will be located along the frontages of MacArthur and Piedmont. Staff continues to recommend a Condition of Approval (now Condition #26) to require Kaiser to make best faith efforts to incorporate pedestrian activating ground floor uses particularly at the MacArthur/Piedmont corner, and recommends the following additional provision to require that the hospital cafeteria be located at the Broadway/MacArthur corner, as indicated below:

26. Ground Floor Uses, Medical Office Building and Hospital Support Building

As of Design Review approval, 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 all street frontages. Kaiser shall make best faith efforts to incorporate ground floor uses in the MOB and HSB that activate the public street (e.g., pharmacy, coffee shop, health food store, etc.) consistent with Guideline 2.1.4 of the Kaiser OMC Master Plan, particularly at the MacArthur/Piedmont corner. Further, Kaiser shall construct the hospital cafeteria within the HSB at the corner of Broadway/MacArthur, with a public entry from Broadway.

While no pedestrian-oriented or street-activating types of uses are proposed within the new large parking structure on Broadway near the I-580 overpass, the Master Plan did not contemplate such uses, nor does it include any such requirement for this parking garage.

Existing Hospital Tower Demolition and Construction Phasing

Among the issues that staff has been working with Kaiser to resolve over the past few weeks are the inter-related conditions regarding the guaranty to ensure demolition of the existing hospital tower and the phasing of construction of the new hospital and Phase 2 MOB.

As indicated in the September 3rd staff report, Kaiser's most pressing time constraint is to complete construction of the parking garage, the central utility plant, the Hospital Support Building (HSB) and the Hospital prior to the deadline established under the state's seismic safety requirements for hospitals (SB 1953). The remaining portion of Phase 2 - the Medical Office Building (MOB) - 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. The previous staff report indicated that it is possible, although not anticipated, that construction of the MOB might not follow immediately after construction of the Hospital and its other necessary support buildings. Kaiser has since provided to staff information which indicates they believe it to be physically impractical to construct the MOB at the same time as construction of the Hospital and the Hospital Support Building (HSB). They cite the need to utilize the MOB site for construction staging and contractor's trailers, and that their construction contractor is not able to construct over 1 million square feet of space all at the same time, while still meeting the regulatory deadline for the Hospital. Hence, the current plan proposed by Kaiser is to complete construction of the MOB at some point after the Hospital and the HSB are completed, but this leaves the question of when the MOB will be constructed, and correspondingly when Phase 2 will be "done", unanswered. The conditions of approval for the Kaiser OMC Master Plan indicate that completion of Phase 2 triggers the requirement for demolition of the existing hospital.

This unanswered question poses two separate dilemmas for the project:

1. If the completion date for Phase 2 is uncertain, what point in time (or following what event) would trigger the Master Plan's condition of approval for demolition of the existing hospital?

2. If there is the possibility that Kaiser may not follow-up with construction of the MOB immediately following completion of the hospital and HSB (even though it is their stated intent to do so), can the City compel them to construct so that completion of the MOB is not delayed, or could the City accept an interim condition for the MOB site until such time as Kaiser elects to undertake construction of that portion of the building?

Existing Hospital Demolition

The current Master Plan condition of approval sets a deadline for demolition of the existing hospital tower at 36 months following completion of Phase 2. When this condition was approved, staff assumed that all of Phase 2 (including the HSB and MOB) would be OSHPD-regulated space constructed prior to the state deadline of January 2013 (or as soon thereafter as practical). We now understand that only the Hospital portion of Phase 2 will be regulated under OSHPD standards and deadlines, while the Hospital Support Building and the MOB will be constructed under City building permits. Thus, under the currently effective conditions of approval, if the MOB (and hence Phase 2) is not completed, then the existing hospital tower could remain indefinitely, even if the new hospital has been constructed.

There are at least two very strong reasons why allowing the existing hospital tower to remain would not be in the City's best interest. First, a fundamental basis for the City's approval of a new tower at the Phase 2 site was the removal of the existing tower. All of the visual analyses conducted for the OMC Master Plan were predicated on the understanding that the existing tower would be removed and replaced with the new tower. Having two towers side by side for an indefinite period of time would be an adverse aesthetic impact on this portion of the City's skyline that was never contemplated in the EIR, could result in blight and public nuisance, would be inconsistent with the intent of the Master Plan, and has never been considered pursuant to this Design Review process. The aesthetic issues would be exacerbated if the existing tower were to remain as an unoccupied vacant shell, potentially with boarded windows, a lack of hospital presence, and no pedestrian activity.

Secondly, the Master Plan approvals established a maximum building space for the entirety of the Medical Center. If the new Phase 2 hospital and accompanying structures were to be constructed as proposed and the existing hospital tower and low-rise building currently occupying the Phase 3 were to remain, the OMC campus would exceed the maximum square footage allowed under the Master Plan. If all of this space were to be occupied, the adverse impacts on traffic, public services and utilities would far exceed that analyzed in the EIR. If this space were to be left unoccupied it would result in the adverse visual and aesthetic impacts, blight and public nuisance, described above as well as a violation of the Kaiser Master Plan approvals. In short, leaving the existing hospital tower and low-rise building in place for an indefinite period of time would result in a violation of the Kaiser Master Plan approvals, have significant adverse visual, traffic and other effects on the community, and constitute a blight and public nuisance.

Condition of Approval #8 for the OMC Master Plan requires Kaiser to; a) demolish the existing hospital and clear and landscape that site within thirty-six months of completion of Phase 2; and b) provide to the City, prior to issuance of this Design Review approval for Phase 2, a guaranty that they will actually demolish the existing hospital and clear and landscape that site within

thirty-six months of completion of Phase 2, together with a guaranty that Kaiser has sufficient financial resources to assure faithful performance of the demolition and landscaping.

Staff has continued to work with Kaiser's representatives to draft this guaranty, but the terms have proven to be more complex than had been anticipated. One of the complexities of the guaranty has been agreement on the remedy available to the City should Kaiser not comply with the requirement to demolish the existing tower within the required timeframes. Kaiser has understood that this remedy would be the potential revocation of the City's occupancy permit for the parking garage, whereas staff believes that the remedy would require Kaiser to give the City adequate finances (based on an engineers' estimate) to conduct the demolition itself should Kaiser fail to perform, and/or to revoke the occupancy permit, or take whatever enforcement actions are typically provided to the City if there is noncompliance with conditions of approval.

Because these and other issues had not been resolved prior to the September 3rd Design Review hearing, staff had recommended that the financial guarantee obligation be deferred for a short period of time until these issues can be resolved. Such a deferral would not relieve Kaiser of the obligation, nor would it reduce the City's ability to ensure that the obligation is met. It would merely provide more time for staff and Kaiser to work out the terms of the Guaranty with its financial consultants.

Staff Comments Regarding the Guaranty to Demolish the Existing Hospital

Staff's current recommendation is to modify the September draft condition of approval regarding Kaiser's obligation to demolish the existing hospital tower and the financial guaranty of such (which is now re-numbered as Condition #14) as follows:

Condition # 14 Existing Hospital Tower Demolition

Kaiser shall completely demolish the former hospital structure, including the tower and podium level, and complete site clearance and landscape beautification of the site pursuant to following requirements and schedule:

- a. Prior to issuance of a building permit for the Phase 2 parking structure, Design Review approvals for Phase 2, Kaiser shall provide to the City of Oakland adequate assurances that Kaiser has sufficient financial resources to complete the actual demolition, site clearance and landscape beautification of the former hospital structure, including the tower and podium level (hereafter called the Demolition and Landscape Project). ~~by demolish the existing Hospital (Tower and Podium level), and completely clear and landscape the site, within thirty six months of completion of Phase 2.~~ This obligation shall be met by executing a plan must included appropriate financial guarantees assuring faithful performance, such as corporate guaranty from a corporate entity with a net worth of at least \$2 billion, or an Irrevocable Letter of Credit, in form and amounts which are acceptable to the City. The guarantor must be the same corporate entity (or entities) that are relied upon for the proof of net worth. The guaranty shall be in substantial conformance with Exhibit B: Draft Corporate Guaranty, which assures Kaiser's faithful performance to ~~shall complete the Demolition and Landscape Project demolition, site~~

~~clearance and landscape beautification of the former hospital structure within the specified timeframes.~~

- b. Within thirty six (36) months after the California Department of Public Health issues Kaiser its license to operate the new hospital¹, Kaiser shall submit a detailed demolition plan, together with an engineer's cost estimate and demolition schedule, along with a landscape beautification plan, all to be prepared by an appropriately licensed professional engineer, for City review and approval. Kaiser shall be required to immediately notify the City once its license to operate has been issued.
- c. ~~The City of Oakland shall condition the issuance of a final certificate of occupancy (or its equivalent) for the parking garage serving the new hospital in Phase 2, on the Kaiser shall complete the Demolition and Landscape Project) within five years thirty six months from the date of issuance of the California Department of Health's license to operate. completion of Phase 2.~~
- d. Consistent with the approved Master Plan and Kaiser's representations, there shall be no concurrent acute care operations of the new hospital with the existing hospital, except for a reasonable and limited period of time to transfer patients and functions to the new hospital.
- e. Should Kaiser fail to timely complete the Demolition and Landscape Project within the timeframes specified in this condition, the City Planning Commission finds and determines this constitutes a blight and public nuisance, and in addition to other remedies available to it in law or equity, the City of Oakland may, at its option and without any obligation to do so, call on the financial guaranty (see a) above) to complete the Demolition and Landscape Project or cause the completion of Demolition and Landscape Project, without obtaining the Guarantor's consent, including consent to enter the property.

Although the recommended revisions to this condition may sound as if it allows Kaiser two additional years before demolition of the existing hospital is required, the practical affect of this revision results in virtually the same schedule. If Kaiser were to begin construction of the MOB immediately following completion of the Hospital, the MOB construction would likely take two years to complete. Thus, five years from completion of the Hospital is virtually the same time frame as three years from completion of Phase 2, assuming that Phase 2 would be completed with

¹ The new hospital will not be constructed under City of Oakland building permits. Instead, it will be an acute care facility constructed under the regulations and jurisdiction of the Office of Statewide Health Planning and Development (OSHPD). Prior to operation of the Hospital, OSHPD and the State Fire Marshall must approve its construction, and then the California Department of Public Health must issue a license to operate the facility in compliance with the state's safety regulations, laws and Title 22 requirements.

construction of the MOB immediately following construction of the hospital. Staff believes that this revised condition of approval effectively de-links the existing hospital demolition and landscaping requirement from what otherwise might be a potentially uncertain time frame associated with completion of Phase 2, yet provides a reasonable timeframe and certainty that Kaiser will complete this obligation.

After several discussions, Kaiser has agreed to the changes to Condition #14 above to ensure that demolition of the existing hospital occurs within the established time frames.

Phasing of the New Hospital and Related Structures

Staff previously recommended a condition of approval for Phase 2 that would require Kaiser to submit an interim improvement plan for that portion of the Phase 2 site left un-constructed should a delay occur. The previously recommended condition listed a number of interim improvements that would be necessary, all subject to Small Project Design Review. At its September 3, 2008 meeting, the Planning Commission expressed concern with this condition and asked us to look at this issue again to see how the City might either condition Kaiser to construct everything at once (which Kaiser says they cannot do), or to require immediate construction of the MOB following construction of the hospital.

Staff has re-reviewed the Kaiser OMC Master Plan and its associated conditions of approval, as well as the KX zoning district established for the Kaiser OMC campus. We found no specific requirements in these previously approved documents regarding the timing of construction for phases or sub-phases of the OMC. Additionally, staff could find no examples of where the City has placed a requirement compelling construction within any City-mandated timeframe on any other development project. However, staff has held several conversations with Kaiser to suggest a condition of approval that would mandate a time certain sub-phasing plan for Phase 2.

Kaiser has most strongly objected to a City-mandated phasing schedule, maintaining that they must be able to control their own construction efforts, particularly under the current economic conditions. At this time Kaiser is uncertain as to when they intend to construct the Medical Office Building on the Phase 2 site, and they stress that the timing for construction of this building must be driven by market factors, cost, membership growth and a number of other criteria. They have also indicated that until Kaiser resolves these concerns, the exact timing of the MOB construction will likely remain uncertain.

Staff Comments

Given Kaiser's strong objections, the lack of any precedent for a City-mandated construction schedule and no clear requirement under previous Kaiser OMC approvals, staff is reluctant to press for a time certain sub-phasing plan for Phase 2. We also appreciate that there are many factors affecting the feasibility of construction of the Phase 2 MOB including changes in the medical marketplace, construction costs, and the availability of financing. Thus, staff's current suggestion is to retain the previously recommended Condition #24 regarding interim designs (now re-numbered as Condition #25), as modified below.

25. Interim Condition

In the event that Kaiser determines construction of the Medical Office Building (that portion of Phase 2 located nearest to the MacArthur Boulevard/Piedmont Avenue intersection) will does not follow immediately after occupancy of the Hospital and the Hospital Support Building (i.e., within a period of 4 months), “commence in earnest”² within 120 days from issuance by the California Department of Health of a license to operate the new hospital, then Kaiser shall submit interim improvement plans for the landscaping, lighting and security of that undeveloped portion of the Phase 2 site. Such interim improvement plans shall be submitted to the City within 120 days after the California Department of Health issues its license to operate the new hospital.

- a. Interim improvements shall may include, but are not limited to landscaping and streetscape enhancements, temporary façade improvements to the Hospital interior walls, additional lighting and signage, and other appropriate amenities for the pedestrian path connecting between Piedmont and Mosswood Park.
- b. These interim improvements shall generally be consistent with the Conceptual Interim Design as shown on Exhibit A to these conditions, and shall be subject to Regular Small Project Design Review approval pursuant to Section 17.XX.060 (D) of the Kaiser Permanente Oakland Medical Center (KX) Zone regulations as contained in the Oakland Municipal Code.
- c. Kaiser shall “commence in earnest” with construction of these interim site improvements within 1 year of approval of the Design Review application.

Signage and Identity Signs

The Kaiser OMC Master Plan and the KX zoning district approved for the Oakland Medical Center provide two different options for consideration of new signs for the campus:

1. The Master Plan contains the following provision; *“In order to achieve the cohesive campus design vision, exceptions may be required from strict application of signage standards. Therefore, the KX zoning District provides that if a comprehensive sign program is adopted as part of the Master Plan, the provisions of the comprehensive sign program shall govern and shall supersede the provisions of Chapter 17.104. A comprehensive sign program will need to be developed by Kaiser Permanente and would be adopted through the Master Plan amendment process set forth in section 17.XX.080.”*

² Commence in Earnest shall mean to initiate activities based on a City-issued building permit and other necessary permit(s) and diligently prosecute such permit(s) in substantial reliance thereon and make regular and consistent progress toward the completion of construction and the issuance of a final certificate of occupancy, including successful completion of building inspections to keep the building permit(s) and other permit(s) active without the benefit of an extension.

2. Alternatively, the KX zoning district provides for Small Project Design Review “*for minor alterations or additions to existing facilities that do not require a Subsequent or Supplemental EIR nor any other permit, variance or other approval pursuant to the zoning regulations of Title 17 of the Oakland Planning Code.*” Under the definitions of the KX zoning district, Small Projects include “*New or modified signs, excluding advertising signs; signs extending above the roofline; and multi-tenant freestanding signs*”.

Staff is aware that members of the public are both concerned and potentially confused about what aspects of the sign program (if any) are legitimate concerns of this Phase 2 Design Review, and what aspects are only applicable to the Small Project Design review process. Part of that confusion has resulted from differing approaches for reviewing the Kaiser OMC Master Sign Program and identity signage for Phase 1, and staff’s proposed approach for reviewing the identity signage for Phase 2.

Kaiser OMC Master Sign Program and Phase 1 Signs

A condition of the previous Design Review approval for the Phase I Medical Office Building on Broadway required preparation of a Master Sign Plan to show all project signage and signage lighting for the Phase 1 building (including its identity signage) and for the parking garage, as well as a conceptual signage plan for the entirety of the OMC campus. The Planning Director determined that this Master Sign Program would be processed through Small Project Design Review pursuant to Section 17.XX.060 (C) of the KX zoning regulations as described above. This Small Project Design Review process has occurred and included opportunities for community input, including two community workshops. Presentations at these workshops showed the directional and informational signs proposed throughout the campus, the large identity signs proposed for the top of Phase 1 Medical Office Building on Broadway, and the large identity signs proposed for the top of the Phase 2 Hospital. On September 26, 2008 the Planning Director approved the Small Project Design Review specifically for the directional and informational signs proposed throughout the campus, and for the larger identity signs on the top of the Phase 1 building. This determination satisfied and concluded compliance with the condition of that Phase 1 Design Review approval.

Phase 2 Identity Signs

At the September 3rd Planning Commission hearing staff indicated that we believe the large identity signs at the top of the Phase 2 Hospital are so integrated into the building design that they should be subject to the Commission’s consideration under Phase 2 Design Review. Although this approach is different than what was done for the Phase 1 building, and perhaps even contradictory to comments made at the community workshops for the Master Sign Program, we believe that this approach provides greater opportunity for public comment and discussion about the Phase 2 identity signs. It also provides the public and Kaiser with an appeal process should either party strongly disagree with the decision of the Commission regarding these signs, whereas a Small Project Design Review decision by the Planning Director is final and not subject to appeal.

Staff currently requests that the Commission consider whether you agree with staff that it is appropriate to include the two large identity signs proposed across the top of the Phase 2 Hospital as part of your Design Review deliberations. Assuming that you do agree to include the identity signs as part of the Design Review for Phase 2, staff also requests that you provide direction and/or a determination regarding these identity signs as part of any decisions regarding Phase 2 Design Review. If you do not agree that these identity signs should be part of this Design Review effort, then staff will process a subsequent Small Project Design Review for these signs, similar to what was done for Phase 1.

Staff Comments

As indicated in the September 3rd staff report, staff is supportive of the two large Kaiser identity signs at the top of the building and the larger, street-level identity sign at the main entrance across from Howe Street. We also support these signs being lit at night so that the hospital is readily identified as an important regional and emergency medical facility. We note that Highlands Hospital, Children's Hospital and the Summit Medical Center Hospital all have strong identity signs across the top of their respective hospital buildings, although perhaps not as strong as those currently being proposed by Kaiser.

Sustainable/Green Building Practices

The Kaiser Oakland Medical Center Master Plan includes the objective to incorporate sustainable design elements and features, and in particular that building design and site planning within the OMC campus should incorporate appropriate strategies from the "Green Guidelines for Health Care".³ In the September 3rd staff report, staff had recommended a condition of approval requiring that Kaiser; "continue to make best faith efforts to incorporate environmentally sustainable practices into the planning, design, construction, operations and maintenance of their Phase 2 facilities." Commissioners strongly suggested that Kaiser be proactive in incorporating "green" or sustainable strategies into their design, and to report back to the Commission on those efforts.

Since then, Kaiser has prepared a list of Sustainability Measures that they have committed to implement as part of the Phase 2 project. This list is explained in detail in **Exhibit D to the Conditions of Approval – Kaiser Oakland Medical Center – Sustainability Measures**, incorporating as many as 47 of the potential 90 strategies identified in the "Green Guidelines". Some of the key elements of Kaiser's sustainability measures include:

- a stormwater management plan that reduces impervious cover, promotes infiltration and captures and treats stormwater runoff
- installation of photovoltaic units (solar panels) on the roof the hospital and parking garage, and

³ The *Green Guide for Health Care Version 2.2 (2007)* is a document created through a committee process. The Committee is convened by the Center for Maximum Potential Building Systems (a non-profit design firm), with a large number of Sponsors and Partners, including Kaiser Permanente.

- use of “Dolphin” water treatment system technology to reduce the use of potable water for non-potable processes such as cooling equipment
- use of recycled steel and concrete in new construction

Staff Comments

The “Green Guidelines for Healthcare” do not include a threshold ranking system similar to the LEEDS rating of silver, gold and platinum, so there is no achievement level by which to rank or rate Kaiser’s level of commitment to sustainable practices based on these guidelines. However, staff does believe that the sustainability measures that Kaiser has committed to will minimize the ecological impact of the hospital, both in the construction process and in the subsequent hospital operations. In light of the commitments made by Kaiser toward sustainable design, staff recommends the following revision to the previous Condition of Approval #28:

28. Green Guidelines for Health Care

Kaiser shall implement all of the ~~continue to make best faith efforts to incorporate~~ environmentally sustainable practices for into the planning, design, construction, operations and maintenance of their Phase 2 facilities as contained in the “Kaiser Oakland Medical Center – Sustainability Measures”, submitted as part of this Design Review application (see Exhibit C of these Conditions). ~~consistent with the Green Guide for Health Care.~~ Although many of these practices and strategies are already included in the Phase 2 design, a number of additional strategies included in the *Green Guide* that are directly related to building design should continue to be considered as part of subsequent building permit approvals. Concurrent with submittal of hospital building plans to the State Office of Statewide Health Planning and Development (OSHPD), and prior to each City building permit approvals, Kaiser shall report in writing to the City of Oakland Planning and Zoning Division of its implementation of these Sustainability Measures. ~~efforts to incorporate Green Guideline strategies. Such strategies may include, but are not limited to the following:~~

- ~~Provide secure bicycle racks and/or storage for a minimum of four (4) bike cages within the parking garage (pursuant to the requirements of the City adopted Kaiser Transportation Demand Management (TDM) Program, and provide bike racks around the site near points of entry for the use of visitors~~
- ~~Provide preferred parking for low emitting and fuel efficient vehicles~~
- ~~Provide an easily accessible area at the loading dock that serves the entire building and is dedicated to the collection and storage of materials for recycling~~
- ~~Use roofing materials having a Solar Reflectance Index (SRI) equal to or greater than the values listed in the Credit Goals for a minimum of 75% of the roof surface, or install a vegetated roof for at least 50% of the roof area~~

- ~~e. For interior lighting, design lighting fixtures such that the angle of maximum candela intersects opaque building interior surfaces and does not exit out through the windows~~
- ~~f. Use low flow fixtures or control fixture flows to achieve minimum water flows~~
- ~~g. Equip all urinals (but not toilets or bed pan washers) with sensor operators.~~
- ~~h. Equip all hand wash sinks (but not compounding sinks, housekeeping sinks, or sinks in toilet rooms for inpatient bed rooms) with sensor operators~~
- ~~i. Reuse cooling tower and boiler blowdown water for other purposes as suitable based on chemical properties of the blowdown water. Consider the use of "Dolphin" technology to treat cooling tower and blowdown water without the use of chemicals such that the blowdown volumes can be reduced and the water that is blown is chemical free~~
- ~~j. Encourage and recognize increasing levels of on-site renewable energy self supply in order to reduce environmental and economic impacts associated with fossil fuel energy use.~~
- ~~k. Supply a net fraction of the building's total energy use with on-site renewable energy sources such as photo voltaic solar panels on roofs of the hospital and parking garage~~
- ~~l. Provide a portion of the building's electricity from renewable sources by engaging in at least a two-year renewable energy contract~~

Sky Bridges

Whereas the Kaiser OMC Master Plan enables construction of two pedestrian sky-bridges as part of the Phase 2 site, no pedestrian sky bridges are currently considered for Design Review approval at this time. One of the sky bridges contemplated in the Kaiser OMC Master Plan is a pedestrian sky-bridge connecting across Broadway from the new parking garage to the existing Mosswood Medical Office Building, parallel to the I-580 overpass. At this time, Kaiser has not included plans for this bridge at a level of detail suitable for consideration of Design Review approval. Should Kaiser desire to construct this bridge at a later time, the design of that bridge would need to undergo a separate Design Review process, with particular consideration of the appropriateness of a center column support that would land within the center median of Broadway and in light of other potentially competing needs for this public right-of-way space (i.e., bus lanes, bike lanes, etc.).

A second skybridge connection between the parking garage and the Hospital was included in the original Master Plan, but the current design instead makes the pedestrian connection between the parking garage and the hospital at ground level beneath a trellis or canopy. This ground-level pedestrian connection is generally superior to a skybridge in regard to the pedestrian environment

as hospital visitors and staff will instead walk at ground level to get to various destinations within the campus, helping to enliven the number of pedestrians on the campus sidewalks.

Staff Comments

In consideration of the above, staff recommends that the condition of approval related to skybridges be revised as follows:

29. Broadway Skybridge

No skybridges are currently ~~One skybridge over Broadway is~~ proposed under Phase 2, although two skybridges were ~~connecting the existing Mosswood Medical Office building to the new parking garage. This skybridge was~~ approved in concept under the OMC Master Plan. ~~Should Kaiser reconsider constructing a skybridge at a later time, the design of that bridge~~ This skybridge shall be subject to separate Regular Design Review approval as provided under Section 17.XX.060 of the KX zoning district, including review by the Planning Commission, prior to approval. ~~Any such subsequent Design Review process shall specifically consider the appropriateness of a center column support that would land within the center median of Broadway in light of other potentially competing needs for this public right-of-way space (i.e., bus lanes, bike lanes, etc.).~~

STAFF RECOMMENDATION

Staff recommends that the Planning Commission:

- a. Affirm staff's environmental determination.
- b. Approve the Design Review application, subject to the attached Findings and Conditions.

Prepared by:

SCOTT GREGORY
Contract Planner

Approved for forwarding to the City Planning Commission:

GARY PATTON
Deputy Director of Planning and Zoning

Attachments:

- A. Planning Commission staff report, 09/03/08
- B. Summary of Planning Commissioner's comments - Design Review hearing of 09/03/08
- C. Kaiser's Design Review Submittal, dated November 2008
- D. Design Review Findings
- E. CEQA Determination
- F. Phase 2 Standard Conditions of Approval and Mitigation Monitoring and Reporting Program (also Exhibit 1 to Conditions of Approval: SCAMMRP)
- G. Conditions of Approval, Phase 2 Design Review
- H. Exhibit 2 to Conditions of Approval: Draft Corporate Guaranty
- I. Exhibit 3 to Conditions of Approval: Kaiser Oakland Medical Center – Sustainability Measures
- J. Exhibit 4 to Conditions of Approval: Conceptual Roadway Designs