

Project Name: Kaiser Permanente Oakland Medical Campus Master Plan

Location: Generally the area surrounding the intersection of **Broadway and West MacArthur Boulevard**. Includes the existing Kaiser Hospital and associated facilities, the MacArthur/Broadway Center (M/B Center), the eastern side of the 3700 block of Broadway, and the AAA building site at MacArthur/Shafter

Proposal: The proposed Kaiser Permanente Oakland Medical Center Master Plan is the phased replacement of the existing medical center with a new medical center campus of approximately 1.78 million square feet on approximately 21 acres. Planning permits ultimately required include: General Plan amendment; Redevelopment Plan amendment; rezoning; Master Plan, Preliminary Development Plan and Final Development Plan/Design Review; Conditional Use permit; Subdivision Map; Tree Removal permit; Creek Protection permit; Demolition permit

Applicant: Kaiser Permanente, Kaiser Foundation Health Plan
Julie Hadnot, Director of Public Affairs, East Bay Area,
Northern California, Public Affairs 510-752-1506

Owner: Kaiser Permanente and additional properties which may ultimately be incorporated into the proposed medical center campus but which Kaiser Permanente does not currently own

Case File Number: ER05-0004

General Plan: Institutional, Community Commercial, Mixed Housing Type Residential, and Neighborhood Center Mixed Use

Zoning: S-1 Medical Center, C-40 Community Thoroughfare Commercial, C-25 Office Commercial, R-70 High Density Residential, and the S-18 Mediated Design Review Combining Zone

Historic Status: The proposed project would result in the demolition of the building at 3741-47 Broadway which the Draft EIR assumes to be an historic resource. With concurrence by the LPAB on March 13th that this building is not an historic resource, this impact will be reclassified to less than significant in the Final EIR.

Environmental Determination: An EIR has been prepared by the City as the Lead Agency. A Notice of Availability/Notice of Public Hearing was distributed to the general public on March 2, 2006. The public comment period on the Draft EIR ends on April 17, 2006.

City Council District: 1 (north of MacArthur) and 3 (south of MacArthur)

Staff Recommendation: Receive public and Commission comments on the proposed Master Plan

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

SUMMARY

Staff recommends that the Commission hold a public hearing to continue public comments on the proposed Master Plan for the Kaiser Oakland Medical Center Campus as a continuation of the March 22nd meeting. Staff also requests the Commission provide their additional comments on the proposed Master Plan particularly as they pertain to phasing, parking and sky bridges. The public hearing on the proposed Master Plan will remain open.

Proposed Kaiser OMC Master Plan

The proposed Kaiser Permanente Oakland Medical Center (OMC) Master Plan is the phased replacement of the existing Kaiser medical center with a new medical center campus of approximately 1.78 million square feet on approximately 21 acres (see **Attachment A**, Kaiser OMC Master Plan Diagram). The project area is defined generally as the area surrounding the intersection of Broadway and West MacArthur Boulevard. It includes the existing Kaiser Hospital and associated facilities, the MacArthur/Broadway Center (M/B Center), the eastern side of the 3700 block of Broadway, and the AAA building site at MacArthur/Shafter. Planning permits that will ultimately be required include: General Plan Amendment; Redevelopment Plan Amendment; Rezoning; Master Plan, Preliminary Development Plan and Final Development Plan/Design Review; Conditional Use permit; Subdivision Map; Tree Removal permit; Creek Protection permit; Demolition permit. An amendment to the General Plan Land Use Map has been proposed by Kaiser that would assign the *Institutional* land use classification to all portions of the project site for purposes of clarity on the Land Use Map, and a rezoning of the project site to a unique Kaiser Planned Development zone has been proposed in order to master plan for an integrated campus.

Background

On March 22nd the Planning Commission held a special hearing to receive comments on the proposed Master Plan for the Kaiser Oakland Medical Center Campus and to receive public testimony on the Draft EIR prepared for that Master Plan (see **Attachment B**, Staff Report from the 3/22 Special Hearing). The Commission also provided preliminary comments on the proposed Master Plan and comments on the Draft EIR. The public hearing on the Draft EIR was closed, but written comments on the Draft EIR will continue to be accepted until 5:00 p.m. on April 17, 2006. The public hearing on the proposed Master Plan was continued until April 5th.

Key Issues

At the request of the Commission, this staff report and Kaiser's presentation will focus on three key issues raised at the March 22nd hearing, specifically:

1. **Phasing:** - How and why Kaiser's operational health care needs at the Medical Center are driving a phasing program for future development that may not result in the most desirable end-state design for the campus.
2. **Parking:** - How much parking is needed for the Medical Center, where is it proposed to be located, and what other parking options are being considered.
3. **Sky Bridges:** - Why does Kaiser believe that sky bridges are necessary, and what are the comparative advantages and disadvantages sky bridges versus tunnels versus surface street crossings.

KAISER PERMANENTE OMC MASTER PLAN**Kaiser's Revised Master Plan**

During the summer and fall of 2005 Kaiser and their architects (NBBJ) worked with City staff and the City's consultant team to embark upon a reconsideration of their original March 2005 application. The intent of this effort was to develop a revised Master Plan capable of achieving Kaiser's overall needs and consistent with their development criteria, while also being more responsive to the community's concerns and objections and better achieving the City's urban design objectives. Toward that end, Kaiser is now proposing a revised Campus Master Plan. This current, revised OMC Master Plan still fits within the overall general parameters of their original proposal;

- it is located on the same approximately 20.6 acres;
- it contains a total of approximately 1.78 million square feet of total building area at completion,
- it includes a new 346-bed hospital and a new Cancer Care Center, and
- it assumes an increase of about 1,800 total employees (to a total of approximately 5,860 total employees).

City staff does believe that the revised Campus Master Plan responds directly and positively to many issues that have been raised throughout the review process for this project, and we commend Kaiser and their design team for having the flexibility and willingness to work with the City to better their project. However, the revised Master Plan clearly has not satisfied many of the neighbors nor does it fully address all of the urban design issues or alternatives that staff would like to have seen. Based on the comments of those Commissioners present at the March 22nd special hearing, several of these issues were also concerns expressed by the Commission and for which they desired more information. These major comments and concerns with the currently proposed Master Plan are more specifically described below. Some of these issues are also more fully addressed in the Draft EIR, as also indicated below.

Phasing

The planning efforts for the Master Plan have been guided by Kaiser's need for continuous operational capability at the Oakland Medical Center throughout the construction period. This need has driven a phasing program intended to allow for on-going medical services, uninterrupted hospital and patient care, as well as meeting all parking demands on-site and off-street at all phases of construction (see **Attachment C**: Table III- 3, Proposed Development by Phases and Summary Buildout by Site).

Phase I: With the ultimate goal of construction of a new hospital at the current M/B Center site, several interim phasing steps have been planned as part of Phase I:

- a) The current M/B Center building is proposed to be demolished to clear the site for future hospital construction. When it is demolished, Kaiser would lose approximately 284,000 square feet of existing building space from the office tower on that site. That space currently contains 23 medical offices and provides work space for approximately 370 employees. The top deck of the current M/B Center also provides 1,156 parking spaces that would be lost.
- b) Before the M/B Center can be demolished, Kaiser intends to develop a new office building in which to relocate the displaced medical services and their associated staff. The phasing program anticipates construction of the proposed Broadway Medical Services building (165,000 square feet) which is expected to accommodate an ultimate staffing of up to 425 employees.

- c) The Broadway parking garage and a surface parking lot on Manila would also be constructed in Phase I to compensate for the lost spaces from the deck of the M/B Center. The parking garage would be designed to accommodate 738 parking spaces, but would be stacked using valet parking to meet a peak parking demand of 838 spaces. The surface lot on Manila would add another 34 parking spaces for a total supply of 872 spaces. This number of parking spaces, when added together with all other on-site parking spaces, would match the projected parking demand at that time.

Phase II: With the M/B Center demolished and its current staff relocated to Broadway, the second phase would be construction of the new hospital building, the central utility plant and a new parking structure at the old M/B Center site.

- a) Preliminary plans for the new hospital site call for construction of a new hospital of approximately 700,000 square feet (346 beds), outpatient services in an additional approximately 360,000 square feet, and a new central utility plant of 60,000 square feet. The new hospital would have 4-story podium base (approx. 68 feet tall), with a nursing tower generally centered on the podium's north-south axis. The tower would measure approximately 210 feet in height from grade.
- b) Phase II would also contain another new parking structure. The hospital parking garage would be eight stories above grade and constructed on the south end of the site near I-580. The parking garage would have two levels of parking below grade.
- c) Upon completion of the new hospital, all existing in-patient hospital services and remaining outpatient and administrative support services would be relocated from the existing hospital to the new hospital.

Phase III: This phase would establish the Central Administration Medical Services Building and additional parking facilities on the former hospital site. To accommodate the Phase III development, the following steps are anticipated:

- a) The existing structures at the former hospital site would continue to be used for existing uses until Phase III construction commences. The recent emergency department building addition may be retained and converted to medical support service uses. Ultimately, the existing hospital structure (tower and low-rise building) will be demolished in conjunction with redevelopment of the site.
- b) The design and program of Phase III is conceptual and will largely depend on the development program ultimately implemented in Phase II at the new hospital. However, a new medical services and administration building is proposed, with the primary building facades fronting MacArthur Boulevard and Broadway. The new MSB is proposed at approximately 60,000 square feet (including the potential conversion of the emergency department).
- c) The remainder of the Phase III program assumes construction of additional parking in an amount need to match projected peak parking demand. It is anticipated that this parking supply could be accommodated by a surface parking lot.

These phasing demands of the project and Kaiser reluctance to consider temporary off-site operations is driving the phasing requirements for the project that do not result in the most desirable end-state design for the campus.

The proposed parking garage along Broadway has been designed to accommodate more parking than the adjacent medical building on Broadway requires because the design for the parking garage is driven by a temporary need for campus-wide parking during Phase I and II.

Only until the last phase of development is retail use proposed to be incorporated into the program for the Broadway parking garage because that space is temporarily required under Phase I and Phase II for parking.

The buildings proposed in Phases I (the Broadway medical office and parking garage) and Phase II (the new hospital, associated medical office and parking garage) are tall and massive because they need to accommodate virtually all current and mid-term space demands of the entire campus. Building space in Phase III is relatively minor. Phase III, which only becomes available for construction after the existing hospital is removed, is not well defined and does not seem to result in the most efficient use of space on the former hospital site. This problem has been described to staff as the ‘empty chair syndrome’ inherent in a phase-driven design, in which virtually all medical operation have been housed in previous building space before the final phase is constructed.

Consolidated Campus Alternative: The Draft EIR does include a “Consolidated Campus” Alternative (see **Attachment D**) that is a non-phase-driven design for the campus. This alternative was developed primarily through neighborhood input and professional design assistance from the City’s urban design consultant, and is not constrained by the phasing needs of Kaiser. Instead, this alternative demonstrates how a more consolidated and perhaps more balanced campus plan could be developed using only the M\B Center and old hospital sites, without needing to use the Broadway site at all. Such an alternative would require that existing clinical and administrative staff from the existing M\B Center be temporarily relocated off-campus until construction is complete, and an additional number of staff from the current hospital site to be relocated off-campus until final construction is complete. Kaiser has expressed strong objections to any type of alternative phasing strategy that would require temporary off-site operations and/or a two-move option, citing operational inconsistencies and financial infeasibility.

Parking

The parking demand for the OMC Master Plan has not simply been calculated based on generalized published data (such as ITE data) nor has it been based on standard City of Oakland Municipal Code parking requirements. Instead, unique parking demand rates have been developed for staff, in-patients, out-patients and visitors. These unique parking demand rates are based on currently observed peak parking demands, a recent survey to identify the frequency of use of alternative transportation modes (e.g. BART, shuttle, carpool, etc.), and detailed employment and patient/visitor data provided by Kaiser. To test the validity of the parking demand rates, they were applied to current employment and patient/visitor data and compared to observed parking conditions. The results of the comparison indicated that the predicted parking rates were within 2% of the observed condition, indicating that the methodology has a relatively high degree of validity.

Using these parking rates, an OMC campus-wide parking demand was calculated for each phase of the Master Plan. This demand is illustrated in Table IV.B-19 of the Draft EIR (see **Attachment E**). The Master Plan was then designed specifically with the intent of matching, on a phase by phase basis, the supply of total off-street parking spaces to the identified demand. This supply/demand analysis was prepared by professional traffic engineers, was peer reviewed by the EIR consultant and their traffic engineers and also reviewed by City staff. It is also presented in the Draft EIR as a non-CEQA issue for full public review and comment.

Staff believes that the broad analysis of supply and demand is accurate. However, we are not in full agreement with the Master Plan in regard to where and how this parking demand should specifically be met. In particular, staff's recommendations are as follows:

- The parking garage proposed by Kaiser on the west side of Broadway and adjacent to the Manila neighborhood is too tall and too big to appropriately fit within the context of the adjacent neighborhood.
- A ground-floor retail component is necessary for this parking garage to enliven the street front and provide an active pedestrian environment along Broadway. The current Master Plan does not provide for ground-floor retail in this structure until Phase III. Unless such a use were to be programmed from the outset, staff does not believe it likely that retail would realistically be "fit in" to the garage in a later phase.
- The small, 34-lot staff-only parking garage on Manila Avenue seems an unnecessary intrusion into this residential neighborhood. With only 34 spaces, this proposed parking lot provides less than 1% of the overall proposed parking supply for the campus and would not be a significant loss should it be removed. We have instead suggested this site for construction of temporary/transitional housing for patient families, or for use as a passive park.
- Currently all proposed parking structures include two (2) levels of below-ground parking. Recognizing that there would be increased cost, staff recommends further consideration of a 3rd below-grade parking deck at these structures.

The Draft EIR includes a "Reduced Broadway Parking Garage Alternative" (**Attachment F**) that shows one example of how a parking garage could be designed for the Broadway site, sized to accommodate the parking demand of the adjacent Broadway Medical Services building only. This building would include street level retail use initiated at construction. Using these alternative design criteria the parking garage would be reduced by approximately 385 parking spaces thereby reducing the height of this parking structure from 4 floors (5 decks above ground) to 2 floors (3 decks above ground), and 34 surface-lot spaces on Manila would be removed.

Removing these parking spaces from the Broadway garage would result in a temporary campus-wide parking shortfall of approximately 420 parking spaces until such time as other parking spaces could be constructed as part of Phase II and/or Phase III. Options for addressing this temporary shortfall (as discussed in the Draft EIR) include:

1. Provide temporary remote or satellite parking for Kaiser staff together with increased shuttle bus service to the campus. There is no certainty that any currently-available remote parking facilities would be available specifically to Kaiser at the time they are needed.
2. Allow a temporary short-fall in parking from the end of Phase I to completion of the Phase II garage. Without an adequate off-street parking supply provided, neighborhood on-street parking impacts could be expected to get even worse.
3. Allow temporary parking on Mosswood Park under the condition that the park would be fully restored when adequate parking is provided in Phase II. This third option has drawn considerable opposition from members of the public.

4. Rely on a more aggressive and enforceable transportation systems management/transportation demand management (TSM/TDM) program to be implemented by Kaiser and effectively monitored by the City. While staff recommends that such a program be required of the project, it is unlikely that increased TSM/TDM would be able to cover the full discrepancy between supply and demand.

Overhead Pedestrian Bridges

The OMC Master Plan proposes to construct four overhead pedestrian bridges connecting the separate portion of the Medical Center together. These bridges are proposed to be located as follows:

1. One bridge connecting the existing Mosswood Pediatric Medical Building (adjacent to Mosswood Park and I-580) to the new parking garage at the new hospital site. This pedestrian bridge would cross over the public right-of-way on Broadway, generally next to the elevated portion of I-580 in this area.
2. One bridge connecting the proposed parking garage at the new hospital site to the new hospital. This pedestrian bridge would not cross the public right-of-way, but instead would be an on-site pedestrian connection over the private hospital entry driveway.
3. One bridge connecting the proposed new Medical Services Building along on Broadway to the former hospital site, now the proposed location of the Phase III administration buildings. This pedestrian bridge would cross over the public right-of-way on Broadway between West MacArthur Boulevard and 38th Street.
4. One bridge connecting the new hospital to the former hospital site, now the proposed location of the Phase III administration buildings. This pedestrian bridge would cross over the public right-of-way on West MacArthur Boulevard between Broadway and Howe Street.

Kaiser maintains that these bridges are critical to providing operational efficiency (moving patients, health care providers and other staff) between the various different buildings located throughout the campus site, and that these bridges are essential to health care connectivity within their fragmented campus setting.

Staff does not recommend the use of sky bridges at the two proposed mid-block crossings of Broadway or MacArthur Boulevard. These bridges would block existing view corridors down Broadway, MacArthur and Howe Streets and would decrease the likelihood for a more active pedestrian environment on the sidewalk. This recommendation is consistent with City of Oakland Pedestrian Master Plan policy-supporting Action 2.1.4, which states: "*Avoid the use of pedestrian overpasses and underpasses for pedestrian crossings on surface streets.*" This policy is intended as an effort to encourage pedestrian activity on public streets. Staff has fewer objections to the proposed sky bridge from the Mosswood Building to the new parking garage at the hospital site. Being nearly adjacent to the existing elevated portion of I-580, this bridge would not block any view and there is much less of a pedestrian environment at the street level at this location. Staff is also not opposed to the proposed on-site bridge between the parking garage and the hospital. This bridge is in the middle of Kaiser's own site, would not block any view not currently obstructed by the M/B Center, and is not along a public right-of-way or in a public pedestrian environment. Staff continues to recommend that Kaiser reconsider both of the other proposed sky bridges and re-consider either below grade or at grade connections.

In response to staff's concerns Kaiser has made some design changes to their original proposal. The current Master Plan has a more substantial streetscape plan and a stronger pedestrian environment intended to encourage and support pedestrian activity, and the sky bridges have been raised on floor in height, from the 2nd floor to the 3rd.

The question of sky bridges versus tunnels is addressed in the Draft EIR as a non-CEQA alternative. Generally, the conclusions of the Draft EIR indicate the following:

- Either overhead pedestrian bridges or tunnels would provide protection against inclement weather, would provide a safe environment for physically disabled and elderly patients, and would provide a safe route for transporting patients to the hospital for treatment that is urgent but not emergent.
- Underground tunnels would be less convenient than overhead pedestrian bridges, and therefore less likely to be used for general pedestrian activity.
- According to Kaiser's engineering estimates the construction of an underground tunnel is more complicated than a bridge and is estimated to cost approximately \$10 million each, as compared to the cost of an overhead pedestrian bridge for approximately \$3 million each.

It is worth noting that under the current Master Plan, neither of the bridges proposed over MacArthur or Broadway would occur until construction of Phase III is complete. Otherwise these bridges would not have a place to land at the former hospital site. Therefore, until Phase III construction is complete (beyond year 2013 and perhaps as far away as 2020) Kaiser will need to rely on street crossings for all pedestrian movement between buildings. Perhaps by that time, the operational efficiencies of on-street intersection crossings will have been better resolved and grade separated crossings perceived as less necessary.

ENVIRONMENTAL DETERMINATION

The California Environmental Quality Act (CEQA) requires environmental review for those discretionary projects that could have significant impacts on the environment. Staff determined that the Kaiser OMC Master Plan (the Project) would have significant environmental impacts and that an Environmental Impact report (EIR) was required.

- A Notice of Preparation of an Environmental Impact Report (NOP) was prepared by the City and distributed on April 1, 2005.
- A Scoping Session was held before the Planning Commission on April 13, 2005 to solicit public, Commission and responsible agency comments on information and analysis that should be contained in the EIR.
- The City prepared a Draft Environmental Impact Report (DEIR) that was released for a 45-day public review on March 3, 2006. The public comment period for the DEIR closes at 5:00 p.m. on Monday, April 17, 2006.
- A public hearing was held on March 22, 2006 to provide opportunity for comment on the content and adequacy of the DEIR.

- After the close of the public comment period on April 17, 2006 a Final EIR (FEIR) will be prepared. That document will respond to all comments on the DEIR made at the March 22nd hearing and all written comments received by the close of the public comment period.
- Following release of the FEIR, the Planning Commission will consider certification of the EIR.

NEXT STEPS

Following this Planning Commission hearing the next major steps involved in the planning process for the Kaiser Medical Center Master Plan project include:

- April 17, 2006 – 45-day public comment period on the Draft EIR closes
- April 26, 2006 – Planning Commission Design Review Committee meeting – Opportunity to review and comment on Kaiser’s proposed urban design and architecture for the proposed new Phase I buildings along Broadway.
- Late May 2006 (expected) – Publication of the Final Environmental Impact Report including responses to all written and oral comments on the Draft EIR
- June/July 2006 (expected) – Planning Commission and City Council hearings to consider certification of the EIR and whether to approve Kaiser’s proposed Master Plan

A brief history of previous steps as related to the Kaiser Permanente OMC Master Plan can be found at the City’s web site at:

www.oaklandnet.com/government/ceda/revised/planningzoning/MajorProjectsSection/kaiser.html

STAFF RECOMMENDATIONS:

- 1) Re-open the public hearing on the Kaiser OMC Master Plan. Review Kaiser’s presentation regarding phasing, parking and sky bridges. Take public comments on these issues.
- 2) Provide direction to staff as to the Commissions’ suggestions, recommendations and thoughts for moving forward with the processing of this project.
- 3) The public hearing on the proposed Master Plan should remain open.

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Approved for forwarding to the
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Attachments:

- A. Kaiser OMC Master Plan Diagram
- B. Staff Report from the March 22nd, 2006 Planning Commission Special Hearing
- C. Table III- 3, Proposed Development by Phases and Summary Buildout by Site
- D. Alternative 4: Consolidated Medical Center, Figures V-5 and V-6 of the Draft EIR
- E. Table IV.B-19 of the Draft EIR, Parking Supply and Demand
- F. Alternative 3: Reduced West Broadway Garage, Figures V-2 and V-3 of the Draft EIR
- G. Kaiser Permanente's phasing program and position points regarding phasing, parking and sky bridges.