Project Name:	**Alta Bates Summit Medical Center- Summit Campus Seismic Upgrade and Master Plan**
Location:	20.4-acre campus generally between Telegraph and Webster, and between 30th Street and 34th Street
Proposal:	The ABSMC Seismic Upgrade and Master Plan Project (Project) is intended to comply with state seismic safety requirements of SB 1953, as well as to provide a long-term vision for the campus in order to meet hospital and community needs. Phase 1 of the project includes demolition of Bechtel Hall and five other small buildings, and construction of a new 230,000 sq. ft. (11-story) acute care hospital, plus a new 1,067-space (7-level) parking garage and a new temporary surface parking lot at the corner of Hawthorne/Elm. Phase 1 construction is expected to begin in 2010 and continue through 2015. Future phases include longer-term improvements including a new Medical Office Building on Summit Street (potentially included in Phase 1), a Samuel Merritt University expansion building at Hawthorne/Elm, and potential closure of a portion of Summit Street between 30th Street and Hawthorne Avenue as a new campus plaza.
Applicant:	Alta Bates Summit Medical Center, an affiliate of Sutter Health Shahrokh Sayadi, Project Director
Phone:	415-203-6345
Owner:	Alta Bates Summit Medical Center, a Sutter Health affiliate
Case File Number:	ER 09-0001, PUD 09-104, DR 09-105
Planning Permits Required:	Planned Unit Development (Preliminary Development Plan for Master Plan, Final Development Plan for Phase 1); Design Review for Phase 1; Conditional Use Permit for demolition of existing rooming units (Bechtel Hall), minor variance for off-street parking requirement shortfall
General Plan:	Institutional
Zoning:	S-1: Medical Center
Historic Status:	The project as currently proposed would not adversely affect any historic resources.
Environmental Determination:	A Notice of Preparation of a Draft EIR was distributed on March 13, 2009. The Notice of Availability of the Draft EIR was distributed on December 18, and the Draft EIR was published and made available to the public on December 21, 2009. The Draft EIR's 45-day public comment period ended on February 3, 2010. The Responses to Comments/ Final EIR was made available on May 7, 2010.
City Council District:	3
Date Filed:	January 16, 2009
Recommendation:	Certify the EIR and approve Planning permits listed above
Finality of Decision:	Appealable to the City Council within 10 days
For Further Information:	Contact: Scott Gregory, contract planner to the City at 510-535-6690, or by email at sgregory@lamphier-gregory.com

SUMMARY

The purpose of this May 19, 2010 Planning Commission hearing is to receive comments from the public and the Commission on the merits of the proposed Alta Bated Summit Medical Center

(ABSMC) Summit Campus Seismic Upgrade and Master Plan Project (Project) and on the adequacy of its EIR, and to consider the following actions pertaining to the project:

1. Adoption of the CEQA findings for the Project, which include certification of the EIR, rejection of alternatives as infeasible, and a Statement of Overriding Considerations;

2. Approval of the Transportation Demand Management (TDM) Plan and Greenhouse Gas Reduction Plan for the ABSMC, in compliance with City of Oakland Standard Condition of Approval TRANS-1 and EIR Mitigation Measure AIR-8;

3. Approval of the Planned Unit Development permit, including approval of the Preliminary Development Plan for the entire campus, and the Final Development Plan (including Design Review) for Phase 1 improvements;

4. Approval of a minor variance to the City-s off-street parking requirements for buildout of the Project ; and to

5. Approval of a Conditional Use Permit for the demolition of Bechtel Hall, a building containing currently vacant rooming units.

As more fully described and explained in the following sections of this staff report, staff recommends that the Planning Commission certify the EIR and approve the Project subject to the conditions, requirements, and findings contained in or attached to this staff report.

BACKGROUND

On January 16, 2009 ABSMC initiated a project application and request for environmental review of their proposed Project. The Project is intended to comply with state seismic safety requirements of SB 1953, as well as to provide a long-term vision for the campus in order to meet hospital and community needs. Since then, the City of Oakland has held the following public hearings on this project:

- February 18, 2009 – Planning Commission EIR Scoping Session to solicit public, Commission and Responsible Agency comments on information and analysis to be contained in the EIR
- April 19, 2009 - Design Review Committee hearing to provide an early opportunity to review conceptual designs for the project and to solicit comments on those preliminary designs
- January 20, 2010 – Planning Commission hearing to take comments on the adequacy of the Draft EIR
- February 8, 2010 - Landmarks Preservation Advisory Board (LPAB) hearing to address comments on the DEIR specifically pertaining to the adequacy of the analysis of cultural resources
- February 24, 2010 - Design Review Committee hearing to review proposed design changes and to make a recommendation to the Planning Commission regarding Design Review approval for the Phase 1 design

In addition, the applicant has held several informal community information meetings on January 28th, March 16th and April 16th of 2009.

Several project documents are posted on the City's Major Project website, including the EIR. These documents can be found at the following link:

http://www.oaklandnet.com/government/ceda/revised/planningzoning/MajorProjectsSection/AltaBatesSummitMedicalCenter.html

PROJECT DESCRIPTION

ABSMC Campus

The existing ABSMC campus is located in the Central Oakland planning sub-area, south of I-580. The approximately 20-acre campus is bounded between Telegraph Avenue and Webster Street, and between 30th Street and 34th Street. The campus currently contains approximately 1.4 million square feet of medical-related building space including the 337-bed acute care hospital within the existing Merritt Pavilion. The project site consists of 25 separate parcels all currently owned by ABSMC, a Sutter Health affiliate.

Project Components

The proposed Project is designed to bring the acute care patient facilities at the Alta Bates Summit campus into compliance with current state law (SB 1953), which imposes seismic requirements on all acute care facilities throughout the state. Pursuant to SB 1953 criteria, the existing Merritt Pavilion does not meet future state-mandated earthquake-resistant standards for hospitals. A primary objective of the proposed project is to replace the acute care patient facilities within the existing Merritt Pavilion with a new Patient Care Pavilion. So long as construction is commenced by January 1, 2011, construction of the new acute care facilities must be completed prior to January 1, 2015. The Master Plan is also designed to provide a long-term cohesive vision for the ABSMC campus to ensure that it continues to meet both hospital and community needs well into the future.

Phase 1

Phase 1 of the Master Plan includes near-term projects to be completed by year 2015. These near-term improvements include demolition of six existing buildings to provide for construction of the following.

- A new 11-story approximately 230,000-square-foot Patient Care Pavilion (hospital) with 309 acute care beds is proposed to be constructed on the north side of Hawthorne Avenue adjacent and connected to the existing Merritt Pavilion. The new Patient Care Pavilion would replace the acute care patient facilities within the Merritt Pavilion. The Patient Care Pavilion building would consist of two major components, a patient care tower and a basement/rooftop central utility plant.
- The vacated space within the Merritt Pavilion would eventually be backfilled with non-acute care, medical-related uses.

- The Emergency Department would be relocated to a more central location within the Merritt Pavilion, in closer proximity to the new Patient Care Pavilion.
- A new seven-level, 1067-space, 392,800-square-foot parking garage would be constructed along the southern side of Hawthorne Avenue near Elm Street.
- A new temporary surface parking lot, also to be used for construction staging, would be provided on the north side of Hawthorne Avenue at Elm Street.
- Two new emergency generators would be installed at the rear (westerly edge) of the existing Merritt parking garage to serve the new Patient Care Pavilion.
- On-site circulation improvements (vehicle, pedestrian and bicycle) would be constructed to provide access to these new facilities.

The proposed Phase 1 Site Plan is presented in **Figure 1**.

Future Phases

Future phases of the Summit Campus Master Plan are presented in **Figure 2**. The proposed Future Phases include demolition of existing buildings at 3023 and 3043 Summit Street (which are currently used as administrative office space), to make room for construction of the following.

- A new one-story, 32,000-square-foot fitness center would be located at the top of the Phase 1 parking structure for use by ABSMC employees and Samuel Merritt University employees and students.
- A new potentially eight-story, 175,000-square-foot medical office building (MOB) would be constructed on the west side of Summit Street.
- A new four-story, 72,500-square-foot building for use by Samuel Merritt University would be constructed on the site of the temporary surface parking lot developed in Phase 1, near Hawthorne Avenue / Elm Street.
- A 1-block section of Summit Street from 30th Street to Hawthorne Avenue would potentially be closed to through traffic to create a new, internal pedestrian plaza space for the campus.

Future phase construction activity on the site could occur after Phase 1 and any time prior to 2035. ABSMC has also requested the flexibility to construct the new medical office building along Summit Street concurrent with Phase 1, should circumstances warrant, and this scenario was fully analyzed in the EIR.

Required Permits and Approvals

In addition to certification of the EIR, the following discretionary actions and approvals are anticipated in order to approve the Project:

- Planning Commission approval of a Planned Unit Development (PUD) permit pursuant to Planning Code Chapter 17.142, including a Preliminary Development Plan (PDP) for entirety of the Master Plan and a Final Development Plan (FDP) for Phase 1
- Planning Commission approval of Design Review for Phase 1, pursuant to Planning Code Chapter 17.136.120

- Planning Commission approval of a Conditional Use Permit for demolition of rooming units within existing Bechtel Hall at 370 Hawthorne Avenue, pursuant to Planning Code Chapter 17.134
- Planning Commission approval of a minor variance from the City's off-street parking requirements pursuant to Planning Code Chapter 17.116.

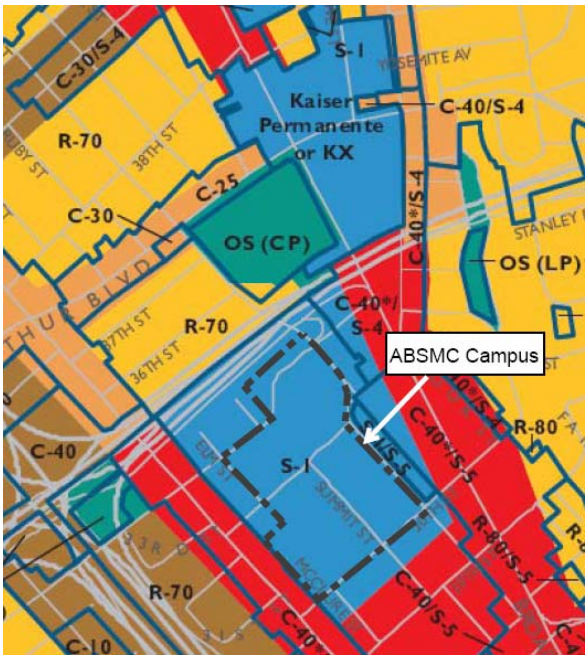
The Project will also require a number of administrative staff approvals and/or subsequent discretionary actions before it can be fully constructed. These subsequent or administrative actions include approval of parcel map(s) to combine existing lots for access, as well as City demolition, building, grading and tree removal permits for new construction.

The State of California Office of Statewide Health Planning and Development (OSHPD) has jurisdictional responsibility for enforcement of all building standards related to construction of acute care health facilities (i.e., the new Patient Care Pavilion) and would issue all building and occupancy permits for these facilities to ensure compliance with the regulations mandated by SB 1953.

PLANNING CONTEXT

The existing Alta Bates Summit Medical Center campus is located in the Central Oakland planning sub-area, south of I-580 in an area known as "Pill Hill". The approximately 20-acre campus is bounded between Telegraph Avenue and Webster Street, and between 30th Street and 34th Street. The campus currently contains approximately 1.4 million square feet of medical-related building space, including the 345-bed acute care hospital within the existing Merritt Pavilion.

General Plan



The City General Plan - Land Use and Transportation Element (LUTE) designates the entire ABSMC campus as Institutional. The Institutional designation is intended to create, maintain and preserve areas appropriate for education facilities, cultural and institutional uses, health services and medical uses. The Project's proposed land uses are consistent with this Institutional land use designation. No General Plan amendments are required.

The Project EIR (Chapter 4.1: Land Use Plans and Policies) includes an assessment of the Project's consistency with General Plan policies. This assessment concludes that the Project would be consistent with the various LUTE policies that support the continued existence and expansion of the ABSMC Summit campus. The upgrading and replacement of facilities within the campus would improve visual quality and safety on the campus and they would allow for expansion of medical services to City residents and workers by intensifying existing uses on

the site, rather than expanding off-site. The Project is consistent with LUTE policies regarding the location, retention and support of institutional land uses.

Zoning

The current zoning of the ABSMC campus is S-1: Medical Center. This zoning is intended to create, preserve and enhance areas devoted primarily to medical facilities and auxiliary uses, and is typically appropriate for compact areas around large hospitals. The Project's proposed land uses (the Patient Care Pavilion and associated parking garage, medical office space and the Samuel Merritt University expansion space) are all allowed uses within the S-1: Medical Center zoning district.

Regulations

There are no maximum height requirements in the S-1 zone except in cases where the property is adjacent to a residential zone (Code Chapter 17.74.140). The height of the Patient Care Pavilion (the tallest of the proposed new buildings) is 11 stories or 185 feet above ground level. There are no proposed structures adjacent to a residential zoning district, although there are residents across Elm Street.

In the S-1 District the maximum floor area ratio (FAR) of any facility shall be 4.0, except that this ratio may be exceeded by ten percent on any corner lot and may also be exceeded by ten percent on any lot which faces or abuts a public park at least as wide as the lot (Code Chapter 17.74.130). The proposed Phase 1 improvements would have an FAR of 1.75 and buildout of the Master Plan would result in a campus-wide FAR of 1.97, well below the permitted 4.0 FAR in the S-1 district.

Within the S-1 zone front and rear yards depths of 10 feet are required, and side yards of 10 feet are required on side streets (Code Chapter 17.74.150). Yard requirements may be waived, however, pursuant to Planned Unit Development regulations (Code Chapter 17.142.100). All yard setback requirements would be met under the proposed Project.

Broadway/Valdez Specific Plan Area

The Broadway/Valdez Specific Plan area is defined as the portion of Broadway between West Grand Avenue and Highway 580 including the cross-arterials of 27th and Valdez. This area is currently characterized by a large number of multi-acre surface parking lots used for auto sales. These properties represent significant redevelopment opportunities. This area is anticipated to undergo a significant land use transition over the next decade as the City develops and begins to implement the Broadway/Valdez Specific Plan. The Specific Plan process is underway and is anticipated to provide planning policy direction for future development, potentially including approximately 1 million square feet of new retail uses along Broadway, 27th Street and Valdez Street, with as many as 1,700 residential units and possible office development. Additional goals of the Specific Plan include improvement of the physical appearance of the streetscape; creation of a safe, pedestrian oriented business environment; and provisions for adequate vehicular access and parking. The Specific Plan is anticipated to include strategies for capitalizing on the unique position of the Broadway corridor to downtown, the Kaiser Permanente and Alta Bates Summit medical facilities, the primary AC Transit bus corridors, and the close proximity to two BART stations.

The ABSMC campus is located outside of, but immediately northwest of the Broadway/Valdez Specific Plan area. The EIR and review of the Project fully considered the Specific Plan. For example, the EIR assumed cumulative development as envisioned under the Specific Plan when analyzing traffic impacts, visual and aesthetic impacts. Other than pedestrian and vehicular improvements as proposed under the project at Hawthorne and Webster, and the possibility of a coordinated shuttle system which is part of the Project's TDM plan, there do not appear to be any other direct relationships between the ABSMC campus and the Specific Plan. ABSMC officials, however, have expressed a willingness to work with the City as progress on the Specific Plan continues.

Other Surrounding Uses

The ABSMC is surrounded by a number of medical offices and medical-related commercial facilities that are associated with or located conveniently near the Medical Center, but that are not part of ABSMC. There are very few residences located in the immediate vicinity of the campus, but there is a short block of residences (both single family and multi-family) that are located along the westerly side of Elm Street.

ENVIRONMENTAL REVIEW

Pursuant to the California Environmental Quality Act (CEQA), a Draft Environmental Impact Report (Draft EIR) was prepared for the Project. The Draft EIR was released for public review on December 21, 2009 beginning a 45-day public comment period. The public comment period ended on February 3, 2010. The Planning Commission held a public hearing on January 20th to take comments on the adequacy of the Draft EIR; the LPAB also held a hearing on February 8, 2010.

After all written and oral comments were received a Response to Comments document was prepared. Together, the Draft EIR and the Response to Comments document (including any changed made to the text of the Draft EIR) constitute the Final EIR.

The Final EIR was made available for public review on May 7, 2010, twelve days prior to the hearing. The Notice of Availability/Notice of Release of the Final EIR was distributed to those state and local agencies who commented on the Draft EIR, posted on the project web site, and mailed and e-mailed to numerous individuals who have requested to specifically be notified of official City actions on the project and/or commented on the Draft EIR. Copies of the Draft and Final EIR were also distributed to those state and local agencies who commented on the Draft EIR, City officials including the Planning Commission, and made available for public review at the Oakland Main Library (124 14th Street), at the office of the Community and Economic Development Agency (250 Frank H. Ogawa Plaza, Suite 3315), and the on City's website, as referenced above. Pursuant to CEQA Guidelines, responses to public agency comments have been published and made available to all commenting agencies at least 10 days prior to this hearing. The Planning Commission has had an opportunity to review all comments and responses thereto prior to consideration of certification of the EIR and prior to taking any action on the proposed project.

Significant Environmental Effects

The EIR comprehensively assesses the full range of potential environmental impacts of the Project at a detailed, Project-specific level. Other than the impacts discussed below, all of the environmental

effects of the Project can be reduced to less than significant levels through implementation of the City's Standard Conditions of Approval (SCA) and/or mitigation measures recommended in the EIR (see **Attachment A**: SCAMMRP). The proposed Project will result in significant and unavoidable impacts associated with the environmental topics discussed below. In order to approve the proposed Project, the City would have to adopt Statements of Overriding Consideration for these significant unavoidable impacts, finding that the benefits of the Project outweigh any significant unavoidable impacts (see **Attachment B**: CEQA Findings).

Air Quality and Greenhouse Gas (GHG) Emissions

The City of Oakland relies on the Bay Area Air Quality Management District (BAAQMD) CEQA Thresholds and Guidelines for guidance in evaluating air quality impacts of development projects, determining whether an impact is significant, and mitigating significant air quality impacts. The BAAQMD's current CEQA Guidelines were last updated in 1999.[1] Throughout 2009 the BAAQMD has been working to update their thresholds, and in December of 2009 the BAAQMD issued its most recent draft update to its CEQA Guidelines and Thresholds of Significance, just before publication of the Draft EIR.[2] Just before publication of the Final EIR, the BAQMD released a revised version of its CEQA Guidelines and Thresholds, but such revisions do not materially change the analysis or conclusions in the Final EIR, or the GHG Reduction Plan.[3] Although these Draft CEQA Thresholds and Guidelines are not yet approved as of the writing of this report, it is anticipated they will be adopted in the near future. Thus, in the interests of being conservative and providing as much information as possible, the EIR includes a comparative review against these newly proposed (but not yet adopted) thresholds.

- Short-term construction emissions: Activities associated with demolition, site preparation, and construction of Phase 1 concurrent with the Medical Office Building would generate short-term emissions of criteria pollutants (NOx), suspended inhalable particulate matter and equipment exhaust emissions. This impact is considered significant and unavoidable if proposed BAAQMD Thresholds are adopted. City Standard Conditions of Approval (SCA) (construction-period best management practices) are imposed to reduce these emissions, but the impacts cannot be reduced to a less than significant level.

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[1] BAAQMD, "*Assessing the Air Quality Impacts of Projects and Plans*", 1999

[2] BAAQMD, CEQA Guidelines Update - Thresholds of Significance, December 9, 2009 – preceded by proposed CEQA Thresholds of Significance of November 9, 2009; Revised Draft CEQA Threshold Options and Justification Report of October 2009; and Draft CEQA Threshold Options Report of April 2009

[3] On May 3, 2010, when the City was finalizing the ABSMC Responses to Comments/Final EIR document and the GHG Reduction Plan for publication, BAAQMD released revisions to its December 2009 Draft Guidelines/Thresholds. The May 2010 Draft Guidelines/Thresholds still represent the only quantitative thresholds formally proposed by a regulatory agency with jurisdiction over the Project, and are proposed for formal adoption on June 2, 2010. The revisions include few differences compared to the December 2009 version used to prepare the Air Quality and GHG emissions inventory and analysis presented in the EIR. The best management approaches and available information used to prepare the Air Quality analysis and the GHG Reduction Plan are consistent with the May 2010 revisions. In fact, the prepared analysis is based on customized energy usage values (specifically for the PCP), and site specific modeling for toxic air contaminants (TAC) and PM2.5, resulting in a more refined and GHG emission analysis than could result with the Districts new model

- Long-term emission of criteria air pollutants: The proposed project would result in a considerable contribution to cumulative air quality impacts due to the emission of criteria pollutants (i.e., NO_x,) from vehicles and stationary sources if Phase 1 is built concurrently with the Medical Office Building. This impact is considered significant and unavoidable if proposed BAAQMD Thresholds are adopted. City SCA (a TDM Plan to reduce vehicle emissions, which has now been prepared, is included in the Final EIR and summarized below) are imposed to reduce these emissions, but the impacts cannot be reduced to a less than significant level.

GHG emissions: Construction and operation of the project would result in a cumulatively considerable increase in GHG emissions. The project would also conflict with an applicable plan, policy or regulation of an appropriate regulatory agency adopted for the purpose of reducing greenhouse gas emissions. This impact is conservatively considered significant and unavoidable if proposed BAAQMD Thresholds are adopted. The Draft EIR recommended mitigation to include preparation of a GHG Reduction Plan, which has now been prepared, included in the Final EIR and summarized below, but as explained below, it is conservatively assumed to be a significant unavoidable impact. While the measures in the GHG Reduction Plan could reduce the cumulative GHG emissions associated with the project, the actual reduction would depend on the combination and extent of the measures employed and the effectiveness of carbon off-sets to actually reduce GHG emissions. Therefore, the extent of potential reduction cannot be known at this time and as a result, the residual impact of the proposed project's cumulative contribution to GHG emissions (based on adoption of the proposed BAAQMD thresholds) is conservatively considered to be significant and unavoidable.

Traffic Impacts

Mitigation measures are identified that are capable of reducing traffic impacts associated with implementation of Phase 1 improvements to less than significant, with the following exception:

- Phase 1 traffic impacts: Significant and unavoidable traffic impacts would occur at the intersection of West Grand Avenue / Brush Street under Existing + Project and 2015 scenarios. This intersection is complicated due to its immediate adjacency with the West Grand/San Pablo intersection and other factors. After further review by City and consulting traffic engineers, the specific mitigation measure in the Draft EIR was determined to have the potential for secondary impacts which are not acceptable to the City. Therefore, the proposed mitigation measure (TRANS-2) has been revised to require signalization of the intersection providing actuated operation and signal communication with the existing signal interconnect on West Grand Avenue, and making other necessary City-approved associated improvements. The project sponsor shall work with the City to perform a detailed intersection/signalization engineering design study to determine the most feasible design to implement, which can improves intersection operations and minimize any potential secondary impacts. Such a design may include measures not yet specified, or even an alternative to signalization of the intersection. The project sponsor shall be required to fund, prepare and install the approved plans and improvements. This impact is considered to be significant and unavoidable because the intersection is complicated and the specific improvements to be implemented must be finalized after a detailed intersection/signalization engineering design study is performed and a preferred, detailed design selected by the City.

All other significant and unavoidable intersection operation impacts identified in the EIR occur only under Future Phase buildout scenarios. No feasible mitigation measures are available that reduce the following significant 2035 Buildout impacts to less than significant levels.

- Buildout traffic impacts: Buildout of the proposed project would add traffic that, when combined with other cumulative traffic projected to occur by year 2035, would either significantly degrade the levels of service, significantly increase the average intersection vehicle delay, or add a significant number of vehicle trips to an intersection which would meet warrants for a traffic signal at the following intersections:

    1. Telegraph Avenue/Grand Avenue (EIR Intersection #7)
    2. Telegraph Avenue/27th Street (EIR Intersection #8)
    3. Telegraph Avenue/MacArthur Boulevard (EIR Intersection #13)
    4. Broadway/West MacArthur Boulevard (EIR Intersection #34)
    5. Harrison Street/29th Street (EIR Intersection #39)*
    6. Piedmont Avenue/West MacArthur Boulevard (EIR Intersection #43)
    7. West Grand Avenue/Brush Street (EIR Intersection #44)*
    8. West Grand Avenue/San Pablo Avenue (EIR Intersection #45)*
    9. 27th Street/Northgate Avenue/I-980 On-Ramp (EIR Intersection #6)#
    10. Oakland Avenue/Perry Place/I-580 Off-Ramp (EIR Intersection #41)#

    Although mitigation measures are recommended in the EIR (including signalization or signal optimization) to reduce these traffic impacts, these mitigation measures are not able to reduce impacts to a less than significant level. No feasible mitigation measures have been identified for those intersections indicated with an "*" in the list above, and it is not certain that the EIR's recommended mitigation measures could be implemented at those intersections indicated with an "#" in the list above because the City of Oakland could not implement improvements at these locations without the prior approval of Caltrans. The balance of the intersections has recommended mitigation measures which would reduce impacts to less than significant levels.

Responses to DEIR Comments / Key Issues

City staff received comments on the Draft EIR from several public agencies and a number of private individuals. Additional oral comments were provided at the Planning Commission hearing on January 20, 2010 and the LPAB hearing on February 8, 2010. Responses to all of the comments provided by these agencies and individuals are provided in the Final EIR document, including certain revisions and changes to text in the Draft EIR. None of these changes to the Draft EIR involve a new significant environmental impact, a substantial increase in the severity of an environmental impact, or a feasible mitigation measure or alternative considerably different from that presented in the Draft EIR. Recirculation of the Draft EIR is not warranted.

Among the issues raised in Commission and public comments on the Draft EIR were concerns related to:

- developing an effective transportation demand management program for the project to reduce traffic and air quality impacts;
- 'closing the gap' between projected greenhouse gas emissions and the BAAQMD's draft thresholds for these emissions;
- the protection of historic resource (the building at 418 30th Street); and
- potential traffic effects related to on-going planning efforts for the Harrison – Oakland Avenue Corridor.

Responses to these comments and concerns are fully addressed in the Final EIR and summarized below.

Transportation Demand Management (TDM) Plan

The Draft EIR identified a standard City of Oakland Condition of Approval that requires preparation of a Transportation Demand Management (TDM) program for the project. At the February Planning Commission hearing on the Draft EIR, the Commission indicated their desire for staff and the applicants to work together to develop a TDM Plan capable of substantially reducing the number of vehicle trips to the ABSMC campus, thereby reducing impacts associated with traffic, air quality, greenhouse gas emissions and parking shortfalls. City staff, ABSMC and consultants at ESA, Fehr & Peers and Nelson\Nygaard Consulting Associates have worked during the time since publication of the Draft EIR to develop this TDM Plan for the Project The resulting TDM Plan for the ABSMC is included in the Final EIR and summarized below.

ABSMC conducted a baseline employee transportation survey in December 2009. Of the 3,170 surveys distributed, 614 responses were collected. Based on this survey, the current employee mode split is approximately 79.5% of all employees drive alone and 21.1% of all employees take advantage of alternative modes of travel - primarily BART, the ABSMC shuttle system and carpools.

The TDM program sets forth a short-term goal through construction and operation of Phase 1 of reducing single-occupancy vehicle (SOV) trips by 10% from the current baseline mode split. A 10% reduction in the SOV rate would result in approximately 214 vehicles removed from the campus, or a total of 428 inbound and outbound daily trips plus a reduction of an estimated 52 off-campus trips made during the day (i.e., meetings, lunch, errands). These trip reductions would serve to reduce but not fully mitigate the projected Phase 1 impacts on traffic and circulation, air quality and greenhouse gas emissions. In order to achieve the 10% goal, the following TDM actions are required under the Plan:

- potential expansion of the existing BART Shuttle program,
- full-time experienced TDM coordinator,
- commuter tax incentives to be used for transit-related expenses,
- improved transit facilities as indicated in the EIR,
- exploring a coordinated shuttle program with nearby hospitals,
- planning efforts with the Broadway/Valdez Specific Plan for coordinated shuttle service,
- showers and changing facilities included in all new buildings,

- establishing a telecommute policy and program,
- preferential carpool parking,
- increasing the number and location of bicycle racks and lockers,
- expansion of the current vanpool program if demand exists,
- continued and expanded valet parking,
- implementation of a Guaranteed Ride Home Program,
- development and staffing of an on-site transit information center,
- signage identifying the locations of bicycle parking, vehicular parking, and shuttle stops, and
- expansion of the TDM outreach and marketing program.

In the long-term, pursuant to operation of Future Phases and through buildout, the goal of the TDM Plan is to reduce single-occupancy vehicle (SOV) trips by 20% from the current baseline mode split. A 20% reduction in the current SOV rate would result in the drive alone mode share being reduced from 79.5% to 63.5%, removing 522 vehicles from the campus or a total of 1,175 daily vehicle trips. These trip reductions would serve to reduce, but not fully mitigate, the project buildout impacts on traffic and circulation, air quality and greenhouse gas emissions. In order to reduce the SOV rate attributable to buildout by 20% less than the current baseline mode split, the following additional TDM strategies are recommended in addition to continuation and expansion of the Phase 1 strategies listed above:

- further expansion of the BART shuttle service to serve the facilities constructed in Future Phases,
- evaluating and then increasing employee parking prices as needed to achieve the trip reduction goals - the current $35 monthly parking fee will likely have to be increased significantly in order to have an impact on the SOV rate,

Nelson\Nygaard believes that this TDM Program is capable of reducing the baseline SOV rate by 20%. However, if ABSMC cannot achieve the 10% decrease in SOV rate attributable to Phase 1 and/or the 20% decrease in SOV rate attributable to buildout, ABSMC shall prepare a report for City review and approval which proposes additional TDM measures to achieve the TDM goals. Such measures may include increasing the transit subsidies provided to employees and/or participating in a car-sharing program.

Implementation of the mandatory TDM measures shall be ensured through preparation of an Annual TDM Report that summarizes the TDM program over the preceding year, intended upcoming changes, and compliance with the conditions of this program. The reports shall be submitted to an independent reviewer of the City's choosing to be paid for by ABSMC.

Greenhouse Gas Reduction Plan

The EIR recommends a mitigation measure (MM AIR-8) that would require preparation and implementation of a Greenhouse Gas Reduction Plan. At the February Planning Commission hearing on the Draft EIR, the Commission indicated their desire for staff and the applicants to work together to develop a plan capable of substantially reducing the difference between estimated greenhouse gas

emissions of the project and established thresholds. City staff, ABSMC and the EIR consultants at ESA have worked to develop this Greenhouse Gas Reduction Plan for the project during the time since publication of the Draft EIR. The resulting Greenhouse Gas (GHG) Emissions Reduction Plan is included in the Final EIR and summarized below. It includes a refinement of the estimated baseline emissions inventory for the Project, an assessment of potential GHG emissions reduction measures, and a recommended GHG Reduction Plan mitigation program. The goal of the GHG Reduction Plan is to increase energy efficiency and reduce GHG emissions from the proposed project to the greatest extent feasible in an effort to meet the applicable significance threshold as adopted by the BAAQMD (i.e., currently 1,100 MT CO_2e per year, or 4.6 MT CO_2e per year per service population, based on the Draft BAAQMD Thresholds).

GHG Emission Estimates

A refined and detailed GHG emissions inventory has been estimated for the Project. The refined GHG emissions inventory provides emissions data for all sources identified by the BAAQMD. The refined inventory indicates that the project could, under a "business-as-usual" approach with no consideration of energy efficiency or vehicle reductions, result in emissions of as much as 3,900 MT CO_2e per year at Phase 1, and as much as 10,150 MT CO_2e per year at buildout.

However, the project as proposed by ABSMC already incorporates numerous energy efficiencies and transit opportunities. ABSMC has adopted numerous elements of the Green Guide for Health Care (a comprehensive document that identifies available building techniques and an accreditation system specific to health care facilities borrowed by agreement from the LEED rating system) to be implemented in the design of its health care facilities. These GGHC elements are summarized in the October 2009 *Green Guide for Healthcare and Sustainability Practices* (GGHCSP) as presented by ABSMC to the Planning Commission at the February hearing on the Draft EIR (see **Attachment C**). The annual GHG emissions generated from Phase 1 of the Project (which includes substantial design features related to energy use and transit) are estimated at approximately 2,830 MT CO_2e per year with the majority of annual emissions resulting from vehicle use and electrical demand. The annual GHG emissions generated from buildout of the project are estimated at approximately 8,840 MT CO_2e per year.

	Phase 1 (MT/year)	Project Buildout (MT/year)
Unadjusted, "business-as-usual" projected emissions	3,927	10,157
Efficiency ratio (Tons/service population)	N/A	23.7
Project as proposed (with energy efficiencies and TDM)	2,831 (24% reduction)	8,843 (23% reduction)
Efficiency ratio (Tons/service population)	N/A	20.6
Draft BQQAMD Threshold	1,100	1,100
Efficiency ratio (Tons/service population)	N/A	4.6

As these numbers show, emission reduction measures already incorporated into the project as proposed by ABSMC reduce total operational emissions by 24% in Phase 1, and by 23% at buildout as compared to a business-as-usual approach. That a 24% reduction from expected "business-as-usual" emissions - as achieved by the project as proposed – cannot reduce emissions to a level that would even approximate the threshold levels indicates several issues:

- The GHG emission thresholds from the Draft BAAQMD Guidelines are very low. For example, any hospital over 39,000 square feet would exceed the draft screening threshold for GHG emissions.
- The proposed project is quite large (a 230,000 square-foot hospital, a 175,000 square-foot medical office building and a 72,500 square-foot building for use by Samuel Merritt University), has unique energy demands associated with necessary medical functions, and provides services to a large population base that needs to travel to the facility for these services. Even with substantial reductions in vehicle trips resulting from the TDM program and implementation of aggressive energy efficiencies as proposed in the project's design, such a large facility cannot attain the "bright-line" threshold of 1,100 MT CO_2e per year of GHG emissions.
- Even the efficiency-based threshold of 4.6 MT CO_2e per year per service population (which is intended to recognize large but highly energy-efficient projects) does not appear to scale in a manner whereby an energy efficient hospital/medical campus can meet the threshold.

Additional GHG Reductions and Offsets

With the goal of increasing energy efficiency and reducing GHG emissions such that the project might meet the draft significance threshold of the BAAQMD, the GHG Emissions Reduction Plan presents and quantifies a comprehensive set of additional GHG reduction measures available for the project to implement to further reduce GHG emissions. These measures are considered "additional" because they are beyond those factored into the project's refined baseline GHG emissions. To identify these additional measures, multiple sources were consulted including the State of California's Climate Change Scoping Plan, the State Attorney General's web site, the California Air Pollution Control Officer Association's (CAPCOA) white paper on CEQA and Climate Change, the Green Guide for Health Care (version 2.2), Sutter Health's Green Guide for Healthcare and Sustainability Practices, Reference Guides on Leadership in Energy and Environmental Design (LEED) published by the US Green Building Council, and BAAQMD's Draft CEQA Air Quality Guidelines.

As concluded in the GHG Reduction Plan, implementation of various combinations of these identified additional measures could further reduce the project's GHG emissions. However, if a reasonable range of additional measures identified in the GHG Reduction Plan as being quantifiable and feasible were implemented, the total GHG emissions for the project would only be reduced by approximately 568 MT CO_2e (a reduction of approximately 7 percent). Therefore, all of the identified feasible GHG reduction measures, if applied only to the project, could not meet the draft significance thresholds of the BAAQMD. Only by considering other off-site options for GHG emission reductions, other off-set measures or off-set purchases can the residual operational GHG emissions from the project be reduced/off-set to a level that is less than or equivalent to the Draft BAAQMD thresholds.

Recommended GHG Reduction Plan Mitigation Program

The recommendations of the GHG Reduction Plan would require ABSMC to prepare and submit to the City for review and approval a refined GHG emissions inventory and a draft GHG Reduction Plan Mitigation Program prior to operation of the first phase of the project, and every two years thereafter. The Plan is meant to be flexible and provide ABSMC a menu of options to explore and select in order to meet the targeted, performance based reduction goals. The draft Mitigation Program is to specify and quantify (in order of priority) the following:

- GHG reduction measures identified in, but not limited to those included in the GHG Reduction Plan that are capable of reducing the project's operational emissions to the greatest extent feasible;
- Additional GHG reduction measures that are to be implemented elsewhere within the ABSMC campus (i.e., not as part of the project) and/or elsewhere within the City of Oakland, the Air District or the state to off-set the project's operational emissions. To the extent reasonable and feasible, the reduction measures incorporated into the project or implemented elsewhere shall be capable of reducing the equivalent of 7 percent of the emissions from that phase of the project that exceeds the significance threshold;
- Potentially establish a one-time fee (e.g., an escrow account or endowment fund) to off-set the costs associated with implementation of certain City-wide GHG reduction strategies as may be identified in the City of Oakland's Climate Action Plan. The amount of off-set "credits" achieved under this fund are to be determined once such a fund has been offered or proposed; and then
- Quantify the annual residual operational GHG emissions from that project phase, if any. ABSMC would then implement off-set purchases to reduce the residual emissions to less than the applicable CEQA significance threshold. The preference for off-set purchases shall first be for offsets that can be achieved within the City of Oakland, then for off-sets that can be achieved within the Air District, the state, and finally for offsets achieved elsewhere. The cost of off-set purchases shall be based on current market value at the time purchased, and shall be of a quantity as to achieve 100% emissions reduction compared to the applicable CEQA threshold.

While the measures in the GHG Reduction Plan could reduce the cumulative GHG emissions associated with the project, the actual reduction would depend on the combination and extent of the measures employed and the effectiveness of carbon off-sets to actually reduce GHG emissions. [4]Therefore, the extent of potential reduction can not be known at this time and as a result, the residual

[4] As stated in the GHG Reduction Plan, "There is recognized uncertainty in the current state of carbon markets (including the availability and pricing of offsets) in the U.S. With a federal climate bill languishing in the Senate and emerging political challenges to AB 32, it is difficult at best to characterize supply and demand in yet-to-be-created carbon market, and even more difficult to predict the price of emissions allocations or offsets. A national cap and trade system, where buyers and sellers determine a market price for allocations and offsets, is still a possibility at the national level, and has a strong likelihood of developing in California (through AB 32) and other Western states (through the Western Climate Initiative). Currently in California, buyers purchase offsets either to reduce their carbon footprint voluntarily, or as a "pre-compliance" strategy with the hope that they can use them in a future cap-and-trade system. Prices have remained relatively low over the past year or two due to the sluggish economy and the policy uncertainty. They are certain to rise significantly if and when federal, regional, and/or state cap-and-trade becomes a reality."

impact of the proposed project's cumulative contribution to GHG emissions (based on adoption of the proposed BAAQMD thresholds) is conservatively considered to be significant and unavoidable.

Historic Resource

The DEIR stated that the property at 418 30th Street would be demolished and replaced with other structures as part of the future phases of the proposed project. The DEIR presumptively considered this property a historical resource for CEQA purposes because it was determined eligible for local listing by the City. The City has since determined that this building warrants preservation as a Heritage Property, and is considered a CEQA historical resource. Demolition of this property would have resulted in a significant impact to historical resources because it would have materially altered those characteristics that justify its eligibility for listing as a historical resource.

However, since publication and distribution of the DEIR, ABSMC has redesigned their proposed new Future Phase Medical Office Building to avoid demolition of the building at 418 30th Street. This scenario was analyzed in the Alternatives chapter of the DEIR (pages 5-32 through 5-34). In order to avoid demolition of the property at 418 30th Street and yet maintain the same square footage as the proposed project, ABSCM has reduced the footprint of the MOB, but increase the building height up to eight stories from five stories. The Project Applicant would not change any portion of the property at 418 30th Street, and thus there would be less than significant impacts to cultural resources.

Harrison – Oakland Avenue Study

The Harrison-Oakland Avenue Study[5] contemplates fundamental shifts in travel patterns by converting one-directional traffic flow on Harrison Street and Oakland Avenue north of I-580 to 2-way traffic flow, and by reducing travel lane capacity on these streets south of I-580, along with numerous other changes and improvements to bicycle and pedestrian facilities along these corridors.

Numerous comments were received suggesting that the Harrison-Oakland Avenue Study was not addressed or was overlooked in the traffic analysis for the project. These comments are partially correct in that the Harrison-Oakland Avenue Study was not considered part of the planned transportation network for the EIR traffic analysis, consistent with City practice, because the Harrison-Oakland Avenue couplet design has not undergone environmental review, has not been approved by the City, is not funded and did not have final designs at the time of publication of the Draft EIR. Consistent with City practice, the study was therefore not assumed as part of the planned transportation network and was not assumed in the analysis. However, the preparers of the EIR were fully aware of the Study and did provide general information about it, and other similarly situated studies, in Appendix B5 of the Draft EIR.

In response to public comments on this issue, the City has examined, in more detail, the potential effects of the ABSMC project on a street network that would include the Harrison-Oakland Avenue

[5] The Study was funded, in part, from a grant from CALTRANS, applied for by the Transportation Services Division, and managed by the Planning Department Planning, and is viewed as essentially a feasibility study for proposed improvements. As the Study indicates, additional studies would need to be done, such as diversion studies to see whether the proposed two-way conversion and other changes would result in a significant impact, and if significant/less-than-significant impacts were identified, an EIR or Negative Declaration, respectively, would need to be prepared.

couplet design. The conclusions of this analysis are that the ABSMC project would contribute less than 20 peak hour vehicles to the Harrison Street and Oakland Avenue corridors, representing less than 1% of the local traffic using these corridors. This level of change is negligible compared to the overall change in traffic patterns which the Harrison-Oakland Avenue couplet design is based. Traffic generated by the ABSMC project would not significantly change the characterization of traffic operations by year 2035 as presented in the Harrison-Oakland Avenue Study and the ABSMC project would not be required to implement any of the study's recommended improvements.

Staff Analysis/Conclusion

Staff's opinion is that the EIR has been prepared in accordance with CEQA and is adequate to support the approval of the Project as detailed in the CEQA Findings and Statement of Overriding Considerations (see Attachment B**)** and summarized below:

1) Project and cumulative impacts were identified and City SCA and Mitigation measures and revisions to the project have been identified in the EIR that are capable of reducing a majority of potential environmental impacts to a level of less than significant.

2) A Standard Conditions of Approval and Mitigation Monitoring and Reporting Program ("SCA/MMRP") has been prepared to ensure that the mitigation measures and revisions to the project identified in the EIR are implemented (see attached SCA/MMRP, Attachment A).

3) Although certain impacts of the project remain significant and unavoidable despite all reasonable and feasible mitigation measures, the alternatives discussed in the EIR that may reduce the significance of these impacts are infeasible, due to economic, social, environmental, technological, legal or other considerations**.**

4) The benefits of the project outweigh the remaining significant adverse impacts, and justify approval of the Project as proposed).

PLANNED UNIT DEVELOPMENT PERMIT

The purpose of the City's Planned Unit Development permit process (Planning Code Section 17.140) is to "encourage the appropriate development of tracts of land sufficiently large to allow comprehensive planning, and to provide flexibility in the application of certain regulations in a manner consistent with the general purposes of the zoning regulations, thereby promoting a harmonious variety of uses, the economy of shared services and facilities, compatibility with surrounding areas, and the creation of attractive, healthful, efficient, and stable environments for living, shopping, or working." Any integrated development which is primarily designed for or occupied by commercial activities, which is located in any commercial zone and located on 60,000 square feet or more of land area, and which is developed under unified control in accordance with a comprehensive plan is permitted upon the granting of a planned unit development permit (Planning Code Section 17.142.030). One of the benefits of a Planed Unit Development permit is that it provides for phasing a large scale development plan over time, provided that the developer begins construction within one year after the approval, and proceeds according to a staged development plan to completion. Other large, integrated developments are permitted without such a permit, but they are subject to all regulations applicable in the zone in which they are located, and do not otherwise include any provisions for phasing.

Because of the comprehensive planning nature of the ABSMC Master Plan and its proposed phasing plan, staff determined that the appropriate venue for considering the ABSMC application was through the Planned Unit Development permit process.

Application for Planned Unit Development permits are to include a Preliminary Development Plan (PDP) of the entire development showing at a conceptual level the scale, character, and relationship of proposed buildings, streets, and open spaces. Within 1 year after the approval of a PDP, the applicant is required to file a Final Development Plan (FDP) for the first phase of the development. The FDP must conform in all major respects with the approved PDP, but shall be sufficiently detailed to indicate fully the ultimate operation and appearance of the development.

ABSMC Preliminary Development Plan – Campus

The Preliminary Development Plan for the ABSMC campus (see **Attachment D**) has changed little since first proposed in January of 2009 and as presented to the Design Review Committee in April of 2009.

The primary objective of the development plan is to bring the acute care patient facilities at the Alta Bates Summit campus, specifically within the Merritt Pavilion, into compliance with the seismic requirements of current state law (SB 1953). Some of the acute care functions within the Merritt Pavilion (including radiology, surgery and intensive care) are located in space that already complies with the new seismic safety standards, but most of the patient care beds and some of the other acute care functions occupy space that will be considered non-compliant under the new seismic safety standards. To create the greatest efficiency between the hospital functions to remain with Merritt Pavilion and the new patient care beds that are necessary, ABSMC plans to construct the new portions of the hospital immediately adjacent to and interconnected with the existing Merritt Pavilion. To create this new space, the existing 6-story Samuel Merritt College building (Bechtel Hall) is proposed to be demolished and cleared to accommodate a new patient care tower.

The development plan is also designed to provide a long-term cohesive vision for the ABSMC campus to ensure that it continues to meet both hospital and community needs well into the future. These additional needs include additional parking space, the potential for new medical office space, and the expansion of the on-campus facilities for the Samuel Merritt University.

Since most of the ABSMC campus is fully built-out and there are limited sites available for new construction, these additional needs are proposed to be accommodated within those portions of the campus that currently contain older, less functional building space and/or surface parking lots:

- Two smaller buildings on Hawthorne Avenue at the southwest corner of Elm Street are proposed to be demolished and approximately 240 surface parking spaces are to be removed to clear a site for construction of the new, approximately 1,090 parking space garage. The long-term vision for the garage anticipates construction of a new health and fitness center for use by ABSMC employees and staff at the top of this garage.
- Two smaller buildings along Sutter Street near the corner of 30th Street are proposed to be demolished and several surface parking spaces are to be removed to clear a site for construction of a new medical office building, potentially housing a new cancer care facility.

- Two smaller buildings on Hawthorne Avenue at the southeast corner of Elm Street are proposed to be demolished to clear a site for construction of new, on-campus facilities for the Samuel Merritt University.

The other improvements anticipated under the Preliminary Development Plan include campus-wide circulation improvements intended to enhance vehicular and pedestrian access to existing and proposed new facilities, and landscape plans to improve the aesthetics and provide open space relief throughout the campus. Pedestrian access improvements include an ADA-accessible path of travel from Telegraph Avenue to the new Patient Care Pavilion (which is currently only accessible via a steep and narrow sidewalk along Hawthorne Avenue) relying on an elevator within the proposed new parking garage to gain the necessary elevation. The new parking garage is generously set back off of Hawthorne Avenue to accommodate this pedestrian path within a wide landscaped buffer area.

The Preliminary Development Plan also anticipates the potential closure of a 1-block section of Summit Street from 30th Street to Hawthorne Avenue to through traffic, turning this space into a pedestrian plaza instead. This new plaza space would be centrally located and designed for patients, staff and the public and would be the primary path of pedestrian circulation between the new Patient Care Pavilion, Providence Pavilion, Peralta Pavilion, the new garage and Samuel Merritt University. The plaza would also accommodate small group gatherings, lunch time rest areas and opportunities for casual meetings.

Although the Preliminary Development Plan shows the potential for closure of this portion of Summit Street and the traffic impacts associated with this closure were analyzed in the EIR, any future plans for closure of this street as a public through way would be required to be accompanied by a thorough analysis of the legal issues of a public street closure and a detailed study demonstrating how continued access (including emergency access and potential bus routing) would be maintained. Approval of the PDP does not constitute an approval of the closure of Summit Street prior to these and other issues being fully considered and approved pursuant to a FDP for a future phase and potentially other necessary approvals.

PDP Revisions

One substantial revision that has been made to the Preliminary Development Plan since its inception is the design and footprint of the medical office building (MOB) proposed in future phases along Summit Street. The original proposal called for the existing building at 418 30th Street to be demolished to accommodate the new MOB. However, the EIR concluded that this building warrants preservation as a Heritage Property and is considered a CEQA historical resource. As a result, ABSMC has redesigned the MOB to avoid demolition of the building at 418 30th Street by reducing this building's footprint but increasing the building height from five stories up to eight stories, thereby retaining the same potential square footage and program potential for this building. No new environmental effects were identified associated with this change.

Final Development Plan – Phase 1

The Final Development Plan for Phase 1 of the ABSMC is also very similar to the origin development plan proposed in January of 2009. The FDP for Phase 1 includes near-term projects to be completed by year 2015, including the following:

- detailed development plans for the new 11-story approximately 230,000-square-foot Patient Care Pavilion (hospital) with 309 acute care beds is proposed to be constructed on the north side of Hawthorne Avenue adjacent and connected to the existing Merritt Pavilion;
- backfilling of the vacated space within the Merritt Pavilion with non-acute care, medical-related uses;
- relocation of the Emergency Department to a more central location within the Merritt Pavilion and in closer proximity to the new Patient Care Pavilion;
- detailed plans for construction of a new seven-level, 1067-space, 392,800-square-foot parking garage to be constructed along the southern side of Hawthorne Avenue near Elm Street;
- plans for a new temporary surface parking lot also to be used for construction staging during Phase 1 to be located on the north side of Hawthorne Avenue at Elm Street;
- installation of 2 new emergency generators at the rear (westerly edge) of the existing Merritt parking garage to serve the new Patient Care Pavilion; and
- design plans for on-site circulation improvements (vehicle, pedestrian and bicycle).

Patient Care Pavilion

The new Patient Care Pavilion is intended to accommodate all of the acute care hospital functions that need to be relocated due to seismic compliance requirements from the existing Merritt Pavilion into new 11-story tower structure of approximately 230,000 square feet in size. Although this is more than double the area that the relocated acute care functions currently occupy, ABSMC representatives indicate that the additional space will allow for newer modern technology as well as a switch from older and smaller 2-bed patient rooms to larger 1-bed patient rooms. The new tower is designed as a separate structure, but connected to the existing Merritt Pavilion with corridors and bridges that integrate with the facilities and clinical services that are to remain. A centralized elevator lobby connects to all of the departments, and the taller tower design minimizes horizontal circulation through the hospital. The ground floor of the new tower is designed as the main lobby to the entire Merritt Pavilion hospital, with a new entry off of Hawthorne Avenue just north of Webster Street.

The proposed new tower is a modern building and its design is intended as representative of a modern, transparent, and technologically advanced healthcare environment. The Hawthorne façade is rounded, with patient care rooms lining the exterior wall. Most of that exterior wall is large window space providing patient rooms with views of downtown, the Bay and/or the Oakland hills, and maximizing internal use of natural daylight.

The internal structural elements which protect the building against earthquakes also allow the skin of the building to be relatively light and free. As a result, a major portion of the building shell and main entrance is comprised of a large glass wall with horizontal steel bands that reduce solar gain while defining the building's scale. The selected exterior glazing is very energy efficient, reducing energy consumption and glare as well as providing more than adequate light penetration.

Parking Garage

The new approximately 1,090 parking space garage will be 6 stories high along the northerly façade nearest to Telegraph, but will only be seen as 4 stories tall from Summit Street due to an existing

steep grade change. Access to the garage will be from three driveway locations off of Hawthorne/Elm Street, off Elm just north of Summit, and off Summit Street through the exiting Providence parking garage. The designs for the garage reflect its fundamental functionality as an open-air concrete structure screened by trellis walls and vines.

Landscape and Open Space

The key objectives of the landscape design for the ABSMC campus are to:

- improve pedestrian accessibility throughout the campus by addressing steep grades that exist within the site,
- enhance site sustainability by utilizing native plant species and plants that have low water requirements;
- create a new heart to the campus that will assist in way-finding, provide identity, and form a healing environment; and
- provide safe 24 hour access for pedestrians from the garage to the hospital.

ABSMC believes that landscape design plays an integral role in delivering state of the art health care for its community. The significant new green space created along Hawthorne Avenue leading up to the central plaza was designed to promote a healing environment for patients and to achieve numerous sustainability goals with native planting and efficient irrigation systems

Accessible pedestrian connections, particularly between the new garage and the new Patient Care Pavilion also make numerous other site improvements (such as making the existing elevated garden at Hawthorne Avenue and Summit Street) more accessible, new landscape corridor along Hawthorne and new landscape entry to the proposed garage from Telegraph Avenue.

FDP Revisions in Response to Design Review Comments

The Design Review Committee (DRC) first reviewed the conceptual plans for the Phase 1 FDP in April of 2009. At that April 2009 meeting the DRC had very limited comments on the proposed design of the Patient Care Tower, but did express some concerns and issues related to the parking garage. ABSMC responded to these concerns with certain changes and revisions to the plans, which were then recently presented back to the DRC in January of 2010. These changes include the following:

- Under the original proposal, the exterior materials on the north and east façades of the building (those portions of the new building most visible from I-580) were not of the same quality and aesthetic design as the facades which face internally into the campus. ABSMC has made changes to these building facades to change these materials from the previously proposed stucco to metal sheeting similar to that applied to the internally facing facades, making the overall design more cohesive and consistent.
- The original design plans for the parking garage had little articulation or architectural movement and was instead was regular and box-like in it overall massing. Under the current design the northwest corner of the garage (which is most visible from Telegraph Avenue Hawthorne Avenue) has been “notched-out” on the upper floors by stepping back the corner by

one structural parking bay per floor, resulting a bit more articulation and movement but still retaining it generally functionality of design.

- The original circulation plan for the new Patient Care Pavilion included a driveway exit that would intersect at Hawthorne Avenue at a point askew from the existing Summit Street intersection, requiring a realignment of a portion of existing Summit Street. Due to several complications with this design, ABSMC now proposes to extend the driveway exit further west such that it intersects at a 90 degree angle with Hawthorne Avenue in direct alignment with the existing Summit Street/Hawthorne Avenue intersection, to be reconfigured as a 4-way stop allowing full movement out of the driveway. Because this driveway alignment would be required to cross over a portion of the underground Samuel Merritt Theater building, the driveway is proposed to be constructed as an at-grade "bridge", spanning across the underground building so that loads are not placed on the theater building's structural elements.

These design changes were presented to the DRC in February of 2010. At that meeting, the DRC voted 2 – 0 (with one absent) to forward the proposed design (as amended) to the full Planning Commission for consideration of approval. This vote was supplemented with the additional suggestion by staff that ABSMC hold additional meetings to further discuss certain design changes to improve the aesthetics particularly of the parking garage. These meetings were held and further design changes have been incorporated, including;

- In an effort to break up the horizontal massing of the parking garage façade as seen primarily from Telegraph Avenue and Hawthorne Street, the exterior materials of the garage have been supplemented with a number of colored and perforated metal screens which irregularly checker-board across the façade. These screens serve to visually break up the long horizontal spans of parking decks and provide greater variety and visual interest.
- The view of the parking garage from Telegraph Avenue will be screened with construction of a densely landscaped parking lot entry from Telegraph Avenue. The entry will include a landscaped median and tall tree species which will serve to shield views of the garage from vantage points along Telegraph.
- The architectural design of future phase development of the Samuel Merritt University expansion building at the corner of Hawthorne/Elm will be conditioned upon a maximum setback intended to bring the façade of this future building to the street edge and to include some type of architectural feature (such as a bell tower or monument tower) to mark this location as a gateway entrance into the campus. These design conditions **(**see **Attachment E:** Conditions of Approval**)** are intended to off-set or compliment the wide landscape buffer on the opposite side of Hawthorne along the parking garage, which although perhaps appropriate as an internal campus aesthetic, is distinctly different from the more regular urban street edge character of the surrounding neighborhood.
- An additional condition of approval **(**see Attachment E) shall be added requiring the landscape improvements proposed to be implemented within the public right-of-way along Hawthorne in front of the new Patient Care Pavilion and the garage to be carried down the full length of Hawthorne Street to Telegraph Avenue.

Staff Recommendations

Staff believes that the proposed Preliminary Development Plan for the ABSMC campus and the Final Development Plan for Phase 1 improvements, with the additional changes and conditions of approval

as described above **(**see Attachment E), conform to all of the conditions imposed under Sections 17.142.060 and 17.140.030 of the Planning Code as well as to the planned unit development regulations of Chapter 17.142 **(**see **Attachment F**: Project Approval Findings).

- The location, design, size, and uses are consistent with the Oakland General Plan and zoning ordinance;
- The development is well integrated with its surroundings;
- Traffic generated by the development can be accommodated safely and generally without causing substantial new congestion on major streets and will avoid traversing other local streets;
- The new facilities will be adequately served by existing public facilities and services;
- The design will result in an attractive, healthful, efficient and stable environment for living, shopping, or working, the beneficial effects of which environment could not otherwise be achieved under the zoning regulations;
- The development will be well integrated into its setting, will not require excessive earth moving or destroy desirable natural features, will not be visually obtrusive and will harmonize with surrounding areas and facilities, will not substantially harm major views for surrounding residents, and will provide sufficient buffering in the form of spatial separation, vegetation, topographic features.

OFF STREET PARKING - MINOR VARIANCE REQUEST

The current total available parking supply on the ABSMC campus is 2,729 parking spaces. Of the total number of parking spaces 1,523 spaces are owned by ABSMC, 189 spaces are leased by ABSMC, 477 spaces are located in the West Garage (which is owned by the City of Oakland and operated by ABSMC), and 540 spaces are located on the street. Of this total, 1,712 current spaces would be considered off-street spaces. This calculation does not include the City-owned West Garage on 30th Street, which contains 477 parking spaces. The West Garage is not included in the calculations for Code-required off-street parking supply because the City, as the owner of the West Garage, has not executed an agreement with ABSMC guaranteeing that the garage will be maintained for use by ABSMC, nor is there any permanent reservation for the use of that garage by ABSMC activities. Given existing uses within the current campus, the Code requirement for off-street parking would be for 1,898 spaces compared to the supply of 1,712 spaces, or a 186-space current deficit.

Based on Planning Code parking requirements (Planning Code Chapter 17.116), Phase 1 would require an additional 298 new off-street parking spaces. Phase 1 improvements include a new 1,067-space parking garage and a new surface lot of 69 parking spaces. As some parking will be lost with the demolition of a number of buildings, Phase 1 will result in a net increase of 814 new off-street spaces, well exceeding the Code requirements for Phase 1 (by 516 spaces) and more than off-setting the current deficit, leaving a surplus of 330 off-street spaces. No off-street parking variance is required for Phase 1 implementation.

Based on Planning Code parking requirements the future phases will require an additional 579 off-street parking spaces. However, the project is not proposing to construct any additional off-street parking as part of future phase development. Furthermore, there will be a loss of 109 off-street parking spaces to accommodate future phase buildings. Combined with the 298 off-street spaces

required under Phase 1 the project has a total Code requirement of 877 off-street parking spaces at project build-out. The project only proposes to provide a net increase of 705 new off-street spaces at buildout (an increase of 814 off-street spaces under Phase 1, less 109 off-street spaces removed under future phases), resulting in a Code required parking shortfall of 172 spaces. Added to the current Code deficit of 186 spaces, the campus will have a total deficit of 358 off-street spaces at buildout compared to Planning Code requirements. Thus, ABSMC has applied for a minor parking variance for the shortfall of 358 off-street parking spaces.

Staff Recommendation

Section 17.142.010 of the Planned Unit Development regulations provide flexibility in the application of certain regulations (including off-street parking requirements) in a manner consistent with the general purposes of the zoning regulations, thereby promoting a harmonious variety of uses, the economy of shared services and facilities, compatibility with surrounding areas, and the creation of attractive, healthful, efficient, and stable environments for living, shopping, or working. Although staff is reluctant to recommend such a large variance from the Planning Code requirements for off-street parking, there are several reasons why such a variance should be granted **(**see Attachment F: Project Approval Findings):

- In general, the supply of available parking is one of the key factors in considering whether to drive or take alternative forms of transportation. A large and easily accessible supply of parking tends to promote single occupancy vehicle driving, whereas expensive or less available parking supply tends to lower driving rates. In keeping with the City's Transit First policies, staff's objective is to keep the overall parking supply limited in an effort to reduce driving, but not so limited as to create a parking problem on campus that may spill over into the adjoining neighborhood.
- As discussed above under Transportation Demand Management, the goal of the TDM Plan is to reduce single-occupancy vehicle (SOV) trips in the long-term by 20% from the current baseline mode split. A 20% reduction in the current SOV rate would result in the removal of 522 vehicles from the campus. A reduction in 522 vehicles on campus during the day would result in a commensurate reduction in the demand of approximately 580 peak mid-day parking spaces. Given the identified deficit of 358 parking spaces at buildout as compared to Code requirements, if the TDM Plan succeeds in achieving a 20% reduction in the current SOV rate it would fully compensate for the campus-wide off-street parking deficit under the Planning Code. As indicated in the Environmental Review portion of this staff report, Nelson\Nygaard (the primary TDM consultants) believes that the TDM Program established for the campus is capable of reducing the baseline SOV rate by 20%, and monitoring of that goal will occur through an annual reporting program.
- Although the West Garage is not considered eligible under the Planning Code as creditable against off-street parking requirements (it is currently owned by the City with no formal agreement guaranteeing its permanent use for the Medical Center), it is possible that this parking garage will continue to be used primarily by ABSMC staff, visitors and patients regardless of its present or future ownership. The garage contains 477 parking spaces that are conveniently located immediately adjacent to the campus and that may not be convenient enough to serve any significant parking demand that may be generated by future development along the Broadway/Valdez corridor.

- The EIR evaluated a number of project alternatives that would be capable of increasing the total parking supply at buildout by adding more parking to the future phase construction. While not currently proposed, future phases of the project could be conditioned upon demonstrated proof that the TDM Plan is working adequately enough to off-set parking demand, and if not then additional parking would be required as part of the consideration of Final Development Plans for future phases. A draft of this condition is included in Attachment E.

CONDITIONAL USE PERMIT FOR THE DEMOLITION OF BECHTEL HALL

Bechtel Hall includes approximately 80 dormitory units which were used by students of Samuel Merritt University. The university ceased offering dorm rooms at Bechtel Hall for student use at the end of the 2008-2009 academic year. This decision was based on a number of factors, including the anticipated demolition of Bechtel Hall as part of the project.

Pursuant to the City's Planning Code Section 17.09.040, the dormitories in Bechtel Hall are considered rooming units and part of the City's housing stock. A Conditional Use Permit (Planning Code Chapter 17.134) is required for demolition of Bechtel Hall because of these rooming units. No tenant assistance programs would be required as part of the Conditional Use Permit because institutional living arrangements, such as Bechtel Hall, are excluded from these requirements (Chapter 17.10.110).

Staff Recommendation

Staff recommends approval of the CUP for demolition of Bechtel Hall **(**see Attachment F: Project Approval Findings). Although demolition of these rooming units would result in the displacement of upwards of 100 students (assuming that the rooming units would again be made available by the University), displacement of 100 students would result in a less than 1% decrease in the current vacant housing supply and less than a half of 1% decrease to Oakland's entire rental housing.

OVERALL RECOMMENDATIONS:

Staff recommends that the Planning Commission take the following actions to certify the EIR and approve the Project:

1. Adopt the CEQA findings for the Project, which include certification of the EIR, rejection of alternatives as infeasible, and a Statement of Overriding Considerations;

2. Approve the Transportation Demand Management (TDM) Plan and Greenhouse Gas Reduction Plan for the ABSMC, in compliance with City of Oakland Standard Conditions of Approval TRANS-1 and EIR Mitigation Measure AIR-8;

3. Approve the Planned Unit Development permit, including approval of the Preliminary Development Plan for the entire campus, and the Final Development Plan (including Design Review) for Phase 1 improvements;

4. Approve a variance to the City's off-street parking requirements for buildout of the Project; and to

5. Approve a Conditional Use Permit for the demolition of Bechtel Hall.

All of the above actions are subject to the conditions, requirements, and findings contained and attached to this staff report:

Prepared by:

Scott Gregory
Scott Gregory, Contract Planner

Approved for forwarding to the City Planning Commission:

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ERIC ANGSTADT
Deputy Community and Economic Development Agency Director
Environmental Review Officer

Attachments:

A. Standard Conditions of Approval and Mitigation Monitoring and Reporting Program (SCA/MMRP)
B. CEQA Findings and Statement of Overriding Considerations
C. ABSMC - *Green Guide for Healthcare and Sustainability Practices*
D. Planned Unit Development Permit Exhibits
E. Conditions of Approval
F. Findings for Project Approval