

CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK
2006

2006 JUN -1 PM 2:16

TO: Office of the City/Agency Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: June 13, 2006

RE: **JOINT CITY AND AGENCY PUBLIC HEARING AND ACTION ON THE KAISER PERMANENTE OAKLAND MEDICAL CENTER MASTER PLAN, INCLUDING ADOPTING:**

- 1) City Resolution amending the General Plan Land Use Designation for the Kaiser Permanente Oakland Medical Campus from various designations to Institutional; and**
- 2) Agency Resolution approving and recommending adoption of the First Amendment to the Broadway/MacArthur/San Pablo Area Redevelopment Plan revising the Land Use Designation for the Kaiser Permanente Oakland Medical Campus from various designations to Institutional;**
- 3) City Ordinance adopting the First Amendment to the Broadway/ MacArthur/ San Pablo Area Redevelopment Plan revising the Land Use Designation for the Kaiser Permanente Oakland Medical Campus from various designations to Institutional; and**
- 4) City Ordinance establishing the Kaiser Permanente Oakland Medical Center Zoning District (KX Zone) as Chapter 17.XX in the Oakland Planning Code, rezoning the Project site from various zones to the KX Zone and terminating the March 1992 Contract Rezoning Agreement (authorized by Ordinance No. 11361 C.M.S.); and**
- 5) City Resolution adopting the Kaiser Permanente Oakland Medical Center Master Plan**

SUMMARY

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. 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), and the eastern side of the 3700 block of Broadway. Legislative actions that are currently sought include a General Plan Amendment, a Redevelopment Plan Amendment, Rezoning and approval of a Master Plan. 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 Kaiser OMC, and a rezoning of the project site to a new, unique Kaiser Permanente Zone.

On June 7, 2006 the Planning Commission held a public hearing on the proposed project. The City Council and Redevelopment Agency now must consider the Planning Commission's recommendations regarding the proposed General Plan amendment, Redevelopment Plan Amendment, Rezoning and Master Plan which are required in order to implement the project.

BACKGROUND

The project was discussed by the Planning Commission and the Landmarks Preservation Advisory Board at a series of public hearings. A public scoping meeting was held before the Planning Commission on April 13, 2005. On March 13th the Landmarks Preservation Advisory Board (LPAB) met to determine the historic status of one of the on-site buildings (concluding that it was not a historic resource) and on April 17th the LPAB met to prepare formal comments on the Draft EIR. On March 22nd the Planning Commission held a public hearing to receive public comments on the Draft EIR and to hear public opinion on the project. The Planning Commission continued their hearing on the project to additional hearings held on April 4th, April 19th and May 17th. At the June 7, 2006 hearing the Planning Commission discussed the results on the Final EIR and took actions to approve the project. The staff report for the June 7, 2006 Planning Commission hearing is attached to this report (see *Attachment A*).

PROJECT DESCRIPTION

The existing Kaiser Oakland Medical Center campus consists of an assembly of parcels comprising approximately 16.3 acres. The current campus contains several buildings occupying approximately 1.17 million square feet of building space including a 346-bed hospital, 364 medical offices and associated diagnostic and treatment, administration and support space. Within the campus area Kaiser employs slightly more than 4,000 total employees including medical providers, nurses and other staff.

The Kaiser OMC Master Plan, as proposed by Kaiser, addresses an area of approximately 20.6 acres consisting of the 16.3-acre current medical center, and an additional approximately 4.3 acres of proposed future expansion area. The expansion area includes approximately 3.6-acres on the easterly side of the 3700 block of Broadway between West MacArthur Boulevard and 38th Street, and some smaller properties adjacent to the existing M/B Center building that are not currently part of the medical campus (see *Attachment B*). Kaiser's proposed OMC Master Plan is intended to guide the phased replacement of the existing Oakland Medical Center with an expanded and improved medical center campus ultimately containing approximately 1.78 million square feet of building space on approximately 20.6 acres. The new Oakland Medical Center would be completed by approximately 2020. The Kaiser OMC would continue to provide uninterrupted medical service on-site during construction and implementation of the Master Plan. The major phases/components of Kaiser's proposed Master Plan include:

Phase 1: Broadway Medical Office Building and Parking

The first phase of the Project still requires acquisition of additional properties along the easterly side of Broadway that are not currently owned by Kaiser and that contain existing businesses. Assuming these properties are ultimately acquired by Kaiser, all existing buildings on the Broadway-side of the block would be demolished. Demolition would make way for construction of a new 5-story - 165,000 square foot medical office building that would provide outpatient medical services. A 738-stall parking structure, 4 stories tall (5 decks above ground with parking on the roof, and 2 decks below ground) would also be constructed on this site; the ground floor of this parking structure along Broadway would be planned for immediate use as retail space. Construction of the new Broadway Medical Office Building would enable Kaiser to move existing medical offices and their staff currently occupying the M/B Center tower, to this new site.

Phase 2: New Hospital and Parking

Once the existing Kaiser operations currently occupying the M/B Center tower are moved to the new Broadway Medical Office Building, the existing M/B Center would be demolished. Removal of the existing M/B Center would enable construction of a new 346-bed hospital. The new hospital would be a maximum of 1.12 million square feet in size and may include up to 700,000 square feet of new hospital space, approximately 360,000 square feet of new outpatient service space and approximately 60,000 square feet for a new central utility plant. The design for the new hospital would include a 4-story podium base with a nursing tower generally centered on the podium's north-south axis between Broadway and the extension of Howe Street. The nursing tower could measure up to a maximum of 240 feet in height from existing grade, including approximately 30 feet at the top for roof equipment and screening. The parking garage associated with the new hospital is proposed at ten stories above grade and two stories below, and designed to accommodate approximately 1,216 parking spaces. Upon completion of the new hospital building all existing in-patient hospital services and remaining out-patient and administration support services would be relocated from the existing hospital to the new hospital.

Phase 3: Central Administration / Medical Services Building

With the existing hospital services relocated across the street to the new hospital, the existing hospital structure (including the tower and low-rise buildings) would be removed and replaced with a new Central Administration Medical Services Building. The design and program of this building is conceptual and will largely depend on the development program ultimately constructed at the new hospital site. Under the Master Plan, the total amount of new space that may be constructed on the new and old hospital sites combined is a maximum of 1.18 million square feet of total space. If the new hospital is constructed to its maximum size of 1.12 million square feet, a new Central Administration building of only 60,000 square feet could be constructed on the former hospital site. Under this scenario the site could also include approximately 189 parking spaces in a surface parking lot. Alternatively, a new Central Administration / medical services building of up to a maximum of 223,000 square feet could be

constructed on the former hospital site with a corresponding reduction in the size, bulk and mass in the new hospital.

All other existing buildings within the Kaiser OMC campus are intended to remain, including the historic 3900 Broadway Mental Health building, the Fabiola Medical Services Building, the Howe Medical Services Building, the Piedmont Medical Services Building and the Howe Street parking structure.

The project is described in more detail in the June 7, 2006 Planning Commission staff report (see Attachment A). The project's Master Plan is attached to this report (see *Attachment C*).

KEY ISSUES AND IMPACTS

Below is a discussion of the key environmental impacts and issues related to the project. These impacts and issues are further discussed in the June 7, 2006 Planning Commission staff reports.

Environmental Impacts

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. 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 comments. The City prepared a Draft Environmental Impact Report (DEIR) that was released for a 47-day public review on March 3, 2006. The public comment period for the DEIR closed on April 17, 2006. A Final EIR including responses to all comments on the Draft EIR was prepared and published on May 26, 2006. The Draft EIR and Final EIR were provided under separate cover to each City Councilmember and is also available on the City's website (www.oaklandnet.com) and at the offices of the Community and Economic Development Agency (250 Frank H. Ogawa Plaza, Suite 3315).

Significant and Unavoidable Environmental Impacts from the Project

The following impacts cannot be feasibly mitigated to a less-than-significant level and would remain significant and unavoidable for the project:

- **Impact B.1a, B.2a and B.3a (Near-term 2010, 2025 and cumulative)**: The level of service (LOS) F conditions at the signalized intersection of *Broadway/51st Street/Pleasant Valley Avenue* (#3), which would prevail during the PM peak hour under 2010 baseline conditions, would worsen with the addition of traffic generated by the project. The project-generated increases in vehicle delay on a critical movement would exceed the two-second threshold of significance. In addition, traffic generated by the project would contribute more than five percent of the cumulative traffic increases at the signalized intersection of *Broadway/51st*

Street/Pleasant Valley Avenue (#3) during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions.

- Impact B.2b and B.3d (2025 and cumulative): The LOS E conditions at the signalized intersection of *Broadway/West MacArthur Boulevard* (#16) would continue during the PM peak hour. The project-generated increases in vehicle delay on a critical movement would exceed the six-second threshold of significance. In addition, traffic generated by the project would contribute more than five percent of the cumulative traffic increases at the signalized intersection of *Broadway/West MacArthur Boulevard* (#16) during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions.
- Impact C.2: The project would result in increased long-term emissions of criteria pollutants from vehicular traffic to and from the project site and from the operation of the central utility plant. The increase in emissions would exceed Bay Area Air Quality Management District (BAAQMD) significance criteria for daily emissions of PM-10.
- Impact C.5: Because the BAAQMD significance criteria for daily emissions of PM-10 is exceeded, the project is also considered to cumulatively increase regional air pollutant emissions and conflict with or obstruct implementation of the Bay Area Clean Air Plan.

Under CEQA Guidelines, Kaiser has an obligation to mitigate these impacts to the maximum extent reasonable and feasible. The recommended mitigation measures include implementation of a Transportation Demand Management (TDM) program intended to reduce the number of single-occupant vehicles making trips to and from the Kaiser OMC campus; trips that contribute to traffic congestion and air emissions. Although staff has every expectation that this TDM program will be effective in reducing trips, there is no guarantee that current and future Kaiser employees, patients and visitors will utilize this program so extensively that the program will fully reduce these impacts to less than significant levels. Therefore, the EIR conservatively assumes that these impacts will remain significant and unavoidable. Kaiser's obligations to mitigate impacts do not change if the residual impact is characterized as significant and avoidable or significant but mitigated.

Significant but Mitigated Environmental Impacts from the Project

The Draft EIR identifies a total of 26 other potentially significant environmental effects that would result from implementation of the Kaiser OMC Master Plan. However, with implementation of recommended mitigation measures or standard City conditions of approval, these impacts can be reduced to levels of less than significant. All of the mitigation measures and standard conditions of approval recommended to reduce or avoid Project impacts are included in the *Kaiser OMC Mitigation Monitoring and Reporting Program*. Further, the proposed Conditions of Approval contains a reference that all mitigation measures are also identified as conditions of approval and therefore fully enforceable as part of the project.

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Key Issues

Issue 1: Project Phasing and Community Alternative #4

Kaiser's need for continuous operational capability at the medical center and their reluctance to consider temporary off-site operations is driving a phased construction program for the campus. Build-out of the Master Plan following these phasing requirements does not result in the most desirable end-state design for the campus. For example:

- The proposed parking garage along Broadway has been designed to accommodate more parking than the adjacent building actually requires because the design is driven by a temporary need for parking after Phase 1 and before Phase 2.
- The buildings proposed in Phase 1 and Phase 2 are relatively tall and massive because they need to accommodate virtually all space demands of the entire campus, whereas the remaining building space in Phase 3 is relatively minor.
- Phase 3, 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.

The Draft EIR includes a "Consolidated Campus" Alternative 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 precise 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.

Kaiser has expressed strong objections to any type of alternative phasing strategy that would require off-site operations and/or a two-move option, citing operational inconsistencies and financial infeasibility. Information supporting Kaiser's claim of infeasibility has been reviewed by staff and submitted to the Planning Commission for their review.

Staff Recommendation: Staff agrees with many members of the community who have expressed their support for the superior urban design qualities of the Consolidated Campus Alternative (Alternative #4 in the EIR). Aside from reserving the west Broadway for non-Kaiser OMC campus development, this alternative would result in a better arrangement of total space on the larger parcels of land owned by Kaiser, and would not leave an underutilized site at the former hospital at buildout. However, staff has been provided with substantial evidence to support Kaiser's claims that this alternative is ultimately infeasible. We have questioned Kaiser's representatives about options of moving administrative-type services off site, delaying the relocation of Radiation Therapy from Hayward to the Kaiser OMC, moving Labor and Delivery back to Alta Bates where they were located for many years, and utilizing existing space at the current hospital more intensively to temporarily accommodate medical services during a phased

move to the new hospital. Kaiser's representatives have been open to our questions and have provided sound, reasonable answers that support their position that the non-phased design represented by the Consolidated Campus Alternative is ultimately not feasible. Staff's recommendation is to concur with Kaiser on this point and reject this alternative as infeasible for technical, financial and operational reasons. The substantial evidence supporting the infeasibility of this alternative is compiled in Appendix A of the Final EIR and has been incorporated by reference into the required CEQA findings pertaining to the rejection of alternatives.

Issue 2: Broadway Medical Office Building and Parking Garage

The proposed *Kaiser OMC Master Plan* included construction of a new 5-story - 165,000 square foot medical office building and a new, 738-stall parking garage. The parking garage is proposed to be 4 stories tall (or 5 decks above ground with parking on the roof) at a maximum of 56'- 6" above ground at the Manila side of the building, or 51' above ground along Broadway. It would also have 2 decks of parking below ground. The ground floor of this parking garage along Broadway is planned for immediate use as retail space. The actual demand for parking that is associated with the adjacent West Broadway Medical Office Building is approximately 438 spaces. The proposed parking garage has been designed to accommodate more parking than the adjacent medical building on Broadway requires (by about 262 spaces) because the design for the parking garage also accommodates a temporary need for additional campus-wide parking between Phase 1 and completion of Phase 2.

Kaiser has proposed this parking garage in order to accommodate 100% of its parking demand, throughout the full construction period, on-site. They have expressed concern that without this parking garage it is likely that Kaiser's staff, patients and visitors will seek parking in the surrounding residential neighborhoods, making the current residential parking problem even worse than it is today.

Staff Recommendation: Staff acknowledges Kaiser's recent Master Plan revisions to remove the 34-space surface parking lot on Manila, and to program ground-floor retail use into the design of the parking structure from the outset. These changes will greatly increase the potential to enliven the street front and provide an active pedestrian environment along Broadway, and reduce neighborhood conflicts. However, staff still believes that the parking garage is still too tall and too big to appropriately fit within the context of the adjacent neighborhood. We therefore recommend that the Master Plan be revised to further reduce the size and height of the parking garage associated with the Phase 1 West Broadway Medical Office Building, as follows:

Principle 7.2: Final design of the medical office building and parking garage should be determined pursuant to Design Review for Phase 1 of the Master Plan, in consideration of the following design guidelines:

Guideline 7.2.1: At a minimum, any parking facility shall be capable of meeting the parking needs associated with the programmed use of the 165,000 square foot West Broadway Medical Office Building (estimated at approximately 438 spaces).

Guideline 7.2.2: Consideration shall be given to combining the design of the medical office building and the parking garage into one integrated building, with street-level retail use along as much of the Broadway frontage as possible.

Guideline 7.2.3: If a free-standing parking garage is determined acceptable during Design Review, the height of any freestanding garage should be a maximum of 2 stories (3 decks above ground with rooftop parking).

Guideline 7.2.4: The design of any parking facility at this location should seek to maximize underground parking, providing no less than 3 decks below ground.

It should be noted that Kaiser's representatives have indicated quite clearly to City staff that they do not believe that an integrated building containing both medical office/service and parking under one roof is a feasible design. They have indicated that they do not believe that such a medical office building could meet their design requirement parameters.

If only the minimum number of parking spaces needed to serve the medical office building were ultimately provided, the parking facility would accommodate approximately 438 spaces (approximately 513 with valet parking). This would result in a temporary campus-wide parking shortfall of approximately 359 parking spaces until such time as other parking spaces could be constructed as part of Phase 2. A free-standing parking garage with 3 decks above ground and 3 decks below is estimated to result in a parking garage capacity of approximately 540 parking spaces (615 with valet parking). This parking supply would leave a temporary campus-wide parking shortfall of approximately 257 parking spaces until such time as other parking spaces could be constructed as part of Phase 2.

This revision to the Master Plan should be accompanied by the following additional Condition of Approval:

Condition of Approval #9: Final approvals for Phase 1 shall be conditioned upon implementation of an aggressive and enforceable transportation systems management/transportation demand management (TSM/TDM) program to be implemented by Kaiser and effectively monitored by the City. Kaiser shall make best faith efforts to investigate providing satellite parking, particularly between Phase 1 and completion of Phase 2 when there will be a parking shortage, and provide such parking if it is available. Free shuttle service shall bring employees between the Kaiser OMC and the parking facility throughout the day and with on-

call service during the night. Kaiser shall report, in writing, on a monthly basis to the City of Oakland of potential satellite parking and its efforts to obtain such, starting no later than 9 months before demolition of the M/B Garage. If Kaiser cannot achieve a 12.5% decrease of the baseline single occupancy vehicle (SOV) rate before the end of Phase 1, Kaiser shall prepare a report for City review and approval which proposes additional TDM measures to achieve the TDM goals.

Issue 3: Pedestrian Sky Bridges

Kaiser has proposed to construct four overhead pedestrian bridges connecting the separate portions of the Medical Center. These bridges are proposed to be located at the following sites: 1) over the public right-of-way on Broadway, generally next to the elevated portion of I-580 and next to the existing Mosswood building; 2) over the private hospital entry, connecting the hospital to the adjacent parking garage; 3) over the public right-of-way on Broadway, between West MacArthur Boulevard and 38th Street; and 4) over the public right-of-way on West MacArthur Boulevard, between Broadway and Howe Street.

Staff has been generally predisposed against the use of sky bridges because they block existing view corridors and would decrease the likelihood for a more active pedestrian environment on the sidewalk. Staff has recommended that Kaiser reconsider the use of sky bridges and instead consider below grade or at grade connections.

Kaiser maintains that these bridges are critical to providing operational efficiency by moving patients, health care providers and other staff between the various buildings located throughout the campus site, and that these bridges are essential to health care connectivity within the fragmented campus setting. They have also provided staff and the Commission with information supporting their position that tunnels are infeasible due to their added expense and more difficult construction. Kaiser has proposed to raise the height of the sky bridges from their original height at the 2nd floor level, to instead connect at the 3rd floor level.

Staff Recommendation: Staff does not have 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 bridge between the parking garage and the hospital. This bridge is in the middle of Kaiser's 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 recommends that these bridges be permitted under the new KX zoning district provisions, but that the design and final location of these two bridges be determined during the Design Review process for the new hospital. The two other proposed pedestrian sky bridges over the public right of way are not needed until the completion of Phase 3 (year 2020). Staff recommends that no determination regarding these two bridges needs to be made now. Instead, the need for, and final design and final location of these

two additional sky bridges should be determined during the Design Review process and pursuant to Conditional Use permits during Phase 3.

This recommendation is consistent with the current text of the proposed Kaiser Zoning Code, Section 17.XX.160.

Issue 4: TDM / Parking Management

The Kaiser EIR includes a mitigation measure requiring that Kaiser’s existing Transportation Demand Management (TDM) program be expanded to include more aggressive TDM measures that would encourage more of Kaiser’s employees to switch from driving alone to other modes. The goals of this measure include: a) demonstrating how Kaiser employees’ current mode split can be achieved in the future; b) further reducing vehicle trips thereby reducing impacts on air quality and traffic congestion; c) reducing parking demand and thereby lessen parking impacts on the adjacent neighborhoods; d) promoting the City’s “Transit First” policy for urban transportation; and e) achieving quality urban design objectives for less obtrusive, less massive parking structures.

Kaiser has prepared a TSM/TDM Plan that has been independently reviewed by the City and its consultant (Nelson/Nygaard). This aggressive TDM Plan includes a guaranteed (but finite) list of transit improvements that Kaiser will implement. These improvements and TDM components are specifically designed to achieve a minimum mode-split of 23.7%, with an expected increase in mode split of 1% to 3% per year. However, Kaiser’s proposed TDM plan does not include any provisions for future re-evaluation and revisions as may be necessary to actually achieve the TDM goals. It is, in essence, a large one-time commitment with no guarantee of continuing success over time.

Staff Recommendation: Staff appreciates the substantial financial commitment that Kaiser has offered in their proposed TDM program. Staff also understands Kaiser’s desire to establish a definitive scope for this program that does not leave the future of this program open-ended and uncertain. However, staff also believes that the state-of-the-art in TDM efforts is not so precise as to promise any quantitative results. Therefore, staff recommends the following TDM program, which is part of the Mitigation Monitoring and Reporting Program and Conditions of Approval:

Mitigation Measure B.1a: The City adopts as the Transportation Demand Management (TDM) program the recommendations made in the May 2006 Nelson/Nygaard Consulting Associates report entitled *Kaiser Oakland TDM Recommendations* [Exhibit A to the Final EIR]. As detailed in the *TDM Recommendations* report, the TDM program:

- a) contains certain TDM goals and specific travel mode-split goals,
- b) describes the current Kaiser TDM program and their current (Non-Single Occupancy Vehicle (SOV)) mode-split of 23.7%

- c) provides for mandatory TDM components to maintain, at a minimum, the current Non-SOV mode split of 23.7% into the future,
- d) contains goals for future, increased mode split to further achieve the TDM goals and to reduce to the maximum reasonable and feasible extent the significant and unavoidable impacts to air quality and traffic,
- e) describes mandatory components to be implemented starting in January 2007 to increase the current mode split,
- f) contains a menu of additional potential TDM components that may be implemented to further achieve TDM goals, and
- g) requires that the TDM program be funded, reported, evaluated, monitored, enforced, and revised as necessary. Specifically, the effectiveness of the program shall be regularly monitored by Kaiser's TDM coordinator/consultant and the results reported in writing to the City. If determined necessary by the City, the written monitoring reports may be peer reviewed at Kaiser's sole cost and expense. The City may require adjustments/revisions to the TDM program to better achieve the stated TDM goals and Kaiser shall implement said adjustments /revisions.

In addition to the requirements outlined above, staff also recommends that failure to meet the TDM goals result in a potential financial penalty. Specifically, if periodic evaluation results indicate that the TDM program is not meeting the mandated performance goals, then the City would have the ability to impose a monetary penalty after a cure period. During that period, Kaiser could implement other measures to achieve the TDM goals. Kaiser has expressed strong opposition to this recommendation. They believe they are being singled out and that the City has not imposed such a requirement on any other applicant. Staff response to this concern has been threefold. First, Kaiser is the largest employer within the City of Oakland, and as noted in the Nelson/Nygaard report, the shift work and close proximity to public transit make them an ideal candidate for an intensive TDM effort. Second, the City has imposed similar requirements on other projects, notably the requirements to implement a shuttle service for both the Jack London Redevelopment Project and 16th and Wood Street Project. In addition, the 17th and Broadway Project contained a set of specific TDM measures that were secured by a ten year funding commitment. Finally, TDM is an effective tool with sufficient resources and monitoring, and the City would simply be giving Kaiser an incentive to make a greater effort prior to imposing a financial penalty. The proposed condition also contains language about the City's ability to determine that no other efforts would be feasible to achieve goals if that is what analysis and monitoring indicate over time.

Issue 5: Traffic Impacts on Local Neighborhood Streets

The proposed expansion of the Kaiser OMC will generate additional traffic in the surrounding neighborhood. The location of new buildings such as the West Broadway Medical Office

Building and the Replacement Hospital may result in traffic to and from the Kaiser OMC cutting-through the adjacent residential neighborhoods and changes in the flow of traffic and increased local traffic levels can be expected as a result of the new locations of proposed parking garages and vehicle entries. The EIR provides a detailed analysis of these traffic effects. The EIR's conclusions are that, in general, the environmental impacts related to changes in local traffic patterns will not raise to the level of a CEQA-defined significant impact. However, this EIR conclusion does not mean that the City and Kaiser should not do anything about this issue.

Staff Recommendations: In addition to all traffic impact mitigation measures recommended in the EIR, staff recommends the following additional conditions of approval for the Master Plan and/or subsequent phases of development review, to be funded by Kaiser (monitoring, design and implementation) and subject to City review and approval:

Condition of Approval #10: Reducing Traffic Conflicts at New Hospital. Final design and construction for the new Replacement Hospital and parking garage shall provide for:

- a) An extended median on Main Hospital Entrance to prevent traffic exiting the M/B garage from turning left.
- b) No perpendicular parking spaces on Main Hospital Entrance; all spaces at this location shall be parallel parking spaces.
- c) Limit parking in the parking spaces at the Main Hospital Entrance to 15 minutes.
- d) Entrance gates for the hospital parking garage driveway shall be on the inside the garage to reduce potential for queuing on Broadway to the degree it does not interfere with internal garage circulation.

Condition of Approval #11: Reducing Traffic Conflicts, at Broadway MOB. Subject to City review and approval, final design and construction for the parking facility associated with the new Broadway Medical Office Building shall provide for:

- a) Safe and efficient vehicular and pedestrian movements at the Broadway entrance.
- b) Entrance gates for the West Broadway parking garage on Broadway shall be inside the garage to reduce potential for queuing on Broadway.
- c) The 38th Street driveway for West Broadway garage shall be limited to employees only.

Condition of Approval #12: Reducing Traffic conflicts on Manila Avenue and Shafter Avenue. Extend the existing median on MacArthur Boulevard at the

intersections with Shafter Avenue and Manila Avenue to eliminate left turns to and from these roadways.

- a) Kaiser shall monitor traffic volumes and speeds on Manila Avenue and Shafter Avenue between MacArthur Boulevard and 38th Street after the West Broadway MSB and Garage are in full operation.
- b) In consultation with local residents, and in accordance with all legal requirements, appropriate traffic calming measures, such as speed humps, or roadway closures, should be considered if and when excessive traffic volumes or speeding are observed. If approved by the City, Kaiser shall fund the improvements.
- c) Install signage on major roadways in the area to direct patients/visitors to the appropriate Kaiser parking facilities. If approved by the City, Kaiser shall fund the improvements.

Condition of Approval #13: Reducing Traffic Conflicts on Richmond Boulevard Neighborhoods. Extend the existing median on MacArthur Boulevard at this intersection to eliminate left turns from westbound MacArthur Boulevard to Richmond Boulevard to prohibit hospital traffic from using residential streets in this neighborhood.

- a) Kaiser shall regularly monitor traffic volumes and speeds on Richmond Boulevard and Westall Avenue after the Replacement Hospital is in full operation and shall also provide written reports to the City, prepared by a qualified traffic engineer.
- b) In consultation with local residents and in accordance with all legal requirements, appropriate traffic calming measures such as speed humps or roadway closures should be considered if and when excessive traffic volumes or speeding are observed. If approved by the City, Kaiser shall fund the improvements.
- c) Install signage on major roadways in the area to direct patients/visitors to the appropriate Kaiser parking facilities. If approved by the City, Kaiser shall fund the improvements.

Condition of Approval #16: Residential Parking Permits. Kaiser shall work with the City of Oakland to implement a Residential Parking Permit (RPP) or Residential Parking Benefits Assessment District program in the residential neighborhoods west of Broadway, north of MacArthur Boulevard, east of Piedmont Avenue and south of 42nd Street, including the Richmond neighborhood immediately east of the Phase 2 hospital site. The RPP restricts on-street parking by non-residents to less than two hours during the weekdays. The RPPs shall be implemented before the demolition of the M/B Center parking garage. Kaiser

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shall pay the costs of establishing the RPP program as well as the annual permit fee for each residence.

Condition of Approval #17: Signage. Install signage on major roadways in the area to direct patients/visitors to the appropriate Kaiser parking facilities. If approved by the City, Kaiser shall fund the improvements.

Issue 6: Howe Street Closure

Throughout the Kaiser OMC Master Plan process, many residents and business owners from the Piedmont Avenue/ Howe Street area have requested that the City and Kaiser consider the closure of Howe Street between MacArthur Boulevard and 38th Street. Reasons for considering such a change include reducing the amount of cut-through traffic on residential portions of Howe Street, reducing in-and-out traffic from the Piedmont/Howe Street garage through the residential neighborhood, increasing pedestrian safety, and as good urban design for the Phase 3 portion of the Kaiser OMC campus. Closure of this street has never been part of Kaiser's Master Plan, but they have expressed no strong opposition to the idea either.

The closure of Howe Street was evaluated in the EIR as a traffic calming measure. The EIR traffic analysis found that closure of Howe Street would result in traffic from the Howe Street Garage and other Kaiser uses that currently travel to and from the north on Howe Street would instead divert to MacArthur Boulevard, Broadway or Piedmont Avenue. The closure would also result in traffic from residential neighborhoods north of the Kaiser Medical Center traveling to and from the south to divert to 40th Street and Broadway or Piedmont Avenue. The implications of this traffic re-routing include:

- Partial or full closure of Howe Street would reduce cut-through traffic on the residential portions of Howe Street just north of the existing Kaiser Hospital.
- Closure of northbound Howe Street would significantly impact traffic at the side-street stop-controlled Piedmont Avenue/40th Street intersection, although this intersection is expected to operate at LOS E conditions anyway. This impact can be mitigated with installation of a traffic signal at Piedmont/40th Street.
- Full or partial closure of Howe Street would further degrade traffic congestion at the Broadway/West MacArthur Boulevard intersection.
- Full or partial closure of southbound Howe Street would adversely affect the signalized Piedmont Avenue/West MacArthur Boulevard intersection during the AM peak hour.
- In regard to pedestrian movement, a pedestrian scramble phase is proposed at the Howe Street/West MacArthur Boulevard intersection. A pedestrian scramble is a signal phase that allows pedestrians to cross in all directions, including diagonally, at the same time, while all vehicle movements are stopped.

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Staff Recommendation: With relocation of the hospital in Phase 2 and construction of a new Central Administration medical services building and parking lot during Phase 3, the amount of traffic (both Kaiser’s traffic and cut-through traffic on Howe Street, as well as pedestrian travel) will likely change substantially from current travel patterns. The analysis included in the EIR is adequate to enable the City to consider action on this idea now; however, staff recommends the following strategy for later phases of project review:

Condition of Approval #14: Kaiser shall monitor traffic volumes and speeds on Howe Street just north of the Kaiser Medical Center after each phase of the project is in full operations and provide written reports to the city, prepared by a qualified traffic engineer. As part of the Phase 3 Design Review process, and in consultation with local residents and in accordance with all legal requirements, appropriate traffic calming measures such as speed humps or roadway closures should be considered. If approved by the City, Kaiser shall fund the improvements.

Staff also recommends that the Master Plan specifically reflect this idea for later phases of project review by amending the Master Plan as follows:

Guideline 7.4.3: Closure of Howe Street as a north-south through street should be further explored as part of future Phase 3 Design Review considerations.

Issue 7: Demolition of the Former Hospital

Depending upon the final design and construction of the new replacement hospital, the majority of allowed new construction within the Kaiser OMC campus will have already been completed by the end of Phase 2. According to the current Master Plan, the total amount of new space that may be constructed during both Phase 2 and Phase 3 is 1.18 million square feet of total space. Assuming that the new Replacement Hospital in Phase 2 is constructed to its maximum size of 1.12 million square feet, there is a remainder of only about 60,000 square feet of potential new space allowed under Phase 3. This scenario leaves very little incentive for Kaiser to actually implement Phase 3, including demolition of the existing hospital tower and low-rise buildings. It is possible that until such time as Kaiser felt it to be in their best interest, the existing hospital tower could be retro-fitted and used by Kaiser indefinitely as medical office uses, which are not subject to the hospital seismic safety standards of SB 1953. Further, such a scenario is opposite to what Kaiser has represented to the City and community from the beginning of this development process: that the demolition of the existing tower is a fair trade-off for being able to significantly expand facilities at the M/B Center site.

Staff Recommendation: To assure that the demolition of the existing hospital is an integral part of the Kaiser Master Plan as represented by Kaiser since initiating the project, staff recommends the following condition:

Condition of Approval #8: Prior to issuance of Design Review approvals for Phase 2, Kaiser shall provide to the City of Oakland adequate assurances that Kaiser has sufficient financial resources to completely demolish the existing Hospital (Tower and Podium level), and completely clear and landscape the site, within thirty-six months of completion of Phase 2. This plan must include appropriate financial guarantees assuring faithful performance, such as corporate guaranty from a corporate entity with a net worth of at least \$2 billion or an Irrevocable Letter of Credit, in form and amounts which are acceptable to the City. Kaiser shall complete the demolition, site clearance and landscape beautification of the former hospital structure within the specified timeframes. The City of Oakland shall condition the issuance of a final certificate of occupancy (or its equivalent) for the parking garage serving the new hospital in Phase 2, on the actual demolition, site clearance and landscape beautification of the former hospital structure within the specified timeframes.

Issue 8: Maximum Phase 2

The proposed Master Plan provides considerable flexibility for future development within Phases 2 and 3. The primary constraining factor is a combined limitation on the amount of new space that may be constructed in both phases, at a combined maximum of approximately 1.18 million square feet. The Master Plan describes two “book-end” scenarios that could occur between Phase 2 and Phase 3 developments. Under the first scenario, the maximum development potential for the new replacement hospital in Phase 2 is limited at 1.12 million square feet, leaving 60,000 square feet of total new space that could be constructed in Phase 3 at the former hospital site. Alternatively, the second scenario provides for a maximum amount of new development at the former hospital site of 223,000 square feet, provided there is a corresponding reduction in the size, bulk and mass in the Phase 2 Replacement hospital to a maximum of approximately 957,000 square feet.

Under either of the scenarios the amount of hospital and hospital-related medical service space at the new hospital site would increase substantially. The current hospital, including its tower, contains approximately 420,000 square feet of space. A new hospital of either 957,000 square feet or 1.12 million square feet would represent a substantial increase in total hospital and directly connected medical office space.

However, the relative differences between the resulting Phase 3 developments would be more significant.

- Under the first scenario, a 60,000 square foot building on this approximately 6-acre site would be a very small structure occupying perhaps less than 10% of the site area at 3 stories tall. The remainder of the site, likely more than 5 acres, would be paved as a surface parking lot.

- Under the second scenario the Phase 3 development would be much more substantial, perhaps a 4-story building with primary facades fronting on both MacArthur Boulevard and Broadway, with an associated parking structure.

Staff Recommendation: Kaiser’s architects have explained to staff that a phase-driven construction process eventually results in an “empty chair” at the end of that process, when all existing uses have been relocated into new space and the last step is essentially the take-down of the final existing building. The flexibility of the proposed Master Plan leaves the potential for an “empty chair” represented by a 60,000 square foot building on a 6-acre site. This would be a substantial underutilization of the important and valuable corner along MacArthur Boulevard between Broadway and Howe Street. Instead, redevelopment of this site should be better integrated into the more densely developed urban fabric of the surrounding area. Staff recommends that the flexibility of the proposed Master Plan be made more specific as to Phases 2 and 3 by amending the Master Plan as follows:

Revise the Master Plan to limit new construction at the Phase 2 site (the new hospital) to a maximum of 957,000 square feet, not including parking structures. An additional maximum of 50,000 square feet of space comprising only mechanical floors inside the hospital is exempt from this space limitation and from the total limitation of 1.78 million square feet campus-wide. This limitation on Phase 2 would cap the potential development at the Phase 3 site at approximately 223,000 square feet.

This revision to the Master Plan would still enable construction in Phase 2 of more than twice the amount of space than is in the current hospital, and would enable Kaiser to retain considerable flexibility in how they ultimately design and program their Phase 2 space. The amount of potential new construction remaining in Phase 3 is likely enough to motivate Kaiser to follow-up with their Phase 3 efforts shortly after completion of Phase 2.

Issue 9: Piedmont/Howe Street Garage

Throughout much of the public process for this project, community members have pointed to the existing Kaiser parking garage on Piedmont Avenue and Howe Street as an example of poor, outmoded urban design, creating a dead space at the end of the otherwise thriving Piedmont Avenue commercial corridor. They have requested that the City and Kaiser not develop any plan that would enable another similarly-designed parking garage, and have requested Kaiser to consider means by which to improve the appearance of this existing structure.

Staff Recommendation: Given the extent of discretionary approvals sought by Kaiser to implement their Master Plan for the Kaiser OMC campus, staff believes it is reasonable to require Kaiser to expand the scope of their improvements beyond the identified Phase 1 through 3 buildings. Staff recommends the following condition of approval:

Condition of Approval #18: Prior to issuance of permits for Phase 2, Kaiser shall submit improvement plans for the existing Piedmont Avenue/Howe Street parking garage. Such improvements may include, but are not limited to landscaping and streetscape enhancements, façade beautification improvements and adding retail space into the ground floor subject to a physical feasibility analysis for such a use. All identified improvements shall be subject to additional Design Review and shall be completed prior to occupancy of Phase 2.

PLANNING AMENDMENTS AND REZONING

General Plan Amendment

According to the City of Oakland’s General Plan Land Use and Transportation Element (LUTE), the project site lies within the North Oakland Planning District. The General Plan land use classifications for the site include: *Institutional, Community Commercial, Mixed Housing Type Residential* and *Neighborhood Center Mixed Use* classifications (see ***Attachment D***).

The land uses proposed by the project are consistent with the existing General Plan land use classifications that apply to the project site. Similarly, the maximum development intensity allowed by the existing General Plan classifications would accommodate the amount of development proposed by the project (the most intensive development site under Kaiser’s OMC Master Plan is the proposed new hospital, with a maximum proposed floor area ratio [FAR] of approximately 3.9). However, to establish a clear and consistent delineation of the Kaiser Permanente OMC on the General Plan Land Use Diagram, Kaiser has proposed to amend the Land Use Diagram to apply the *Institutional* land use classification to all portions of the Kaiser OMC campus (see ***Attachment E***).

The proposed General Plan amendment best serves the public interest by meeting the following objectives:

1. The proposed General Plan amendment will help create, maintain and enhance an area that is appropriate for health services and medical uses. The Kaiser OMC is a significant resource of jobs and services to Oakland residents and is an important underpinning of Oakland’s continued economic health and well being.
2. The proposed Master Plan is consistent with the proposed General Plan land use designation, and the proposed General Plan amendment will not cause the General Plan to become internally inconsistent

Rezoning

The current zoning designations that apply to the Kaiser OMC site and surrounding area include S-1 Medical Center, which applies to the existing hospital and immediately adjacent supporting uses; C-40 Community Thoroughfare Commercial, which applies to the most of the site along

Broadway including the M/B Center; C-25 Office Commercial along the West MacArthur Boulevard corridor; R-70 High Density Residential in the abutting residential areas to the west and east of the Kaiser OMC site and R-50 Medium Density Residential in the abutting properties to the north. The S-18 Mediated Design Review Combining Zone is combined with several of these zones in the vicinity of the Kaiser OMC. Open Space (Community Park-CP) Zone applies to Mosswood Park (see *Attachment F*).

The land uses and development intensities proposed under the Master Plan are generally consistent with the current zoning designations. The proposed development may exceed certain development regulations set forth by the applicable zoning designations and may need approval of variances or other exceptions under the existing zoning. However, Kaiser and City staff are recommending that the Kaiser OMC campus be rezoned to a unique “*Kaiser Permanente Oakland Medical Center (KX)*” zoning district. This new zoning district, coupled with the *Kaiser Permanente OMC Campus Master Plan*, is intended to provide a comprehensive set of land use regulations, development standards and design guidelines that would be consistently applied to the long term development of the entire medical center. The new zoning district would include all properties within the Kaiser Permanente OMC that are currently owned by Kaiser Permanente (see *Attachment G*). For properties that are not owned by Kaiser and that are proposed to be rezoned, the new zoning district would be applied as an overlay district or combining zone district, which would allow the existing (underlying) zoning designation and regulations to apply.

The proposed rezoning best serves the public interest by meeting the following objectives:

1. The proposed rezoning to a new *Kaiser Permanente Oakland Medical Center (KX)*” zoning district is consistent with the overall goals, objectives, and policies of the General Plan to help create, maintain and enhance an area that is appropriate for health services and medical uses. The Kaiser OMC is a significant resource of jobs and services to Oakland residents and is an important underpinning of Oakland’s continued economic health and well being.
2. The Master Plan (the Project) is consistent with the proposed rezoning. The current zoning does not provide for a consistent nor comprehensive set of regulations that recognize the Kaiser OMC Campus and thus is inadequate. In contrast, the proposed rezoning will better promote the health, safety and welfare of Oakland residents and others.

Redevelopment Plan Amendment

Portions of the Kaiser OMC site, including the M/B Center and the Broadway corridor north of I-580, are located within the *Broadway/MacArthur/San Pablo Redevelopment Plan area*. The Redevelopment Plan is consistent with the existing Oakland General Plan land use classifications. Since the Master Plan includes a proposal to amend the General Plan to apply *Institutional* land use classification to all of the area described as the Kaiser Oakland Medical

Center, amendments to the Redevelopment Plan will be needed to maintain consistency between the Redevelopment Plan and the amended General Plan.

The proposed Redevelopment Plan amendment best serves the public interest by meeting the following objectives:

1. The proposed amendment to the Redevelopment Land Use Map in the Redevelopment Plan would be consistent with the land use designation for the Project site in the Oakland General Plan, once it has been revised.
2. The proposed amendment to the Redevelopment Land Use Map does not propose any additional property for inclusion in the Redevelopment Project Area, nor does it increase or reduce the Redevelopment Project Area.
3. The proposed amendments support the various goals and objectives of the Redevelopment Plan, as detailed in the Statement of Overriding Considerations.

SUSTAINABLE OPPORTUNITIES

The approval of the project provides the following economic, environmental, and social equity benefits to the city:

Economic: The Project will allow the Medical Center employees, visitors and patients to continue to support businesses along Piedmont Avenue, in the MacArthur Broadway neighborhood, and elsewhere in Oakland. The Project will result in the construction of a new facility designed in a manner that allows Kaiser Permanente to remain competitive in the Health Care market and retain and increase high quality jobs in Oakland. The Project will also enable Kaiser Permanente to maintain its significant and long-standing business presence in Oakland.

Environmental: The Kaiser OMC campus is well situated near BART and other public transit, and is centrally located to serve Kaiser Permanente's growing membership in the community of Oakland and the greater Oakland Service Area. Maintaining the Oakland Medical Center at this location will allow Kaiser to continue to provide its members with easily accessible and convenient services available via alternative travel modes. Also, the project is a compact, infill development in an already urbanized area.

Social Equity: Kaiser Permanente has a long-standing involvement and interest in the economic and physical health of all of Oakland. The renovation of the Oakland Medical Center and the replacement of the M/B Center will bring significant community-wide benefits and contribute to building a strong foundation for the future of Oakland. The Oakland Medical Center currently provides medical service to approximately 186,000 Oakland/East Bay members.

DISABILITY AND SENIOR CITIZEN ACCESS

The proposed development would be subject to the requirements of the Americans with Disabilities Act (ADA), as provided for in the California Building Code. Compliance with ADA regulations would be confirmed when building permits are issued for the project.

RECOMMENDATION AND RATIONALE

Staff recommends that the City Council and Redevelopment Agency take a series of actions to approve the project for the following reasons:

- A. Advancing Goals of Oakland General Plan.** The project, including the proposed amendment to the General Plan Land Use Map, amendment to the Redevelopment Plan Land Use Map, adoption of a new KX zoning district, rezoning of the Kaiser OMC campus to the new KX Zone, and termination of the contract zoning between the City and Kaiser advances and conforms with the Oakland General Plan’s goals, policies, and objectives. The proposed project furthers the goals of the Land Use and Transportation Element by helping to create, maintain and enhance an area that is appropriate for health services and medical uses.
- B. Redevelopment of Underutilized Parcels.** The project will redevelop an underutilized site with a development that is well-designed and attractive. The Project will redevelop the M/B Center site – currently an outdated “superblock” building.
- C. Neighborhood Improvement.** The Project will facilitate neighborhood revitalization and to improve the neighborhood aesthetics in the area of the Medical Center through the creation of a contemporary, architecturally integrated Medical Center.
- D. Commercial Revitalization.** The Project will allow the Medical Center to continue to support businesses along Piedmont Avenue, in the MacArthur Broadway neighborhood, and elsewhere in Oakland. Kaiser’s employees provide significant patronage to the many business, restaurants and cafes along Piedmont Avenue. Kaiser’s members also are active patrons of Piedmont Avenue and other Oakland businesses, restaurants, and cafes.
- E. Job Creation.** The Project will result in the construction of a new facility designed in a manner that allows Kaiser Permanente to remain competitive in the Health Care market and retain and increase high quality jobs in Oakland.
- F. Business Retention.** The Project will enable Kaiser Permanente to maintain its significant and long-standing presence in Oakland. Kaiser Permanente opened its first hospital at this site and has invested significantly in facilities and services at this location for more than 60 years. In addition, Kaiser Permanente’s National and Regional Headquarters are located nearby in Oakland, and Kaiser Permanente has a long-standing involvement and interest in the economic and physical health of Oakland. The renovation of the Oakland Medical Center and the replacement of the M/B Center will bring significant community benefits and contribute to building a strong foundation for the future of Oakland.

G. Increased Safety and Fulfillment of Statewide Seismic Safety Requirements. The Project will play a significant role in planning for a major earthquake by ensuring that Kaiser Permanente's Oakland Medical Center facilities are the safest available to serve the needs of Oakland and the greater Oakland community. California State Senate Bill 1953 requires that all acute care hospitals in the state retrofit, rebuild, or close their general acute care inpatient hospital buildings by specific dates if they do not meet strict new seismic safety requirements. The Project is designed to comply with these requirements, resulting in a new, seismically safe, inpatient medical facility capable of functioning in a seismic emergency to provide high quality medical care to Kaiser Permanente members, Oakland's citizens, and the greater Oakland community.

H. Advancing the State of Health Care. The Project will replace the existing facilities at the Kaiser OMC in accordance with Kaiser Permanente's integrated model of health care delivery. This model requires Hospital and Specialty Medical Services to share service space and to be co-located to provide the best patient care. Currently, due to space issues, Kaiser OMC patients often travel to other Kaiser facilities for various treatments and services, and many services are currently split across different parts of the Kaiser OMC campus. Split services in multiple buildings can complicate visits to the Medical Center. The new campus is logically and cohesively planned, with services conveniently located next to other appropriate services, in order to minimize patients' inconvenience between services and to continue to provide safe methods for patients to move throughout the campus.

The Project will enable Kaiser to fulfill its commitment to keeping accessible, up-to-date medical facilities in the heart of Oakland. The Kaiser OMC campus is well situated near BART and other public transit, and is centrally located to serve Kaiser Permanente's growing membership in the community of Oakland and the greater Oakland Service Area. The Oakland Medical Center currently serves approximately 186,000 Oakland/East Bay members. Maintaining the Oakland Medical Center at this location will allow Kaiser to continue to provide its members with easily accessible and convenient services. The new facility will provide members, patients, physicians and staff with a state-of-the-art facility in the heart of Oakland.

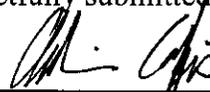
The Project will replace aging, increasingly functionally obsolete existing facilities at the Oakland Medical Center. The demand for services is straining existing facilities, as current multiple patient rooms are cramped and offer little privacy, and operating rooms are less than half the size of the current hospital standard. As medical treatments have advanced, those patients who are hospitalized suffer from more acute conditions, requiring more modern medical equipment for their care. Hospital rooms are now expected to accommodate larger patient beds, heart monitors, automatic dosage machines, breathing apparatus and other equipment for multiple patients. The new hospital will include private rooms with restrooms that can comfortably accommodate patients, visiting family, and efficient treatment. New operating rooms and outpatient facilities will allow members, patients, physicians, and staff to move forward using new medical developments.

ACTION REQUESTED OF THE CITY COUNCIL AND REDEVELOPMENT AGENCY

Staff recommends that the City Council and Redevelopment Agency take the following actions:

- 1) Conduct a public hearing on the project;
- 2) Adopt the City resolution amending the General Plan Land Use designation for the Kaiser Permanente Oakland Medical Center Campus from various designations to Institutional (see ***Attachment H***); and
- 3) Adopt the Agency resolution approving and recommending adoption of an amendment to the Broadway/MacArthur/San Pablo Redevelopment Plan, amending the Land Use Designation for the Kaiser Permanente Oakland Medical Center campus from various designations to Institutional (see ***Attachment I***); and
- 4) Adopt the City ordinance adopting the amendment to the Broadway/MacArthur/San Pablo Area Redevelopment Plan revising the Land Use Designation for the Kaiser Permanente Oakland Medical Campus from various designations to Institutional (see ***Attachment J***); and
- 4) Adopt the City ordinance establishing the Kaiser Permanente Oakland Medical Center Zoning District (KX Zone) as Chapter 17.XX in the Oakland Planning Code, rezoning the Project site from various zones to the KX Zone, and terminating the March 1992 Contract Rezoning Agreement (authorized by Ordinance No. 11361 C.M.S.) (see ***Attachment K***); and
- 5) Adopt the City resolution adopting the Kaiser Permanente Oakland Medical Center Master Plan (see ***Attachment L***).

Respectfully submitted,



CLAUDIA CAPPIO

Director of Development

Community and Economic Development Agency

APPROVED AND FORWARDED TO THE
CITY COUNCIL/REDEVELOPMENT AGENCY:


OFFICE OF THE CITY/AGENCY ADMINISTRATOR

Reviewed by:

Gary Patton
Deputy Director of Planning and Zoning
Planning & Zoning Division

Prepared by:
Scott Gregory
Contract Planner

ATTACHMENTS

- A. Staff Report for June 7, 2006 Planning Commission hearing (without attachments)
- B. Site Map
- C. Kaiser Permanente Oakland Medical Center Campus Master Plan
- D. Map of Existing General Plan Designations
- E. Map of Proposed General Plan Designation
- F. Map of Existing Zoning Designations
- G. Map of Proposed KX Zoning Designations
- H. City Resolution Amending the General Plan Land Use Designation for the Kaiser Permanente Oakland Medical Campus
- I. Agency Resolution Approving and Recommending Adoption of an Amendment to the Broadway/MacArthur/San Pablo Area Redevelopment Plan revising the Land Use Designation for the Kaiser Permanente Oakland Medical Campus
- J. City Ordinance Adopting an Amendment to the Broadway/MacArthur/San Pablo Area Redevelopment Plan revising the Land Use Designation for the Kaiser Permanente Oakland Medical Campus
- K. City Ordinance Establishing the Kaiser Permanente Oakland Medical Center Zoning District (KX Zone), Rezoning the Project and Terminating the March 1992 Contract Rezoning Agreement
- L. City Resolution Adopting the Kaiser Permanente Oakland Medical Center Master Plan

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DEPUTY CITY ATTORNEY

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

**RESOLUTION AMENDING THE GENERAL PLAN LAND USE
DESIGNATION FOR THE KAISER PERMANENTE OAKLAND
MEDICAL CENTER CAMPUS FROM VARIOUS DESIGNATIONS TO
INSTITUTIONAL**

WHEREAS, the 20.6-acre site of the Kaiser Permanente Oakland Medical Center campus, located generally at the intersection of Broadway and MacArthur Boulevard, is currently designated with a variety of land use designations including Institutional, Community Commercial, Mixed Housing Type Residential, and Neighborhood Center Mixed Use on the General Plan Land Use Diagram in the Land Use and Transportation Element ("LUTE") of the Oakland General Plan; and

WHEREAS, according to the City of Oakland Guidelines for Determining Project Conformity with the General Plan and Zoning Regulations ("Guidelines"), the intent of the Institutional designation is to create, maintain, and enhance areas appropriate for educational facilities, cultural and institutional uses, health services and medical uses; and

WHEREAS, according to the Guidelines, the Institutional designation would allow the project as proposed by the Project; and

WHEREAS, the project proposes to establish a clear and consistent delineation of the Kaiser Permanente Oakland Medical Center campus on the General Plan Land Use Diagram; and

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA"), the City issued a Notice of Preparation ("NOP"), indicating an intent to prepare an Environmental Impact Report ("EIR") on the Project; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the scope of the Draft EIR ("DEIR") on April 13, 2005; and

WHEREAS, a DEIR on the Project, SCH #2005032134, was released by the City and circulated for public review and comment from March 2, 2006 to April 17, 2006; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the DEIR and the Project on March 22, 2006; and

WHEREAS, the Final EIR (“FEIR”) was published on May 26, 2006; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on the FEIR and the Project on June 7, 2006; and

WHEREAS, on June 7, 2006, the Planning Commission certified the EIR and adopted related CEQA findings, and recommended the City Council approve a General Plan amendment (from various designations to Institutional), a Redevelopment Plan amendment, termination of the previously approved contract rezoning, rezoning to a new KX zone, and a Master Plan; and

WHEREAS, the Planning Commission found, in part, that the Project is consistent with the amended General Plan land use designation as proposed, and that the proposed General Plan amendment will not cause the General Plan to become internally inconsistent; and

WHEREAS, the Planning Commission also found, in part, that the proposed General Plan amendment is consistent with the overall goals, objectives, and policies of the General Plan in that the proposed General Plan amendment will help create, maintain, and enhance areas appropriate for educational facilities, cultural and institutional uses, health services and medical uses; and

WHEREAS, the Community and Economic Development Committee of the City Council held a duly noticed meeting on June 13, 2006; and

WHEREAS, the City Council and the Oakland Redevelopment Agency held a duly noticed joint public hearing on June 27, 2006; and

WHEREAS, all interested parties were given the opportunity to participate in the public hearing by submittal of oral and written comments; and

WHEREAS, the public hearing was closed by the City Council and the Redevelopment Agency on June 27, 2006; now, therefore, be it

RESOLVED: That the City Council, as the final decision-making body of the lead agency, confirms and adopts (i) the environmental findings made and adopted by the Planning Commission, as set forth in *Exhibit 1* (“CEQA Findings”) of this resolution, prior to taking action on the Project and (ii) the Conditions of Approval and Mitigation Monitoring and Reporting Program attached as *Exhibit 2* of this resolution, all incorporated by reference herein; and be it.

FURTHER RESOLVED: That the City Council amends the General Plan land use designation of the Project site from Institutional, Community Commercial, Mixed Housing Type Residential, and Neighborhood Center Mixed Use to Institutional as shown on the map attached to this resolution as *Exhibit 3*, and adopts the findings of the City Planning Commission, as

summarized in the above recitals, as well as findings in the June 27, 2006 City Council Agenda Report; and be it

FURTHER RESOLVED: That the City Council finds and determines that this Resolution complies with CEQA and the Environmental Review Officer is directed to cause to be filed a Notice of Determination with the appropriate agencies; and be it

FURTHER RESOLVED: That the record before this Council relating to this Project application includes, without limitation, the following:

1. the Project application, including all accompanying maps and papers;
2. all plans submitted by the Project applicant and his representatives;
3. all staff reports, decision letters and other documentation and information produced by or on behalf of the City, including without limitation the EIR and supporting technical studies, and all related/supporting materials, and all notices relating to the Project application and attendant hearings;
4. all oral and written evidence received by the City staff, City Planning Commission and City Council before and during the public hearings on the application and appeal;
5. all matters of common knowledge and all official enactments and acts of the City, such as (a) the General Plan; (b) Oakland Municipal Code, including, without limitation, the Oakland real estate regulations, Oakland Fire Code; (c) Oakland Planning Code; (d) other applicable City policies and regulations; and, (e) all applicable state and federal laws, rules and regulations; and be it

FURTHER RESOLVED: That the custodians and locations of the documents or other materials which constitute the record of proceedings upon which the City Council's decision is based are respectively: (a) Community & Economic Development Agency, Planning & Zoning Division, 250 Frank H. Ogawa Plaza, 3rd Floor, Oakland CA.; and (b) Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st floor, Oakland, CA; and be it

FURTHER RESOLVED: That the recitals contained in this resolution are true and correct and are an integral part of the City Council's decision.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES-

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

2006 JUN -1 PM 2: 17



AGENCY COUNSEL

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO. _____ C.M.S.

**RESOLUTION APPROVING AND RECOMMENDING ADOPTION OF
AN AMENDMENT TO THE BROADWAY/MACARTHUR/SAN PABLO
REDEVELOPMENT PLAN, AMENDING THE LAND USE
DESIGNATION FOR THE KAISER PERMANENTE OAKLAND
MEDICAL CENTER CAMPUS FROM VARIOUS DESIGNATIONS TO
INSTITUTIONAL**

WHEREAS, the City Council of the City of Oakland (“City Council”) adopted a Redevelopment Plan for the Broadway/MacArthur/San Pablo Redevelopment Project Area (“Redevelopment Plan”) as a redevelopment plan for the Broadway/ MacArthur/San Pablo Redevelopment Project Area (“Project Area”) pursuant to the California Community Redevelopment Law (Health and Safety Code Sections 33000, et seq.); and

WHEREAS, the Redevelopment Plan includes a Redevelopment Land Use Map attached to the Redevelopment Plan, which sets forth land use designations for the Project Area; and

WHEREAS, the 20.6-acre site of the Kaiser Permanente Oakland Medical Center campus, located generally at the intersection of Broadway and MacArthur Boulevard, is currently designated with a variety of land use designations including Institutional, Community Commercial, Mixed Housing Type Residential, and Neighborhood Center Mixed Use on the General Plan Land Use Diagram in the Land Use and Transportation Element (“LUTE”) of the Oakland General Plan; and

WHEREAS, it is necessary and desirable to amend the Land Use Map designation for the Project site from these various designations to Institution (“Amendment”) for the reasons set forth in the staff report accompanying this Resolution; and

WHEREAS, the land use designation for the Project site in the Oakland General Plan has been or will be revised, and the Redevelopment Agency desires that the Redevelopment Land Use Map in the Redevelopment Plan be consistent with the Oakland General Plan; and

WHEREAS, Health and Safety Code Section 33450, et seq., authorizes a legislative body to amend a redevelopment plan after holding a public hearing; and

WHEREAS, this proposed Amendment does not propose any additional property for inclusion in the Project Area, nor does it increase or reduce the Project Area or affect the Redevelopment Agency's authority to claim tax increment revenues; and

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA"), the City issued a Notice of Preparation ("NOP"), indicating an intent to prepare an Environmental Impact Report ("EIR") on the Project; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the scope of the Draft EIR ("DEIR") on April 13, 2005; and

WHEREAS, a DEIR on the Project, SCH #2005032134, was released by the City and circulated for public review and comment from March 2, 2006 to April 17, 2006; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the DEIR and the Project on March 22, 2006; and

WHEREAS, the Final EIR ("FEIR") was published on May 26, 2006; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on the FEIR and the Project on June 7, 2006; and

WHEREAS, on June 7, 2006, the Planning Commission certified the EIR and adopted related CEQA findings, and recommended approval of a General Plan amendment to the City Council, recommended approval of this Redevelopment Plan Amendment to the Redevelopment Agency and the City Council, and recommended approval of termination of the previously approved contract rezoning, rezoning to a new KX zone, and approval of a Master Plan to the City Council; and

WHEREAS, the Community and Economic Development Committee of the City Council held a duly noticed meeting on June 13, 2006; and

WHEREAS, the City Council and the Oakland Redevelopment Agency held a duly noticed joint public hearing on the proposed Amendment, as permitted under Health and Safety Code Section 33458, on June 27, 2006; and

WHEREAS, the City has provided the published and mailed notice of the hearing and this Amendment as required by Health and Safety Code Section 33452; now, therefore, be it

RESOLVED: That the Redevelopment Agency, as a Responsible Agency, confirms and adopts (i) the environmental findings made and adopted by the Planning Commission, as set forth in *Exhibit 1* ("CEQA Findings") of this resolution, and (ii) the

Conditions of Approval and Mitigation Monitoring and Reporting Program for the Project attached as *Exhibit 2* of this Resolution; all incorporated by reference herein; and be it

FURTHER RESOLVED: That the Redevelopment Agency hereby approves and recommends adoption of the Amendment to the Redevelopment Plan for the Broadway/MacArthur/San Pablo Redevelopment Project Area by substituting the map attached to this Resolution as *Exhibit 3* for the Redevelopment Land Use Map attached to the Redevelopment Plan and designating the attached map as the Redevelopment Land Use Map for the Broadway/MacArthur/San Pablo Redevelopment Project Area, and adopts the findings of the Planning Commission, as summarized in the above recitals, as well as findings in the June 27, 2006 City Council/Redevelopment Agency Agenda Report; and be it

FURTHER RESOLVED: That the Redevelopment Agency Secretary is directed to transmit a copy of this Resolution to the City Council for its consideration in adoption of the Amendment; and be it

FURTHER RESOLVED: That the Redevelopment Agency finds and determines that this Resolution complies with CEQA and the Environmental Review Officer is directed to cause to be filed a Notice of Determination with the appropriate agencies; and be it

FURTHER RESOLVED: That the record before this Agency relating to this action includes, without limitation, the following:

1. the Project application, including all accompanying maps and papers;
2. all plans submitted by the Project applicant and his representatives;
3. all staff reports, decision letters and other documentation and information produced by or on behalf of the City, including without limitation the EIR and supporting technical studies, and all related/supporting materials, and all notices relating to the application and attendant hearings;
4. all oral and written evidence received by the City staff, City Planning Commission, City Council, and Redevelopment Agency before and during the public hearings on the application and appeal;
5. all matters of common knowledge and all official enactments and acts of the City, such as (a) the Coliseum Area Redevelopment Plan; (b) the General Plan; (c) Oakland Municipal Code, including, without limitation, the Oakland real estate regulations, Oakland Fire Code; (d) Oakland Planning Code; (e) other applicable City policies and regulations; and, (f) all applicable state and federal laws, rules and regulations; and be it

FURTHER RESOLVED: That the custodians and locations of the documents or other materials which constitute the record of proceedings upon which the Redevelopment Agency's decision is based are respectively: (a) Community & Economic Development Agency, 250 Frank

H. Ogawa Plaza, Oakland CA.; and (b) Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st Floor, Oakland, CA; and be it

FURTHER RESOLVED: That the recitals contained in this Resolution are true and correct and are an integral part of the Redevelopment Agency's decision.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES-

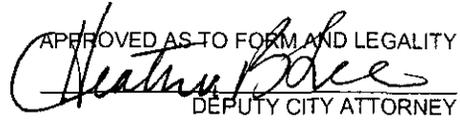
NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Redevelopment
Agency of the City of Oakland,
California

2006 JUN -1 PM 2:17

APPROVED AS TO FORM AND LEGALITY

DEPUTY CITY ATTORNEY

OAKLAND CITY COUNCIL

ORDINANCE NO. _____ C.M.S.

ORDINANCE ADOPTING AN AMENDMENT TO THE BROADWAY/MacARTHUR/SAN PABLO REDEVELOPMENT PLAN, AMENDING THE LAND USE DESIGNATION FOR THE KAISER PERMANENTE OAKLAND MEDICAL CENTER CAMPUS FROM VARIOUS DESIGNATIONS TO INSTITUTIONAL

WHEREAS, the City Council of the City of Oakland (“City Council”) adopted a Redevelopment Plan for the Broadway/MacArthur/San Pablo Redevelopment Project Area (“Redevelopment Plan”) as a redevelopment plan for the Broadway/ MacArthur/San Pablo Redevelopment Project Area (“Project Area”) pursuant to the California Community Redevelopment Law (Health and Safety Code Sections 33000, et seq.); and

WHEREAS, the Redevelopment Plan includes a Redevelopment Land Use Map attached to the Redevelopment Plan, which sets forth land use designations for the Project Area; and

WHEREAS, the 20.6-acre site of the Kaiser Permanente Oakland Medical Center campus, located generally at the intersection of Broadway and MacArthur Boulevard, is currently designated with a variety of land use designations including Institutional, Community Commercial, Mixed Housing Type Residential, and Neighborhood Center Mixed Use on the General Plan Land Use Diagram in the Land Use and Transportation Element (“LUTE”) of the Oakland General Plan; and

WHEREAS, it is necessary and desirable to amend the Land Use Map designation for the Project site from these various designations to Institution (“Amendment”) for the reasons set forth in the staff report accompanying this Resolution; and

WHEREAS, the land use designation for the Project site in the Oakland General Plan has been or will be revised, and the Redevelopment Agency desires that the Redevelopment Land Use Map in the Redevelopment Plan be consistent with the Oakland General Plan; and

WHEREAS, the Redevelopment Agency has submitted to the City Council this proposed Amendment to the Redevelopment Plan; and

WHEREAS, Health and Safety Code Section 33450, et seq., authorizes a legislative body to amend a redevelopment plan after holding a public hearing; and

WHEREAS, this proposed Amendment does not propose any additional property for inclusion in the Project Area, nor does it increase or reduce the Project Area or affect the Redevelopment Agency's authority to claim tax increment revenues; and

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA"), the City issued a Notice of Preparation ("NOP"), indicating an intent to prepare an Environmental Impact Report ("EIR") on the Project; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the scope of the Draft EIR ("DEIR") on April 13, 2005; and

WHEREAS, a DEIR on the Project, SCH #2005032134, was released by the City and circulated for public review and comment from March 2, 2006 to April 17, 2006; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the DEIR and the Project on March 22, 2006; and

WHEREAS, the Final EIR ("FEIR") was published on May 26, 2006; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on the FEIR and the Project on June 7, 2006; and

WHEREAS, on June 7, 2006, the Planning Commission certified the EIR and adopted related CEQA findings, and recommended approval of a General Plan amendment to the City Council, recommended approval of this Redevelopment Plan Amendment to the Redevelopment Agency and the City Council, and recommended approval of termination of the previously approved contract rezoning, rezoning to a new KX zone, and approval of a Master Plan to the City Council; and

WHEREAS, the Community and Economic Development Committee of the City Council held a duly noticed meeting on June 13, 2006; and

WHEREAS, the City Council and the Oakland Redevelopment Agency held a duly noticed joint public hearing on the proposed Amendment, as permitted under Health and Safety Code Section 33458, on June 27, 2006; and

WHEREAS, the City has provided the published and mailed notice of the hearing and this Amendment as required by Health and Safety Code Section 33452;

NOW, THEREFORE, the Council of the City of Oakland does hereby ordain as follows:

SECTION 1. The City Council, as the final decision-making body of the lead agency, confirms and adopts (i) the environmental findings made and adopted by the Planning Commission, as set forth in *Exhibit 1* (“CEQA Findings”) of this Ordinance, and (ii) the Conditions of Approval and Mitigation Monitoring and Reporting Program for the Project attached as *Exhibit 2* of this Ordinance; all incorporated by reference herein.

SECTION 2. The City Council hereby adopts the Amendment to the Redevelopment Plan for the Broadway/MacArthur/San Pablo Redevelopment Project Area by substituting the map attached to this Resolution as *Exhibit 3* for the Redevelopment Land Use Map attached to the Redevelopment Plan and designating the attached map as the Redevelopment Land Use Map for the Broadway/MacArthur/San Pablo Redevelopment Project Area, and adopts the findings of the Planning Commission, as summarized in the above recitals, as well as findings in the June 27, 2006 City Council/Redevelopment Agency Agenda Report.

SECTION 3. The City Council finds that it is necessary and desirable to amend the Redevelopment Plan for the Broadway/MacArthur/San Pablo Redevelopment Project Area for the reasons set forth herein and in the staff report accompanying this Ordinance.

SECTION 4. The City Council finds and determines that this Ordinance complies with CEQA and the Environmental Review Officer is directed to cause to be filed a Notice of Determination with the appropriate agencies.

SECTION 5. The record before this Council relating to this action includes, without limitation, the following:

1. the Project application, including all accompanying maps and papers;
2. all plans submitted by the Project applicant and his or her representatives;
3. all staff reports, decision letters and other documentation and information produced by or on behalf of the City, including without limitation the EIR and supporting technical studies, and all related/supporting materials, and all notices relating to the application and attendant hearings;
4. all oral and written evidence received by the City staff, City Planning Commission and City Council before and during the public hearings on the application and appeal;
5. all matters of common knowledge and all official enactments and acts of the City, such as (a) the Broadway/MacArthur/San Pablo Area Redevelopment Plan; (b) the General Plan; (c) Oakland Municipal Code, including, without limitation, the Oakland real estate

regulations, Oakland Fire Code; (d) Oakland Planning Code; (e) other applicable City policies and regulations; and (f) all applicable state and federal laws, rules and regulations.

SECTION 6. The custodians and locations of the documents or other materials which constitute the record of proceedings upon which the City Council’s decision is based are respectively: (a) Community & Economic Development Agency, 250 Frank H. Ogawa Plaza, Oakland CA.; and (b) Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st floor, Oakland, CA..

SECTION 7. If any part of this Ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance, and this Council hereby declares that it would have passed the remainder of this Ordinance if such invalid portion thereof had been deleted.

SECTION 8. This Ordinance shall be in full force and effect immediately upon its passage as provided by Section 216 of the City Charter, if adopted by at least six members of Council, or upon the seventh day after final adoption if adopted by fewer votes.

SECTION 9. That, the recitals contained in this Ordinance are true and correct and are an integral part of the City Council’s decision.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES-

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the
Council
of the City of Oakland, California

APM.

Notice and Digest

City Ordinance adopting the First Amendment to the Broadway/MacArthur/San Pablo Area Redevelopment Plan revising the Land Use Designation for the Kaiser Permanente Oakland Medical Campus from various designations to Institutional

The purpose of this ordinance is to revise the land use designations for the Kaiser Permanente Oakland Medical Center as indicated on the Broadway/MacArthur/San Pablo Area Redevelopment Plan Land Use Diagram from various designations to Institutional.

City Ordinance establishing the Kaiser Permanente Oakland Medical Center Zoning District (KX Zone) as Chapter 17.XX in the Oakland Planning Code, rezoning the Project site from various zones to the KX Zone and terminating the March 1992 Contract Rezoning Agreement (authorized by Ordinance No. 11361 C.M.S.)

The purpose of this ordinance is to establish a new Kaiser Permanente Oakland Medical Center Zoning District (KX Zone) as Chapter 17.XX in the Oakland Planning Code. It is also intended to rezone the Kaiser Permanente Oakland Medical Center from various zones to the new KX Zone and terminate the March 1992 Contract Rezoning Agreement as authorized by Ordinance No. 11361 C.M.S.

2006 JUN -1 PM 2:18

APPROVED AS TO FORM AND LEGALITY
Arthur B. Lee
DEPUTY CITY ATTORNEY

OAKLAND CITY COUNCIL

ORDINANCE NO. _____ C.M.S.

ORDINANCE ADOPTING A NEW KAISER PERMANENTE OAKLAND MEDICAL CENTER (KX) ZONE, REZONING THE KAISER PERMANENTE OAKLAND MEDICAL CENTER CAMPUS FROM VARIOUS DESIGNATIONS TO THE NEW KX ZONE AND TERMINATING THE PREVIOUSLY APPROVED CONTRACT REZONING.

WHEREAS, the 20.6-acre site of the Kaiser Permanente Oakland Medical Center (OMC) campus, located generally at the intersection of Broadway and MacArthur Boulevard, is currently located in the S-1 Medical Center, C-40 Community Thoroughfare Commercial, C-25 Office Commercial, R-50 Medium Density Residential, R-70 High Density Residential, R-19 Broadway Auto Row Interim Study Combining Zoning, and S-18 Mediated Design Review Combining Zone by the Oakland Zoning Regulations; and

WHEREAS, in March 1992, the City and Kaiser entered into a Rezoning Agreement (authorized by Ordinance No. 11361 C.M.S., adopted July 30, 1991) for certain properties located at 38th Street at Cerrito Avenue in order to facilitate construction of a Medical Office Building; and

WHEREAS, the current zoning does not provide for a consistent nor comprehensive set of regulations that recognize the OMC Campus; and

WHEREAS, the Project proposes to provide a comprehensive set of land use regulations and development standards that would be consistently applied to the long term development of the entire Oakland Medical Center; and

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA"), the City issued a Notice of Preparation ("NOP"), indicating an intent to prepare an Environmental Impact Report ("EIR") on the Project; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the scope of the Draft EIR ("DEIR") on April 13, 2005; and

WHEREAS, a DEIR on the Project, SCH #2005032134, was released by the City and circulated for public review and comment from March 2, 2006 to April 17, 2006; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the DEIR and the Project on March 22, 2006; and

WHEREAS, the Final EIR (“FEIR”) was published on May 26, 2006; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on the FEIR and the Project on June 7, 2006; and

WHEREAS, on June 7, 2006, the Planning Commission certified the EIR and adopted related CEQA findings, and recommended approval of a General Plan amendment to the City Council, recommended approval of a Redevelopment Plan Amendment to the Redevelopment Agency and the City Council, and recommended approval of termination of the previously approved contract rezoning, creation of a new KX zone, rezoning the OMC to the new KX zone, and approval of a Master Plan to the City Council; and

WHEREAS, the Planning Commission found, in part, that the new KX zoning district is consistent with the overall goals, objectives, and policies of the General Plan to help create, maintain and enhance an area that is appropriate for health services and medical uses, that the current zoning is inadequate and that the proposed zoning would better promote the health, safety and welfare of Oakland residents and others; and

WHEREAS, the Planning Commission also found that if adopted, the proposed KX Zoning District renders the balance of the 1992 Rezoning Agreement superfluous; and

WHEREAS, the Community and Economic Development Committee of the City Council held a duly noticed meeting on June 13, 2006; and

WHEREAS, the City Council and the Oakland Redevelopment Agency held a duly noticed joint public hearing on June 27, 2006; and

WHEREAS, all interested parties were given the opportunity to participate in the public hearing by submittal of oral and written comments; and

WHEREAS, the public hearing was closed by the City Council and the Redevelopment Agency on June 27, 2006;

NOW, THEREFORE, the Council of the City of Oakland does ordain as follows:

SECTION 1. The City Council, as the final decision-making body of the lead agency, confirms and adopts (i) the environmental findings made and adopted by the Planning Commission, as set forth in *Exhibit 1* (“CEQA Findings”) of this ordinance, prior to taking action on the Project and (ii) the Conditions of Approval and Mitigation Monitoring and Reporting Program attached as *Exhibit 2* of this ordinance; all incorporated by reference herein.

SECTION 2. The City Council finds that it is necessary, desirable, and in the public interest to adopt a new Kaiser Permanente Oakland Medical Center (KX) Zoning District in the Oakland Planning Code for the reasons set forth herein and in the June 27, 2006 City Council Agenda Report.

SECTION 3. The City Council finds that it is necessary, desirable, and in the public interest to terminate the Rezoning Agreement authorized by Ordinance No. 11361 C.M.S., adopted July 30, 1991 for the reasons set forth herein and in the June 27, 2006 City Council Agenda Report.

SECTION 4. The City Council finds that it is necessary, desirable, and in the public interest to amend the relevant OMC Campus Zoning Map(s) for the reasons set forth herein and in the June 27, 2006 City Council Agenda Report.

SECTION 5. The Kaiser Permanente Oakland Medical Center (KX) Zoning District attached to this ordinance as *Exhibit 4* is hereby adopted, the designation and location of zones and zone boundaries on the Zoning Map(s) are hereby amended as shown on the map attached to this ordinance as *Exhibit 5*, and the findings of the City Planning Commission as summarized in the above recitals, as well as findings in the June 27, 2006 City Council Agenda Report are hereby adopted.

SECTION 6. The City Council finds and determines that this ordinance complies with CEQA and the Environmental Review Officer is directed to cause to be filed a Notice of Determination with the appropriate agencies.

SECTION 7. The record before this Council relating to this Project application includes, without limitation, the following:

1. the Project application, including all accompanying maps and papers;
2. all plans submitted by the Project applicant and his representatives;
3. all staff reports, decision letters and other documentation and information produced by or on behalf of the City, including without limitation the EIR and supporting technical studies, and all related/supporting materials, and all notices relating to the Project application and attendant hearings;
4. all oral and written evidence received by the City staff, City Planning Commission and City Council before and during the public hearings on the application and appeal;
5. all matters of common knowledge and all official enactments and acts of the City, such as (a) the General Plan; (b) Oakland Municipal Code, including, without limitation, the Oakland real estate regulations, Oakland Fire Code; (c) Oakland Planning Code; (d) other applicable City policies and regulations; and, (e) all applicable state and federal laws, rules and regulations.

SECTION 8. The custodians and locations of the documents or other materials which constitute the record of proceedings upon which the City Council's decision is based are respectively: (a) Community & Economic Development Agency, Planning & Zoning Division, 250 Frank H. Ogawa Plaza, 3rd Floor, Oakland CA.; and (b) Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st floor, Oakland, CA..

SECTION 9. If any part of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this ordinance, and this Council hereby declares that it would have passed the remainder of this ordinance if such invalid portion thereof had been deleted.

SECTION 10. This Ordinance shall be in full force and effect immediately upon its passage as provided by Section 216 of the City Charter, if adopted by at least six members of Council, or upon the seventh day after final adoption if adopted by fewer votes.

SECTION 11. That the recitals contained in this resolution are true and correct and are an integral part of the City Council's decision.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES-

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

APM.

Notice and Digest

City Ordinance adopting the First Amendment to the Broadway/MacArthur/San Pablo Area Redevelopment Plan revising the Land Use Designation for the Kaiser Permanente Oakland Medical Campus from various designations to Institutional

The purpose of this ordinance is to revise the land use designations for the Kaiser Permanente Oakland Medical Center as indicated on the Broadway/MacArthur/San Pablo Area Redevelopment Plan Land Use Diagram from various designations to Institutional.

City Ordinance establishing the Kaiser Permanente Oakland Medical Center Zoning District (KX Zone) as Chapter 17.XX in the Oakland Planning Code, rezoning the Project site from various zones to the KX Zone and terminating the March 1992 Contract Rezoning Agreement (authorized by Ordinance No. 11361 C.M.S.)

The purpose of this ordinance is to establish a new Kaiser Permanente Oakland Medical Center Zoning District (KX Zone) as Chapter 17.XX in the Oakland Planning Code. It is also intended to rezone the Kaiser Permanente Oakland Medical Center from various zones to the new KX Zone and terminate the March 1992 Contract Rezoning Agreement as authorized by Ordinance No. 11361 C.M.S.

2006 JUL -1 PM 2:18

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DEPUTY CITY ATTORNEY

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION ADOPTING THE KAISER PERMANENTE OAKLAND MEDICAL CENTER MASTER PLAN

WHEREAS, the 20.6-acre site of the Kaiser Permanente Oakland Medical Center (OMC) campus, located generally at the intersection of Broadway and MacArthur Boulevard, is currently located in the S-1 Medical Center, C-40 Community Thoroughfare Commercial, C-25 Office Commercial, R-50 Medium Density Residential, R-70 High Density Residential, R-19 Broadway Auto Row Interim Study Combining Zoning, and S-18 Mediated Design Review Combining Zone by the Oakland Zoning Regulations; and

WHEREAS, the current zoning does not provide for a consistent nor comprehensive set of regulations, development standards or design guidelines that recognize the OMC Campus; and

WHEREAS, the Project proposes to provide a comprehensive set of land use regulations, development standards and design guidelines that would be consistently applied to the long term development of the entire OMC Campus; and

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA"), the City issued a Notice of Preparation ("NOP"), indicating an intent to prepare an Environmental Impact Report ("EIR") on the Project; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the scope of the Draft EIR ("DEIR") on April 13, 2005; and

WHEREAS, a DEIR on the Project, SCH #2005032134, was released by the City and circulated for public review and comment from March 2, 2006 to April 17, 2006; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the DEIR and the Project on March 22, 2006; and

WHEREAS, the Final EIR ("FEIR") was published on May 26, 2006; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on the FEIR and the Project on June 7, 2006; and

WHEREAS, on June 7, 2006, the Planning Commission certified the EIR and adopted related CEQA findings, and recommended approval of a General Plan amendment to the City Council, recommended approval of a Redevelopment Plan Amendment to the Redevelopment Agency and the City Council, and recommended approval of termination of the previously approved contract rezoning, creation of a new KX zone, rezoning the OMC to the new KX zone, and approval of a Master Plan to the City Council; and

WHEREAS, the Planning Commission found, in part, that the OMC Campus Master Plan (“Master Plan”) is consistent with the overall goals, objectives, and policies of the General Plan to help create, maintain and enhance an area that is appropriate for health services and medical uses; and

WHEREAS, the Planning Commission also found that the Master Plan is consistent with and integral to the OMC Campus (KX) zoning district and will assist in guiding development of the OMC Campus; and

WHEREAS, the Community and Economic Development Committee of the City Council held a duly noticed meeting on June 13, 2006; and

WHEREAS, the City Council and the Oakland Redevelopment Agency held a duly noticed joint public hearing on June 27, 2006; and

WHEREAS, all interested parties were given the opportunity to participate in the public hearing by submittal of oral and written comments; and

WHEREAS, the public hearing was closed by the City Council and the Redevelopment Agency on June 27, 2006; now, therefore, be it

RESOLVED: That the City Council, as the final decision-making body of the lead agency, confirms and adopts (i) the environmental findings made and adopted by the Planning Commission, as set forth in *Exhibit 1* (“CEQA Findings”) of this resolution, prior to taking action on the Project and (ii) the Conditions of Approval and Mitigation Monitoring and Reporting Program attached as *Exhibit 2* of this resolution; all incorporated by reference herein.

FURTHER RESOLVED: That the City Council finds that it is necessary, desirable, and in the public interest to adopt the Master Plan as an integral component of the OMC Campus (KX) Zoning District for the reasons set forth herein and in the June 27, 2006 City Council Agenda Report.

FURTHER RESOLVED: That the City Council adopts the Master Plan attached to this resolution as *Exhibit 6*, and the findings of the City Planning Commission as summarized in the above recitals, as well as findings in the June 27, 2006 City Council Agenda Report.

FURTHER RESOLVED: That the City Council finds and determines that this Resolution complies with CEQA and the Environmental Review Officer is directed to cause to be filed a Notice of Determination with the appropriate agencies; and be it

FURTHER RESOLVED: That the record before this Council relating to this Project application includes, without limitation, the following:

1. the Project application, including all accompanying maps and papers;
2. all plans submitted by the Project applicant and his representatives;
3. all staff reports, decision letters and other documentation and information produced by or on behalf of the City, including without limitation the EIR and supporting technical studies, and all related/supporting materials, and all notices relating to the Project application and attendant hearings;
4. all oral and written evidence received by the City staff, City Planning Commission and City Council before and during the public hearings on the application and appeal;
5. all matters of common knowledge and all official enactments and acts of the City, such as (a) the General Plan; (b) Oakland Municipal Code, including, without limitation, the Oakland real estate regulations, Oakland Fire Code; (c) Oakland Planning Code; (d) other applicable City policies and regulations; and, (e) all applicable state and federal laws, rules and regulations; and be it

FURTHER RESOLVED: That the custodians and locations of the documents or other materials which constitute the record of proceedings upon which the City Council's decision is based are respectively: (a) Community & Economic Development Agency, Planning & Zoning Division, 250 Frank H. Ogawa Plaza, 3rd Floor, Oakland CA.; and (b) Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st floor, Oakland, CA; and be it

FURTHER RESOLVED: That the recitals contained in this resolution are true and correct and are an integral part of the City Council's decision.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES-

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

**THE BACKUP MATERIAL FOR
THIS ITEM
IS AVAILABLE FOR VIEWING IN THE
OFFICE OF THE CITY CLERK, CITY OF
OAKLAND, ONE FRANK H. OGAWA
PLAZA, OAKLAND, CA 94612**

**LaTonda Simmons
City Clerk and
Clerk of the City Council**