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OFFICE OF THE CITY CLERK
OAKLAND

CITY OF OAKLAND

AGENDA REPORT

2008 FEB 14 PM 2:34

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Community and Economic Development Agency
DATE: February 26, 2008

RE: **A Status Report on the Kaiser Medical Center Project Job Training, Minority Hiring, and Other Local Objectives**

SUMMARY

The facility expansion project currently under way at the Kaiser Medical Center, in the general area of the intersection of Broadway and West MacArthur Boulevard, has received a number of entitlements from the City of Oakland as part of the project approval process. This report provides an update from Kaiser about the voluntary outcomes it has achieved on certain job training, minority hiring and local hiring objectives on this project to date.

FISCAL IMPACT

This is an informational report; as such, no fiscal impacts are included.

BACKGROUND

At the Public Works Committee meeting of September 11, 2007, during the discussion of a request for an underground encroachment sought by the Kaiser Foundation Hospitals, staff were asked to return to the Committee at a future date with an update on the status of entitlements awarded to Kaiser as part of its ongoing facility expansion project. This request was subsequently clarified to staff as seeking an update on the status of local hiring and job training outcomes achieved by Kaiser through this project.

At the meetings of both the Public Works and Community and Economic Development Committees of January 8, 2008, staff from Kaiser presented data and answered questions regarding the Medical Center project to date, including information on the hiring of local, minority and women residents, and on the contracting with local, minority, and women-owned businesses. The Committees asked that Kaiser return with additional information to be presented to the Public Works Committee. The additional information from Kaiser is included with this report as follows:

Attachment A: A letter from the Kaiser Permanente Oakland Medical Center Replacement Team providing the answers to eight questions from the Public Works and Community and Economic Development Committee members on January 8.

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Attachment B: A list of subcontractors on the Medical Office Building portion of Phase I of the project, with indications of which of the local and diversity contracting goals each firm represents.

Attachment C: A list of the subcontractors on the Parking Structure portion of Phase I of the project, with indications of which of the local and diversity contracting goals each firm represents.

In addition to the information furnished by Kaiser, City staff have included as Attachment D copies of the Conditions of Approval for the project which the City Council adopted at its meeting of June 27, 2006.

KEY ISSUES AND IMPACTS

Councilmembers have expressed an interest in hearing about actions Kaiser has taken through this project to voluntarily work towards a number of local Oakland contracting, hiring and training goals. None of the approvals or entitlements granted by the City of Oakland on this private development project were conditioned on the attainment of any particular local hiring or job training benchmarks. However, the self-imposed goals adopted by Kaiser, as described in this report and in its January 8, 2008 report, are equal to the goals the City requires on its publicly-funded projects in the areas of Local and Small Local Business Enterprise contracting and Local Resident Employment. In the areas of contracting with minority and women-owned businesses, and the employment of local residents who are minorities and women, where Kaiser has set itself the goals shown in Attachment A, the City has no such program.

As Kaiser staff described in their January 8 presentations, information on contracting and employment provided thus far covers Phase I of the expansion project, which includes the medical office building, the parking structure, and the remodel of the existing 4501 Broadway administrative building. Kaiser's Phase II will include the construction of the new hospital building itself. That construction will be governed by California's Office of Statewide Health Planning and Development (OSHPD), which imposes particularly stringent seismic safety and other standards on hospital construction. City staff believe that these standards are likely to reduce the number of firms qualified to contract on the hospital construction phase, and may make meeting Kaiser's local contracting goals more difficult.

Staff with the City's Department of Contracting and Purchasing have been meeting with Kaiser staff on these issues. A synopsis of their recent discussions is also included in Attachment A.

SUSTAINABLE OPPORTUNITIES

Economic: The retention and expansion of the Kaiser Medical Center in Oakland adds employment opportunities for Oakland residents, and supports other Oakland businesses in the area of the Center.

Environmental: The continued presence of the Kaiser Medical Center in Oakland helps to minimize vehicle travel required of Oakland residents for medical care appointments, and of Oakland residents working at Kaiser.

Social Equity: The presence of a major medical facility in Oakland helps maintain medical care proximate to local residents for whom extensive travel in order to receive medical attention might prove burdensome.

DISABILITY AND SENIOR CITIZEN ACCESS

The expansion and modernization of the Kaiser Medical Center facilities includes design elements which make the Center more accessible to seniors and those with disabilities.

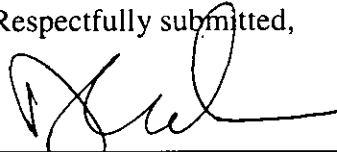
RECOMMENDATION(S) AND RATIONALE

This is an informational report only; no recommendations are included.

ACTION REQUESTED OF THE CITY COUNCIL

This is an informational report only; no recommendations are included.

Respectfully submitted,



Dan Lindheim

Director

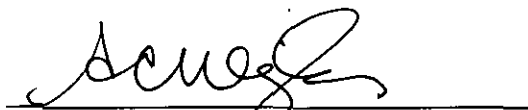
Community and Economic Development Agency

Prepared by:

James A. Bondi, Agenda Coordinator

Community and Economic Development Agency

APPROVED AND FORWARDED TO THE
PUBLIC WORKS COMMITTEE:



Office of the City Administrator

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**KAISER PERMANENTE
OAKLAND MEDICAL CENTER REBUILD PROJECT
Phase 1 Outreach Report
Oakland City Council Public Works Committee Follow Up:
February 26, 2008**

This letter is following Kaiser Permanente Oakland Medical Center Replacement Team's January 8, 2008 presentation to the Council committees about its efforts to engage the local community in its construction project. The team was asked to come back in February with responses to some questions.

1. What are the contracting results from the Parking Structure?

Contracting results from the Parking Structure, the MOB and 4501 Broadway Administrative Office Remodel are displayed in the table below.

The results for the MOB are updated from last month. The Parking Structure is shown. A third project, an Administrative Office Remodel at 4501 Broadway, is also shown. The General Contractor is Pankow, which has an office in Oakland.

- A. **MOB:** on contract value of \$51 million with McCarthy, \$17.9 million or 35% are Local/MBE/WBE.
- B. **Parking Structure:** on a contract of \$21 million with Overaa Construction, there is \$2.5 million in Local/MBE/WBE subcontracts, or 11.9%.

Work Category	Goal	Average of all three projects	MOB	Parking Structure	4501 Broadway
LBE	20%	26.8%	33%	12%	35.5%
SLBE	10%	6.3%	15%	2%	1.8%
MBE	24%	19.2%	15%	15%	42.4%
WBE	7%	3.1%	9%	43%	0%
DVBE	3%	0%	0%	0%	0%

Minority business (MBE) breakdown by ethnicity for the MOB is as follows:

- 35% African American
- 9% Asian American
- 2% Hispanic
- 1% Other

Information from the other two projects is being compiled. The results available thus far are as listed above.

2. What were the results for local hiring and ethnicity?

The following information is available on local, minority and women hiring, based on work performed to date:

Goals	MOB	Parking Structure	Pankow
50% Local Residents	10.4%	5.6%	Not available yet
50% Minority	73.0%	33.4%	
6.9% Women	1.2%	0.3%	

Workforce ethnicity information on the MOB project to date is as follows:

6.75% African American
 1.23% Asian American
 51.30% Hispanic American
 13.72% Other

Information from the other two projects is still being compiled.

The Kaiser Permanente team is continuing to develop its Hiring Plan. Working with the Unions, the Apprenticeship programs and our three contractors, our goal is to improve the participation of local residents, minorities and women as the work progresses.

3. A list of the subcontractors on the projects is provided as an attachment to this document, with indications of which are local, MBE and WBE.

4. What was the cost of creating small bid packages beyond what a more typical large package approach would have cost?

When discussing contracting strategies for a project such as the Kaiser Permanente Oakland MOB, we look at tangible and intangible costs and benefits.

The tangible costs include the outreach and monitoring effort. Intangible costs would be the limiting of competition.

The intangible benefits include the positive impact on our local community and sense of ownership of the project.

For the MOB, these tangible costs amounted to .8% of the construction contract. Kaiser Permanente and McCarthy Building Companies, Inc. believe that the monetary costs incurred as a result of the outreach and solicitation efforts on this project are secondary to our desire to foster and maintain partnerships within the local community that are mutually economically beneficial and promote long term cooperation and community spirit. *

*The Parking Garage and 4501 Broadway are Design Build contracts, and these costs are not broken out as such.

5. Additional encroachments and permits yet to be requested on the project

- A. Design Review approval for Phase 2 Hospital, Central Utility Plant, Parking Garage and Hospital Support Building (in progress)
- B. Building permits for Parking Garage and Hospital Support Building
- C. Master Sign Plan approval (in progress)
- D. Encroachment permits for shoring tie-backs under street, canopies, etc.
- E. P-Job (street improvement) permit for Phase 2
- F. Conditional Use Permit for 4501 Broadway, Administrative Office Building Remodel (in progress)
- G. Tree removal permits
- H. Demolition permits
- I. Excavation permits
- J. NPDES permits

6. Meeting with City of Oakland, Department of Contracting and Purchasing

On January 15, 2008, Kaiser Permanente, National Facilities Services, Diversity Services staff, Joanna Davison, Manager and Ariana Willie, Program Manager met with City of Oakland, Department of Contracting and Purchasing staff, Jonothan Dumas, Local Employment Supervisor and Shelly Darensburg, Compliance Officer. Diversity Services presented the Oakland Medical Center Rebuild Project update information previously shared at the January 8th City Council meetings. Contracting and Purchasing staff expressed satisfaction with the efforts made thus far and requested that we provide them with the following information/items:

- Breakdown of workforce results by ethnicity
- Complete Schedule R – Subcontractor, Supplier, Trucking Listing,
- Listing of why targeted small contractors did not bid
- Determine whether there are still design assist opportunities on Phase 2 of the project

It was agreed that the requested information be provided in conjunction with the follow-up items requested for the Public Works Committee meeting on February 26, 2008.

The Department of Contracting and Purchasing shared a number of best practices and offered their support on efforts going forward. Both Mrs. Darensburg and Mr. Dumas provided useful information pertaining to their experience with various contracting and workforce initiatives. Mrs. Darensburg agreed to assist in identifying contractors and firms certified by the City currently working on the project as well encouraging that firms not certified by the City apply for certification. We look forward to continuing our re-established working relationships with the Department of Contracting and Purchasing.

7. What were the reasons that some of the targeted outreach subcontractors did not bid on our project?

Some of the reasons that were given to us at the time were:

- a) Project was too big or too long.
- b) They were unable to get to the bid (forgot, too busy, not enough resources)
- c) Staff turnover
- d) Non-consecutive work schedule
- e) Thought they wouldn't be competitive.

8. Are there still design assist opportunities for Phase 2 of the project?

Yes, design assist packages are being prepared for structural steel, mechanical, electrical and plumbing work. These will be packaged to encourage local participation.

Diversity Subcontractor Listing – Medical Office Building Project

Type of Work	Company Name	City	Local (LBE)	Small Local (SLBE)	Minority (MBE)	Gender	Small (SBE)	City of Oakland Certification	Other Certifications
Outreach	A Squared Ventures	Oakland	x	x	x	F	x		Port of Oakland
Shoring	Aliquot & Associates	Oakland	x	x		M	x	x	
Plumbing (2 nd Tier)	American Brass and Iron	Oakland	x			M			
Flooring	Anderson Carpet	Oakland	x			M		x	
Partitions/Lockers, Garage Asset Mgmt	Baines Group	Oakland	x	x	x	M	x	x	Port of Oakland
Rigging (2nd Tier)	Bigge Crane & Rigging	San Leandro	x	x		M	x		Port of Oakland
Hoists/Lifts	Cabrillo Hoist	San Leandro				M	x		
CIP Concrete	Central Concrete	Oakland	x			M	x	x	
MMRP Coordinator	Construction Clerical Unlimited	Oakland	x	x	x	F	x	x	Port of Oakland
Cubicles/Fire Extinguishers & Cabinets/Entrance, Mats/Shades/Site Furnishings	Corbin Building	Oakland	x	x	x	M	x	x	Port of Oakland
Site Concrete	Core Concrete	Hayward				F			
Web-Based CP Reporting	Elation Systems	Oakland	x	x	x	M	x	x	Port of Oakland

Diversity Subcontractor Listing – Medical Office Building Project

Type of Work	Company Name	City	Local (LBE)	Small Local (SLBE)	Minority (MBE)	Gender	Small (SBE)	City of Oakland Certification	Other Certifications
Wall & Corner, Guards/Residential, Appliances	Focon	Oakland	x	x	x	M	x	x	Port of Oakland
Fireproofing	Freas Plastering Company, Inc.	Concord				M			
Painting/Anti-Graffiti/Epoxy	George Masker	Oakland	x			M		x	Port of Oakland
Fencing	Golden Bay Fence Company	Hayward			x	M			
Rebar	Handy Rebar	Oakland	x	x	x	M	x	x	Port of Oakland
Ceramic Tile	KZ Tile	San Francisco			x	M			
Shoring Materials	Level Construction Supply	Oakland	x			M		x	
Painting (2 nd Tier)	Master Piece Painting	Oakland	x		x	M			
Site Concrete/Site Demo	McGuire & Hester	Oakland	x			M		x	Port of Oakland
Plumbing (2 nd Tier)	Meyer Plumbing Supply	Oakland	x			M			
Drywall (2 nd Tier)	NorCal Scaffolding	Oakland	x			M		x	
Landscaping/Irrigation	RMT Landscape Contractor, Inc	San Leandro	x	x		M	x		Port of Oakland
Masonry/Unit Pavers/Precast	Spencer Masonry	Oakland	x	x	x	M	x	x	Port of Oakland

Diversity Subcontractor Listing – Medical Office Building Project

Type of Work	Company Name	City	Local (LBE)	Small Local (SLBE)	Minority (MBE)	Gender	Small (SBE)	City of Oakland Certification	Other Certifications
Hazmat/Demo	Sterling Environmental	Oakland	x	x					Port of Oakland
Earthworking Trucking	STI Trucking	Santa Cruz			x	F			
Site Security	Stowe Security	Oakland	x	x	x	M	x		
Demo	Thomas D Eychner Co	Oakland	x	x		M			Port of Oakland
Plumbing (2nd Tier)	Temper Insulation	San Francisco			x	M			
Overhead Coiling Doors	The Smith Company, Inc	Roseville				M	x		
Drywall/Taping Materials	Westside Alta Building Material	Oakland	x			M			Port of Oakland
Access/Security Controls	William D White	Oakland	x	x		M	x	x	Port of Oakland

Subcontractor Listing - Parking Structure – C. Overaa and Co.

Type of Work	Company Name	City	Local (LBE)	Small Local (SLBE)	Minority (MBE)	Gender	Small (SBE)	City of Oakland Certification	Other Certifications
Painting	A&B Painting	Oakland	x			M			
Signage	Adelphia DBA AGS (KP NPA)	Exton				M			
HVAC	Bay City Mechanical	Fremont				M			
Metal Framing & Drywall	Bayside Interiors, Inc	Fremont				M			
Cable Railing	Cable Moore, Inc	Oakland		x	x	W	x		HUBZone
Site Concrete	Casey-Fogli Concrete Contractors	Hayward				M			
Reinforcing Steel	CMC Steel Fabricators	Emeryville				M			
Masonry	Creative Masonry	Livermore				M			
Surveyor	F3 & Associates	Benicia				M			
Concrete Supply	Hansen Aggregates	Pleasanton Oakland Office	x			M			
Doors, Frames, Hardware	Interstate Door	San Francisco				W	x		

Subcontractor Listing - Parking Structure – C. Overaa and Co.

Type of Work	Company Name	City	Local (LBE)	Small Local (SLBE)	Minority	Gender	Small (SBE)	City of Oakland Certification	Other Certifications
Shotcrete	Joseph J Albanese, Inc	Santa Clara				M			
Formwork	McClone Construction Co	Shingle Springs				M			
Scaffolding	Nor-Cal Scaffolding	San Leandro	x	x	x	M	x		
Structural Steel, Metal Decking, Stairs, Railings & Misc, Ornamental Metal	Olson & Co Steel	San Leandro	x			M			Port of Oakland
Elevator	Otis Elevator	San Francisco				M			
Expansion Joints, Metal Siding	Ray L Hellwig Mechanical	Santa Clara				M			
Electrical	Rosendin Electric	San Jose				M			
Overhead Doors	The Smith Co	Roseville				M	x		
Fire Protection	Transbay Fire Protection	Pleasanton				M			
Plumbing	Westates Mechanical	San Leandro	x			M			Port of Oakland - Local Business
Roofing	Westech Roofing, Inc	Berkeley				M			
Parking Equipment	William D White	Oakland		x		M	x		

ATTACHMENT D

Conditions of Approval for the Kaiser Permanente
Oakland Medical Center Campus Master Plan

As Approved by the Oakland City Council, June 27, 2006

EXHIBIT 2

KAISER PERMANENTE OAKLAND MEDICAL CENTER CAMPUS MASTER PLAN

CONDITIONS OF APPROVAL

General Conditions:

1. Conditions of Approval/Mitigation Monitoring and Reporting Program

All mitigation measures and standard conditions of approval identified in the Kaiser Permanente Oakland Medical Center Master Plan EIR (Kaiser EIR) are included in the Mitigation Monitoring and Reporting Program (MMRP) which is included in these conditions of approval and are incorporated herein by reference, as Exhibit A, as conditions of approval of the project. The MMRP, in certain instances, has been further refined and/or clarified by the conditions of approval contained herein. To the extent that there is an inconsistency between the MMRP and the conditions, the more restrictive conditions shall govern. The project sponsor (also referred to as the Applicant or Kaiser) shall be responsible for compliance with all applicable mitigation measures adopted and with all conditions of approval set forth below at its sole cost and expense, and subject to the review and approval of the City of Oakland. The MMRP identifies the time frame and responsible party for implementation and monitoring for each mitigation measure. Overall monitoring and compliance with the mitigation measures will be the responsibility of the Planning and Zoning Division.

2. Severability

Approval of the Kaiser Zoning District, rezoning to the Kaiser Zoning District, rezoning to the Kaiser Zoning District, Master Plan, General Plan Amendment and Redevelopment Plan Amendment (collectively called "Approvals") would not have been granted but for the applicability and validity of each and every one of the specified mitigations and conditions, and if any one or more of such conditions and mitigations is found to be invalid by a court of competent jurisdiction, these Approvals would not have been granted without requiring other valid conditions and/or mitigations consistent with achieving the purpose and intent of such approval.

3. Effectiveness

Except for the general plan amendment and Agency approval of the Redevelopment Plan amendment, each of the Approvals shall not become effective unless and until all the Approvals are all granted/adopted by the Oakland City Council and/or Oakland Redevelopment Agency, as appropriate.

4. Modification of Conditions or Revocation

Violation of any term, condition, mitigation measure or project description relating to the Approvals is unlawful, prohibited and a violation of the Oakland Municipal Code. The City reserves the right, after notice and public hearing, to revoke the Approvals or alter these Conditions/Mitigation Measures or to initiate civil and/or criminal enforcement and/or abatement proceedings if it is found that the approved facility is violating any of the Conditions/Mitigation Measures or the provisions of the Planning Code or Municipal Code, or operates as or causes a public nuisance.

5. Recording of Conditions of Approval and Mitigation Monitoring Plan

Prior to issuance of demolition or building permit or commencement of activity: The project sponsor shall execute and record with the Alameda County Recorder's Office a copy of these Conditions and the MMRP on a form approved by the Zoning Administrator. Proof of recordation shall be provided to the Zoning Administrator.

6. Reproduction of Conditions and Mitigations on Demolition and Building Plans

Prior to issuance of demolition permit or building permit or commencement of activity: These Conditions and the MMRP shall be reproduced on page one of all plans submitted for a demolition or building permit for this project.

7. Indemnification

The project sponsor shall defend (with counsel reasonably acceptable to the City), indemnify, and hold harmless the City of Oakland and the Oakland Redevelopment Agency, its agents, officers, and employees (collectively called "City") from any claim, action, or proceeding (including legal costs and attorney's fees) against the City to attack, set aside, void or annul, the Approvals by the City of Oakland, the Office of Planning and Building, Planning Commission, City Council, or Redevelopment Agency. The City shall promptly notify the project sponsor of any claim, action or proceeding and the City shall cooperate fully in such defense. The City may elect, in its sole discretion, to participate in the defense of said claim, action, or proceeding. The project sponsor shall enter into a agreement acceptable to the Office of the City Attorney which memorializes this condition within ten (10) business days of a claim, action or proceeding being filed challenging the Approvals. This condition shall survive any termination/ extinguishment of the Approvals by a court of competent jurisdiction.

Specific Conditions:

8. Existing Hospital Tower Demolition

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 thirty-six months from the date of completion of Phase 2.

9. Transportation Demand Management (TDM) Program and Shuttle

Final approvals for Phase 1 shall be conditioned upon implementation of a TDM program to be implemented by Kaiser and effectively monitored by the City, as required in MMRP Mitigation Measure

B.1.a, which is the May 24, 2006 Nelson-Nygaard Report (but **not** the May 23, 2006 Alternative Transportation Solutions (Altrans) report), as revised herein. Funding for monitoring, reporting and review of the TDM program shall be provided by Kaiser through an escrow-type funding mechanism with the City. The escrow-type account should be funded for five (5) years in advance assuming a cost of \$20,000 for the survey and \$10,000 for the City review, or \$30,000 per year for 5 years, = \$150,000. The fund shall be replenished by Kaiser such that it does not drop to below \$50,000. Enforcement of the TDM program, as with other conditions of approval, shall be in accordance with the enforcement process outlined in Planning Code Chapter 17.152

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 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 MB Garage. If Kaiser cannot achieve a 12.5% decrease of the baseline 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.

In addition to the CEQA requirements for a TDM program, the TDM program described in MMRP Mitigation Measure B.1.a. is also designed to promote the City's Transit First Policy of the general plan, reduce parking demand and lessen parking impacts on adjacent neighborhoods and to promote good urban design by reducing the number and size of parking facilities. Therefore MMRP Mitigation Measure B.1.a. also is imposed as a separate non-CEQA condition of approval.

10. Reducing Traffic Conflicts at New Hospital

Prior to issuance of Building Permits for Phase 2 and subject to City Design Review and approval, final design and construction for the new Replacement Hospital and parking garage should consider the following: :

- 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) Limited parking in the parking spaces on 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.

11. Reducing Traffic Conflicts, at Broadway MOB

Prior to issuance of Building Permits for Phase 1 and subject to City Design Review and approval, final design and construction for the parking facility associated with the new Broadway medical office building should consider the following:

- 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 generally be limited to employees only, with exceptions of radiation therapy patients.
- d) Create design solutions to encourage drivers exiting the garage heading northbound to use Broadway rather than using Manila or Shafter Streets.

12. Reducing Traffic Conflicts on Manila Avenue and Shafter Avenue

Subject to City review and approval, public improvements to be provided as part of Phase 1 shall include the extension of 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 prior to October 31, 2006 to establish a baseline, and then immediately after completion of Phase I and then annually for a period of 2 years after the West Broadway MSB and Garage are in full operation. Additionally, Kaiser shall monitor traffic volumes and speeds on Manila Avenue and Shafter Avenue between MacArthur Boulevard and 38th Street immediately after completion of Phase 2 and then annually for a period of 2 years after the new hospital and parking 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, prohibitions on right turns from MacArthur Boulevard onto Manila or Shafter Avenues, or other potential roadway or turning movement closures, should be considered if and when excessive traffic volumes or speeding are observed. If determined necessary and 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.

13. Reducing Traffic Conflicts on Richmond Boulevard Neighborhoods

Subject to City review and approval, public improvements to be provided as part of Phase 2 shall include the extension of the existing median on MacArthur Boulevard at this intersection to eliminate left turns from westbound MacArthur Boulevard to Richmond Boulevard and a "no U-turn" sign at the median opening at Leighton to prohibit hospital traffic from using residential streets in this neighborhood.

- a) Kaiser shall regularly monitor traffic volumes and speeds on Richmond Boulevard, Westall Avenue, Warren Avenue, Croxton Avenue and Randwick Avenue prior to October 31, 2006 to establish a baseline, and then immediately after completion of Phase 2 and then annually for a period of 2 years 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 other potential roadway or turning movement closures should be considered if and when excessive cut-through traffic volumes or speeding, or

vehicles traveling the wrong way on a one way street are observed. If determined necessary and 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.

14. Reducing Cut-through Traffic on Howe Street

The City shall, upon approval of the Master Plan and in consultation with local residents, and in accordance with all legal requirements, initiate all steps necessary to close Howe Street as a through street between MacArthur Boulevard and 38th Street. If approved by the City, Kaiser shall fund the improvements.

15. Parking Management

Kaiser shall implement the following, subject to review and approval by the City, to ensure that the provision of parking spaces in conjunction with measures to lessen parking demand would result in minimal adverse effects to project occupants and visitors and surrounding neighborhoods (where there are no restrictions on on-street parking and on-street parking is free), and that any secondary effects (such as on air quality due to drivers searching for parking spaces) would be minimized:

- a) In the interim Phase 1 period, before completion of the new garage in Phase 2, provide valet parking in the existing Howe and West Broadway Garages for employees.
- b) Implement an automated parking space counting system into the overall design and construction of each of the major parking facilities, including the existing Howe Street Garage. Electronic changeable message signs shall be installed at parking entrances and at the major roadways providing access in the area to inform drivers of the location and number of available parking spaces. This would maximize utilization of all parking facilities and reduce excessive circulation and driver frustration.
- c) Designate and clearly sign or delineate parking areas for either employees or patients and visitors. In the multistory garages (Howe, West Broadway, and M/B Garages), patients and visitors should be assigned to the lower levels and employees to the upper levels. Since employees generally have lower turn-over rates, assigning them to the upper levels reduces overall vehicle circulation in the garages.
- d) Provide separate entrances and exits for employees and patients/visitors where possible.
- e) Regularly monitor parking occupancy for employees and patients/visitors and modify parking designations if necessary.
- f) Provide preferential parking for employee carpools at the Howe, West Broadway and M/B Garages, and shall regularly monitor carpool parking demand and supply and modify the carpool parking supply if necessary.
- g) Pursue the extension of the current lease at the Caltrans Parking Lot located under the I-580 freeway.

- h) If possible satellite parking locations suitable for Kaiser are identified during development of the project, the project sponsor should conduct additional detailed analysis for the City to consider and evaluate at that time.

16. Residential Parking Permits.

Kaiser shall work with the City of Oakland to implement, expand or further continue a Residential Parking Permit (RPP) or Residential Parking Benefits Assessment District (RPBAD) 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. At a minimum, the streets to be included in the RPP program are listed in Exhibit 2-C. The RPP restricts on-street parking by non-residents to less than two hours during the weekdays. If approved by the City, Kaiser shall fund the RPP programs for 50 years. Kaiser funding shall be used for establishment efforts needed to create or expand the RPP/RPBAD area, as well as increased enforcement and maintenance of the program, including the annual permit fee for residents (including those residents who already have their fee paid by Kaiser as mitigation for the Fabiola Building). If approved, the RPP programs should be considered for implementation before the demolition of the MVB Center parking garage or upon completion of the Phase 2 parking garage, depending on the level of success that the TDM program may achieve as well as the level of success that Kaiser may achieve in their efforts to locate additional satellite parking. To the extent possible, the City will explore using surplus/excess revenues from enforcement of the RPP program to reimburse Kaiser for costs of establishing and maintaining the RPP programs.

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.

18. Piedmont Avenue/Howe Street Parking Garage

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 and shall include additional lighting and signage and other appropriate amenities for the existing pedestrian path connecting between Howe and Piedmont. All identified improvements shall be subject to additional Design Review and shall be completed prior to occupancy of Phase 2

18.1 Landscape on Broadway

Prior to issuance of Phase 1 building permit, Kaiser shall submit a landscaping plan for the utility shed area near the current patient entrance to the existing hospital on Broadway for City review and approval. If approved by the City, Kaiser shall fund and implement the improvements immediately.

18.2 Landscape and Park Improvements

Kaiser shall add landscaping to the medians around the project area, and make a negotiated financial contribution to the City towards the maintenance of the medians and Mosswood Park as set forth in an agreement to be reached before the issuance of any building permit for Phase 1.

18.3 Serenity Garden

The serenity garden as proposed by Kaiser along Manila Street shall remain as a private open space garden and shall not be used or redeveloped for any other use.

18.4 Central Utility Plant

As described in the Kaiser Master Plan Project EIR, the design and construction of the Central Utility Plant (CUP) shall include:

- a) Cooling towers shall be located within the enclosed structure of the CUP to meet the Oakland Noise Ordinance standards.
- b) Boilers shall be of the low nitrogen oxide (NOx) type to control nitrogen oxide emissions and shall be natural gas fired to minimize particulate matter emissions.
- c) Operations of the CUP shall be subject to permits pursuant to the Bay Area Air Quality Management District's Regulation 2 requirements.

18.5 Ambulance Sirens

Consistent with current Kaiser policy and practice, it shall be the continuing policy to encourage all ambulances turn off sirens within 3 blocks of the hospital.

18.6 Reducing Traffic Conflicts on 38th Street and Cerrito

Kaiser shall regularly monitor traffic volumes and speeds on 38th Street east of Broadway and on Cerrito Avenue prior to October 31, 2006 to establish a baseline, and then immediately after completion of Phase 1, and then annually for a period of 2 years after the West Broadway MSB and Garage are in full operation.

- a) Kaiser 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 other potential roadway or turning movement closures should be considered if and when excessive cut-through traffic volumes or speeding, or vehicles traveling the wrong way on a one way street are observed. If determined necessary and approved by the City, Kaiser shall fund the improvements.

Other Conditions of Approval, to be Implemented as part of Subsequent Project Approvals

19. Construction Management

Prior to issuance of building permit: The project sponsor shall submit a Construction Phasing and Management Plan, incorporating all applicable mitigation measures contained in the MMRP (especially B.10) for the Project. This plan shall also include the following additional measures and standards:

- a) A site security and safety plan to assure that grading and construction activities are adequately secured during off-work hours.
- b) A fire safety management plan for all phases of work, including provisions for access, water, and other protection measures during grading and construction activities.
- c) A construction litter/debris control plan to ensure the site and surrounding area is kept free of litter and debris

20. Recycling Space Allocation Requirements

Prior to issuance of building permit: The design, location and maintenance of recycling collection and storage areas shall substantially comply with the provision of the Oakland City Planning Commission "Guidelines for the Development and Evaluation of Recycling Collection and Storage Areas", Policy 100-28 and with the recycling space requirements of the Planning Code. The recycling location and area shall be clearly delineated on the plans. All trash areas shall be adequately screened as provided on the plans reviewed as part of this approval.

21. Lighting Plan

Prior to issuance of building permit: An exterior lighting plan shall be submitted for review and approval by the Planning Director prior to issuance of any building permits. The lighting plan shall include the design and location of all exterior lighting fixtures or standards, and said lighting shall be installed such that it is adequately shielded and does not cast glare onto adjacent properties or into the public right-of-way (unless advantageous to the operation of adjacent public facilities). This plan shall include details and specifications shall be provided for all exterior lighting on the project site, including within the public right-of-way, such as decorative light poles, wall-mounted fixtures, recessed fixtures, architectural lighting, pathway and garden lights, and similar fixtures.

The applicant shall maintain all on-site lighting to meet the State Business and Professions Code Section 25612, providing enough illumination to identify loiterers standing in the immediate vicinity of the site. Such illumination shall remain on during all hours of darkness when the campus is open, but shall be shielded to a point below the light bulb and reflector and not cast unnecessary glare onto adjacent residential properties.

22. Special Inspector

Throughout demolition and construction: The project sponsor shall be required to pay for the staff time of the on-call special inspector(s) as stipulated by the prevailing labor management agreement, or as directed by the Building Official. Prior to issuing any construction-related permits (including demolition and grading permits), the project sponsor shall establish a deposit, in an amount determined by the Building Official, with the Building Services Division to fund a special inspector who shall be available as needed, as determined by the Building Official or the Planning Director. If the deposited amount proves to be insufficient, then within five (5) calendar days of a written request from the Building Official/Planning Director to provide additional funding, the project sponsor shall deposit said amount with the Building Services Division.

23. Litter Control

Prior to issuance of the first building permit for each Phase: A litter control plan that ensures that the premises and surrounding area are kept free of litter shall be submitted to and approved by the Zoning Administrator. The Plan shall include, but not be limited to:

- a) Distribution of proposed locations of litter receptacles on site and in the public right-of-way;
- b) A management schedule for keeping the premises and surrounding area in a one-block radius free from litter originating from the operation of the future medical center activities. The number of times per day litter is to be collected will be based on the results of a baseline study, to be completed by Kaiser within two months of Master Plan approval; and
- c) Sweeping and trash collection of the premises, the public sidewalk, and the gutter area of the public street immediately adjacent to the project, as needed to keep the area free of litter.

24. Master Improvement Plan and Improvements in the Public Right-of-Way

Prior to Finalization of P-Job: The project sponsor shall submit a detailed improvement plan prepared by a licensed Civil Engineer, with all conditions and requirements as set forth in these Conditions of Approval, for the private property and the public rights of way, including but not limited to curbs, gutters, pedestrian ways, sewer laterals, storm drains, street trees, paving details, locations of transformers and other above ground utility structures, the design, specifications and locations of the water pumping facilities required by the East Bay Municipal Utility District (EBMUD), street lighting, on-street parking, accessibility and all other required public improvements required to comply with all applicable City standards, including the landscaping plans, the street tree locations, and planting specifications. This plan shall be reviewed and approved by the City Engineer. Encroachment permits shall be obtained as necessary for any applicable improvements.

25. Electrical Facilities

Prior to Installation: All electrical and telephone facilities, fire alarm conduits, street light wiring, and similar facilities shall be placed underground. Electric and telephone facilities shall be installed in accordance with standard specifications of the servicing utilities. Street lighting and fire alarm facilities shall be installed in accordance with the standard specifications of the Building Services Division.

26. Bicycle Parking.

Prior to the issuance of certificate of occupancy: The applicant shall submit for review and approval of the Planning and Zoning Division, plans that show bicycle storage and parking facilities in an amount determined by the Development Director. The plans shall show the design and location of bicycle racks within the secure bicycle storage areas. The applicant shall pay for the cost and installation of any bicycle racks in the public right of way.

27. Landscape, Irrigation and Street Tree Permit and Tree Removal Permit

- a) Landscape and Irrigation Plan, *Pursuant to Design Review:* The applicant shall submit for review and approval by the Planning and Zoning Division, a detailed landscape and irrigation plan prepared by a licensed landscape architect or other qualified person. Such plan shall show all

landscaping on the site maintained by an automatic irrigation system or other comparable system. The landscaping plan shall include a detailed planting schedule showing sizes, quantities, and specific common and botanical names of plant species. Fire and drought-resistant species are encouraged.

- b) Landscaping Maintenance, *Ongoing*: All landscaping areas and related irrigation shown on the approved plans shall be permanently maintained in neat and safe conditions, and all plants shall be maintained in good growing condition and, whenever necessary, replaced with new plant materials to ensure continued compliance with all applicable landscaping requirements. All landscaping shall be served by an automatic irrigation system. All paving or other impervious surfaces shall occur only on approved areas.
- c) Installation of Landscaping and Bonding, *Prior to issuance of certificate of occupancy*: The applicant shall install all proposed landscaping indicated on the approved landscape plan prior to the issuance of a certificate of occupancy, unless bonded pursuant to the provisions of Section 17.124.50 of the Oakland Planning Code. The amount of such bond or cash deposit shall equal the greater of \$2500 or the estimated cost of the required landscaping, based on a licensed contractor's bid.
- d) Street Trees, *Prior to issuance of building permit*: The number of street trees, their spacing and location and species types shall be subject to review and approval by the Public Works Agency and Building Services.
- e) Tree Removal Permit, *prior to issuance of the demolition or grading permit*: The project sponsor must obtain a tree removal permit, and/or tree protection permit as needed, from the Public Works Agency, and abide by the conditions of that permit, prior to construction adjacent to, or removal of, any protected trees located on the project site or in the public right-of-way adjacent to the project site.

28. Parking and Driveways

- a) Parking and Driveway Design, *Prior to issuance of building permit*: All parking and driveways shall be designed according to all City codes and be approved by the Building Services Division.
- b) Closure of Parking Lot after Hours, *Ongoing*: To the extent practical, parking lots or portions of parking lots not used for 24-hour hospital operations shall be secured by an approved barrier chain and locking device within one (1) hour after the close of business and shall remain secured until one (1) hour prior to the opening of business, pursuant to the standards included in City Ordinance No. 12390, with access only granted to tenants and police. This condition shall not apply to necessary hospital-related parking facilities.
- c) Parking and Circulation Plan, *Prior to issuance of building permit and prior to final inspection*: The applicant shall submit a Parking and Traffic Circulation Plan for review and approval by the Planning and Zoning Division. This plan shall include wheel stops for all parking spaces, and pavement marking and striping that delineate the driveways and traffic paths to be used by the general public and deliveries. All wheel stops, pavement markings and striping, as approved by the Planning and Zoning Division shall be installed prior to final inspection.

- d) **Parking Lot Lighting, *Ongoing*:** The exterior lighting fixtures which serve the parking area shall be equipped with daylight sensors that will automatically turn the lights on at dusk and off at sunrise, and that shall be adequately shielded to a point below the bulb and reflector, and that shall prevent unnecessary glare onto adjacent properties.
- e) **Designated Carpool Parking, *Ongoing*:** The applicant shall designate on-site parking spaces by marking, either with a small sign at the head of the parking stalls or stenciled lettering painted within the parking stalls that reads: "Carpool Parking Only".
- f) **Uncovered Rooftop Parking, *Ongoing*:** Parking on the top level of the West Broadway parking structure shall be prohibited after 6:00 pm. The applicant shall place signage at conspicuous location within the garage stating this limitation.
- g) **Recharge Stations for Electric Vehicles, *Prior to issuance of building permits and ongoing*:** The applicant shall submit for review and approval of the Planning and Zoning Division, plans that show parking spaces designed to accommodate and function as recharge stations for electric vehicles. Electrical conduit shall be stubbed in accordingly as part of construction of the project and shall be documented in the final building permit plans approved for the project.

29. Public Improvements (Specific)

Prior to issuance of any building permits: Final building and improvement plans shall include the following components:

- a) Install additional standard City of Oakland streetlights.
- b) Remove and replace any existing driveway that will not be used for access to the property with new concrete sidewalk, curb and gutter.
- c) Reconstruct drainage facilities to current City standards.
- d) Provide separation between sanitary sewer and water lines to comply with current City of Oakland and Alameda Health Department standards.
- e) Construct wheelchair ramps that comply with Americans with Disability Act requirements and current City Standards.
- f) Remove and replace deficient concrete sidewalk, curb and gutter within property frontage.
- g) *Prior to commencement of construction activity:* Concrete sidewalks shall be constructed to connect the existing sidewalk to all internal sidewalks and paths. This sidewalk shall be constructed to the specifications of the Building Services Division and the Public Works Agency, and it shall be the applicant's responsibility to secure all necessary City permits, including but not limited to an encroachment permit.

30. Underground Utilities and Meter Shielding

Prior to issuance of building permits: The applicant shall submit plans for review and approval of the Planning and Zoning Division, Building Services Division and the Public Works Agency, and other

relevant agencies as appropriate, plans that show all new electric and telephone facilities; fire alarm conduits; street light wiring; and other wiring, conduits, and similar facilities placed underground by the developer from the applicant's structures to the point of service. The plans shall show all electric and telephone facilities installed in accordance with standard specifications of the serving utilities.

Prior to Installation: All electrical and telephone facilities, fire alarm conduits, street light wiring, and similar facilities shall be placed underground. Electric and telephone facilities shall be installed in accordance with standard specifications of the servicing utilities. Street lighting and fire alarm facilities shall be installed in accordance with the standard specifications of the Building Services Division.

Prior to issuance of building permits: The applicant shall submit for review and approval by the Planning and Zoning Division, plans showing the location of any and all utility meters, transformers, and the like located within a box set within the building, located on a non-street facing elevation, or screened from view from any public right of way.

31. Payment for Public Improvements

Prior to receiving first occupancy permit: The applicant shall pay for and install public improvements made necessary by the project.

32. Traffic Safety Signage

Upon completion of the public street improvements and prior to acceptance of such improvements by the City: The applicant shall implement a sign and pavement marking system consistent with City Standards, Fire Department standards, and Traffic Division requirements that clearly delineate the street frontages to be used for on-street parking, and those areas where parking is prohibited. Other directional traffic signs shall also be included in this system for all new and existing public street frontages of the project.

33. On-site Clean-up

Ongoing: The applicant shall clear litter and debris from the premises at least once daily, or as needed to maintain a litter free environment. A portable ashtray, if used, shall remain outside in a location near the entrance and common areas during all times that the building is open for business. The ashtray and litter receptacle shall be emptied as often as needed to prevent overflowing.

34. Right-of-way Clean-up

Ongoing: The applicant shall clear the sidewalk and gutter areas along the OMC campus edge of litter and debris at least once daily or as needed to control litter. The applicant shall sweep or mechanically clean the sidewalk with steam or equivalent measures at least once per month.

35. Creek Protection Permit, Standard Conditions

Prior to approval of Design Review for Phase I: The design for Phase I of the OMC Master Plan (the Broadway Medical office building and parking garage) may be modified by creek protection conditions and design review conditions as may be attached and incorporated.

- a) Creek Protection Permits shall become effective upon satisfactory compliance with all conditions. Permits shall expire one (1) calendar year from the date of the permit, unless actual construction or

alteration, or actual commencement of the authorized activities in the case of a permit not involving construction or alteration, has begun under necessary permits. Upon written request and payment of appropriate fees submitted no later than the expiration date, the Zoning Administrator may grant an extension of this date.

- b) Projects approved pursuant to the Creek Protection Ordinance shall comply with all other applicable codes, requirements, regulations and guidelines imposed by other affected departments, including but not limited to the City's Planning and Zoning Division, Building Services Division, and the Fire Chief. Minor changes to approved plans may be approved administratively by the Zoning Administrator. Major changes to the approved plans shall be reviewed by the Zoning Administrator.
- c) No deviation shall be made from any required creek protection measures without prior written approval from the City Planning & Zoning Department. The City of Oakland reserves the right at any time during construction to require certification by a licensed professional that the as-built project conforms with all applicable Creek Protection Ordinance requirements. Failure to construct the project in accordance with Creek Protection Ordinance requirements, approved plans and Conditions of Approval may result in the City taking enforcement action, including without limitation: issuing a stop work order, remedial reconstruction, delays in obtaining any Certificate of Occupancy, imposing additional conditions, and/or revocation of permits.
- d) At least one (1) copy of the approved plans, along with the Approval Letter and Conditions of Approval, shall be available for review at the job site at all times.
- e) The project sponsor shall defend (with counsel reasonably acceptable to the City), indemnify, and hold harmless the City of Oakland and the Oakland Redevelopment Agency, its agents, officers, and employees (collectively called "City") from any claim, action, or proceeding (including legal costs and attorney's fees) against the City to attack, set aside, void or annul, the Approvals by the City of Oakland, the Office of Planning and Building, Planning Commission, City Council, or Redevelopment Agency. The City shall promptly notify the project sponsor of any claim, action or proceeding and the City shall cooperate fully in such defense. The City may elect, in its sole discretion, to participate in the defense of said claim, action, or proceeding. The project sponsor shall enter into a agreement acceptable to the Office of the City Attorney which memorializes this condition within ten (10) business days of a claim, action or proceeding being filed challenging the Approvals. This condition shall survive termination/extinguishment of the Approvals by a court of competent jurisdiction.
- f) Final plans submitted for Building Permit shall be in substantial compliance with all Creek Ordinance requirements and Creek Protection Permit Conditions of Approval. The Building Permit shall not be issued until reviewed and approved by the Building Official.
- g) The applicant/owner(s) shall record the conditions of approval attached to the creek protection permit with the Alameda County Recorder's Office in a form prescribed by the Director of City Planning.