



REQUEST FOR PLANNING COMMISSION ACTION

MEETING DATE: NOVEMBER 19, 2020

TITLE: CONDITIONAL USE PERMIT MODIFICATION (00816357-PCPM) FOR A PROPOSED EXPANSION TO HOAG HOSPITAL IRVINE AND REQUEST TO CLASSIFY THE NEW SQUARE FOOTAGE AS ADDITIVE



Director of Community Development

RECOMMENDED ACTION

- 1) Conduct public hearing.
- 2) Adopt Resolution No. 20-3802 – A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF IRVINE, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT MODIFICATION (FILE NO. 00816357-PCPM) TO INCREASE THE NUMBER OF HOSPITAL BEDS FROM 166 TO 391, EXPAND THE HOSPITAL BY APPROXIMATELY 432,152 SQUARE FEET FROM 575,559 SQUARE FEET TO APPROXIMATELY 1,007,711 SQUARE FEET, AND TO CLASSIFY THE NEW SQUARE FOOTAGE AS ADDITIVE DEVELOPMENT INTENSITY; LOCATED AT 16200 SAND CANYON AVENUE IN PLANNING AREA 13 (IRVINE SPECTRUM 4); FILED BY LPA DESIGN STUDIOS, ON BEHALF OF HOAG HOSPITAL IRVINE.

EXECUTIVE SUMMARY

LPA Design Studios, on behalf of Hoag Hospital Irvine (HHI), submitted a Conditional Use Permit Modification to increase the number of hospital beds from 166 to 391, expand the hospital by approximately 432,152 square feet from 575,559 square feet to approximately 1,007,711 square feet, and to classify the new square footage as additive development intensity consistent with Zoning Ordinance Section 9-0-3(c), as amended by Ordinance 19-13.

The project site has a General Plan Land Use Designation of Research/Industrial and is zoned 5.5 Medical and Science. The project is located at 16200 Sand Canyon Avenue and is generally bounded by Sand Canyon Avenue to the north, Alton Parkway to the west, a 4.22-acre Southern California Edison easement to the south, and the San Diego Creek Trail to the east (PC Attachment 1).

The proposed project complies with applicable sections of the City of Irvine's General Plan and Zoning Ordinance. Details regarding this application are provided in the Planning Commission Information Sheet (PC Attachment 2).

An Initial Study/Mitigated Negative Declaration (IS/MND) was prepared consistent with the California Environmental Quality Act (CEQA) to evaluate the potential impacts of the project. The IS/MND is supported by technical studies in the areas of air quality, greenhouse gas emissions, noise, and traffic. The IS/MND concluded that the proposed project will not have a significant impact on the environment.

The Planning Commission is the approval body for the IS/MND, the conditional use permit modification, and the additive request. Staff recommends that the Planning Commission adopt the IS/MND, and approve Conditional Use Permit Modification 00816357-PCPM, including the additive determination, based on findings of fact and subject to conditions of approval contained in Planning Commission Resolution No. 20-3802 (PC Attachment 5).

COMMISSION / BOARD / COMMITTEE RECOMMENDATION

Transportation Commission

A Traffic Study was prepared to analyze the proposed expansion of HHI. The Irvine Transportation Commission is scheduled to review the Traffic Study at its November 17, 2020 meeting. Staff will provide the Planning Commission with a verbal update of the Transportation Commission's action on November 19, 2020.

ANALYSIS

PROJECT BACKGROUND

The project site was first approved in December 1983 under Conditional Use Permit 83-CP-0465 and Preliminary Site Design 83-SD-0990 for a maximum entitlement of 575,559 square feet of hospital with up to 500 hospital beds, ancillary uses, and medical offices. Subsequent to these approvals, several minor modifications were approved.

City records currently indicate that the hospital campus consists of a 249,794 square-foot hospital with 166 hospital beds, a 10-story, 115,762 square-foot medical office building, and approximately 1,297 surface parking stalls on approximately 24.5 acres. Though the existing hospital campus has not developed to its full 1983 entitlement, the proposed expansion would nearly double the hospital's entitlement and exceed the Planning Area 13 development intensity allocation. As such, the project is a major modification, subject to Planning Commission review.

PROJECT DESCRIPTION

The applicant is requesting a conditional use permit modification to increase the number of existing hospital beds from 166 to 391, fewer than that permitted under original entitlement (500), and expand the hospital from 575,559 square feet to approximately 1,007,711 square feet, which is approximately 432,152 square feet over the original entitlement. The proposed expansion responds to changes in how medical services are delivered. This includes the decentralization of services, focus on specialized “institutes,” and an increase in-patient room sizes. The proposed site plan reflects these changes by coupling patient services and support facilities in close proximity to each other.

The proposed modification would occur in two phases and is anticipated to be completed by the end of 2025. Major components of each phase are highlighted below:

Phase 1:

- Addition of 130,000 square feet to accommodate the pharmacy, clinical laboratory, intensive care unit (24 beds), surgical suite, café, medical records, cashier, registration, worship center, gift shop and lobby.
- Addition of 356,740 square feet for 137 additional in-patient beds.
- Addition of two, five-level parking structures (over 700 stalls each in both the east and west parking structures).
- Addition of a 47,550-square-foot central utility plant.

Phase 2:

- Addition of 8,000 square feet for an auditorium and conference center.
- Addition of 130,000 square feet for hospital support facilities.
- Addition of 80,000 square feet to support 64 additional in-patient beds.
- Addition of 430 parking stalls to the five-level east parking structure.

The project includes nine new buildings of between two and four stories with varied heights that range from approximately 43 feet to 72 feet. Four of these buildings will be used for critical care services and are referred to as West Wing hospital, East Wing hospital, Women’s hospital, and the Digestive Health hospital on the project plans. Collectively, they will provide 225 in-patient beds. Three of the proposed buildings will house the ancillary services (i.e., non-critical care services). Services available in these buildings include, but are not limited to, radiographic imaging, some elective and ambulatory surgeries, gastroenterology, infusion therapy, breast care services, birthing center, pelvic health, urgent care, research offices and laboratories. The two remaining buildings include a conference center/auditorium, and the hospital’s central utility plant.

Materials for the proposed buildings will include integral color manufactured cladding for the primary structure surfaces with additional other accent cladding elements that soften

the entries. This cladding will consist of glazing, and metal panels and simulated wood elements. Additional metal cladding, in a form still being determined, is being considered in select locations to provide additional screening and interest on exterior elevations. Finally, all colors and materials proposed for the buildings will match and complement those used for other areas of the HHI campus expansion.

Vehicular access to the project site is provided from two existing signalized intersections. One of these is located on Sand Canyon Avenue (Driveway A), the other is located on Alton Parkway (Driveway B). No improvements are needed to these intersections to support the project. A new right-in only access is proposed off of Alton Parkway approximately 300 linear feet north of the existing signalized intersection (Driveway B). Additionally, the project includes an internal sidewalk network to interconnect the campus buildings. These will also connect to public sidewalks on Sand Canyon Avenue and Alton Parkway as well as adjacent properties.

The proposed project requires 1,816 parking spaces, and the project provides 1,993 parking spaces, the majority of which will be located within two proposed five-level parking structures. Additionally, the proposed project will also provide approximately 25 surface parking stalls. The parking structures are located along the west and east property line of the hospital campus. Building materials for the proposed parking structure will include painted concrete with architectural cladding elements. This cladding will consist of glazing and metal panel elements at the primary stair tower and elevator cores. Additionally, all colors and materials proposed for the parking structures will complement the building colors and materials proposed for the HHI expansion. Landscaping consisting of ground cover, shrubs, and trees will be installed along Alton Parkway and along the internal loop road to screen the proposed parking structures from public streets and adjacent properties. Notwithstanding these treatments, the applicant will consider other options that will improve architectural detailing and screening to minimize the use of blank concrete facades on the parking structures. Staff included a condition of approval (Condition 4.15) in the project's resolution to have the applicant submit architectural screening methods for the parking structures subject to the satisfaction of the Director of Community Development.

As mentioned earlier, the proposed project is a phased expansion and the applicant has secured an adjacent temporary off-site parking lot to the south of the HHI campus. This off-site parking lot was approved by the Zoning Administrator on October 28, 2020 and will serve two purposes. First, to make up for the existing surface parking spaces that will be displaced during the phased construction of the HHI expansion, and second for construction staging and contractor parking. The project plans (PC Attachment 3) include a phased parking plan for the HHI expansion and verify that parking requirements will be in compliance for each phase of construction.

ADDITIVE SQUARE FOOTAGE

As part of the project, the applicant is requesting that approximately 432,152 square feet of the hospital campus expansion be classified as additive development intensity. The 432,152 square feet of development intensity includes approximately 304,152 square feet of hospital space, and 128,000 square feet of hospital ancillary support space. Currently, the existing development intensity and remaining development intensity for HHI is already classified as additive development intensity in the City's database. General Plan Land Use Element Objective A-4 and Zoning Ordinance Section 9-0-3.C allows certain institutional uses to be classified as "additive." Depending on the nature of the use, either its square footage or dwelling units may exceed the cap for the planning area. Institutional land uses are described in the General Plan and defined in the Zoning Ordinance. A hospital is one of the types of institutional uses that may be classified "additive" if criteria required by Objective A-4 of the General Plan Land Use Element are satisfied.

Pursuant to Zoning Ordinance Section 9-0-3.C, as amended by City Council Ordinance 19-13, additive requests may be made in conjunction with discretionary applications that address development intensity.

To be classified additive, land uses must satisfy the following criteria from General Plan Land Use Element Objective A-4:

- A. All significant environmental impacts are mitigated to a level of insignificance; and
- B. Infrastructure capacity under existing and future (build out) conditions can accommodate additional development in the areas of circulation, fire, police, water, and flood control services; or
- C. Development intensity under the adopted land use category is exchanged for intensity to accommodate institutional development in the areas of circulation, fire, police, water, and flood control services within the same planning area.

The first criterion requires additive requests to perform an analysis similar to or coextensive with that required by the California Environmental Quality Act (CEQA). The second or third criteria ensure that adequate services exist or will exist to serve the proposed development.

The additive request complies with the first criterion of Objective A-4. The applicant has prepared a Mitigated Negative Declaration (MND) pursuant to California Environmental Quality Act (CEQA) guidelines. The Mitigated Negative Declaration is supported by technical studies in the areas of Air Quality, Greenhouse Gas Emissions, Noise, and Traffic. The scope of this MND evaluates the potential impacts resulting from up to an additional 432,152 square feet of development intensity due to the requested additive classification.

City Transportation Department staff and a contract environmental firm peer reviewed the submitted studies and the project's MND. This evaluation found that there would not be any significant new or substantially different environmental impacts resulting from the additional development intensity. Please see the Environmental Determination section below for further information (PC Attachment 4).

The additive request also complies with the second criterion of Objective A-4 relating to accommodating additional development in the areas of circulation, fire, police, water, and flood control services. The proposed project of up to 432,152 square feet of additive development intensity was analyzed as a part of the MND.

Infrastructure capacity under existing and future (build out) conditions will accommodate any additional circulation, fire, police, water and flood control services required for the proposed increase to additive square footage. Furthermore, emergency service providers (police and fire) have reviewed the proposed development to ensure that the site is designed to facilitate effective responses to calls for service. Additionally, the MND includes a chapter addressing Utilities and Service Systems and analyzed the project's potential impacts to potable and recycled water, wastewater, storm water, electric power, natural gas, and telecommunications infrastructure systems.

The MND finds that the project would not require or result in the relocation or construction of new or expanded facilities for water, wastewater treatment, storm drainage, electric power, natural gas, or telecommunications as the existing facilities are capable of serving the project. As it specifically relates to potable water usage, the project's usage represents 0.7 percent of the 2035 projected surplus water supply in Irvine Ranch Water District's (IRWD) service area. Per IRWD's most recent Urban Water Management Plan, the projected 2035 water surplus represents the worst-case scenario. The proposed project would not necessitate new or expanded water facilities because the project's water demand can be met by IRWD's supplies during a single dry year scenario, a multiple dry year scenario, and the long-term worst case scenario. As for electricity, the project would raise demand above existing levels. This was also analyzed in the MND, which determined a net increase of 15,625,707 kilowatt hours. This represents 0.01 percent of Orange County's total electrical demand. The MND assumes all electricity would be supplied by Southern California Edison (SCE). In reality, however, only a portion of this demand would be supplied by SCE as the project includes the expansion of a central utility plant to supply a significant portion of its power. Additionally, the project incorporates energy reduction strategies through the use of energy efficient appliances and equipment and provides infrastructure for future photovoltaic solar cells on the new parking structures, and compliance with CALGreen standards. As such, the project was found to not have a significant impact to electric supply systems that would necessitate new or upgraded infrastructure.

Moreover, the existing street network can accommodate more vehicle trips than those that will result from the hospital campus based on the traffic impact analysis that was completed for this project. The traffic impact analysis found that the additional development intensity of up to approximately 432,152 square feet would not cause traffic impacts that exceed adopted thresholds of significance.

With respect to General Plan criterion #3, referenced above, related to the exchange of intensity to accommodate institutional development, this is not applicable to this request because no exchange of intensity is proposed.

For the reasons listed above, the HHI expansion project with a request that 432,152 square feet of development intensity meets the criteria to be classified as “additive” and staff supports the request. This determination is consistent with criteria set forth in the General Plan Land Use Element and Zoning Ordinance.

Because the development intensities listed in the conditional use permit modification plans are often times refined during code compliance review of building permit submittals, the square footage memorialized as additive will be adjusted to match issued building permits consistent with the intent of this approval.

GENERAL PLAN COMPLIANCE

The project site is designated as “Research/Industrial” in the City’s General Plan. This land use category includes uses intended for the manufacturing, research and development, storage, and distribution of materials or products; administrative, professional, and business offices associated with manufacturing uses; and employee-oriented retail services. The General Plan includes statistical information and maximum intensities listed in Table A-1 for all residential and non-residential development. As identified in Table A-1 of the General Plan, Planning Area 13 has an allotment of 3,558,010 square feet of non-residential intensity. Of this, approximately 255,414 square feet remains available within the Planning Area. The project’s scope exceeds the remaining allotment. Thus, as discussed above, the project seeks to be classified as additive. If that request is approved the project will conform to the City’s General Plan because additive development intensity does not count against the non-residential intensity cap. The proposed project would not impact the amount of non-residential development intensity remaining in Planning Area 13. Additionally, the types of uses proposed for the project site are consistent with the land uses contemplated by the General Plan. Therefore, the proposed conditional use permit modification is consistent with the General Plan of the City of Irvine.

Additionally, Figure B-1 from the Circulation Element of the General Plan identifies Sand Canyon Avenue as a 6-lane major highway to improve roadway capacity at buildout. Currently, as it crosses the 405 Freeway, Sand Canyon Avenue is a 4-lane major highway. A traffic study was prepared to determine the project’s short-term and long-term

Level of Service (LOS) traffic impacts. The traffic study indicated that all study area intersections are forecast to operate at satisfactory LOS, with the exception of Sand Canyon Avenue/I-405 southbound ramps. As a result, Hoag Hospital Irvine is required to provide a fair share contribution towards the widening of Sand Canyon/I-405 southbound ramps and northbound Sand Canyon Avenue. Specifically, a third eastbound left-turn lane at the southbound off-ramp and an additional northbound through lane on Sand Canyon would be required and these improvements are consistent with the City's General Plan Circulation Element. Hoag Hospital is aware of this requirement and concurs to pay the fair share contribution. A condition of approval (Condition of Approval 3.38) is included within the project's resolution to address this matter.

ZONING COMPLIANCE

The project site is designated 5.5 Medical and Science by the City's Zoning Ordinance. The proposed project proposes to increase the number of hospital beds from 166 to 391, and increase the hospital intensity on the project site from the originally approved 575,559 square feet to approximately 1,007,711 square feet for the phased expansion of HHI on about 24.5 acres. The proposed land use is consistent with the 5.5 Medical and Science zone and conforms to all applicable development standards. Compliance with applicable development standards are illustrated in PC Attachment 2. With respect to parking, the proposed project requires 1,816 parking spaces, and the project provides 1,993 parking spaces, the majority of which will be located within two proposed five-level parking structures. Additionally, the proposed project will provide approximately 25 surface parking stalls. Furthermore, the proposed parking structures will meet all landscape requirements of Zoning Ordinance Section 3-15-7 (Parking structure landscaping requirements) to minimize the use of blank concrete facades.

As an institutional use, the hospital does qualify to be classified as additive. If that request is granted, the new development intensity would not count towards the non-residential cap established for Planning Area 13 and the project will be in compliance with the Zoning Ordinance. If the request for additive classification is not approved, there is insufficient development intensity remaining in Planning Area 13 for the proposed project.

TRAFFIC IMPACT ANALYSIS

A Traffic Study was prepared consistent with the City's General Plan and Traffic Study Guidelines. The Traffic Study includes two types of analysis: (1) Level of Service (LOS), which is used to determine if improvements are needed to comply with the City's Traffic Study Guidelines; and (2) Vehicle Miles Traveled (VMT), which determines if mitigation is needed for the project pursuant to CEQA.

The traffic study for the proposed project indicated that all study area intersections are forecast to operate at satisfactory LOS, with the exception of Sand Canyon Avenue/I-405 southbound ramps. To address this LOS deficiency, as was described above under the

sub-heading of General Plan Compliance, Hoag Hospital Irvine will provide a fair share contribution towards the future buildout of this roadway improvement and these improvements are consistent with the City's General Plan Circulation Element.

Regarding the VMT analysis, the City's Vehicle Miles Traveled (VMT) traffic model was used to determine Project VMT. Based on the City's Guidelines, for non-residential projects, the project's nonresidential VMT per employee rate is evaluated against the non-residential VMT per employee threshold. If the project's non-residential VMT rate is less than or equal to the City's adopted non-residential VMT rate threshold, the project does not have a VMT impact, and no mitigation is required. If the proposed Project's nonresidential VMT rate is greater than the City's adopted nonresidential VMT rate threshold, the project has a VMT impact, and requires mitigation.

A Vehicle Miles Traveled (VMT) impact analysis was prepared in accordance with adopted guidelines. Based on the VMT analysis, the project's VMT rate is lower than the City's adopted VMT rate; therefore, the project meets the requirements of the City's Traffic Study Guidelines regarding VMT and the project would not create significant CEQA impacts.

PUBLIC OUTREACH

Public hearing notices were mailed to all property owners, residents, and homeowners associations within a 500-foot radius of the project site on October 26, 2020, and posted at City-designated locations and on the project site on November 2, 2020. Additionally, staff mailed out an "Early Notification" letter informing all property owners, residents, and homeowners associations of the project submittal, and staff mailed out a Notice of Intent (NOI) letter regarding the IS/MND for the proposed project. To date, staff has been contacted once in response to these notices regarding the proposed parking structures for the project. Staff responded accordingly and no further correspondence was received.

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act (CEQA) Section 15071, and in conformance with the City of Irvine's CEQA Guidelines, an Initial Study/Mitigated Negative Declaration (IS/MND) was prepared by the applicant for the proposed Hoag Hospital Expansion Project. The IS/MND evaluates the potential environmental impacts that may result from development of the project. The IS/MND considered all potential project impacts, including, but not limited to, those relating to air quality, greenhouse gas emissions, noise, and traffic. The applicant submitted technical studies to address the aforementioned issues. These studies were peer reviewed by a consultant retained by the City and determined to meet the City's requirements and standard of professional excellence.

The IS/MND concludes that the proposed project would not cause any significant impacts because revisions in the project have been made or agreed to by the applicant. The list

below identifies measures that will be conditioned upon the project to ensure that any potential environmental impacts remain less than significant. Mitigation Measures are included for the following sections of the IS/MND:

- *Cultural Resources – Mitigation Measure (MM-CUL-1) Cultural Resources Monitoring and Accidental Discovery.* MM-CUL-1 would be implemented to reduce Project-related impacts to archaeological resources to a less than significant level.
- *Geology and Soils - Mitigation Measure (MM-GEO-1) Compliance with the Recommendations in the Project Geotechnical Assessment.* MM-GEO-1 would be implemented to reduce Project-related impacts to geology and soils to a less than significant level.
- *Geology and Soils - Mitigation Measure (MM-GEO-2) Unknown Paleontological Resources.* MM-GEO-2 would be implemented to reduce Project-related impacts to paleontological resources to a less than significant level.
- *Hazards and Hazardous Materials – Mitigation Measure (MM-HAZ-1) Pre-demolition Surveys and Abatement of ACMs.* MM-HAZ-1 would be implemented to reduce construction-related impacts to hazards and hazardous materials to a less than significant level.
- *Public Services – Mitigation Measure (MM-PS-1) Construction Traffic Control Plan.* MM-PS-1 would be implemented to reduce Project-related impacts to emergency access during construction to a less than significant level.

ALTERNATIVES CONSIDERED

As an alternative to the recommended action, the Planning Commission could:

1. Determine not to classify the project as additive. This would require the project to be reduced in size to stay within the remaining non-residential development intensity of Planning Area 13 or request a General Plan Amendment and Zone Change to increase the non-residential development intensity; or,
2. Minimize the development intensity to be considered as additive by using up the remaining non-residential intensity within the Planning Area 13 first; or
3. Request design changes to the site plan as appropriate to address identified concerns; or
4. Request design changes to building architecture as appropriate to address identified concerns.

FINANCIAL IMPACT

As this area continues to develop, the City will continue to receive property taxes as well as sales tax generated by hospital employee/visitor consumer activities. These represent two on-going revenue streams to the City. This project will also incrementally increase costs associated with typical City services such as demand for police services or associated emergency services. The proposed project is estimated to be fiscally neutral to the City.

REPORT PREPARED BY Hernan DeSantos, Senior Planner

ATTACHMENTS

SC Attachment 1: Vicinity Map
SC Attachment 2: Planning Commission Information Sheet
SC Attachment 3: Conditional Use Permit Modification Plans
SC Attachment 4: Initial Study/Mitigated Negative Declaration
SC Attachment 5: Planning Commission Resolution No. 20-3802 approving Conditional Use Permit Modification (00816357-PCPM)

ec: Rick Wood, LPA Design Studios, rwood@lpadesignstudios.com
 Ginger Schulman, LPA Design Studios, gshulman@lpadesignstudios.com
 Greg Schneekluth, LPA Design Studio, gschneekluth@lpadesignstudios.com
 Tim Gehrich, Deputy Director of Community Development
 Kerwin Lau, Manager of Planning Services
 Bill Rodrigues, Principal Planner
 Kam Chitalia, Chief Building Official
 Claudia Landeras-Sobaih, Principal Plan Check Engineer
 Sun-Sun Murillo, Project Development Administrator
 Lisa Thai, Supervising Transportation Analyst
 Steve Sherwood, Assistant City Engineer
 Andrew Pham, Senior Civil Engineer
 Bruce Ramm, Public Safety Consultant
 Andrew Keyworth, Orange County Fire Authority

Files: 00800837-PTP and 00800835-PMP