

DATE ISSUED: November 25, 2005 REPORT NO. PC-05-236

ATTENTION: Planning Commission, Agenda of December 1, 2005

SUBJECT: CHILDREN'S HOSPITAL - PROJECT NO. 2784
PROCESS 4.

OWNER/
APPLICANT: Children's Hospital and Health Center, A Not-For-Profit California
Corporation, Owner (Attachment 10)
Greg Konar, Project Design Consultants, Applicant

SUMMARY

Issue(s): Should the Planning Commission approve a request for: a Conditional Use Permit to allow an expansion of Children's Hospital facilities (amending Conditional Use, Hillside Review and Resource Protection Overlay Zone Permit No. 87-1096); a Site Development Permit to allow development on a site containing environmentally sensitive lands; and a Planned Development Permit to allow a height deviation to accommodate construction of a parking structure and residential facility (Ronald McDonald House), within the Serra Mesa Community Planning Area?

Staff Recommendation:

1. **CERTIFY** Mitigated Negative Declaration (MND) Project No. 2784 and **ADOPT** the Mitigation, Monitoring and Reporting Program (MMRP) prepared for the Project; and
2. **APPROVE** Conditional Use Permit (CUP) No. 4741 (Amending Conditional Use, Hillside Review and Resource Protection Overlay Zone Permit No. 87-1096); Site Development Permit (SDP) No. 4742; and Planned Development Permit (PDP) No. 267312

Community Planning Group Recommendation: On September 15, 2005, the Serra Mesa Community Planning Group voted 9-0-1 to recommend approval of the project (Attachment 9).

Environmental Review: MND No. 2784 has been prepared for the project in accordance with State of California Environmental Quality Act (CEQA) Guidelines. A MMRP has been prepared and would be implemented with this project to reduce any potential impacts to resources identified in the Initial Study, to a level below significance. These resources were identified as biological and paleontological.

Fiscal Impact Statement: All staff costs associated with processing this project are recovered from a separate deposit account provided and maintained by the Applicant.

Code Enforcement Impact: None with this action.

Housing Impact Statement: The proposed 35-unit residential facility (Ronald McDonald House) as a part of the Children's Hospital and Health Center will result in no net impact on the housing capacity or inventory in Serra Mesa. The project will be for temporary short-term housing for families with children who are receiving medical treatment at the hospital. A nominal fee may be requested for such stays at the residential facility.

BACKGROUND

The approximately three-acre project site is located at a southeasterly portion of the 27-acre Children's Hospital and Health Center Campus, on the east side of Children's Way, south of Frost Street, west of Interstate 805, and north of Birmingham Way. The property is addressed as 3020 Children's Way, within the Serra Mesa Community. The site and surrounding area are designated for institutional (medical) complex use in the Serra Mesa Community Plan and are zoned CQ- 2 (Commercial-Office).

Surrounding properties located to the west are zoned CO-1-2, and developed with hospital and medical office uses (Sharp Memorial Hospital and Health Center Campus), also regulated by Conditional Use Permit. Properties located to the north across Frost Street are zoned CO-1-2 and developed with the San Diego Medical Center, which includes multi-story medical office uses and structured parking. Together with the Children's Hospital and Health Center, these properties comprise a total of approximately 79-acres, generally bounded by Highway 163 and Interstate Highway 805 to the north, west and east, and Genesee Avenue to the south.

On August 8, 1989, the City Council approved Conditional Use, Hillside Review and Resource Protection Overlay Zone Permit No. 87-1096. This Permit authorized a total of 505,931 sq. ft. of additions to the site, including a 100-bed children's hospital, a 120-bed patient wing, child convalescent hospital, medical office buildings, fiscal services building, 12 modular buildings, an energy plant, expansion of the existing diagnostic and treatment facilities and off-street parking facilities. That Permit supersedes all previously approved discretionary permits on the site and is included as Attachment 8.

On December 4, 1995, the City Council approved an agreement with Children's Hospital and Health Center (CHHC), Sharp HealthCare/Sharp Memorial Hospital (SHC/SMH), and San Diego Medical Center which referenced a long range plan for expansion and improvement. This Plan is intended to assure that public transportation infrastructure needs are met in connection with any future expansion. Council approval of this Agreement (Resolution No. RR-286734) is included as Attachment 12. This Agreement, known as the "Long Range Plan for Expansion and Improvement" (LRPEI), was approved in lieu of an earlier Council requirement that the three parties prepare a "Master Conditional Use Permit" (MCUP). The LRPEI had been intended to allow review of future expansion of any of the existing facilities in the context of the public infrastructure needs for the general area rather than for each health care facility, deleting the requirement for a MCUP. Due to the length of the LRPEI document, copies are being included with the Commissioner's packets and are being made available to the members of the public upon request.

The LRPEI specifies that future development applications by CHHC and SHC/SMH be reviewed for consistency with the LRPEI, and processed in accordance with the applicable provisions of the CUP ordinance and the underlying zone. The LRPEI does not vest any development rights.

DISCUSSION

Project Description

The project requires approval of discretionary actions which include a CUP (Amending CUP No. 87-1096), a SDP, and a PDP to accommodate further development of the parking structure and residential facility; development on premises containing environmentally sensitive lands (ESL); and a deviation to exceed the maximum 60-foot height allowed by the CO-1-2 Zone.

Conditional Use Permit

Land Development Code (LDC) Section 131.0522, Table 131-05B, requires an approved CUP (Process 4) for hospitals, intermediate care and nursing facilities located within the CO-1-2 Zone. LDC Section 141.0413 further regulates these as "separately regulated uses" and requires that - the design of the structures incorporate a variety of architectural elements that help diminish building bulk; the location of larger structures, areas of high activity, and parking areas be planned to minimize impacts to surrounding development that is smaller in scale and less intense; and access to the site be as direct as possible from freeways, primary arterials, and major streets and shall avoid residential streets.

Submitted elevation plans (Attachment 5) indicate that a variety of architectural elements have been incorporated into the design of the structure, which diminish bulk. A significant portion (four levels) of the parking structure is located below the street grade of Children's Way, which further reduces building bulk. Areas of high pedestrian activity related to the Ronald McDonald House are located atop the parking structure, away from vehicular traffic patterns. Direct

vehicular access to the site will be retained from adjacent freeways and arterials via existing streets. There are no residential streets in the vicinity.

Site Development Permit

LDC Section 131.0530 requires an approved SDP (Process 4) for the types of development identified in Table 143-03A, which includes properties containing environmentally sensitive lands (ESL).

The project site is located within the Multiple Species Conservation Plan (MSCP) Area, but is located outside of the Multiple Habitat Planning Area (MHPA). Approximately 2.4-acres of Diegan coastal sage scrub habitat will be impacted by the development. Impacts to environmentally sensitive lands will be mitigated through the payment of fees to the City of San Diego's MHPA habitat acquisition fund. This mitigation measure is included in the MMRP of MND No. 2784.

Planned Development Permit

LDC Section 126.0602 requires an approved PDP (Process 4) to accommodate development that does not comply with all base zone regulations of the underlying zone. LDC Sections 143.0402 and 143.0410 provide supplemental development regulations for developments for which a PDP is requested. These regulations include provisions for deviations, density and intensity, public transportation, parking and access, landscaping, fences and walls, signs, accessory structures and design.

The maximum height allowed in the CO-1-2 Zone is 60'-0". Submitted plans indicate that the proposed structure will observe a maximum height of 94'-6" in the east building elevation, and 90'-0" in the south building elevation. The bulk of the structure is embedded into the hillside of the sloping site, which will reduce visual impacts from public vantage points along Interstate 805 and Children's Way.

The Serra Mesa Community Plan allows flexibility regarding the height of structures located on lands designated for development as Health-Institutional Complex. Several existing structures on both the Children's and adjacent Sharp Memorial Hospital Campus exceed the 60-foot height limit. These structures include the Children's Medical Office Building (66 feet), the Rose Pavilion (88 feet), the north and south towers on the adjacent Sharp Hospital Campus (approximately 117 feet), and a new 117-foot main hospital building. A deviation to allow the proposed parking and residential structure to observe an increased height will allow for a more efficient use of available land on the campus. Incorporation of the residential element on top of the structure allows for additional articulation and detailed exterior treatments that enhance the appearance of the structure. The height deviation accommodates project enhancements consistent with the Community Plan.

Project

The project includes the phased development of a six-level parking structure, with a 35-unit residential facility (Ronald McDonald House) on a seventh level atop the parking structure. This residential facility will provide on-site living accommodations for family members of patients being treated at Children's Hospital. No medical treatment facilities will be provided. The length of stay at the Ronald McDonald House will vary depending on the severity of the child's illness, and may range from overnight to several months. The facility will provide 42,257 sq. ft. of enclosed space consisting of 16,007 sq. ft. for the living units (comprising space for 35 families); 21,120 sq. ft. of common living area; and 5,130 sq. ft. of office and storage area. Outdoor space will include an approximately 24,500 sq. ft. of courtyards, play and recreation areas.

Four levels of the parking structure will be located below the street grade of Children's Way. Two levels of the structure and the RMH will be located at or above the grade of Children's Way. This structure is designed to meet current and future parking needs associated with expansion on the Children's Hospital Campus. Development of the structure, and will eliminate the current need to lease off-site parking spaces located at the nearby National Guard Armory and the provision of shuttle service from this nearby facility.

Vehicular access to the six-level parking structure is provided via two access drives from Children's Way (Attachment 5). One access drive is located on a northerly portion of the uppermost level of the parking structure, at approximately street grade. A second access drive is located at the southerly portion of the structure at the second level. The project's appearance will resemble that of an adjacent parking structure located to the north. The structure will comprise a total of approximately 332,679 sq. ft. and include a total of 1,051 off-street parking spaces including 35 handicapped spaces.

The seventh level will comprise a 35-unit residential facility known as the Ronald McDonald House. This facility will include 34 guest units and one manager's unit (approximately 456 sq. ft. each). Each unit will contain two- to three- beds, with full bath, closet and sitting area. The facility also includes a communal kitchen, living and dining rooms, classrooms, recreation and storage/service areas, computer lab, library, chapel, laundry, reception area, offices and conference rooms. Exterior play area and courtyards are also provided. A 30- to 50-foot enhanced setback along Children's Way will include a meandering walkway, decorative paving, topiary and sculptural elements.

The parking garage and residential facility is proposed to be constructed on property primarily consisting of a large cut slope approximately 90-feet in height, the majority of which is located within CalTrans owned Interstate 805 right-of-way, westward of the southbound lanes. CalTrans is currently in the process of decertifying (vacating) this portion of excess right-of-way (Attachment 13). Project implementation is contingent on State approval of the final decertification and acquisition of the property by Children's Hospital and Health Center.

A total of 2.7-acres of the 2.97-acre (91%) site are proposed to be graded. Grading quantities to accommodate the development include a total of approximately 80,510 cubic yards of cut and 320 cubic yards of fill, with 80,190 cubic yards being exported off-site. Condition No. 22 of the draft Permit (Attachment 6) requires that this exported material be deposited at a legal disposal site. Proposed grading will result in manufactured fill slopes a maximum of four-feet in height and cut slopes a maximum of 40-feet in height (at a 2:1 slope ratio). Retaining/crib walls a maximum length of 625-feet with a maximum height of 48-feet will be utilized to support the structure.

The proposed design will embed the lower four levels of the structure into the hillside, below the street grade of Children's Way, which will minimize visual impacts. The upper two levels of the parking structure and the residential facility level will be visible above the street grade of Children's Way, observing a height of approximately 28- to 40-feet (west elevation). North and south elevations reflect maximum heights of 70- to 90-feet respectively.

Potential traffic impacts in the proposed project area were previously analyzed in the LRPEI. The proposed parking structure would not be a traffic generator and its trips were therefore not counted towards the traffic thresholds outlined in the LRPEI. The structure is planned to serve existing and future uses on the hospital campus. The only potential increase in local trips expected might be due to a shift of use of 200 off-site parking spaces currently served by an employee shuttle. The employees will likely use the proposed parking structure once it is constructed. These potential trips would not be expected to cause significant impacts.

Environmental Analysis

The City of San Diego Environmental Analysis Section conducted an Initial Study for the proposed project and determined that it could have significant environmental effects in the areas of biological and paleontological resources. Subsequently, a Mitigated Negative Declaration (MND) was prepared for this project, and revisions in the project proposal create the specific mitigation identified in Section V of the MND. The project as revised now avoids or mitigates to a level below significance, the potential significant environmental effects previously identified, and the preparation of an Environmental Impact Report was not required.

Conclusion

Staff has reviewed this project and determined it conforms to the purpose and intent of the applicable Land Development Code regulations, including the policies and guidelines of the Serra Mesa Community Plan and the Long Range Plan for Expansion and Improvement. Staff can therefore support the findings as contained in Attachment 7.

ALTERNATIVES

1. Approve Conditional Use Permit No. 4741 (Amending CUP No. 87-1096), Site Development Permit No. 4742, and Planned Development Permit No. 267312, with modifications; or
2. Deny Conditional Use Permit No. 4741 (Amending CUP No. 87-1096), Site Development Permit No. 4742, and Planned Development Permit No. 267312, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

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Attachments:

1. Aerial Photograph
2. Community Plan Land Use Map
3. Project Location Map
4. Project Data Sheet
5. Project Plans
6. Draft Permit with Conditions
7. Draft Resolution with Findings
8. Copy of Recorded Permit(s)
9. Community Planning Group Recommendation
10. Ownership Disclosure Statement
11. Project Chronology
12. Resolution RR-286734 (LRPEI Agreement)
13. CalTrans Decertification Letter dated 12-19-01