

PLANNING COMMISSION

CASE NUMBER: 2005-81-SPA/DA
APPLICANT: Palomar Pomerado Health, A California Health Care District
LOCATION: Planning Areas 4 and 5 within SPA 8
TYPE OF PROJECT: Specific Plan Amendment and Development Agreement

PROJECT DESCRIPTION: 1. A Specific Plan Amendment to the Escondido Research and Technology Center Specific Plan to add hospitals and related uses, including a heliport, to the list of permitted uses in Planning Area 4, alter the boundaries of Planning Areas 4 and 5, include new design guidelines and development standards for Planning Area 4, and establish a joint City/Palomar Pomerado Health District review process. 2. Development Agreement that would establish a 20-year term that would lock in current development standards, provide a public benefit payment, provide construction sales tax benefits, and provide for District contributions for the future extension of Citracado Parkway.

STAFF RECOMMENDATION: 1. Approval of the proposed amendment to the ERTC Specific Plan with the added language to address rideshare and carpooling opportunities. 2. Approve the associated Development Agreement

GENERAL PLAN DESIGNATION/TIER: SP (Specific Plan), Tier 1 – Vineyard

ZONING: SP

ENVIRONMENTAL STATUS: The Palomar Pomerado District asserted lead agency status by virtue of the fact they have the primary responsibility for implementing Proposition BB. Palomar Pomerado prepared an addendum to the Escondido Research and Technology Center Environmental Impact Report has been prepared to satisfy the requirement of the California Environmental Quality Act (CEQA). They prepared several technical studies to document that there were no new significant impacts and no new significant changes to previously identified impacts. The District certified the document at their meeting on December 6, 2005. The Notice of Determination was subsequently filed and the 30-day legal challenge period has elapsed with no challenges filed. Although the Commission may evaluate the adequacy of the document, CEQA provides that it be accepted unless challenged. The attorney for the lead agency will be present at the public hearing to clarify the test for the addendum. It is important to note that the test for the use of an addendum is whether the impacts of the proposal would have a significant impact as opposed to whether the proposal would have any impact. Examples where an addendum has been prepared for projects within Escondido are: the 39-lot residential project known as High Point, the Target/Mervyns Center, and the Citracado Road widening project.

BACKGROUND/SUMMARY OF ISSUES:

The Escondido Research and Technology Center (ERTC) Specific Plan was adopted on November 25, 2002.

Staff feels the issues are as follows:

1. Whether the expanded use would be compatible with the surrounding area.
2. Whether the site is adequate for the proposed medical campus.
3. Whether the environmental document complies with the procedures outlined in CEQA Section 15164.
4. Whether sufficient criteria has been included in the Specific Plan for decision-making by the Hospital District.
5. Whether parking ratios should be reduced based on availability of mass transit.

REASONS FOR STAFF RECOMMENDATION:

1. The proposed hospital use is similar to the previously permitted uses in the ERTC Specific Plan such as medical and dental, biotechnology, pharmaceutical, and X-ray uses already allowed within Planning Areas 4 and 5.

PC Staff Report
2005-81-SPA/DA

Minimum standards for the location and height of the proposed heliport services have been incorporated to deal with the constraints imposed by the adjacent power lines and plumes.

2. The application for a medical campus could be accommodated by the large flat area within the ERTC PA 4 and would be sufficient for the proposed hospital and ancillary uses since it would occur within an existing graded footprint with access to a major road. Access to the site would be provided by Hwy. 78 and I-15 and would therefore be centrally located to the service area.
3. Palomar Pomerado Health has asserted lead agency status and prepared an addendum to the FEIR for the ERTC Specific Plan reflecting the proposed changes of permitted use. These changes were evaluated relative to the assessment of impacts and mitigation measures provided in the FEIR and consequently did not significantly change any conclusions reached in the FEIR. Although there may be impacts from the proposed development, they have been determined to be less than significant.
4. The proposed revised specific plan establishes a ministerial City review for future hospital applications. The District seeks to limit the City's review to specific, objective criteria as opposed to subjective and discretionary criteria. The District requests this approach since the logistics and space planning needs of a hospital have many internal and external constraints that dictate grouping of uses and building massing. The applicant has revised the draft specific plan to include the City Council with the District to form a joint Hospital Design Advisory Board and to provide a minimum of two public workshops with the DRB.
5. The parking ratios could be reduced with the provision of mass transit shuttles and carpooling programs. This would accomplish a reduction in traffic on the surrounding roads as well as reducing the bulk and mass of the parking structures on-site.

Respectfully Submitted,

Diana Delgadillo
Associate Planner

ANALYSIS

A. LAND USE COMPATIBILITY/SURROUNDING ZONING

- NORTH - M1 - Industrial and offices
- SOUTH - County/A-70 – Vacant and residential
- EAST - IP – Light industrial
- WEST - RE-20, Residential

B. AVAILABILITY OF PUBLIC SERVICES

1. Effect on Police Service: The proposed project is located approximately 2 miles from the police station and would have a response time of 3 ½ minutes meeting the thresholds set forth by the City's Quality of Life Standards. The Police Department evaluated the request and expressed their ability to serve the site.
2. Effect on Fire Service: The proposed project is located over 3 miles from Fire Station No. 1, and has an anticipated response time of 8 minutes. Fire sprinklers are incorporated in the project since this response time is in excess of Quality of Life Standards. Page 41 of the revised Specific Plan incorporates fire protection measures that must be incorporated into future projects. In addition, depending on future tenant uses in the light industrial area, special fire protection systems, training, or other mitigation, as determined by the City Fire Marshal, would be required.
3. Traffic: A traffic study was prepared by LLG Engineers as part of the Addendum to the ERTC FEIR. The addition of the proposed hospital to the ERTC would generate 17,060 Average Daily Trips (ADT) which is approximately 6,950 ADT more than was anticipated for Planning Areas 4 and 5. The traffic study addressed an expanded area and the project includes fair-share contributions for off-site improvements including the restriping of the eastbound approach on West 9th Avenue at Auto Parkway to a right-turn lane, a shared through/right lane, and a left-turn lane and the provision of right-turn overlap phasing on the eastbound approach. The project will pay proportionate share or fund the improvements listed in the Traffic Study appended to the Palomar Pomerado Addendum. This obligation is set forth in the project Development Agreement.
4. Water: The project is within the Rincon del Diablo Water District which has treatment and storage capacity adequate to serve the proposal. Water will be supplied via an existing water line in Enterprise Street. The project will include an upgraded water line in the Citracado Parkway right-of-way. No additional offsite improvements are required.
5. Sewer: Waste water service will be collected and discharged to the HARRF via connections to an existing City sanitary sewer line in Citracado Parkway. The City's current treatment plant at the HARRF has a capacity of 18 mgd and is operating at 15.5 mgd. The project will generate 175,000 gallons/day. Improvements to the HARRF are proposed in five years.
4. Utilities: The proposal would not utilize substantial amounts of fuel or energy, or require the development of new sources of energy due to its limited size and energy requirements. The Engineering Department has indicated that the project would not materially degrade the level of service for sewer and water service.
5. Drainage: Landscaping is proposed for the subject site as a component of erosion control. Local detention basins are incorporated into the site design at major discharge points to reduce the peak-developed condition to levels below the existing condition peak flows. Maintenance of the detention basins will be the responsibility of the property owners through a landscape maintenance district, which will also maintain the landscaped slope areas. Additionally, a Storm Water Pollution Prevention Plan will

be developed and implemented in accordance with State Water Resources Control Board National Pollutant Discharge Elimination System.

C. ENVIRONMENTAL STATUS

CEQA Guidelines (Section 15164) states that an addendum to an EIR may be prepared "if some changes or additions are necessary, but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred." The conditions requiring a Subsequent EIR are as follows:

- The project will have one or more significant effects not discussed in the previous EIR ;
- Significant effects previously examined will be substantially more severe than shown in the previous EIR;
- Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Subsequent to the completion of the FEIR for the ERTC Specific Plan, a modification to the list of permitted uses was received. These changes were evaluated in the addendum prepared by Palomar Pomerado Health relative to the assessment of impacts and mitigation measures provided in the FEIR. The determination was made by PPH, acting as lead agency, that the proposed amendment does not significantly change any conclusions reached in the FEIR. Technical studies for traffic, noise, and air quality were prepared. The Addendum also addressed safety and noise impacts associated with the proposed emergency helicopter operations. The report concluded that the required review process will ensure an appropriate height and location for the heliport. The location must address the constraints posed by the electrical transmission lines and plumes from surrounding power plants.

In compliance with CEQA the original Statement of Overriding Considerations for the ERTC FEIR will be included in the Planning Commission and City Council Resolutions.

D. Conformance with City Policy

General Plan

The subject site is within Specific Planning Area 8 of the Land Use Element of the General Plan. The area was anticipated as a high-quality industrial park which would expand the City's industrial and employment base which was incorporated into the ERTC Specific Plan goals. The General Plan for SPA 8 notes that under the Proposed Use and Development Standards that the specific plan will establish the permitted uses. Since the adopted ERTC Specific Plan allows medical uses, staff has made the determination that the SPA is expanding on that permitted use and is therefore consistent with the General Plan.

E. ISSUES ANALYSIS

Appropriateness of the Expanded Use

The proposed SPA would revise the ERTC Specific Plan to include hospital/medical as an allowable land use and reconfigure Planning Areas 4 and 5 in the General Plan Specific Planning Area 8. The SPA would also include the provision of helicopter operations as an allowable use in Planning Area 4. Additionally, the SPA would establish a set of unique design standards for the hospital campus while still maintaining a visually coherent and functional environment with the rest of the ERTC Planning Areas. The proposed project vicinity is dominated by urban development. Industrial parks and other heavily urbanized landscapes occupy the area immediately to the east of the ERTC Specific Planning area. The areas to the north and northwest are also dominated by urban land

uses. Land uses to the south and southwest are mostly of rural development, eucalyptus groves, and fallow agricultural fields. Residential areas are located to the west of the subject site, and are buffered by large slopes and heavy landscaping. The location of the proposed hospital would be compatible with the existing uses to the north and east and would not be significantly more intense than a potential business park with medical offices that could be developed under the existing Specific Plan development standards.

Site Adequacy

The ERTC site is large enough to accommodate all necessary components of the hospital campus. Its proximity to Hwy. 78 and future accessibility to I-15 via Citracado Parkway gives it good accessibility.

Specific hospital parking ratios are established in the Specific Plan. Other uses would provide parking per the existing ERTC ratios. Language is being proposed in the Specific Plan amendment to allow mass transit and transportation demand management measures to substitute for parking spaces. This approach would lessen the number of vehicle trips and increase utilization of hospital facilities. The concept plan addressed in the Addendum shows a mixture of surface parking and garage parking spaces totaling 2,595 parking spaces. Several surface parking lots are proposed on site as well as two five-story parking structures. The site is accessed by five driveways located off Citracado Parkway, which would all connect to the central loop road generally located at the perimeter of the hospital/medical campus. It should be noted that the Planning Commission is not being asked to approve the Supplemental Project Details described in the Addendum.

The concept plan included in the Addendum describes that a helipad would be constructed onsite for helicopters transporting trauma patients. It is shown on the roof of the western nursing tower in the northwestern portion of the hospital campus. The location shown on the exhibit reflects input from helipad would require the issuance of an "airspace determination" letter from the FAA, as required by Part 157 of the Federal Aviation Regulations. The project would also require review by the Airport Land Use Commission, which is the San Diego Regional Airport Authority (SDRAA). The project would also require the issuance of two permits by Caltrans Division of Aeronautics (DOA). The DOA would issue a Heliport Site Approval Permit after all approvals from other agencies have been issued, and a Heliport Permit to authorize flight operations upon post-construction inspection. The Addendum addressed the issue of helicopter noise and found that average noise levels would fall within City standards based on the average number of flights. It was noted that night flights would impact the adjacent residences; however, the current number of night flights is about five per month.

Currently, Exhibit 26 depicts increased setbacks as necessary to keep building heights from projecting above the western slope for PA 5; however, with the Planning Area reconfiguration, much of the area previously in PA 5 would now be in PA 4 and not subject to the setbacks depicted in Exhibit 26. Although the future project would still be subject to the existing 120' maximum height and 160' minimum setback, it could project above the slope. The new guidelines do address the need for design measures, a buffer from the western residences, and architectural detail along the rear (western-facing) buildings

Parking/Transportation

A potential reduction in the parking ratios is being proposed in response to SANDAG and North County Transit District to better utilize nearby transit facilities and reduce vehicle trips at impacted intersections within the area. Potential reductions could be granted for carpooling and use of mass transit. Both would require the implementation of transportation demand management provisions that would have to be vigorously monitored. Reductions could occur at the rate of one less parking space for each documented participant. Greater reductions could occur based on long-term documentation of project effectiveness. The proposed revision to the specific plan for the implementation of these programs is an attached condition of approval and would become Appendix 2 of the Specific Plan if approved.

Site Plan Review

The District requests would establish a ministerial City review for future hospital applications. They seek to limit the City's review to specific, objective criteria as opposed to subjective and discretionary criteria. They assert this approach is necessary since the logistics and space planning needs of a hospital have many internal and external constraints that dictate grouping of uses and building massing. The hospital design is also subject to a significant amount of State oversight. Given these factors, the hospital requests that formal City reviews be limited to specific standards in the Specific Plan including parking, height, land use, fire safety criteria, conformance with the landscape standards, provision of transit, and compliance with noise and lighting standards. For the hospital-specific review, the changes include a 10-day period to determine completeness and establishment of a ministerial review that is criteria-based. The plan review would have to occur within 60 days. The revisions also

provide for a Community Design Review which would consist of the Council and the Palomar Pomerado Health District to review the project with regard to aesthetics. Once the project receives a notice to proceed from City staff, the DRB would hold at least two public workshops with the recommendations being forwarded to the Board of Directors of the hospital district. The proposed revised site plan review process is provided in Appendix 1 of the ERTC Specific Plan Amendment.

Design Review Board

The Design Review Board (DRB) reviewed the project on January 12, 2006. The DRB noted that the proposed changes to the design guidelines were appropriate as it would give the architect and landscape architect more latitude to provide a good design for the facility. The design guidelines of the specific plan have been expanded to allow more colors. Additionally, more drought-tolerant plants have been added to the plant palette to more adequately meet the needs of the proposed hospital. Additional language has been incorporated to the revised specific plan detailing the design elements that are to achieve a high-quality design. Staff has determined that the proposed design guidelines would provide structures that would likely be architecturally more pleasing than buildings anticipated using the current design guidelines.

As revised, the proposed hospital would be determined to be a permitted use with essentially a ministerial review by staff for approval. Once staff review is completed, it triggers a community review process that includes a citizen body, the City's Design Review Board and the Escondido City Council. It would provide significant opportunities for public input. Following staff's review for completeness and compliance with specified criteria the DRB would act in an advisory capacity by providing comments with respect to aesthetic considerations. Currently, City staff reviews an application for development as a plot plan review that would incorporate DRB recommendations into the final approval. The applicant or anyone affected by the approval could appeal the decision to the Planning Commission and then the City Council. The DRB recommends that the ERTC Specific Plan retain this review process and not be changed.

Neighborhood Issues

To date the issues staff has heard from neighbors with regard to the proposed specific plan amendment include the preparation of the environmental document and the inability to review the document prior to acceptance. The opinion has been expressed by some neighbors that an additional EIR would have been more appropriate to analyze the issues involved with the project be anticipated with the specific plan amendment. Specific issues raised were with regard to noise, safety issues with the power plant, and traffic.

Appropriateness of the terms of the Development Agreement

A development agreement was approved as part of the ERTC project. Since a development agreement is part of the specific plan that did not contemplate a hospital use, it is necessary to provide a development agreement that will provide the appropriate adjustments for the revised proposal. To date, the terms of the Development Agreement for the specific plan amendment would continue for a period of 20 years with the following terms:

- As amended PA 4 of the ERTC would be the site of a first class medical center to meet the medical demand of the growing aging population in the North San Diego County
- Commits City to construct improvements between Nordahl Road and Highway 78 as required by the original ERTC approval
- Provides a one time public benefit payment of \$13,000,000 that the City would be obligated to use for Citracado Parkway improvements between the southern portion of the ERTC site and Valley Parkway plus an estimated \$6,000,00 sales tax resulting from the other terms of the agreement
- Provides for construction sales tax benefit to for PPH to require all contracts for fixed goods, equipment, and all other materials needed for the development of Palomar West to pass title within the City, so that the City may secure substantial sales tax benefits
- Provides for the relocation of an existing warehouse facility which would yield sales tax benefits within Escondido
- Provides vesting development rights for the term of the Development Agreement
- Provides for cooperation with the City in securing funds and entitlements to construct remaining portion of Valley Parkway to I-15

PC Staff Report
2005-81-SPA/DA

- Provides that the PPPHD Offices be located at the existing Palomar Pomerado Hospital site
- Provides the Palomar Pomerado District to contribute funds for traffic impacts identified in the Linscott Law Greenspan Traffic Study included in the Addendum

The General Plan states that Development Agreements should be reserved for unusual circumstances, projects of special benefit not otherwise feasible or major projects. Examples include, but are not limited to projects that generate either large numbers of critical types of jobs, significant tax revenues, affordable housing eliminate critical infrastructure deficiencies, involve significant up-front costs and multi-year construction phasing, or otherwise further the goals of the City.

SUPPLEMENT TO STAFF REPORT/DETAILS OF REQUEST

A. PHYSICAL CHARACTERISTICS

The action before the Planning Commission is the amendment of the ERTC Specific Plan and does not address a specific project. The anticipated project which was assessed in the FEIR Addendum is to reconfigure Planning Areas 4 and 5 to allow hospitals and medical clinics as allowable land uses including but not limited to:

- Long and short-term medical care including outpatient surgery centers, imaging centers, mental health clinics, outpatient clinics, rehabilitation clinics
- Doctor's offices
- Emergency treatments
- Medical-related research and education facilities
- Medical, dental, and optical laboratories
- Pharmacies
- Ambulance and paramedic services
- Medical-related helicopter services
- Parking lots and parking structures
- Pole, roof, and building-mounted facilities that incorporate stealth designs or screened from public view
- Central power plant to support primary uses
- Ancillary support services including food services, storage, and other uses incidental to the primary use
- Other uses the Community Development Director determines to be similar in nature

To accommodate the above, the concept proposal described in the EIR Addendum includes 1,236,000 SF of building space which is 601,600 SF greater than originally approved SF in the ERTC Specific Plan for Planning Area 4. The proposed hospital would have 453 beds (360 for inpatients and 93 for a women's center). The women's center will be located in a three-story northeastern wing of the proposed hospital. The site would have two nine-story nursing towers of 314,000 SF, a diagnostic and treatment center in a two-story 228,000 SF wing. A separate 91,000 SF central services building is proposed for a reference lab, warehouse, information technology/info systems, and food services. A support building to provide 258,000 SF of building space with four stories is proposed for support services, a conference center, and outpatient services. A separate outpatient services building would be constructed in the central portion of the campus with 160,000 SF of building space. The central plan would be 50,000 SF. The helipad for the emergency helicopter would be located on the roof of the western nursing tower and would accommodate approximately 25 landings per month (around-the-clock). Plans are attached to depict the proposed flight path of the helicopter.

B. SUPPLEMENTAL DETAILS OF REQUEST

1. Property size: Increase PA 4 from 17.37 acres to 35.4 acres
Reduce PA 5 from 22.6 acres to 4.8 acres for a total site area of approximately 35 acres

C. CODE COMPLIANCE ANALYSIS

1. Parking: The proposed SPA would provide for the following parking requirements:

Hospital Inpatient:	1.25 spaces per patient bed
Hospital Outpatient Facility:	5 spaces per 1,000 SF of GFA
Laboratory and Food Service:	1 space per 575 SF of GFA
Central Service Warehouse:	1 space per 800 SF
2. Signs: None proposed at this time
3. Noise: The Draft Specific Plan Amendment notes that the District shall incorporate programmatic measures to ensure compliance with City noise standards with the exception of noise associated with emergency services. These noise impacts were determined to be infrequent enough to be considered less than significant.

D. RELATED CASES

2001-01-SPA, ER 2001-12

E. GENERAL PLAN COMPLIANCE

- a. Land Use Element Designation: The site is designated as SPA 8 in the Land Use Element of the General Plan. The proposed use of the site is consistent with the General Plan since medical uses are permitted within the
- b. Circulation Element: The project would take access from Citracado Parkway
- c. Noise Element: The site is not within a projected 1990 noise contour of 60 dB
- d. Trails: There is a community trail as part of the ERTC Specific Plan that will serve the site

EXHIBIT "A"
FINDINGS OF FACT
2005-81-SPA/DA

Specific Plan Amendment

1. Approval of the specific plan amendment will not be detrimental to the public health, safety, or welfare or injurious to the City of Escondido since adoption of the proposed amendment would permit a use that is similar in nature and no more intense than the existing permitted uses.
2. The proposed amendment would implement the goals and objectives of the General Plan by proposing uses that are compatible and similar in nature with the surrounding uses.

Development Agreement

1. The proposed development agreement is consistent with the objectives, policies, general land uses and programs specified in the general plan since the proposed residential development is consistent with the requirements of the zone designation for the site.
2. The proposed development agreement is compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is located and all other provisions of Title 21 of the Zoning Code, since the project design meets all the requirements of the General Plan and Zoning Code.
3. The proposed development agreement is in conformity with public convenience, general welfare and good land use practices. The development agreement would provide for the installation of necessary traffic improvements on and offsite that will improve vehicular circulation in the City.
4. The proposed development agreement will not adversely affect the orderly development of property or the preservation of property values since public benefits will be provided to surrounding properties with the construction of drainage improvements to reduce the deficiencies of the area.
5. The proposed development agreement is consistent with the provisions of Government Code Sections 65964 et seq.