

## **SECTION 2.0 DESCRIPTION OF THE PROPOSED PROJECT**

### **2.1 PROJECT LOCATION**

Hoag Memorial Hospital Presbyterian (Hoag) is an existing facility located at One Hoag Drive in the City of Newport Beach (City). The approximately 38-acre site, inclusive of the Lower Campus and Upper Campus, is generally bound by Hospital Road to the north, West Coast Highway to the south, Newport Boulevard to the east, and residential development and open space to the west. Superior Avenue is the closest major street to the west. Exhibits 2-1 and 2-2 depict the project site in a regional and local context, respectively.

Vehicular access to Hoag is provided at three locations. The Upper Campus can be accessed from Hospital Road which serves as the northern boundary of Hoag. The main entrance is a signalized intersection located at the intersection of Hospital Road at Placentia Avenue–Hoag Drive. A non-signalized secondary access, West Hoag Drive, on Hospital Road into the Upper Campus, follows the western boundary of Hoag. West Hoag Drive is gated to limit preclude vehicular access between 8:00 PM and 7:00 AM. A second signalized intersection, located on West Coast Highway at Hoag Drive, serves as the main entrance to the Lower Campus. Hoag Drive, South Hoag Drive, and West Hoag Drive provide internal vehicular access throughout Hoag.

#### **2.1.1 SURROUNDING LAND USES**

Hoag is located within an urban setting. Exhibit 2-3 provides an aerial view of Hoag and the surrounding area. Land uses surrounding the Upper and Lower Campuses include those described below.

#### **Upper Campus**

##### ***North***

- Hospital Road
- Medical office, administrative, and financial uses north of Hospital Road
- Assisted living complex north of Hospital Road

##### ***South***

- Lower Hoag Campus

##### ***East***

- Hoag Drive
- Newport Boulevard
- Residential and retail uses east of Newport Boulevard

##### ***West***

- West Hoag Drive
- Villa Balboa and Versailles at the Bluff Condominiums
- Superior Avenue

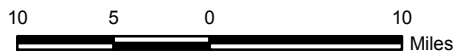


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## Regional Location

Exhibit 2-1

Hoag Hospital Master Plan Update Supplemental EIR

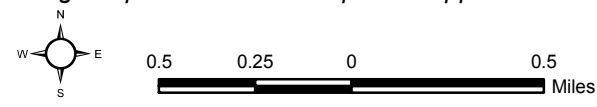




Upper Campus  
 Lower Campus

### Local Vicinity

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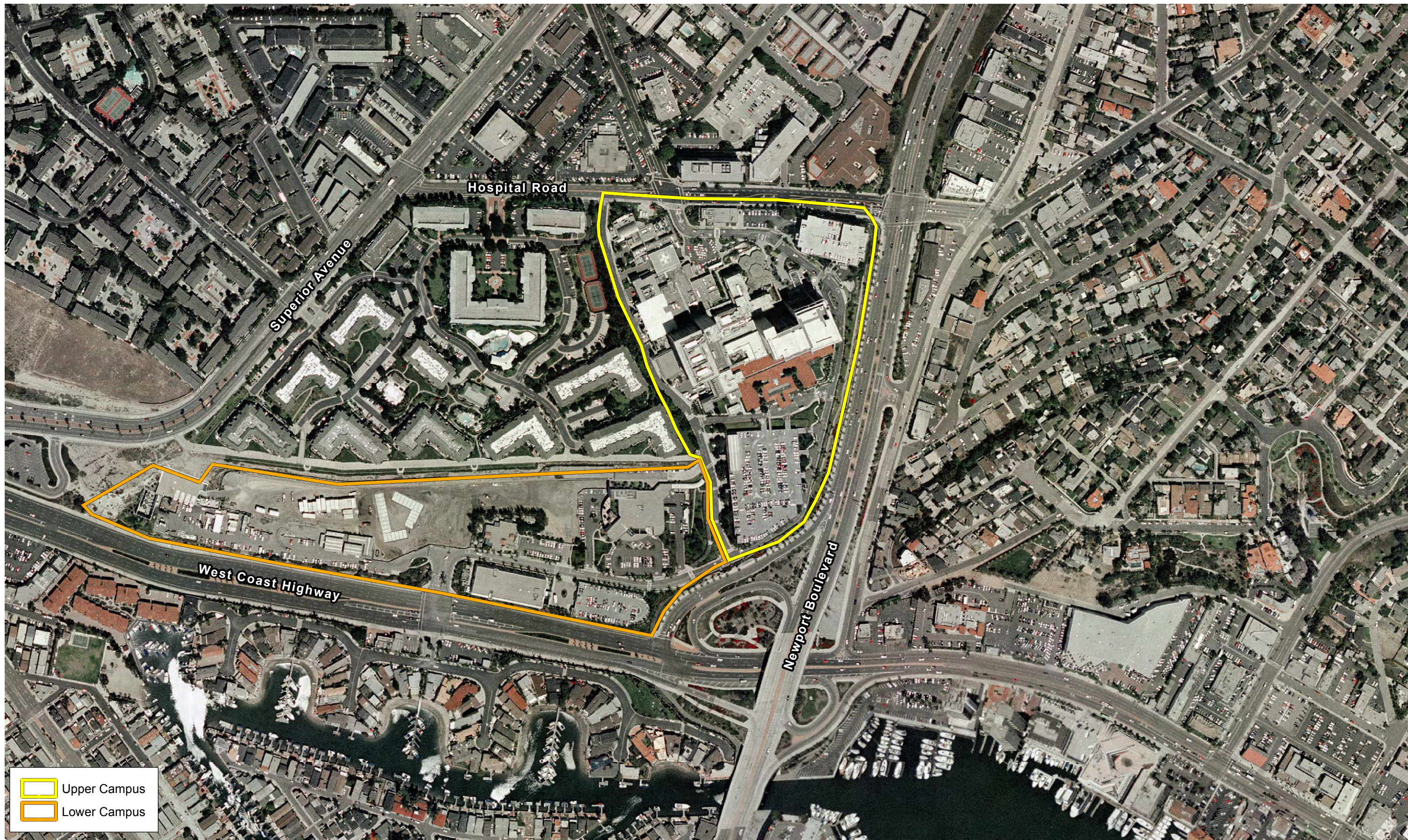


### Exhibit 2-2



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### Aerial View

Hoag Hospital Master Plan Update Supplemental EIR

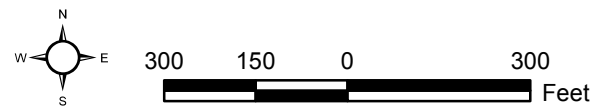


Exhibit 2-3

**Bonterra**  
CONSULTING

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- Additional multi-family development west of Superior Avenue

### **Lower Campus**

#### **North**

- Upper Hoag Campus
- Sunset View Park, a consolidated and a linear park site that extends along much of the northern boundary of the Lower Campus to Superior Avenue

#### **South**

- West Coast Highway
- Residential uses at Balboa Cove and the Newport Beach Townhouses south of West Coast Highway within West Newport

#### **East**

- Newport Boulevard
- Retail commercial and residential development east of Newport Boulevard

#### **West**

- Superior Avenue

## **2.2 ON-SITE LAND USES AND PERMITTED DEVELOPMENT**

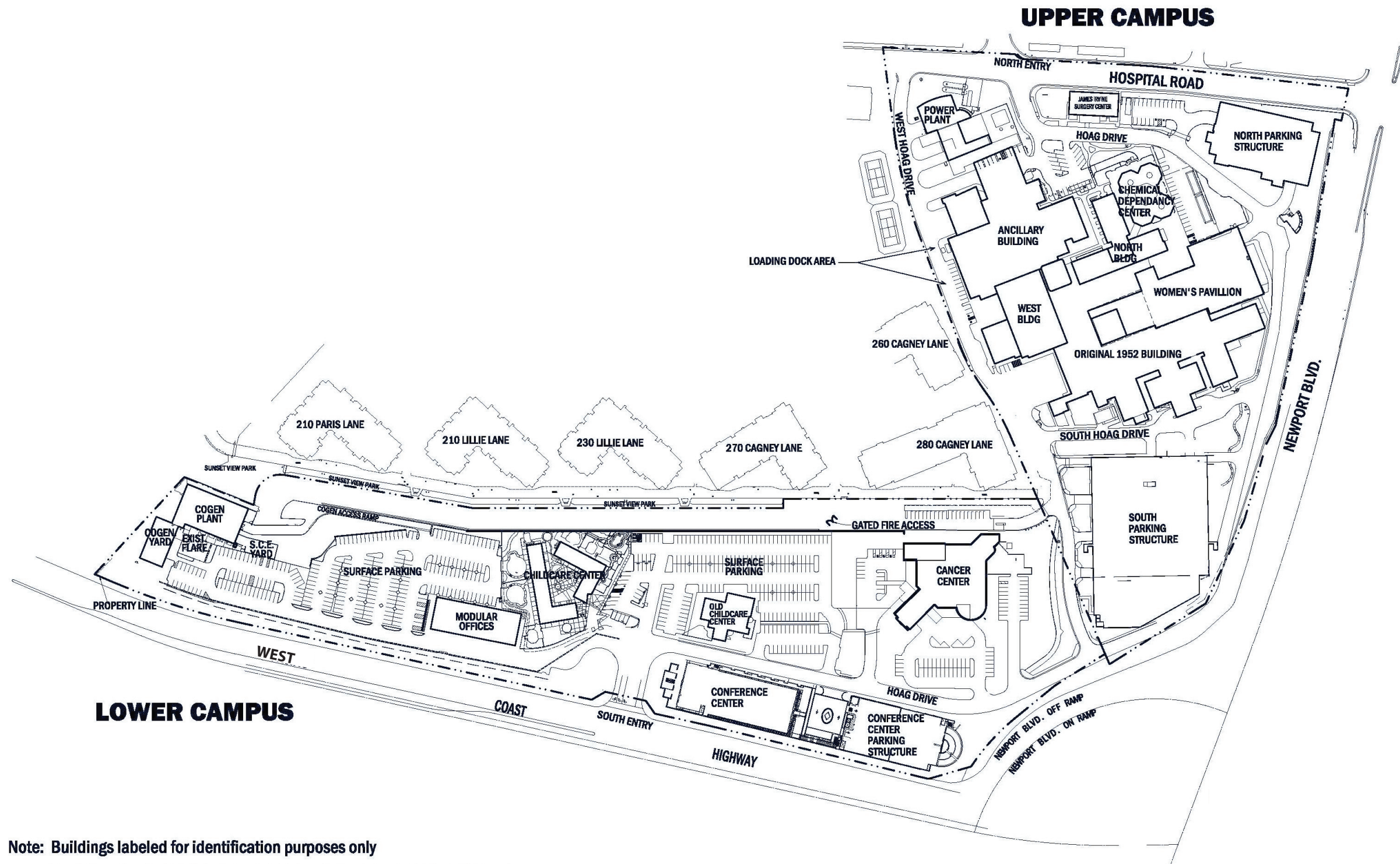
As depicted on Exhibit 2-4, Hoag contains two planning areas: the Upper Campus, which is 17.57 acres, and the Lower Campus, which is 20.41 acres. The *City of Newport Beach General Plan Land Use Element* (2006) and the approved *Hoag Hospital Master Plan*<sup>1</sup> allows for up to 1,343,238 square feet (sf) of development at Hoag, inclusive of the Upper and Lower Campuses. Table 2-1 identifies that, of the 1,343,238 sf of permitted development, the General Plan and the *Hoag Hospital Master Plan* allocates 765,349 sf of uses to the Upper Campus and 577,889 sf of uses to the Lower Campus. Table 2-2 identifies existing land uses on the Upper and Lower Campuses. There is currently 890,005 sf of medical and medical-related uses at Hoag, of which 701,856 sf are inpatient, outpatient, and support uses on the Upper Campus and 188,149 sf of outpatient and support uses on the Lower Campus. Therefore, of the remaining 453,233 sf of approved but not constructed uses, 63,493 sf could be developed on the Upper Campus and 389,740 sf could be developed on the Lower Campus.

Hoag's facilities include a 409-bed acute care, not-for-profit hospital. The *Hoag Hospital Master Plan* does not identify a maximum number of permitted beds. Of the remaining approved but not constructed uses, the *Hoag Hospital Master Plan* permits additional hospital beds, which is a function of the square footage allocation for Hoag. Therefore, all or a portion of the approved but not constructed square footage for the Upper Campus can be used for additional hospital beds.

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<sup>1</sup> Approved in 1992.





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**Hoag Upper Campus and Lower Campus Boundaries**

Hoag Hospital Master Plan Update Supplemental EIR



Exhibit 2-4



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**TABLE 2-1  
HOAG EXISTING ENTITLED SQUARE FOOTAGE**

Location	Approved (sf)	Existing/ Constructed (sf)	Remaining (sf)
Upper Campus	765,349	698,121	67,228
Lower Campus	577,889	188,149	389,740
<b>Total Approved (sf)</b>	<b>1,343,238</b>		
<b>Total Constructed (sf)</b>		<b>886,270</b>	
<b>Total Remaining Approved (sf)</b>			<b>456,968</b>

**TABLE 2-2  
HOAG EXISTING USES STATISTICAL SUMMARY**

Use	Square Feet (sf)
<b>Upper Campus</b>	
Inpatient	643,436
Outpatient: Women's Pavilion	15,392
Outpatient: James Irvine Expansion	800
Outpatient: Cardiac Services Building	5,544
Outpatient: MRI Waiting	500
Support Services: Women's Pavilion	27,114
Support Services: Emergency Generator Addition	5,335
<b>Total Upper Campus</b>	<b>698,121</b>
<b>Lower Campus</b>	
Outpatient: Cancer Center	65,000
Outpatient: Conference Center	13,270
Support Services: Conference Center	77,864
Support Services: Child Care Center	7,800
Support Services: Cogeneration Facility	24,215
<b>Total Lower Campus</b>	<b>188,149</b>
<b>Total Upper and Lower Campuses</b>	<b>886,270</b>
Source: City of Newport Beach 2007b (as amended).	

### 2.3 PROJECT OBJECTIVES

CEQA Guidelines §15124(b) indicates that an EIR should include “a statement of objectives sought by the proposed project.” The following are the objectives for the Hoag Hospital Master Plan Update Project, as set forth by the Applicant, Hoag Hospital.

- To provide the highest quality health care available.
- To recognize that, as Orange County's population ages and expands, so grows the need for increased health care services.
- To allow greater flexibility in the placement of land uses within the Hoag Hospital Master Plan in an effort to allow the hospital to respond to changes in the health care industry.



- To allow the transfer of square footage between the Lower Campus and the Upper Campus while maintaining an overall development cap.

## 2.4 PROJECT DESCRIPTION

The proposed Master Plan Update Project is intended to allow for greater flexibility in the placement of land uses at Hoag. Specifically, the proposed Master Plan Update Project would allow for up to 225,000 sf of medical uses that are currently approved for the Lower Campus to be reallocated to the Upper Campus. As a part of the proposed Master Plan Update Project, the Applicant is not requesting the approval of any project-specific land uses or development projects, only the ability to reallocate square footage. Table 2-3 identifies the existing, currently permitted, and proposed reallocation square footage changes associated with the Project.

**TABLE 2-3  
HOAG PROPOSED PROJECT**

Location	Approved (sf)	Constructed (sf)	Remaining Approved (sf)	Proposed Reallocation (sf)	Remaining After Reallocation (sf) <sup>a</sup>
Upper Campus	765,349	698,121	67,228	+225,000 <sup>b</sup>	292,228
Lower Campus	577,889	188,149	389,740	-225,000 <sup>b</sup>	164,740
<b>Total Approved (sf)</b>	<b>1,343,238</b>				
<b>Total Constructed (sf)</b>		<b>886,270</b>			
<b>Total Remaining Approved (sf)</b>			<b>456,968</b>		
<b>Proposed Maximum Allowable (sf)</b>					<b>Upper Campus: 990,349<sup>c</sup> Lower Campus: 577,889 Total not to exceed: 1,343,238<sup>d</sup></b>
<sup>a</sup> Assumes full reallocation of 225,000 sf from the Lower Campus to the Upper Campus. <sup>b</sup> Up to 225,000 sf can be transferred from the Lower Campus to the Upper Campus. <sup>c</sup> The maximum allowable building area on the Upper Campus would be 990,349 sf (existing + currently approved but not developed + the maximum reallocation of 225,000 sf from the Lower Campus), and a maximum allowable building area on the Lower Campus would be 577,889 sf (existing + currently approved but not developed; assumes no reallocation of square footage from the Lower Campus to the Upper Campus). However, in no event could the combined total building areas of both the Upper and Lower Campuses exceed 1,343,238 sf. This means that if the Upper Campus develops at the maximum allowable building area, then the amount of development on the Lower Campus would have to be reduced accordingly. Square footage is inclusive of inpatient hospital beds. <sup>d</sup> Demolition of some existing structures on the Upper Campus would occur to ensure maximum square feet would not exceed 1,343,238 sf.					
Source: City of Newport Beach 2007b (as amended).					

### 2.4.1 PROPOSED GENERAL PLAN AND ZONING CODE AMENDMENTS

To accommodate the reallocated square footage, amendments to the *City of Newport Beach General Plan*, the Development Agreement, and the *Hoag Hospital Planned Community and District Regulations (PC Text)* are required. Each of these required approvals is discussed in this section.

#### General Plan Amendment

The General Plan Land Use Element (2006) designates the Hoag site as “Private Institutions.” The General Plan identifies a maximum allowable building area of 765,349 sf for the Upper Campus and 577,889 sf for the Lower Campus, for a total of 1,343,238 sf.



The General Plan Amendment would allow up to 225,000 sf to be transferred from the Lower Campus to the Upper Campus. The maximum allowable building area on the Upper Campus would be 990,349 sf (if all 225,000 sf are reallocated from the Lower Campus to the Upper Campus) and the maximum allowable building area on the Lower Campus would be 577,889 sf (if no square footage is reallocated). However, in no event could the combined total building areas of both the Upper and Lower Campuses exceed 1,343,238 sf. What this means is that if the Upper Campus develops to the maximum square footage, then the amount of development on the Lower Campus would have to be reduced accordingly. For example, if the Upper Campus were to develop at the maximum allowed density of 990,349 sf, then only 352,889 sf of development would be allowed on the Lower Campus. Conversely, if the Lower Campus is developed to the maximum allowed density of 577,389 sf, the Upper Campus would only be allowed to have 765,349 sf. It should be clearly understood that the maximum allowable building area is the 1,343,238 sf. It is not the maximum combined square footage for the Upper and Lower Campuses added together. This provides for development flexibility and would ensure a reasonable distribution of development on the site.

### **Planned Community (PC) Development Criteria and District Regulations Amendment**

The PC Text would be amended to establish maximum allowable building areas of 990,349 sf (if all 225,000 sf are reallocated from the Lower Campus to the Upper Campus) for the Upper Campus and 577,889 sf (if no square footage is reallocated) for the Lower Campus, consistent with the proposed General Plan Amendment. In no event would the total building areas of both the Upper and Lower Campuses exceed 1,343,238 sf.

The existing PC Text provides that mechanical equipment noise generated from Hoag not exceed 55 decibels (dB) at all Hoag property lines. This noise restriction, which was established prior to the creation of the City's Noise Element and Noise Ordinance, is proposed to be eliminated. Instead, noise generated at Hoag would be governed by the City's Noise Ordinance except as otherwise provided in paragraphs 1 and 2 below and as depicted on Exhibit 2-5.

1. The applicable noise standard at the Hoag property line adjacent to the loading docks shall be as follows:

	<b>7 AM – 10 PM Daytime</b>	<b>10 PM – 7 AM Nighttime</b>
Leq (15 min)	70 dBA	58 dBA

2. Within the loading dock area, delivery vehicles and the loading and unloading of delivery vehicles shall be exempt from any applicable noise standards.

In addition, the grease pit cleaning, which is exempt from the City's Noise Ordinance because it is a maintenance activity, would occur on a Saturday between the hours of 11:00 AM and 3:00 PM.

Other changes may be required in the PC Text to reflect and be consistent with changes to the Development Agreement and General Plan and/or to provide clarification of standards applicable to future development approvals. These minor revisions include general clarification of definitions and proposed uses; updated references to identify completed activities; modification to the Building Area Statistical Analysis in order to establish square footage limitations; clarification of existing exhibits to better reflect height limitations; and clarification



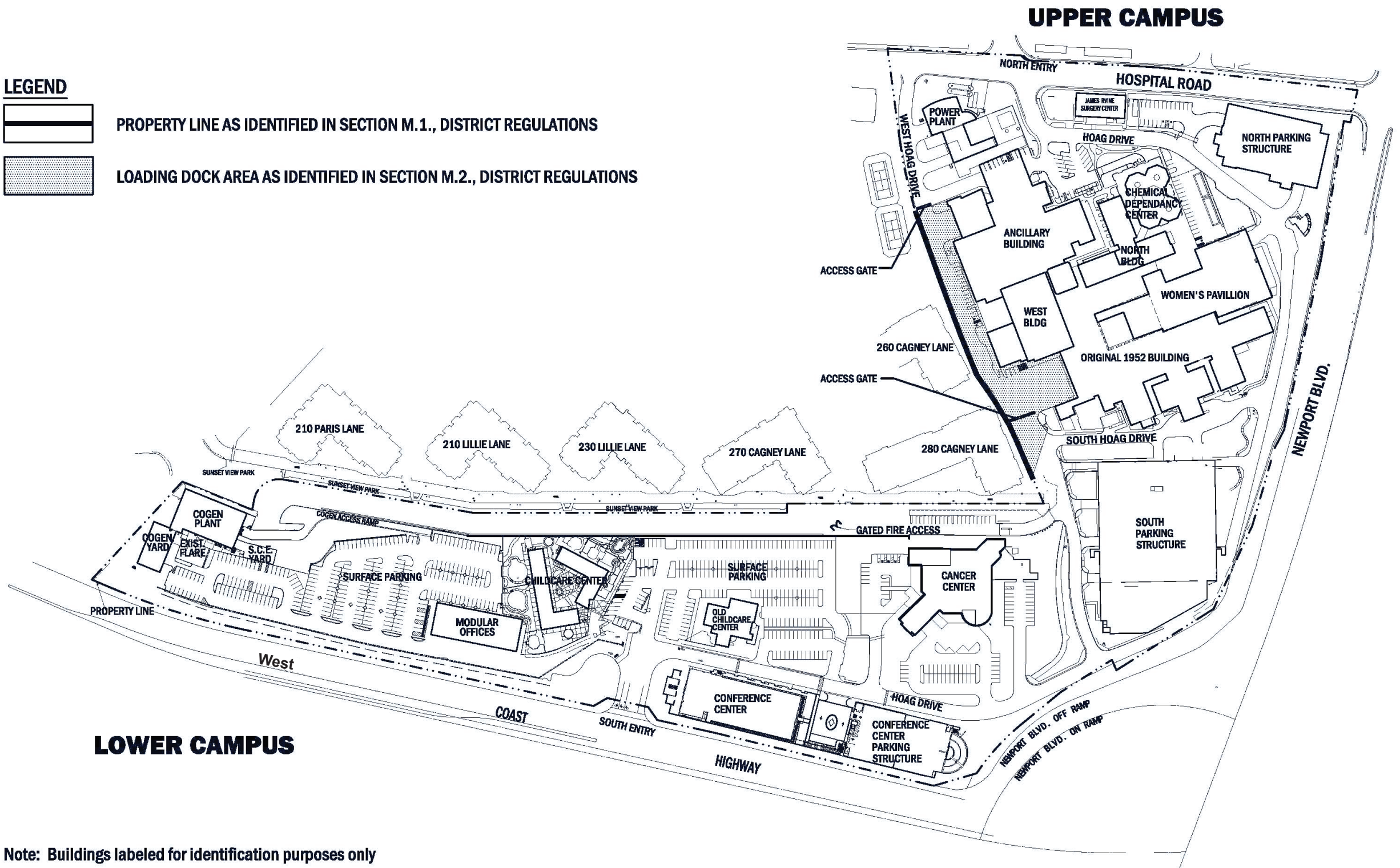
**LEGEND**



PROPERTY LINE AS IDENTIFIED IN SECTION M.1., DISTRICT REGULATIONS



LOADING DOCK AREA AS IDENTIFIED IN SECTION M.2., DISTRICT REGULATIONS



Note: Buildings labeled for identification purposes only

**Loading Dock Area Noise Standards**

Hoag Hospital Master Plan Update Supplemental EIR



Exhibit 2-5





and updating the sign program and landscaping regulations. Please refer to Appendix B for the proposed revisions to the PC Text.

## 2.4.2 DEVELOPMENT AGREEMENT AMENDMENT

An amendment to the Development Agreement would provide for an extension of the term, an increase in the public benefits through the payment of a proposed Development Agreement fee of \$3 million for City public works improvements, designation of the City as the point of sale for major hospital equipment purchases, allow for a one-time waiver of the administrative fee for the issuance of health care revenue bonds, and eliminate unnecessary references. Further, the Development Agreement Amendment would incorporate the changes to the PC Text to:

- (i) Maintain the absolute maximum allowable building area of 1,343,238 sf for development at Hoag comprised of the Upper Campus and the Lower Campus while allowing the transfer of up to 225,000 sf of buildable area from the Lower Campus to the Upper Campus, which, if all 225,000 sf are reallocated, would result in a maximum allowed density of 990,349 sf for the Upper Campus and 352,889 sf of allowable development for the Lower Campus, and if none of the 225,000 sf were reallocated, would maintain the current cap of 577,889 sf allowable density for the Lower Campus and 765,349 sf for the Upper Campus.
- (ii) Identify that noise generated from Hoag is proposed to be governed by the City's Noise Ordinance except as otherwise provided in paragraphs 1 and 2 below (Exhibit 2-5):
  1. The applicable noise standard at the Hoag property line adjacent to the loading docks shall be as follows:

	7 AM – 10 PM Daytime	10 PM – 7 AM Nighttime
Leq (15 min)	70 dBA	58 dBA

2. Within the loading dock area, delivery vehicles and the loading and unloading of delivery vehicles shall be exempt from any applicable noise standards.

## 2.5 PROJECT PHASING

Implementation of the *Hoag Hospital Master Plan* is expected to take approximately 10 years, with buildout projected for the year 2018. The precise timing of the improvements would be determined based on service priorities and available funding.

## 2.6 INTENDED USES OF THE SUPPLEMENTAL EIR

As a part of the proposed Master Plan Update Project, the Applicant is requesting approval of the previously described amendments (i.e., a Development Agreement Amendment and a PC Text Amendment). The City, as lead agency, and the following responsible and trustee agencies are expected to use the information contained in this Supplemental EIR (SEIR) for consideration of future approvals and actions related to and involved in the implementation of the Hoag Hospital Master Plan Update Project.



## 2.6.1 CITY OF NEWPORT BEACH

The City of Newport Beach, as the lead agency for the Project, would rely on the *Hoag Hospital Master Plan Final Environmental Impact Report No. 142* (Final EIR No. 142) and this SEIR as the primary environmental documentation for the approval of the discretionary actions discussed below.

- **Certification of the Hoag Memorial Hospital Presbyterian Master Plan Update Supplemental Final Environmental Impact Report:** The Master Plan Update Project requires the acceptance of the environmental document as having been prepared in compliance with CEQA and the State and City CEQA Guidelines, as well as certification that the information contained in the SEIR was considered in the final decisions on the Project.
- **General Plan Amendment:** The Project requires an amendment to the Land Use Element of the General Plan to establish a maximum allowable building area for the Upper Campus and the Lower Campus.
- **PC Text Amendment:** The Project requires an amendment to the PC Text to establish a maximum allowable building area for the Upper Campus and the Lower Campus. Existing noise restrictions set forth in the PC Text would be eliminated. Noise generated at Hoag would be governed by the City's Noise Ordinance except as otherwise noted.
- **Development Agreement Amendment:** As a part of the Project, the Applicant is requesting a Development Agreement Amendment to allow up to 225,000 sf of authorized development to be transferred from the Lower Campus to the Upper Campus. Noise generated at Hoag would be governed by the City's Noise Ordinance, except as otherwise noted. The Development Agreement Amendment would provide for an extension of the term, an increase in the public benefits through the payment of a proposed Development Agreement fee of \$3 million for City public works improvements, designation of the City of Newport Beach as the point of sale for major hospital equipment purchases, allow for a one-time waiver of the administrative fee for the issuance of health care revenue bonds, and eliminate unnecessary references. Further, the Development Agreement Amendment would incorporate the changes to the Planned Community Text to relevant to noise generation at Hoag. Although not a party to the original Development Agreement, the California Coastal Commission would review and approve the Development Agreement.

Additionally, Final EIR No. 142 and this SEIR may be used as the environmental documentation for subsequent approvals required for the implementation of the *Hoag Hospital Master Plan*. Subsequent discretionary and ministerial approvals by the City that may rely on Final EIR No. 142 and this SEIR include:

- Traffic Phasing Ordinance Analysis
- The California Coastal Commission's (CCC) Approvals in Concept (AIC) or future Coastal Development Permits upon certification of the City of Newport Beach Local Coastal Program.
- Site Plans
- Building Permits
- Grading Permit

- Water Quality Management Plan
- Storm Water Pollution Prevention Plan
- Demolition permits

## **2.6.2 RESPONSIBLE AND TRUSTEE AGENCIES**

Final EIR No. 142 and this SEIR would also provide environmental information to responsible and trustee agencies and other public agencies which may be required to grant approvals or coordinate with the City as a part of Project implementation. These agencies include, but are not limited to, the following:

- The California Coastal Commission
- California Department of Transportation (Caltrans): Encroachment Permits
- California Office of Statewide Health Planning and Development (OSHPD)
- State Water Resources Control Board (SWRCB): NPDES Permit
- South Coast Air Quality Management District (SCAQMD): “Permits to Construct” for three additional cogeneration natural gas internal combustion engines within the existing cogeneration facility.