



Agenda Item

Planning Commission

Item #: 2.2.

4/5/2021

File #: 21-0131

TO: Chair and Members of the Planning Commission

THRU: Anna Pehoushek, Assistant Community Development Director

FROM: Robert Garcia, Senior Planner

1. SUBJECT

Major Site Plan Review No. 1017-20, Tentative Parcel Map No. 0019-20, Design Review No. 5014-20, and Mitigated Negative Declaration No. 1872-20 St. Joseph Medical Office Building located at 331, 353, and 393 S. Main Street.

2. SUMMARY

The applicant, St. Joseph's Hospital, proposes to construct a four-story medical office building of up to 137,500 square feet for medical office and supporting ground level retail within the existing St. Joseph Hospital Campus boundary. Parking would be provided on site within a five level subterranean garage.

3. RECOMMENDED ACTION

Adopt Planning Commission Resolution No. 13-21 entitled:

A Resolution of the Planning Commission of the City of Orange approving Major Site Plan Review No. 1017-20, Tentative Parcel Map No. 0019-20, Design Review No. 5014-20, and Mitigated Negative Declaration No. 1872-20 to construct a four-story medical office building of up to 137,500 square feet for medical office and supporting ground level retail with a five level subterranean garage within the existing St. Joseph Hospital Campus boundary.

4. AUTHORIZING GUIDELINES

Orange Municipal Code (OMC) Sections 17.08.020 B.2 authorizes the Planning Commission to review and make a final determination on applications for Major Site Plans, Design Review, and Environmental Review. OMC 16.12.030 allows for the Community Development Director to approve Tentative Parcel Maps that do not require zone changes, variances, or conditional use permits, or present no other significant difficulties relating to physical improvements, topography, circulation, access, or parcel shape. However, Footnote (b) of Table 17.08.020 - Reviewing Bodies of the OMC states that when more than one type of application is filed for a single project, the application requiring the highest level of approval shall dictate the review process for the entire group of applications. The final determination by the Planning Commission on this application may be appealed to the City Council pursuant to the time period and requirements established in the OMC for appeals.

5. PROJECT BACKGROUND

<i>Applicant:</i>	PBM, LLC
<i>Property Owner</i>	St. Joseph Hospital of Orange
<i>Property Location</i>	331, 353, and 393 S. Main Street
<i>Existing General Plan Land Use Element Designation</i>	Neighborhood Mixed Use (NMIIX)
<i>Existing Zoning Classification</i>	Neighborhood Mixed Use (NMU-24)
<i>Old Towne</i>	No
<i>Specific Plan/PC</i>	No
<i>Site Size</i>	St. Joseph Hospital Campus under the 2004 Development Agreement is 17.84 acres. The project is on 1.41 acres of the campus.
<i>Circulation</i>	Access to the project site would be provided via an unsignalized intersection at Main Street/Columbia Place and an internal exit-only driveway along Palmyra Avenue. Internal routes via Columbia Place would connect the site to the surrounding roadway network.
<i>Existing Conditions</i>	The project site currently contains a motel, two medical office buildings, and associated parking areas. Columbia Place, which serves as a driveway to an adjacent parking structure, bisects the project site. An alley along the east side of the project site provides access to Palmyra Avenue to the north and properties to the east. The portion of the project site north of Columbia Place contains a surface parking lot.
<i>Surrounding Land Uses and Zoning</i>	The project site is bounded to the north by a vacant lot containing two unoccupied commercial structures; to the east by a St. Joseph Hospital parking structure; to the south by Stewart Drive; and Main Street to the west. A commercial retail center and a medical office building associated with the St. Joseph Hospital campus are located on the south side of Stewart Drive, and a commercial retail center is located on the west side of Main Street.
<i>Previous Applications/Entitlements</i>	The site is located within the St. Joseph Master Plan that was approved by the City Council in 2004. The Master Plan is for the phased redevelopment of the hospital campus; the Phase 1 component of the project consisted of the construction of a 234,000 square foot hospital building containing 150 beds and the construction of a new physical plant building, and a development agreement.

6. PROJECT DESCRIPTION

St. Joseph Hospital proposes to construct a four-story medical office building of up to 137,500 square feet for medical offices and supporting ground level retail adjacent to the existing St. Joseph Hospital Campus. Parking would be provided on site with a subterranean garage containing five levels of parking.

Construction would include the demolition of an existing motel and the two medical office buildings, vegetation and parking lot removal, excavation, grading, placement of new concrete foundations, building construction, and the installation of landscaping, irrigation, lighting, storm drain facilities, and

underground utilities.

The proposal also includes a parcel map, since the site contains three existing parcels. The two parcels with the medical office buildings are currently owned by St. Joseph Hospital of Orange/Providence and the third parcel containing the motel is owned by Twin Cypress, LLC. The lot line along the eastern boundary of the northern parcel would be adjusted further east in order to accommodate the subterranean parking garage, and would then align with the eastern boundaries of the other two parcels. The parcel map would combine all three parcels into one parcel.

The proposed medical office building would be constructed in a modern architectural style. All four stories of the medical office building would feature a glass façade, with a geometric design comprised of metal panels. The primary façades facing Main Street and Stewart Drive would be composed primarily of glass. The first-floor elevation would sit back from the stories above to highlight the proposed retail tenants. These façades would also incorporate the use of metal panels to break up the length of the elevation along Main Street and to celebrate the entrance to the Hospital Campus. The north and west sides of the medical office building would use an exterior insulation finishing system (EIFS) with reveals and punched openings. The materials and colors would complement the architectural language established on the existing Hospital Campus.

On-site landscaping would include raised concrete planters containing ornamental grasses along Main Street. Street trees would be planted along Main Street and Stewart Drive and decorative concrete pavers, light posts, and square plant containers would be installed along the Stewart Drive frontage. A plaza located at the corner of Main Street and Stewart Drive would activate the entrance to the Hospital Campus. The plaza would be defined with decorative concrete pavers, outdoor tables and chairs, umbrellas, light posts, plant containers, and signage. On-site landscaping would include street trees along Main Street and Stewart Drive. Raised planters located between the building columns along Main Street would soften the building elevation and create a pedestrian friendly environment. Similar planters are also proposed to screen the on grade short-term parking lot.

Development Standards

	Required	Proposed	Code Section
<i>Building Height</i>	45 feet or 3 stories. However, building height may exceed the allowed maximum provided no part of the building exceeds one-quarter of the horizontal distance, measured in feet, between the ground point of the building and the nearest single-family residential district boundary line.	75 feet to top of roof screen. Horizontal distance between the ground point of the building and the single-family residential district boundary line is 440 feet; allowable height is 110 Feet.	17.19.120
<i>Floor Area Ratio (FAR)</i>	1.5 maximum FAR	2.24 FAR for project site. However, the project site is part of the Master campus; the total FAR at campus build out would be 1.4 for the entire campus.	17.19.120

<i>Loading area (non-residential)</i>	10'X80'	10'X80'	17.34.160
<i>Parking (non-residential)</i>	688 parking spaces.	551 on-site parking spaces. However, the St. Joseph Hospital campus has 1,576 parking spaces in the adjacent parking structure. Only 1,255 parking spaces are required leaving a surplus of 321 parking spaces.	17.34.060
<i>Setback, Front</i>	10 feet maximum or 20 feet maximum for projects that incorporate sidewalk oriented pedestrian amenities.	10 feet maximum to building line, with a recessed first floor to allow for sidewalk oriented pedestrian amenities.	17.19.120
<i>Setback, Rear</i>	0 feet	56 feet	17.19.120
<i>Setback, Street Side</i>	10 feet maximum or 20 feet maximum for projects that incorporate sidewalk oriented pedestrian amenities.	10 feet maximum to building line, with a recessed first floor to allow for sidewalk oriented pedestrian amenities.	17.19.120
<i>Setback, Side</i>	0 Feet	5 feet	17.19.120

7. ANALYSIS AND STATEMENT OF THE ISSUES

Issue 1: Existing Development Agreement

The City of Orange and St. Joseph Hospital entered into a development agreement in 2004 in conjunction with approval of its Master Plan to secure long-term entitlements for the future redevelopment of the hospital campus. The Development Agreement provides St. Joseph Hospital with flexibility in the redevelopment of the campus that is needed because of evolving changes in State law regarding hospital service, unpredictable financing of hospital improvements, and State law requiring compliance with earthquake standards by 2030.

The development agreement and approved entitlements identify the parcels located within the project site as being within the boundary of the Master Plan. Therefore, staff has evaluated the proposal based on the development standards for the NMU-24 zone, and also as part of the Master Plan to ensure that the proposal is consistent with the overall approved campus development program.

Further, the development agreement has a provision in the development agreement, which allows the City to establish an Operating Memorandum (OM) for administrative modifications by the City Manager. Should the project be approved, an OM would be created to memorialize the administrative modifications to the 2004 Development Agreement.

Issue 2: Development Standards

The project site is located within the NMU-24 zoning district, as well as the St. Joseph Hospital Master Plan. The site meets the development standards for the NMU-24 zone. However, when considering the footprint of development on the site, the project exceeds the FAR for the site and the site does not meet the parking requirements.

FAR

The NMU designation has a FAR range of 1.0-1.5. The project site is 61,420 square feet (approximately 1.41 acres) and the proposed building is 137,500 square feet, giving it a FAR of 2.24, which exceeds the allowable maximum. However, as indicated previously, the site is part of the St. Joseph Hospital Master Plan, which at full campus buildout would have a total FAR of 1.4 for the entire campus. Given the St. Joseph Hospital Master Plan layout, it was expected that some parcels would be under the FAR thresholds, while other parcels would exceed the FAR threshold, provided that the total FAR for the campus did not exceed the maximum or fall below the minimum. Therefore, the project taken in the context of the overall campus Master Plan area remains under the 1.5 FAR.

Parking

The required parking for a Medical Office Building (MOB) is five spaces per 1,000 square feet of Gross Floor Area (GFA). The 137,500 MOB has a parking requirement of 688 parking spaces. The proposal calls for 551 on-site parking spaces, leaving it with a deficit of 137 parking spaces. The campus currently has a dedicated parking structure located adjacent to the project site, which houses 1,576 parking spaces. Based on the current campus uses, the required number of parking spaces is 1,255, leaving a surplus of 321 spaces. The proposal would utilize 137 of the 321 surplus parking spaces leaving a total of 184 surplus parking spaces for the campus.

Issue 3: Compatibility

The project site is located in an urbanized area of the City surrounded by medical and professional office, hospital, commercial/retail, and residential uses. The project design and use would be compatible with the surrounding uses and would not result in alteration or modification of the existing public street or sidewalk systems and patterns in the area. The proposed project would be consistent with the City of Orange General Plan goals by integrating the proposed project and existing development with nearby existing transit corridors, commercial/retail, office, and medical uses in the surrounding area.

Overall, development of the proposed project would enhance and strengthen the character of the site and its surroundings through new landscaping, hardscape, and other improvements on-site and along the street edges. The proposed architectural and landscape elements and design would ensure that development of the proposed project is not detrimental to the surrounding area or uses. Additionally, project implementation would provide similar and compatible uses to those existing adjacent to and surrounding the project site.

Issue 4: General Plan Focus Area

The site is located within the "South Main Street Corridor" area, one of the land use "Focus Areas" in the City's 2010 General Plan. The South Main Street Corridor includes the St. Joseph Hospital medical centers on La Veta Avenue, as well as various commercial and office uses on Main Street between La Veta Avenue and Chapman Avenue. South Main Street serves as a key approach to the major medical hub created by CHOC and St. Joseph Hospital medical centers. These medical facilities have generated a spin-off demand for medical office space and other complementary uses that existing land use policies and parcel sizes do not easily accommodate. In recent years, new medical office buildings have been constructed on redeveloped sites, but many commercial properties remain that are incompatible with desired medical uses.

The proposal assists in meeting the City's goals in the focus area, by promoting development of a medical corridor that capitalizes on existing hospital and medical uses. The proposal encourages compatible and integrated commercial and office uses within the hospital campus and within the focus area. The proposed pedestrian areas encourage pedestrian connections to transit along the

arterial corridor, as well as adjacent shopping and hospital facilities. The proposal helps to further the goal of ongoing transformation of South Main Street into a medical corridor in a manner sensitive to surrounding single-family residential areas.

Issue 5: Southwest Redevelopment Project Area

The project site is located within the former Southwest Redevelopment Project Area and is subject to compliance with the architectural and landscape guidelines of the Southwest Design Standards. According to the Southwest Design Standards, the project site is located in Thematic District #3 - South Main/La Veta, which has an urban contemporary theme. The District includes established financial, medical, and business offices as well as retail commercial developments.

The proposed development is in line with the urban contemporary district thematic. The design of the building relates to the immediate prominent neighbor, which is the hospital campus, harmonizing with the existing buildings. The design category of the development is “freestanding building” and all sides of the building have been considered. The elevations facing Main Street and Stewart Drive have been emphasized as they serve as the access point into the building and frame the hospital campus entry. The other two sides are simplified as they front parking.

The streetscape has been focused on the intersection of Main Street and Stewart Drive, where a plaza is proposed directly outside of the main entrance and retail tenants. The plaza, building overhang, curtainwall and associated shading devices, and landscaping wraps the corner from Stewart Drive and continues along Main Street in an effort to maintain design continuity and a comfortable pedestrian scale.

8. PUBLIC NOTICE

On March 26, 2021, the City sent a Public Notice to a total of 173 property owners/tenants within a 300-foot radius of the project site and persons specifically requesting notice. A notice was published in the Orange Register newspaper on March 26, 2021. The project site has been posted in two locations with the notification on that same date.

9. ENVIRONMENTAL REVIEW

Mitigated Negative Declaration: Mitigated Negative Declaration No. 1872-20 was prepared to evaluate the physical environmental impacts of the project, in conformance with the provisions of the California Environmental Quality Act (CEQA) per State CEQA Guidelines Section 15070 and in conformance with the Local CEQA Guidelines (Attachment 5). The Mitigated Negative Declaration finds that the project will have less than significant impacts to the environment, with the implementation of standard conditions and mitigation measures. The public review period was initiated on December 7, 2020, ending on January 19, 2021. Copies of the document were available for public review at City Hall and on the City’s website.

Based on the analysis, the areas of potential significant impacts prior to the incorporation of mitigation measures were Biological, Cultural, Geology/Soils, Hazards & Hazardous Materials, and Tribal Cultural Resources.

Staff received ten written comment letter(s) during the public review period (Attachment 5). The City prepared a Response to Comments to address environmental comments received during the public review period (Attachment 5).

10. ADVISORY BOARD ACTION

Staff Review Committee

City staff reviewed the proposed project and provided comments on July 8, 2020 and September 23, 2020. Staff made a recommendation of approval on November 18, 2020.

Design Review Committee

The Design Review Committee reviewed the subject proposal at the December 16, 2020 meeting and recommended approval of the project to the Planning Commission. The Committee felt that although the design of the project was well articulated and complemented the existing development, during its discussion and deliberations the Committee expressed concerns regarding the accuracy of the historical assessment of the buildings that would be demolished in the Cultural Resources portion of the Mitigated Negative Declaration.

In its recommendation of approval, the Committee concluded that the project design is compatible with the surrounding uses and would not result in alteration or modification of the existing public street or sidewalk systems and patterns in the area. The proposed building design would blend in with the existing surrounding development. Overall, development of the proposed project would enhance and strengthen the character of the site and provide new landscaping, hardscape, and other improvements on-site and along the street edges furthering the creation of a high quality streetscape on the South Main Street Corridor.

11. ATTACHMENTS

- Attachment 1 Planning Commission Resolution No. PC 13-21
- Attachment 2 Vicinity Map
- Attachment 3 Proposed Plans
- Attachment 4 Color Elevations
- Attachment 5 Mitigated Negative Declaration No. 1872-20
- Attachment 6 Draft Mitigated Negative Declaration No. 1872-20 Appendix Page